

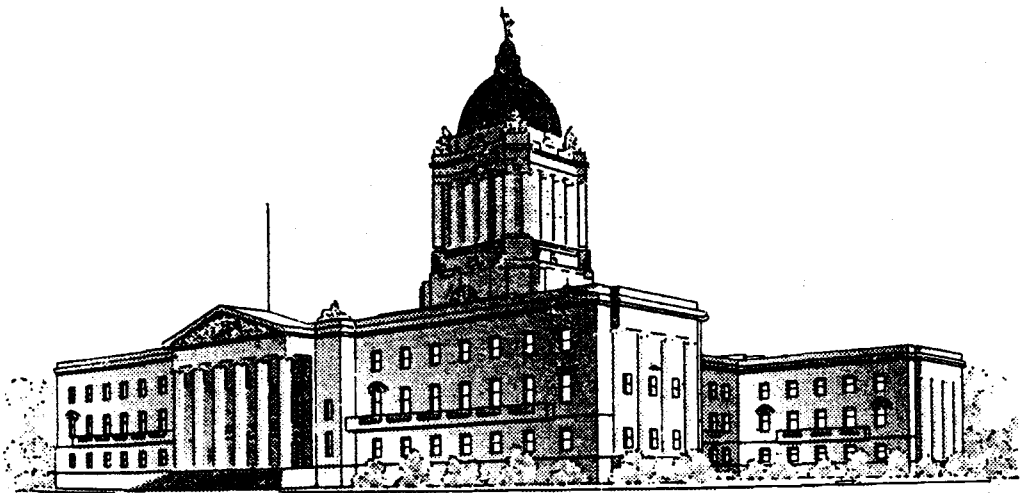


Sixth Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

(Hansard)

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



Vol. XLIV No. 19 - 1:30 p.m., Wednesday, March 15, 1995

ISSN 0542-5492

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

<u>Name</u>	<u>Constituency</u>	<u>Party</u>
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CERILLI, Marianne	Radisson	NDP
CHOMIAK, Dave	Kildonan	NDP
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DUCHARME, Gerald, Hon.	Riel	P.C.
EDWARDS, Paul	St. James	Lib.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Woiseley	NDP
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
GRAY, Avis	Crescentwood	Lib.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	NDP
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	NDP
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	P.C.
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	P.C.
McCORMICK, Norma	Osborne	Lib.
McCRAE, James, Hon.	Brandon West	P.C.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MITCHELSON, Bonnie, Hon.	River East	P.C.
ORCHARD, Donald, Hon.	Pembina	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darrén, Hon.	Lac du Bonnet	P.C.
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupert Island	NDP
ROCAN, Denis, Hon.	Gladstone	P.C.
ROSE, Bob	Turtle Mountain	P.C.
SANTOS, Conrad	Broadway	NDP
SHELLENBERG, Harry	Rossmere	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
SVEINSON, Ben	La Verendrye	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	NDP
<i>Vacant</i>	River Heights	
<i>Vacant</i>	Flin Flon	

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 15, 1995

The House met at 1:30 p.m.

Canada Post—Unsolicited Mail

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Physical Education in Schools

Mr. Oscar Lathlin (The Pas): Mr. Speaker, I beg to present the petition of Mark Sokolowski, Maurice Blanchette, Bernard Dyrkacz and others requesting the Minister of Education (Mr. Manness) to consider maintaining physical education as part of the core curriculum from kindergarten to senior high.

Public Housing Rent Hikes

Ms. Marianne Cerilli (Radisson): Mr. Speaker, I beg to present the petition of Antonio Castro, Filomena Castro, Fel Rodriguez and others praying that the government cancel the proposed rent hikes for 1995.

Communities' Public Education

Mr. Steve Ashton (Thompson): Mr. Speaker, I beg to present the petition of Robert Obleman, Wendy Mann, Jody Templeton and others requesting the Minister of Education and Training (Mr. Manness) to reconsider the funding model to ensure that Thompson and other communities in this province are able to maintain quality public education.

Physical Education in Schools

Mr. Jim Maloway (Elmwood): Mr. Speaker, I beg to present the petition of Stan Sirdar, Lynne Strome, Michael Dunbar and others requesting the Minister of Education (Mr. Manness) to consider maintaining physical education as part of the core curriculum from kindergarten to senior high.

Ms. Jean Friesen (Wolseley): Mr. Speaker, I beg to present the petition of Linda Landry, Anna Haynes, Frederick Stevent and others requesting the federal minister responsible for Canada Post to consider bringing in legislation requiring all unsolicited mail and flyers to use recyclable materials, and amending the Canada Post Act so that Canada Post would have to comply with no-flyer signs at personal residences.

Physical Education in Schools

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I beg to present the petition of Darren Porter, Adam Richard, Robert Canning and others urging the Minister responsible for Education (Mr. Manness) to consider reinstating physical education as a compulsory core subject area.

READING AND RECEIVING PETITIONS

Physical Education in Schools

Mr. Speaker: I have reviewed the petition of the honourable member (Mr. Lamoureux). It complies with the privileges and the practices of this House and it complies with the rules. Is it the will of the House to have the petition read?

An Honourable Member: No.

Mr. Speaker: Dispense.

The petition of the undersigned residents of the province of Manitoba humbly sheweth:

THAT in July 1994, the Minister of Education introduced an action plan entitled Renewing Education: New Directions;

THAT this report will make physical education an optional course in Grades 9 to 12;

THAT the physical education curriculum should be regularly reviewed to ensure that it meets the needs of students;

THAT the government is failing to recognize the benefits of physical education such as improved physical fitness, more active lifestyles, health promotion, self-discipline, skill development, stress reduction, strengthened peer relationships, weight regulation, stronger bones, reduced risk of health diseases and improved self-confidence.

WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the Minister responsible for Education to consider reinstating physical education as a compulsory core subject area.

Mr. Speaker: I have reviewed the petition of the honourable member (Ms. Barrett). It complies with the privileges and the practices of this House and it complies with the rules. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS the proposed changes to the Manitoba curriculum would have no physical education required for students after Grade 8; and

WHEREAS the social, intellectual, emotional and physical benefits of physical education have been proven through extensive research; and,

WHEREAS requiring physical education for high school sends a message that physical activity is important for life and encourages high school students to make life choices to stay active and it fits into a preventative health strategy; and,

WHEREAS many parents, students, medical professionals and educators, health and recreation specialists are urging that physical education be increased in schools.

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba may be pleased to request the Minister of Education to consider maintaining physical education as part of the core curriculum from kindergarten to senior high.

TABLING OF REPORTS

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, I wish to table the Annual Report of the Prairie Agricultural Machinery Institute, known as PAMI, and the Annual Report of the Manitoba Farm Mediation Board.

Hon. Leonard Derkach (Minister of Rural Development): Mr. Speaker, I would like to table the 1993-94 Annual Report for the Conservation Districts of Manitoba.

Hon. Gerald Ducharme (Minister responsible for Seniors): Mr. Speaker, I would like to table the report of the Seniors Directorate 1993-94.

* (1335)

INTRODUCTION OF BILLS

Bill 15—The Balanced Budget, Debt Repayment and Taxpayer Protection and Consequential Amendments Act

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, it is my pleasure to move, seconded by the Minister of Environment (Mr. Cummings), that leave be given to introduce Bill 15, The Balanced Budget, Debt Repayment and Taxpayer Protection and Consequential Amendments Act (Loi sur l'équilibre budgétaire, le remboursement de la dette et la protection des contribuables et apportant des modifications corrélatives), and that the same be now received and read a first time.

His Honour the Lieutenant-Governor, having been advised of the contents of this bill, recommends it to the House, and I would like to table the Lieutenant-Governor's message.

Motion presented.

Mr. Stefanson: Mr. Speaker, this is genuinely an historic bill. It requires that governments of this province in the normal course of events spend no more than what is available to be spent from current revenue. This requirement is backed up with financial penalties for all members of cabinet. Thus the legislation will put a halt to the growth of the provincial debt and also a halt to the rise in interest payments, which have become such a burden for Manitobans.

Future governments of Manitoba will have to do what this administration has done for these past seven years, develop spending priorities, seek out and achieve economies and efficiencies and provide the vital services Manitobans really need and want in the most cost-effective way possible.

This bill is also historic because for the first time it enshrines in law the principle that has guided this administration. Manitobans already pay all the taxes that are necessary to fund the services they expect from their governments. There have been no increases in the major taxes for eight straight budgets, and this bill ensures that there will be no increase in those taxes in the foreseeable future unless the taxpayers give their approval in a referendum.

Finally, Mr. Speaker, this bill is historic because it goes beyond just halting the increase in the debt. It sets out a reasonable plan to repay the debt and thereby reduce the huge burden of interest payments. For this reason I urge all members to support this bill in the interests of all Manitobans but especially for the children of Manitoba—

Mr. Speaker: Order, please. The honourable minister will have an opportunity to finish his response.

Motion agreed to.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon from the Calvin Christian School, twenty-eight Grade 9 students under the direction of Mr. Buikema. This school is located in the constituency of the honourable Minister of Family Services (Mrs. Mitchelson).

Also this afternoon from the Isaac Newton School, we have seventy Grade 9 students under the direction of Mr. Jerry Watson. This school is located in the constituency of the honourable member for Burrows (Mr. Martindale).

On behalf of all honourable members, I would like to welcome you here this afternoon.

* (1340)

ORAL QUESTION PERIOD

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, first of all, we would like to pass on our condolences to the member for Seine River (Mrs. Dacquay) on the passing of her mother, just yesterday I believe.

Federal Budget Defence Spending

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, I have a question for the Premier.

Last week, we talked about the fact that there was no indication in the budget about the federal cuts to health and post-secondary education.

Yesterday, we talked about the devastation of the Crow rate reductions and safety net reductions and the pooling changes on the producers here in Manitoba and asked questions about its impact on the budget.

Today, we have learned that on top of the 185 jobs that are proposed to be lost at Shilo, at that institution, that there is a further hundred military jobs on top of the 185 jobs proposed lost. This is the largest employer in the western region of this province—the largest employer.

When we have checked the numbers in terms of civilian reductions, it was indicated to us that the reductions in the province of Alberta were 15 percent in civilian reductions in defence spending. The reductions in the province of Quebec at the Bagotville operation were about 2 percent in civilian population defence cuts, and at Shilo, the cuts are 40 percent in terms of the province of Manitoba.

Mr. Speaker, I would like to ask this government whether they have built in these horrible impacts in their own provincial budget, and what can we do to get the federal government to reverse its decision, to go back to its original position that there would not be cuts at Shilo, so that we can keep those 285 people working in western Manitoba?

Hon. Gary Filmon (Premier): Mr. Speaker, firstly, as has been indicated by the Minister of Finance (Mr. Stefanson)—I know that the Leader of the Opposition spends a lot of time posing his questions but not much time listening to answers. The Minister of Finance told him last week in response to his questions that, firstly, all of that is in the budget. It is in the budget speech and is referred to specifically so that the Leader of the Opposition could read about it.

Secondly, it does contain the \$60 million in years '96-97 and '97-98, the reductions there.

Thirdly, there is a surplus in the '95-96 budget which can be allocated to things such as that and, finally, as he has indicated previously, the projections for revenue increase are modest and, in fact, below those of almost all economic observers, so that we have left in plenty of room for additional funding, not that we appreciate any of those cuts. In fact, I might say that the Leader of the Liberal Party (Mr. Edwards) has

termed them to be fair, Mr. Speaker, all of these cuts, close to a thousand jobs on the air side with Air Command and so on and also the major cuts at Shilo.

We have put together, I might say, an all-party committee utilizing support from the public at large and many organizations to go to the federal government. We have been denied the opportunity by the federal Minister of National Defence to even meet with him, to even have input to his decision or to question him. I might indicate, Mr. Speaker, that Manitoba's share of the defence cuts is probably at least double that of any other province.

When I raised that with the Prime Minister on Friday, his response was, well, you know, Mr. Klein has not been complaining about the cuts and we closed the base in Calgary. I said, yes, that is right. You closed the base in Calgary, and you moved it to Edmonton which is bigger.

There is no sensitivity whatsoever on the part of the federal government, and what is absolutely infuriating is that the Liberal Party here in this Legislature will not speak out against those cuts. They will not even appoint a representative to the committee that we want to fight the cuts in Shilo. They say that it is fair, Mr. Speaker, and we disagree with them totally.

* (1345)

Mr. Doer: Mr. Speaker, of course, as the Premier knows, we were not informed of the further hundred cuts at Shilo until after the budget was tabled in this Chamber, so this is why we are asking a number of these questions. The cuts keep trickling into the Manitoba economy in terms of its impact.

Mr. Speaker, the Premier did not answer the question of what we are going to do about it. I am a member of the all-party committee. We want to be active in fighting on behalf of Manitobans. We were refused the opportunity to meet with Minister Collenette, and as the Premier has indicated, there is a further \$60-

million reduction in the Manitoba economy, 550 military cuts in the Defence department and 211 civilian cuts at the Air Command relocation to the Ottawa-Hull area, and a further 25 percent reduction in the 17th Wing.

Mr. Speaker, what are we going to do about that? What is the strategy of the provincial government to deal with this horrible decision, where you have a \$30-million building built in Manitoba, and we believe it will cost the taxpayers of Canada more to relocate the Air Command headquarters to Ottawa-Hull.

How are we going to fight this insensitive decision and a decision that does not make any economic sense, nor does it make any sense for the province of Manitoba?

Mr. Filmon: Mr. Speaker, we are doing as we have done in the past, when Ottawa a few years ago announced the closure of CFB Portage la Prairie. We formed an all-party committee that included the local municipal governments, that included representatives of the unions and the workforce, that included community organizations such as the Chamber of Commerce and all of us.

The former Leader of the Liberal Party in this Legislature, the Leader of the Opposition, myself and others joined together to go to Ottawa. The difference was, of course, that time when we went to Ottawa, we were able to get to see the Minister of National Defence. We were able to get to see the key decision makers. We at that time convinced the government to move private sector training into that base and foster the development of 600 or 700 jobs eventually at that base to replace the cuts.

This time, of course, we are not able to get to see the Minister of National Defence. We do not really have the support of the Leader of the Liberal Party (Mr. Edwards) or his people on this issue. We have two all-party committees, one that is being chaired by the Minister of Health (Mr. McCrae), surrounding the cuts at Shilo and will include municipal representation from

Brandon and from surrounding areas, union people, chamber people, as we have for the Winnipeg closure of Air Command with the all-party committee, with Winnipeg 2000, with the Chamber of Commerce, with the City of Winnipeg and all of the other relevant people.

We believe that is the way to go, and we will enlist, obviously, the support of the opposition parties if they choose to be a part of it.

Mr. Doer: Mr. Speaker, this is a \$60-million reduction that we know of through a relocation in the city of Winnipeg, well over a \$10-million reduction in the community of Brandon, the Westman region and the largest employer, and every day, we are finding out about more cuts. It is not as if the budget announcements initially that were made by the federal government have been static. They have continued to flow through our economy.

Mr. Speaker, we were promised a military conversion program for defence spending changes. We have had no announcement. I have called on the provincial government time and time again to have a conversion strategy here in Manitoba. Since I have asked them to have that strategy, we have had a further cancellation of CF-5s and a discontinuation of that fleet, affecting some 300 workers at Bristol Aerospace.

I would like to ask the provincial government, do they have a conversion strategy on defence contracts, so that we can have people at Bristol, Boeing, Standard Aero and other facilities in Manitoba working and thriving in this community?

* (1350)

Mr. Filmon: Mr. Speaker, we have set up an Aerospace Industries Association with the assistance of Industry, Trade and Tourism, and, in fact, I spoke at a conference that was organized by the Economic Innovation Technology Council and the Department of

Industry, Trade and Tourism last spring with the Industries Association.

The fact of the matter is, the Industries Association is working on the issues to try and address some of these concerns. The problem is, of course, that every time they feel that they have something they can work on, the rug is pulled out from under their feet with a new announcement in a new budget.

In addition to the cuts that took place with the cancellation of the EH-101 contract which cancelled about 350 jobs, most of them high-tech, more than 250 of them engineering jobs last year, we now have, of course, the cancellation of the CF-5 overhaul which, again, cuts an additional 300 jobs from Bristol.

All of these things are being done without any consideration, it would appear, on the part of the federal Liberal government or without any concern being expressed by the Liberal Party in this Legislature which wants to keep university graduates working here in this province, and they applaud the killing of over 600 jobs for university graduates here in this province—engineers, science grads, all of those people. They applaud the killing of those jobs, and then they turn around and say, why can we not have jobs to keep our university graduates at home in this province? I cannot believe the hypocrisy that comes out of their mouths, Mr. Speaker.

Agriculture Industries Diversification

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, the recent federal budget will result in drastic changes to agriculture because of the huge cuts in the Agriculture budget. Farmers are told that they should diversify, and one of the areas they should look at is livestock, particularly cattle. However, to diversify, we have to have markets. We are shocked at the announcement by the federal government that they are going to allow more Australian beef into Canada.

I want to ask the Minister of Agriculture whether he will contact the federal government and tell them that this is a ridiculous move. If the cattle industry is going to grow in Canada, we have to be able to supply our market, and we should not be allowing more imports of beef into Canada.

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, I welcome that question from the honourable member for Swan River, because it demonstrates to all of us and more particularly to the farm community that there are things that can be done in a very positive way that can ensure our future well-being in agriculture without costing tons of money. These are policy decisions, and that is one that she is referring to.

It is intolerable that at this precise time, when the WGTA is stripped from us, the same federal government, the same federal minister, the same Liberal federal minister, would allow, to pacify—there is not a meat shortage in Canada, but the eastern packers want access to cheaper cuts of meat from offshore and not to have the sensitivity to at least allow the Crow to die gracefully before he rubs salt in our wound, he could have prevented this from happening.

So I support very strongly the member for Swan River, and I have made my views known to the minister. I support the Manitoba and indeed the Canadian cattlemen's position in this particular area.

Ms. Wowchuk: It appears that the East wins again and the West loses.

Training Programs

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, an important part of this whole transition for farmers is going to be training, and training takes money, but I understand that the \$500,000 that was provided by Human Resources Development Canada for training in agriculture programs has now been cancelled.

Can the Minister of Agriculture tell us, has he addressed this issue in this budget? Is there going to be money available for farmers to continue to get training in agriculture programs, as they had in the past before this cut in funding?

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, I have listened now to several questioners asking the same kind of question, asking whether or not the province, in this case the Department of Agriculture, will find the money that Ottawa has withdrawn from Manitoba.

Mr. Speaker, that simply is not the case. We have struck our budget. We have done our homework as best we can. I am very proud of the budgets that we have presented in the documents and the specific Agriculture Estimates. We have shown some growth in the particular areas of the value-added end of agriculture for the new Ventures program, but, no, to answer her question directly, there are not funds in my budget to backfill where the federal government has unloaded or walked away from its responsibilities.

Ms. Wowchuk: It is unfortunate that farmers are not going to have the supports they need, and I do not expect the provincial government to pick all of that up.

* (1355)

Crop Insurance User Fee

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, in light of the fact that we are told that there is a proposed \$100 user fee that will be applied to all crop insurance and revenue program applications, can the Minister of Agriculture tell us whether or not that fee is going to be applied in this year's season and whether the contracts are going to open up to allow for farmers to have the information on how this fee is going to be applied?

Will it be applied this year, and will farmers be given all the information before it is applied?

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, I would have to take that question as notice by and large.

I want to indicate to the honourable member, though, that I am much more concerned with the projected 30 percent reduction from the federal government in terms of overall support in the safety net programs. That is a very serious matter, and I will certainly be letting Mr. Goodale know where Manitoba—and I am sure I will be joined by other provinces on this particular issue. We will address the question of the \$100 administration fee at the same time, Mr. Speaker.

* * *

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, I want to join comments on behalf of our party with other members of this House who, I am sure, all of us want to express our sympathies to the member for Seine River (Mrs. Dacquay) on the recent passing of her mother.

I also want to take this opportunity to express what I believe would be similar sentiments on behalf of all members here for Mr. John Harvard, M.P. for St. James, on the recent passing of his daughter.

Gambling Cross-Border Statistics

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, my question is for the Minister responsible for the Manitoba Lotteries Corporation.

When the McPhillips Street Station and the Regent casinos were announced in 1992, the statement announcing them read that there were plans to replace two bingo facilities in Winnipeg in an effort to help counter the number of Manitobans travelling out of province for

gaming entertainment, and the present CEO, Bill Funk, said that in addition to stimulating the Manitoba economy, the two new facilities will ensure that gaming dollars stay in the province.

Mr. Speaker, since that time, we have learned that, in fact, the largest tour operator, as one example, that takes Manitobans south to gamble experienced a 25 percent increase in business in the first six months of the operation of those two facilities and has, in fact, had their business more than quadruple, taking Manitobans to gamble in Minnesota, North Dakota and Nevada.

This is obviously a far cry from the promise set out in the initial document. The idea of stopping gambling has, in fact, been reversed. There have been substantial increases in cross-border gambling.

My question for the—[interjection] I cannot hear you, Linda, you will have to speak up. My question for the Minister responsible for the Manitoba Lotteries—[interjection]

Mr. Speaker: Order, please. The honourable member was just about to put his question.

Mr. Edwards: Mr. Speaker, my question for the Minister responsible for the Manitoba Lotteries Corporation: Can he reveal the statistics that the Lotteries Corporation has as to their tracking of gambling here in Manitoba?

He indicated when he announced the report that they thought that approximately 10 percent of the people gambling here were from outside of the province.

Can he, in fact, confirm and reveal the studies done at the Lotteries Corporation that led him to that conclusion that only 10 percent of the people gambling here in Manitoba are from outside of this province?

Hon. Jim Ernst (Minister charged with the administration of The Manitoba Lotteries Foundation Act): Mr. Speaker, I am advised by the Lotteries Corporation that, indeed, yes, about

10 percent of the people who utilize the Crystal Casino or the McPhillips Street Station or Club Regent are from outside of the province of Manitoba. That number, I am also advised, is increasing slightly over the past year or so.

But, Mr. Speaker, he talks about Mr. Canada's Touring Network and the fact that they have increased their business substantially. It is not hard to increase your business when you start off saying it costs you \$100 to go for two days down to the Shooting Star Casino in Minnesota, for which we will give you \$25 to gamble, whereas now the situation has virtually been reversed.

Now people can go there because they are being bought to leave Manitoba by that company, to take them down to those casinos in the United States. It is not hard to double your business if you do that.

* (1400)

Mr. Edwards: Mr. Speaker, in fact, a representative of Mr. Canada Touring told us this morning that this government's casinos had educated people about gambling in Manitoba, enticing them to do more of it, so that is their explanation for the growth.

For the same minister: Has the Lotteries Corporation indeed studied the people gambling at the existing facilities in Manitoba to determine the frequency with which they also gamble at other gambling facilities outside of the province of Manitoba? Has there been any attempt to study, in fact, the people gambling here to determine the frequency with which they go outside of this province to gamble?

Mr. Ernst: Mr. Speaker, from time to time the Lotteries Corporation conducts surveys amongst its patrons to determine a wide variety of things.

I am advised by the Lotteries Corporation that, I believe it is somewhere in the neighbourhood of half of our patrons believe that

our facilities present a quite acceptable alternative to those being offered in the 22 casinos in the northern United States.

Video Lottery Terminals Revenues

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, what is obvious and clear is that the expansion of gambling here has done nothing but enhance and increase the cross-border gambling done by Manitobans, and, in addition, has not attracted tourists.

Finally, for the minister, just approximately a month ago, on February 17, the minister indicated—[interjection]

Mr. Speaker: Order, please. We are going to move along right now.

Mr. Edwards: Mr. Lett has written nothing but good things about you, Mr. Premier (Mr. Filmon), I am sure.

My final question for the minister: The statement that was made in the press release a month ago indicated that the latest audited annual report of VLT revenues on a community-by-community basis would be released as soon as it was available. It has now been close to a month. Is the minister able to release the VLT revenues on a community-by-community basis across the province? Is he prepared and able to do that at this time?

Hon. Jim Ernst (Minister charged with the administration of The Manitoba Lotteries Foundation Act): It is my expectation that we will be able to do that very soon.

Northern Health Care Facilities Staffing Levels

Mr. Steve Ashton (Thompson): Mr. Speaker, it is becoming increasingly clear that Manitobans cannot trust the Tories on health care, and northern Manitobans, in particular, know that.

In August of 1993, major cuts were announced to northern hospitals. Despite the feedback from northerners, the government has brought in further cuts in a document dated October 14. I have now received a letter from the Premier (Mr. Filmon), and I would like to table it, indicating that the Premier, himself, supports the major cuts which will begin implementation April 1.

I would like to ask on behalf of the people of Thompson and the people of Flin Flon—and I know the member for The Pas (Mr. Lathlin) will also be raising this concern on behalf of the people of The Pas and surrounding communities.

I want to ask directly to the Premier. Will he do the right thing and not in the dying days of the mandate of this government bring in major cuts to northern hospitals? Will he put those cuts on hold and let the people of Manitoba have their say on the Tory health care record in the next election?

Hon. James McCrae (Minister of Health): Mr. Speaker, a year and a half ago, when I was appointed, I asked that the implementation of staffing guidelines for hospitals outside the city of Winnipeg be put on hold pending a very thorough review of what the implementation of those guidelines might mean.

In conducting that review, we asked the Manitoba Association of Registered Nurses, the Manitoba Association of Licensed Practical Nurses, the College of Physicians and Surgeons, the hospital staff and representatives, including people representing northern hospitals, to take part in that review.

It was a very thorough one, and it reviewed not only nursing staffing requirements but also dietary staffing requirements, cleaning staffing requirements and all of those efforts that have to be undertaken to run a safe and viable hospital operation.

At the end of last year, the report was completed, the findings were made known, and

the implementation plan was also made known, Mr. Speaker, that any staffing decisions that would have to be made to implement the staffing guidelines, where it was found that those staffing guidelines would indeed result in safe and appropriate patient care, that that would be phased over a further two-year period.

In addition, the department consultants are available to hospitals, and if any hospital has difficulty achieving the staffing guidelines, they need only let the Department of Health know about it.

Mr. Ashton: Mr. Speaker, my question again is to the Premier (Mr. Filmon), because hospitals have expressed concern about patient safety. In the case of the Thompson General Hospital, the College of Physicians and Surgeons has warned that there is danger of a serious mishap in obstetrics because of cuts that have already taken place. The guidelines will result in further cuts.

My question to the Premier (Mr. Filmon) is, given the clear evidence that we are dealing here with patient safety, will this government put the cuts on hold, Mr. Speaker?

Mr. McCrae: Mr. Speaker, that is precisely what we did a year and a half ago, engaged in a very, very thorough review of the staffing guidelines. That review included personnel from the hospitals. For years, hospital personnel have been saying, ask us, we know about how to run hospitals. Those are the people we asked in the development of the staffing guidelines.

If indeed the College of Physicians and Surgeons has a specific problem with the implementation of the guidelines in the obstetrics ward of the Thompson General Hospital, my department is there to assist, to ensure that patient care is not compromised.

Mr. Ashton: Mr. Speaker, I would suggest that this minister and the Premier (Mr. Filmon) talk to staff at the Thompson General Hospital, the Flin Flon hospital, The Pas hospital, because they are saying it is going to jeopardize patient

safety. The hospital itself has said that the guidelines increase the patient liability of the hospital.

I ask the Premier once again, why will he not put these cuts on hold and let the people decide on the Tory health care record?

Mr. McCrae: Mr. Speaker, we did precisely that a year and a half ago when the implementation of the staffing guidelines was put on hold. If the honourable member's assertions are correct, that there are people within the Thompson General Hospital, the Flin Flon General Hospital or The Pas hospital to the effect as the honourable member has said, we have already offered to make our Manitoba health consultants available to address any concerns which are exclusive or unique concerns, to address them to us, and we will ensure that implementation is not rushed to the point where anybody is in any danger.

* (1410)

Northern Health Care Facilities Staffing Levels

Mr. Oscar Lathlin (The Pas): Mr. Speaker, my questions are for the Minister of Health.

Earlier this year, the minister in Winnipeg announced that over 100 more jobs would be cut at the Flin Flon, Thompson and The Pas hospitals.

My question is simply this. Why did the minister decide to lift the pause on cuts to the northern hospitals? Will he put his sweater back on again?

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

Hon. James McCrae (Minister of Health): Mr. Acting Speaker, the staffing guidelines implementation plan and report was released and made public, and it affects all Manitoba hospitals, not just northern hospitals.

There are hospitals in Manitoba where adjustments will be made either up or down, depending on the requirements of the patients in those hospitals, depending on the utilization rate of those hospitals, depending on the occupancy of those hospitals.

I cannot stress to the honourable member for The Pas and the honourable member for Thompson (Mr. Ashton) and, well, whoever is here representing Flin Flon, I cannot stress enough that people working in northern hospitals were involved in the review of the staffing guidelines for all of the hospitals in Manitoba.

I say to the honourable member, it is not correct for him to single out three hospitals when this—

An Honourable Member: You are the one that did it.

Mr. McCrae: I did not.

Mr. Acting Speaker, the review of the staffing guidelines was undertaken by the people that I have already enumerated, many of whom work in northern hospitals.

Norway House Physician Requirements

Mr. Oscar Lathlin (The Pas): Mr. Acting Speaker, while this minister claims that all is well all over the place, including northern Manitoba, I wonder then what assurances he can offer to residents of Norway House, who will be losing their last doctors in a matter of a few days.

What assurances can he offer that there will soon be four doctors at the hospital in Norway House? The doctors are leaving.

Hon. James McCrae (Minister of Health): Mr. Acting Speaker, this is indeed an important matter the honourable member raises. I met as recently as yesterday with residents of Norway House to discuss the issue of physician requirements in that area, and I have directed the

Department of Health to turn its attention immediately to the problems that would be created if the remaining physicians are to leave.

As the honourable member may know from correspondence or otherwise, he may know that the Physician Resource Committee has made an interim report available. There has been a change in the licensure requirement for particular circumstances. The setting up of a pool for locum tenens positions is happening. We are also making permanent billing numbers available to doctors presently operating on conditional billing numbers in exchange for their locating in areas where doctors are needed.

So a lot of things are happening. I share with the honourable member the concern about Norway House and have asked the department to make this a top priority.

Opaskwayak Cree Nation Meeting Request

Mr. Oscar Lathlin (The Pas): Finally, Mr. Acting Speaker, has the Minister of Health agreed to meet with Chief Francis Flett of the Opaskwayak Cree Nation to discuss the health cutbacks and their impact on northern Manitoba; more specifically, to that OCN member who was ill and could not be seen at the emergency unit because there were no doctors?

Hon. James McCrae (Minister of Health): Mr. Acting Speaker, a person representing the person referred to by the honourable member put out an emergency press release demanding a meeting with me without asking me to have a meeting. Regardless, I got in touch with them, and I have offered that a meeting can happen at any time.

However, their press release contains some factually incorrect statements, talks about cutbacks in the emergency room at The Pas hospital which have not happened and—

An Honourable Member: Oh, speculation.

Mr. McCrae: That is exactly what happened. It also ignores altogether the responsibility of the physicians practising at The Pas who have not lived up to their responsibility to provide emergency services.

My door is open as it always is, Mr. Acting Speaker, but do not tell me it is an emergency in a press release without getting in touch directly with me. If it is an emergency, it will be dealt with that way.

Immigration Government Initiatives

Ms. Becky Barrett (Wellington): Mr. Acting Speaker, over the last four years, immigration in Manitoba has declined by over 42 percent, and recent federal government changes, including a major decrease in the family reunification category and the \$975, quote, right-of-landing fee—more appropriately known, I believe, as a head tax—have made it extremely difficult for people to come to Manitoba as part of a family or even as individuals.

My question to the Minister responsible for Citizenship is, what has the provincial government done to alleviate these negative impacts on immigration in Manitoba?

Hon. Harold Gillehammer (Minister of Culture, Heritage and Citizenship): Mr. Acting Speaker, we are very concerned with a number of the changes that are taking place with the federal immigration policy. We have written to the federal minister and for some time now attempted to have a meeting with the federal minister. I realize that he has many responsibilities and has been unable to meet with us at this time.

We have kept up our support for the settlement agencies here in Manitoba. Our support has been there to enable those agencies and our department to provide the support that the immigrants need, but we are concerned that Manitoba will be very negatively impacted by these policies of the federal Liberal government.

Ms. Barrett: Mr. Acting Speaker, I would like to ask, given the fact that the federal Minister of Immigration has been unable or unwilling to meet with his provincial counterpart to discuss this issue, if the Premier, when he met with the Prime Minister last week, brought up the serious issue of the federal immigration changes and the very negative impact that these changes are going to have on Manitoba?

Hon. Gary Filmon (Premier): Mr. Acting Speaker, I can just tell the member for Wellington that we have said publicly our opposition to the changes that have been made. We have expressed those through the efforts of the Minister responsible for Culture, Heritage and Citizenship, and we are indeed opposed to those changes.

Ms. Barrett: I take it from the Premier's answer that, no, he did not raise this issue when he had the opportunity with the Prime Minister.

Memorandum of Understanding

Ms. Becky Barrett (Wellington): Will the provincial government, in its current negotiations with the federal government on immigration policy for Manitoba, promise to renegotiate the Memorandum of Understanding that was signed by this government before the latest drastic changes to the federal immigration policy had taken place, renegotiate that memorandum so that immigrants from all over the world will have an opportunity to come to Manitoba, both as family immigrants and as independent immigrants?

Hon. Gary Filmon (Premier): Mr. Acting Speaker, I can tell the member for Wellington, the Johnny-come-lately who has suddenly become interested in issues of immigration now that she is the critic, and did not ask any questions on it or show any concern before, that this government has been working with successive federal governments now for five years to try and get an agreement on immigration that would allow provincial input, so that we would have a say in all of the various issues to

do with immigration, so that we could increase the numbers and, in fact, target them toward skill shortages and various other issues that are important to the immigrant community, that are important to the various ethnic communities in Manitoba.

**Department of Education and Training
Learning Disabilities Co-ordinator**

Mr. Kevin Lamoureux (Inkster): Mr. Acting Speaker, my question is for the Minister of Education.

There is the need for a co-ordinator in terms of learning disabilities within the Department of Education. Quite often, what is required is if a teacher is having problems with some student who has a learning disability, they used to be able to call into the Department of Education and talk to the learning disability co-ordinator. That particular position, unfortunately, has not been filled since September.

My question to the Minister of Education is, when does he plan on filling that particular position?

Hon. Clayton Manness (Minister of Education and Training): Mr. Acting Speaker, I thank the member opposite for the question. We are in the process of filling a number of positions at this point in time, particularly in the program development side.

I cannot give the member a definitive response to that particular question. I will take that question as notice.

Mr. Lamoureux: Mr. Acting Speaker, I wonder if the minister—and again, to the Minister of Education—is he aware that the Learning Disabilities Association of Manitoba, as a result of this particular minister not filling that vacancy, has, in fact, been receiving a number of calls which they are unable to deal with, because they do not have the expertise to pass on to the teachers who need this assistance.

Is the minister aware of it and if he is, what is he doing about that? Does he believe that is a problem?

Mr. Manness: Mr. Acting Speaker, I am aware of many of the issues in education. I would tell the member, though, we are trying to fill positions in a fashion in keeping with his request and the representation that has been made to him by those who are, of course, wanting to see the position filled.

But, Mr. Acting Speaker, I would point out to the member that we are going through a significant period of change that is supported by the public across the width and breadth of this province. We are reorganizing within the department. I believe the Liberal Party has supported elements of that and, of course, rejected great portions of the reform process upon which we have embarked.

I would say that the member will be forced, I would think in the very near future, to spell out very clearly where the Liberal Party stands with respect to education reform in this province.

The Acting Speaker (Mr. Laurendeau): Time has expired for Question Period.

NONPOLITICAL STATEMENTS

**Manitoba High Schools
Hockey Championship**

Mr. Edward Helwer (Gimli): Mr. Acting Speaker, do I have leave to make a nonpolitical statement?.

The Acting Speaker (Mr. Laurendeau): Is there leave for the honourable member for Gimli to make a nonpolitical statement? [agreed]

Mr. Helwer: I would like to congratulate the Stonewall Rams on their victory over the Silver Heights Huskies last Monday evening, crowning them the Manitoba high school hockey champions. The Rams have demonstrated what leadership and team spirit can accomplish. They

were winners, pulling together and making it to the championships, but their victory also shows all of Manitoba that they are the best high school hockey team.

Many fans turned out to Winnipeg Arena to witness the victory of the Rams, and sticking to the game plan was key to the victory, according to the Ram's coach, Bob McIvor.

In life, politics or hockey, the rules of success are the same—have a clear vision and a game plan and stick to it and have strong leadership and be a team player, and as the Stonewall Rams have shown, you will come out ahead.

It is my pleasure today to stand and congratulate the coach, Bob McIvor, all the players and everyone involved with the team. The Stonewall Rams are the pride of my constituency and proudly bear the title of the 1995 Manitoba High School Athletic Association's 1994-95 Hockey Championships. Thank you.

* (1420)

Mr. Gary Doer (Leader of the Opposition): I would like leave for a nonpolitical statement, please, Mr. Acting Speaker.

The Acting Speaker (Mr. Laurendeau): Does the honourable member have leave? [agreed]

Mr. Doer: I would like to join with the member for Gimli (Mr. Helwer) in congratulating the Stonewall Rams on their victory. I know they beat a team on their way in the quarter finals that I was certainly cheering for. I know that a lot of people were very happy that Stonewall won.

I think what we have seen in Manitoba over the last four or five years is a tremendous development in high school hockey, which I think is terrific for our province. At one point in young people's lives, if they were going to play amateur hockey, when they reached the point of being 15 or 16 years old, they literally had to quit school to join junior hockey teams and participate if they wanted a career in hockey or

if they wanted to be much more serious in hockey.

I think what we have seen over the last number of years through the excellent work of a lot of communities and volunteers, both in our high schools, we have seen terrific hockey develop. It is no longer necessary as it was 10 or 15 years ago for young people to have to quit school to play hockey beyond the age of 16. They can play hockey now in high schools, and the calibre of hockey is just excellent. That also allows kids to go to universities and play university hockey.

I want to congratulate all the participants in high school hockey in Manitoba. It is growing and growing every year. The crowds are great in terms of following the communities. I think there was an article just recently about the Boissevain hockey team and the tremendous turnouts that were coming to the Boissevain Antlers in terms of the tremendous turnout for their games. Communities are really getting involved in their high school hockey teams.

I want to congratulate all those volunteers and all those players. I think it is just great for the province. Congratulations to the Stonewall Rams for winning that important award.

The Acting Speaker (Mr. Laurendeau): Does the honourable Leader of the second opposition party have leave? [agreed]

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Acting Speaker, I want to join with the comments of the member for Gimli (Mr. Helwer) and the Leader of the Opposition (Mr. Doer) in congratulating all of the players in the Stonewall Rams and indeed the entire school for their support for that team.

I recognize that they, I believe, beat the Silver Heights team. While that is, perhaps from my perspective and that of the member for Sturgeon Creek (Mr. McAlpine) that Silver Heights school is in, a bit unfortunate—many of the people in that school do come from my area—nevertheless, I

understand it was a very good match. I understand it was a very good season for both of those teams and many others. We congratulate that team.

I share comments with the Leader of the Opposition on the importance of high school athletics generally speaking and in particular in this case high school hockey. I also indicate as an individual who played a lot of hockey growing up that it was very important to me, very important I know to many in this House playing hockey and sports. We must always, I think, ensure that as many young people are playing sports, whether it is hockey or other athletic activities, because it is part of the development process and I think a key aspect of a healthy lifestyle and as well builds social bonds and a sense of sportsmanship which is lasting throughout one's life.

Mr. Acting Speaker, I join congratulatory comments and best wishes to that team. I also look forward to, of course, a reverse decision next year as I am sure that Silver Heights will be back and will no doubt be victorious next year. Thank you, Mr. Acting Speaker.

Mr. Gerry McAlpine (Sturgeon Creek): Do I have leave to make a nonpolitical statement?

The Acting Speaker (Mr. Laurendeau): Does the honourable member for Sturgeon Creek have leave? [agreed]

Mr. McAlpine: I too would like to congratulate the Stonewall hockey team, but especially I would like to offer my congratulations to the Silver Heights team, a high school that is in the constituency of Sturgeon Creek—and the importance of hockey in the area of Silver Heights and the whole community of St. James-Assiniboia.

The Silver Heights team has shown the sportsmanship and the calibre year after year, not only this year, that they are real competitors and are worthy hockey players, not only hockey players but in all aspects of the athletic field.

I would like to take this time to congratulate the team members, the coaches and the parents for the participation and the commitment that they make to amateur sport and to the game of hockey in high school especially. Thank you.

ORDERS OF THE DAY

BUDGET DEBATE (Fifth Day of Debate)

The Acting Speaker (Mr. Laurendeau): On the proposed motion of the honourable Minister of Finance (Mr. Stefanson) and on the proposed motion of the honourable Leader of the Opposition and amendment thereto and on the proposed motion of the honourable Leader of the second opposition party and further amendment thereto, standing in the name of the honourable member for Inkster who has 37 minutes remaining.

Mr. Kevin Lamoureux (Inkster): Mr. Acting Speaker, it was an interesting Question Period in the sense that just before we got underway in Question Period we had the government of the day bring forward for first reading finally, our so-called balanced budget legislation.

By the way, Mr. Acting Speaker, this is the legislation that they are just introducing today and which, from what I understand, they are advertising as the law in the province of Manitoba—an interesting way of passing legislation from this government.

You know, it is interesting in the sense that the first time we heard that the government was going to really bring up balanced-budget legislation was during the throne speech when the government indicated that they wanted to bring in legislation for the first time to deal with balanced budgets.

The Leader of the Liberal Party and our caucus were quite pleased to hear that the government was, after seven budgets, prepared to deal with deficits and bring forward balanced budget legislation. In fact, we were so pleased

that we even extended, through leave—we were prepared to see the legislation introduced back in December. Not only were we going to do it through leave, we were also prepared to pass it out of second reading so that it would go into committee.

The purpose of that, Mr. Acting Speaker, was to allow for the public to have input in committee in the month of January so that we would be able to get feedback on what Manitobans had to say about balanced legislation and the other aspects that the government has attached to what we believe in the name or in the title of this bill in terms of debt reduction and taxpayer protection. It would have provided an excellent opportunity to provide that public input.

It is unfortunate that the government did not take the Liberal Party's offer because had they done that what we could be debating here today or if not today after Budget Debate ends, we could have been debating third reading of some form of a balanced budget legislation. So then we might have had a better chance at seeing it pass.

Having said that, Mr. Acting Speaker, I do believe that the will of the Chamber could see balanced budget—this particular Bill 15 receive some special circumstances and possibly be passed into committee so that the government does in fact have opportunity to get public input and at least given an attempt to pass it into law before we go into the next provincial election.

Now that is something in which we had caucused somewhat about earlier this afternoon, and I can assure the Premier (Mr. Filmon) that in fact we are not going to do anything to prevent this particular bill from passing through second reading. We would like to be able to see the bill in terms of the contents because it would be nice to be able to start talking and getting other individuals involved in the process, Manitobans involved in the process, Manitobans who are not necessarily just a part of the cabinet.

* (1430)

Mr. Acting Speaker, I wanted to comment on a number of issues and, unfortunately, we do not have very much time to cover all the issues. So I am going to be as brief as I can on certain issues, in particular, with respect to jobs and the bottom line on jobs.

In September 1990 to February 1995, Canada lost approximately 170,000 jobs. Compared to the province of Manitoba, we lost 12,000 jobs. If you worked on averages, Manitoba's percentage of the population, we should have been at 5,000 as opposed to 12,000. That meant we lost 7,000 more jobs than the national average—interesting.

February 1994 to February 1995, Canada increased 326,000 jobs. Manitoba's economy grew by 11,000 jobs. Again, we fell approximately 2,000 jobs short from the national average. We should have had approximately 13,000 jobs in the province of Manitoba.

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

We always talk in terms of deficits, social programs, spending cuts, establishing priorities. This is, in fact, what budgets are all about. Mr. Acting Speaker, the best way to fight the deficit or keep taxes down or to ensure strong social programs is to get people working. As the world economy changes, government must ensure that our population has the skills to capture the jobs of the future. We must invest in education and training programs that will result in more jobs at the end of the day. Social assistance should not provide incentive for people who have the ability to work to remain in their homes. The primary role of social assistance for these people should be, how do we assist them in reentering the workforce.

As I have indicated, the budget is a question in terms of priorities. Every budget that has been brought before this Chamber since I have been here, Mr. Acting Speaker, at least I believe—I

quite often have referred to the Keynesian theory in the sense that government should during bad times be more inclined to minimize the bottoming out of an economy. During good times, it is necessary for governments to do what they can in terms of getting themselves ready so that—when we are at the other end of the business cycle.

It has been an interesting process when we have had a federal budget that has come down and shortly after that we have had a provincial budget. There are a lot of comments that come out of the two budgets. You know, when I try to look at the comments that come up every day in Question Period, individuals will say, well, how can we support this budget that is in Ottawa. The NDP, of course, do not support the federal budget. They do not support the provincial budget, and I would expect that.

I do look at it, and I think there are areas, no doubt, in which the federal government has cut back in some areas in which I would have liked not to have seen. They have instituted some things that I might not necessarily be supportive of, and I will do what I can, in my capacity as the local MLA to be able to have influence, that being talking with my member of Parliament and also taking advantage of opportunities when I get to meet with the federal ministers, which I have already, to lobby for what I believe are changes that are necessary.

In dealing with the provincial budget—and we had a very good example, before I get on with that. The other day we had a member from the New Democratic Party ask the Minister of Housing (Mrs. McIntosh) a question with reference to declining revenues coming in housing to the province. I know myself and the current Minister of Housing have had opportunities in the past to talk about alternatives of nonprofit housing and, Mr. Acting Speaker, I think that there are a number of things that could happen within the Department of Housing to try to spend what monies we get more efficiently.

We have, it is estimated, I believe over 20,000 nonprofit housing units, for example, throughout the province of Manitoba. There are some initiatives that have been going on and we hope that will continue to go on. Then there are some ideas I believe, Mr. Acting Speaker, that we can act upon.

For example, I was sitting down with Amie Chartrand from Gilbert Park. He was talking about, it would be nice, for example, if there was some form of a cap on nonprofit housing units so that individuals that have been living in a nonprofit housing complex, once they hit a certain income, that they would be allowed to remain, because once you have hit a certain level of payment to Manitoba Housing you want to be able to remain there, but it almost becomes economically unfeasible to a certain degree for you to remain in that particular facility. So as a result we have individuals that would like to remain in some nonprofit housing moving out because they end up making too much money from their perspective.

Point of Order

Hon. Linda McIntosh (Minister of Housing): I wonder if the member would care to entertain a question on the comments he has just made. Would he be willing to?

Mr. Lamoureux: As long as it is subtracted from my time, Mr. Acting Speaker, I do not have any problem with it.

The Acting Speaker (Mr. Reimer): The Minister of Housing did not have a point of order.

* * *

The Acting Speaker (Mr. Reimer): On the question, the member for Inkster will—

Mrs. McIntosh: He said he will accept it as long as it does not come off his time.

Mr. Lamoureux: Mr. Acting Speaker, I would be prepared to. I would just ask for an additional three minutes on the time so I can hear the question and give the answer. I see that there is leave.

The Acting Speaker (Mr. Reimer): Is there leave for the question at the end of the time? Agreed.

The member for Inkster to continue, or is the question to be asked now?

Mr. Lamoureux: No, ask the question.

The Acting Speaker (Mr. Reimer): The Minister of Housing, on her question to the member for Inkster.

Mrs. McIntosh: I am just wondering if the member for Inkster would clarify for me, in light of the comments that he just made, if he feels that we should be now entering into competition with the private sector, regardless of the impact on landlords, and the way to offset the harm being done to us by the federal Liberals is not to try to get the federal Liberals to change but rather to start entering into competition with the private market as public housing. Could he clarify, please?

Mr. Lamoureux: I would be more than happy to, Mr. Acting Speaker.

Ultimately, if we want to be able to have stability in many of the nonprofit housing complexes, we have to try to decrease the number of transients. Quite often what happens is an individual that starts making an income of, let us say, \$2,000 a month, it becomes economically equal for him to move out into the private sector and start renting when in fact we have units that are available and many of these complexes would like to be able to keep them.

We are saying that it should be competitive to the private sector. You do not necessarily have to be charging less, but do not be charging more, because the way that it currently works is you

are paying a percentage of whatever you make a month. So if you put a cap on it, to the Minister of Housing, you are not providing an incentive then for individuals as soon as they hit the income to move out of that particular complex. In many cases, these individuals would like to remain there.

Anyway, Mr. Acting Speaker, I make reference to that because, you know, day after day, we hear concerns with respect to what is happening with the federal government and the federal government's decisions. We hear, for example, on health care, on education, and the government of the day tries to give Manitobans the impression that there are fewer dollars coming to Manitoba today as a result of that budget. Actually, you will see that the total monies coming from Ottawa in this year has actually increased by \$74.9 million, and to address concerns with respect to health care, with respect to concerns that are talked about—the New Democratic Party will talk about health care. I had thought that Paul Martin Jr., the Minister of Finance, was fairly clear. This is what the Minister of Finance actually said: The conditions of the Canada Health Act will be maintained—universality, comprehensiveness, accessibility, portability and public administration.

* (1440)

Mr. Acting Speaker, as upset that the NDP in opposition would get over that particular issue, let us remind them that it was the national government, a Liberal national government, that brought in health care, and it is a Liberal national government that is going to ensure that Canada has a universal and the five fundamental principles of health care well into the future, because not only as the Finance minister in Ottawa, but also the Prime Minister—I am anticipating that they will in fact live up to that. I represent an area and feel very strongly that the five fundamental principles of health care remain in place across Canada and will do whatever is possible within my powers to ensure that that is in fact the case.

The Minister of Energy and Mines (Mr. Orchard), when he talked about the federal government, tried to say that the CF-18 and the Air Command—and we hear a lot in terms of what has actually been happening with the federal budget and how it is unfair. It was really interesting when the Minister of Energy and Mines made reference to the CF-18.

Again, the government in Ottawa has made a decision that they have to come to grips with the federal deficit, and instead of increasing personal income tax, something which I had thought all three parties of this Chamber had supported, not only within the Province of Manitoba but also even the national government, freezing personal income taxes, they have decided that there have to be some cutbacks. I believe it is something like seven to one in terms of dollars that are being cut back with new revenues coming in, Mr. Acting Speaker.

When the Minister of Energy and Mines (Mr. Orchard) made reference to the CF-18, of course, I was somewhat taken aback in the sense that it is really two different issues. The federal government has decided that it is going to reduce the size of the Canadian Forces. I believe it is a reduction of close to 20,000, from 80,000 to 60,000, that we do not need as many generals and high-ranking officers, that in fact Canada would be more efficient in delivering our military services in a defence fashion by having one central office.

Unfortunately, that means that Winnipeg has lost the Air Command, but other regions have also lost different commands also.

One could go through, and the government consistently, along with the opposition, say that Manitoba has paid more than its fair share. It is interesting in the sense that right after the delivery of the national budget, what I saw was Premier Bob Rae saying that we were giving too much to the West; once again, Ontario is having to give their tax dollars to western Canada. Then I believe it was Premier Romanow who said that they did not go far enough.

It is interesting in terms of the criticism. I had heard, Mr. Acting Speaker, I cannot recall which minister it was that indicated it to me, but it depends if the province happens to be going into a provincial election in terms of what it is that they have to say about specific decisions that have been made in Ottawa.

I notice very significantly that we are getting a large number of questions about what is happening in Ottawa. For example, the member for Wellington (Ms. Barrett) brought up the immigration question today. I would like to believe that over the years of my being inside this Chamber I have been somewhat of an advocate of immigration matters. In fact I have attended some of the meetings which the member for Wellington attended and have been a very strong advocate in terms of trying to achieve a bilateral agreement.

That is what the Province of Manitoba needs. The Province of Manitoba needs to get into a bilateral agreement that addresses the needs of the province of Manitoba. Mr. Acting Speaker, I would suggest to you, given the priority that this government has put on trying to get a bilateral agreement and even to a certain degree, and I will admit I do not necessarily know exactly where the New Democrats are coming from on this particular issue, I believe that we are in fact in the best position to be able to come up with a bilateral agreement that would be fair to all Manitobans.

I would ultimately argue that 1 percent of our population is in fact something that is achievable. That is why I was somewhat disappointed when I met with representatives from the department in a town hall forum when I asked a question: How many immigrants do you believe Manitoba can actually have in any given year? The response was in around 7,000 to 8,000.

It was an interesting evening. I was somewhat disappointed in the sense that I felt that, if the government was really sincere in wanting to achieve a bilateral immigration

agreement with Ottawa, they would have had more facts. Manitoba should—in fact, our starting point should be based on the 1 percent or the 10,000 to 11,000 people coming. Manitoba has been on the short end of the stick on immigration for years. We have to be more aggressive.

Mr. Acting Speaker, we have seen this administration not try to get Manitoba's fair share of immigrants. We do not recognize what it is and how Manitoba benefits by trying to lure more immigrants to the province of Manitoba. The previous administration, the NDP administration, did not do anything to try to ensure that we got our fair share of immigrants to the province of Manitoba.

This whole head tax discussion that has been going on is really interesting. I do not want to see the \$975 landing fee, nor do I necessarily support \$500 in terms of a processing fee, Mr. Acting Speaker. I was glad to see that the federal government has not increased the processing fee of the \$500. I was disappointed that they are now going to be charging \$900 for a landing right fee. But, you know, the New Democrats purposely tried to call it a head tax. They tried to say that this is the same thing that happened with the Chinese community. [interjection] Does the member for Wellington call it a head tax?

Ms. Becky Barrett (Wellington): Yes. I think it has the equivalent kind of underlying thought and the implication of the impact—

Mr. Lamoureux: Well, you see, Mr. Acting Speaker, even the member for Wellington understands basically what is meant by a head tax. In history when we talk about a head tax—the Canadian government had a head tax—it was for the Chinese community; when they came to Canada, the Chinese were charged a head tax. Well, this landing fee is applicable to whoever comes to Canada. That does not necessarily justify having the \$975 fee, but let us not try to twist and promote racism in the different communities by saying that a political party has

racist policies when there is no foundation to base those sorts of comments.

The Acting Speaker (Mr. Reimer): Order, please. The member for Wellington, on a point of order.

Ms. Barrett: The member for Wellington on a point of personal privilege, Mr. Acting Speaker, a matter of privilege, whatever.

An Honourable Member: Matter of privilege.

Ms. Barrett: A matter of privilege, whatever.

(Mr. Speaker in the Chair)

Mr. Speaker: The honourable member for Wellington, has risen on a matter of privilege.

MATTER OF PRIVILEGE

Allegation of Promoting Racism

Ms. Becky Barrett (Wellington): Mr. Speaker, on a matter of privilege, the member for Inkster (Mr. Lamoureux), in his speech dealing with the budget, has just accused me of promoting racism in comments on my party's position on the federal immigration guidelines.

* (1450)

I move, seconded by the member for Burrows (Mr. Martindale), that the member for Inkster be asked to withdraw and publicly apologize for those comments on the record to me.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I would like to quote a letter that was sent out from the member for Wellington and to quote in part and what I would be prepared to do is to table the letter:

For new Manitobans, one of the most unacceptable parts of the federal budget is the imposition of \$975 head tax on new immigrants. The fee is higher than many new immigrants

earn in an entire year in their previous country. This fee will make it virtually impossible for many people to come to Canada. A co-ordinator at the International Centre calls this increase systemic racism, and it is.

So, Mr. Speaker, the member for Wellington in fact wrote a letter and I guess I would suggest to you that even if she interpreted my comments in saying that she was racist, I do not believe that was intended, that she was racist, but if you read this, some might interpret that is in fact what you are saying is that the Liberal Party is racist.

Not providing the facts to ensure, to clearly demonstrate that government is being racist—[interjection] Well, you are not doing a service to Manitobans by making that form of an accusation.

I would be quite prepared to have the question be called. I did not really get a copy of the motion, but in defence of what my comments were that is what I would leave.

Mr. Speaker: I would like to thank all honourable members for their comments relating to this matter. I believe I have more than enough information at this point in time to review the entire matter. I will come back to the House with a ruling. I would like to thank all honourable members.

Right now, the honourable member for Inkster has 14 minutes remaining.

* * *

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wanted to continue on with respect to crime. The government talks a lot about crime and getting tough on crime.

We, in the Liberal Party, have said that, yes, it is good to get tough on crime, but it is also good to get tough on the causes of crime. I think what we really need to do is to get the residents, the people more involved in today's society in assisting with crime.

That is why it was shortly after the by-elections and after having the opportunity to have numerous conversations with my colleague from The Maples (Mr. Kowalski) that I took a real interest in the youth justice committees and went to work to try to find out if there were individuals who were prepared to be able to get involved in this. I was overwhelmed with the response that I received from the constituents who I serve and found that there were a lot of people who were really wanting to get involved in a very positive way. Out of letters that we sent out, we were able to form what is now the Keewatin Youth Justice Committee.

I believe that into the future what we need to do is to look for committees like youth justice committees to get more involved in our communities. Where there might not be a youth justice committee what would happen, of course, was a young offender, let us say, might vandalize or steal something, and instead of going to a court they end up going back into the community in which they live and then it is the community residents who deal with the individual. I think that is a much better way of dealing with our young offenders than sending them to a court, because I believe that there are much better dispositions handed out. I think that is definitely the way that we need to go.

I know that what I would like to see in my area eventually is a development of some form of a community safety office that would take into consideration all sorts of safety programs, things such as the Neighbourhood Watch, the Block Parents, possibly even house the Keewatin Youth Justice Committee and possibly—a lot depends on the City of Winnipeg, of course—have a local community constable operate out of it, if not on a full-time basis possibly on a part-time basis. I think this is something that government needs to promote and to work towards.

There is an idea, and the Minister of Justice (Mrs. Vodrey) mentioned it from across the floor, which we had some discussions on. I will not necessarily comment on what it is that she

heckled across the floor. Our youth justice committee, interestingly, we had Constable Shelly Graham who came before it, and she actually mentioned to us that she would like to see us getting more involved with youth under the age of 12.

This is something which we, as a committee, started to act upon. What we did is that we, as a group of individuals, said yes, this is a good idea and it is worth us pursuing, and individually in some cases. Right now it is virtually on hold until after the next provincial election when—some people might believe that it is not political. It is unfortunate that some, like the Minister of Justice (Mrs. Vodrey), might believe that it is political. It is somewhat sad because if this is what she is trying to say to me across the floor, that is unfortunate. I look at it—

Point of Order

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): A point of order, Mr. Speaker. Perhaps the member could tell us a little bit more fully why his youth justice committee is no longer working with—

Mr. Speaker: Order, please. The honourable Madam minister does not have a point of order. That is clearly a dispute over the facts.

* * *

Mr. Lamoureux: Mr. Speaker, I would be very interested in hearing the Attorney General of the province stand up in her speech and address that particular issue. I would be very interested, because I hope she is not doing anything, I trust she is not doing anything to prevent the committee from doing this, at least because I believe that there is a role that youth justice committees can play with dealing with kids under the age of 12. I hope she addresses this in her budget speech. I will be disappointed if, in fact, she does not.

But anyway, there are some other areas that I was wanting to comment on. Education is

something which I have been spending a great deal of time in over the last year and a half plus, talking to the different individuals involved in education, from parents to teachers to trustees to support staff and students at our schools and so forth, to try to get a good understanding in terms of the direction that we need to go in education in the province of Manitoba.

I guess the biggest problem I see that we have with the action plan has not changed from the blueprint. That is, if you ask the question, does the action plan challenge the abilities of all the students who are currently enrolled in our public education system, does it help all of the students who are in public education, I believe the answer to that is, no, it does not. I would argue that in itself is the fundamental flaw of the action plan.

* (1500)

There are some other areas of the action plan. We could talk in terms of the advisory councils that have been created. We see that the Minister of Education (Mr. Manness) and the Premier (Mr. Filmon) of this province have decided that teachers do not have any formal way on the advisory councils. We disagree with that. We agree, and we have since we have seen the blueprint, that the teachers have a very vital and important role to play on advisory councils, that the teachers should be working with the parents and the community leaders and so forth in education.

I am very disappointed that the current Minister of Education (Mr. Manness), this current government, over the last seven years that it has been in office now, has done nothing really to address the issue of financing of education. I have always maintained, even prior to myself being appointed critic of Education, that the funding of education should not rely so heavily on property tax. The Minister of Education agreed with that, Mr. Speaker, when he was in opposition. In fact, I had received a letter and I do believe that the current government back in '88 made a commitment to try to achieve 80 percent of the financing of

education out of general revenues. Nothing has changed. Over the last decade plus, the New Democrats are equally as guilty. We have seen a shift of reliance on financing of education from general revenues to the property tax, a much more regressive tax.

In the discussions that I have had, the commitment that I have made on behalf of the Liberal Party, and the Leader often alludes to it, is that this is something which we are going to stop. We are going to stop the drift, the continual growth of reliance on financing education through property tax. [interjection] That is, to the Minister of Energy and Mines (Mr. Orchard), again, I could get into priorities of government, and ultimately the minister will find out, when the Liberals do get the opportunity some time in the future, to be able to resolve this particular issue.

Mr. Speaker, there are other issues. I could spend a full 40 minutes just talking about the education, but I wanted to talk about agriculture, primarily because of the member for Portage la Prairie (Mr. Pallister). The member for Portage la Prairie says, in essence, the member for Inkster likely does not even know what is out in rural Manitoba, or at least that is what he is attempting to infer. I believe he said a farm to me was Ma and Pa Kettle or something of that nature.

I was somewhat humoured by it, but I think that the Conservatives take for granted rural Manitoba, and it is somewhat unfortunate that they do not acknowledge that even if you live in the city of Winnipeg, you can still care for and respect what is going on outside of the Perimeter.

I understand the importance of rural diversification. I know a lot more in terms of this Ma and Pa Kettle farm that the member for Portage la Prairie talks about. I have visited the PMUs and cattle farmers and hog farmers, Mr. Speaker, been out to Hutterite colonies to get better ideas of where rural Manitoba is coming from in terms of trying to get a better

understanding, just as I try to do the same thing within the city of Winnipeg.

I believe it is the responsibility of all of us to try to get a better appreciation of the different issues facing the province of Manitoba as opposed to trying to promote division. This is something which this government and the New Democratic Party have done over the years. They have promoted division wherever they can. I find that, Mr. Speaker, rather unfortunate.

I have commented on health earlier in my speech. I cannot emphasize strongly enough on how I feel about the importance of the five fundamental principles of health care. As I have indicated, I will do whatever I can. That is one of the reasons why I negotiated a resolution that saw unanimous support from this Chamber pass dealing with those five fundamental principles of universality, comprehensiveness, accessibility, portability and public administration. That commitment is going to continue into the future.

Mr. Speaker, with respect to labour, labour is always a very interesting topic for me. I have walked on picket lines before—[interjection]—not with the member for Burrows (Mr. Martindale). I do think that workers do have legitimate concerns and should have the right to be able to strike and so forth.

I was somewhat hurt the other day when I received the union magazine. Let me tell you why I was hurt. It has this big nice picture of the Leader of the Opposition (Mr. Doer) and it has "Gary Doer, our next Premier." Then it illustrates the NDP team. I actually phoned the editor of this particular article. I talked to him. I think that he tried to do what he could to alleviate some of the concerns that I had.

I posed the question of how he can tell the membership that happened to live in Inkster that the candidate who is running against me is the one that they should be voting for if they do not know what sort of labour relations this particular individual has had in the past. I think that is a legitimate question.

An Honourable Member: What did he say?

Mr. Lamoureux: It was indicated that I should not be overly concerned about the magazine.

Mr. Speaker, the only thing that I would say is that people should read an article—

Mr. Speaker: Order, please. The honourable member's time has expired.

Hon. Clayton Manness (Minister of Education and Training): Mr. Speaker, it is a pleasure to stand here today. I do not know whether or not this will be the last offering I provide to the Assembly. If it is, I want to begin by thanking all of those in the Chamber that have offered me good wishes into the future. I appreciate their comments.

Mr. Speaker, I will have a fair amount to say about the budget. I say that in looking at my friend and colleague the Minister of Finance (Mr. Stefanson), but I would like to reflect for a few moments if I could.

It is a difficult task to attempt to reflect upon 13-plus years of the call to serve the public without being, I suppose, a bit emotional, not overly critical, not too retrospective, not too cynical and yet not overly effusive with thankful and expressions of good remembrances. I will try hard to do so.

We all practise our politics differently. We see that demonstrated from day to day and hour to hour for we all are different people. Cheryl and I began our involvement in this institution we call democracy in a political sense 24 years ago, as a young married couple. [interjection]

Mr. Speaker, I am going to do my best to stay close and not listen to some of the commentary from the peanut gallery. There are a lot of things I would like to say and if I do not stay focused, I will not cover many of them.

* (1510)

In university, I had little time for campus politics. Throughout the '70s, my wife and I received our grounding in local and provincial party organization, local campaign, and became involved as a close participant in the '75 leadership change within our party and many interesting nomination meetings, not the least of which was one involving the present member for Pembina (Mr. Orchard). So when my predecessor, Warner Jorgenson, stepped down, my wife and I were ready. Well, at least we thought we were ready. I knew the time demands would require solid energy and that lifestyles and local community commitment and family times, of course, would change.

I recall, like yesterday, the election of 1981, which returned four new members to our side and, I hesitate to say it, 20 members to the NDP. Now I want to reassure the House, Mr. Speaker, that will not be repeated in 1995, but that was in 1981. I came to this great institution, the Legislature, like most if not all of the rest I am sure with a good feeling about my constituency, a good feeling about myself and a genuine desire to do right, to achieve government, to contribute and to leave after awhile. I never deluded myself into believing that I would be written into history, other than mentioned as a passing reference in the parliamentary guide—ordinary citizens called to represent ordinary Manitobans, all Canadians.

Although I have learned volumes, have made so many new and good acquaintances over the years, have seen successes and failures, Cheryl and I take our leave knowing that, in spite of the cynicism directed toward the public figure, that the institution of democracy functions. We have contributed, and now it is time to move on with basically the same warm feelings on exit as upon entering.

Naturally, I thank my constituents for many years of loyalty to the PC Party, our leaders and my candidacy over the years. I never spoiled my constituents. I did not need to, for they asked of my help only when it was required. Their fierce independence and their desire to see government

kept to a minimum allowed me more time to direct larger public policy issues.

The people of Morris, Carman, St. Pierre, Miami, LaSalle, Starbuck, Roland, Rosenort, Lowe Farm, Sanford, Brunkild, St. Agathe, St. Norbert south, Oak Bluff, Sperling, Graysville, Homewood, Otterburne, Aubigny, Roseisle and, of course, Domain will never be forgotten for their friendliness and support over the years.

Likewise, the efforts of active political supporters throughout the region will never be forgotten, the foot soldiers and the organizers in all the campaigns and, of course, we all have them and we cannot survive without them, and between elections who inevitably become close lifetime friends.

I thank the Premier (Mr. Filmon) for his confidence and his trust in giving me responsibility within the government over the course of the last six years.

I will mention just some of the older members who predate me, Mr. Speaker, of course, the dean of the House, the member for Lakeside (Mr. Enns), who was a mentor of sorts and always challenged, to the Minister of Industry, Trade and Tourism, the Deputy Premier (Mr. Downey), of course, who has provided to me and all of us on our side from time to time leadership consistency and represented an opportunity when things were really tough and you were frustrated with a lot of things, just a cooling-out opportunity. That is pretty important, as we all know, within any political family.

I will save a few more comments from my seat made a little bit later because he has caused me a little bit of grief at times and I will dwell upon that.

Mr. Speaker, of course I want to provide and say thank you to parents and siblings at the farm who supported our personal activities back at home so that today I can return to the family farm, although the next generation is now doing

much of the required work. That is of course the essence of the family farm and the way it has worked for generations. How long, of course, it will continue to work that way is I guess a matter of controversy and dialogue that will occur over the next number of years.

Mr. Speaker, to my many colleagues here today, those who sit with me today and those of course who sat with me in years previous who are no longer here, no satisfaction can be greater than being part of a close working political family, laying strategy, developing policy, presenting platforms and working very intensely together at the time, all to the same end.

Thank you for your many kind words of support and best wishes. I say that honestly to the members of my team.

Of course, I extend the same sentiment to members of the opposition side of the House with whom I have had close dealings over the years. All partisanship aside, people of good will can work together and of course must if the people's will as represented by their vote is to be accomplished.

Lastly, for families of politicians who are generally accepting the fact that they come last, I wish to thank my wife Cheryl for her understanding, her support, her guidance and her friendship over 26 years; my son Scott and new wife Marci, who now operate the farm and has basically since he was 18; son Jason, who besides having achieved a management degree also has given much attention to our farm basically since 15 years of age; daughter Christine, who has always maintained an independence and always will, who has chosen to study political science—I do not know what that means; and Alan, now 15 who has seen very little of me other than at hockey rinks over the years. I look forward to being with my family over the years to come.

Mr. Speaker, I ask members to believe me when I say I am tempted to address the issue on which I have spoken most over the years, that

being the necessity of government to live, not within its means, where government has nothing, owns nothing, but within the means of the people.

However, I will not dwell on the fiscal deficit that does not exist in this budget but obviously has for a long period of time in our province and indeed within our nation, although there are a lot of types of deficits that I would like and hope I have time to cover a little bit later on.

My contribution in this House over 13-plus years are replete with a simple philosophy that true independence can only occur if a nation is not beholden to any other nation or that nation's purchasers of our bonds, whether they be insurance companies, teachers' pension fund of Texas or the civil servants' pension fund of California, Mr. Speaker, it all means the same thing, people who have put away savings and trusted them to be invested in our province, for instance, if we borrow, and expecting that their interest will be paid, but to the extent that we continue to borrow and have borrowed and are troubled with the borrowings of the past, obviously, we do not have any true independence.

As I said in my maiden speech, nothing robs political freedom more quickly than the lack of economic freedom resulting from unfair taxation, so it is a pleasure to address this budget. I support it totally and only wish that in my period as the Minister of Finance I might have brought down one as worthy.

My congratulations to the Minister of Finance (Mr. Stefanson) and the entire Treasury Board. I remember how hard the decision-making process is as if it were only yesterday. I mean, until you have sat on Treasury Board and understand the process, particularly through this period that we have lived, it is not only the decision-making process, of course, it is the intensity of time it has to be directed towards to try and make those decisions consistent. So I know the effort the colleagues with whom I sit

have gone through over the course of the last year.

Mr. Speaker, is it not interesting, though, that whereas that term "stay the course" was considered politically risky, foolhardy, only four years ago—and we used that. I can remember being chastised by members opposite, ridiculed, for using that word, we are going to "stay the course." It is now considered the only course. It is in bold. It is everywhere across the land. It does not matter what the political make-up of the team who happens to be over on the right side of the Speaker, it is the only course.

As governments tend to do, and I am certainly no exception, we always look to intellectual writers, particularly editorialists, to pass judgment on our decisions. I do not know why we do it, but we do it. I guess it is human nature. How nice it was in the fall of 1994, and I specifically refer to October 7, 1994, when John Dafoe—and we all know who John Dafoe is, with whom I had many enjoyable luncheons over the years—indirectly laid before this government praise for its approach over the years. At least I took his writing to mean that.

* (1520)

Let me explain. Where you see him praising Mr. Axworthy's social reform process, saying how the fiscal imperative of the nation was now such that reforming in order to maintain a quality service to the public while at the same time doing it with a compassion and yet with efficiency, how we had to do something on the fiscal side to save the social side is exactly the way we have governed over the course of the last seven years. Our Premier (Mr. Filmon) would have it no other way.

Mr. Speaker, even though the editorialist of the day was talking about the federal Liberals, I took it as great tribute to what we have been doing in this province for that period of time, because that is exactly the way we have practised management of this province.

I listened very carefully to my seatmate's comments here on Friday when he was calling into question some balance of reporting. I can tell you, and I can tell others how difficult it is for fiscal conservatives within our party or our government to accept the recognition finally of leaders in our newspaper community that the salvation of our social programs can only occur if money is saved.

Now, Mr. Speaker, you say, well, why would that trouble you. Well, it troubles me greatly, and I must tell you it hurts me greatly because of the fact if we would have the support of the community and if the nation had the support of the scribes and the journalists, the nation would not be in the difficulty it is today.

Some would say, well, it is not too late. I hope it is not too late. I believe it is not too late if everybody of good will is prepared to pull in the same direction. But if there is going to continue to be division and if there is going to continue to be those in our midst who say, balanced budget, bad news for the province, if there is going to continue to be those who chastise all those of political stripes regardless of who they are and try and brand them with that terrible, that worst of four-letter words, neoconservative, then we will continue to be in trouble. We will continue to be in trouble if there are university professors, economic professors who say, well, continue to borrow, you just owe it to yourselves.

Mr. Speaker, I am troubled as much as I am glad to see that more minds are coming to grips with this debt and deficit problem. The reality is more still will have to come.

Secondly, I find it particularly hurtful that it has happened so late, because as someone once said, people of balanced views tend to try and go to the editorial writers. Those that care—and I would say there is only a small percentage, whether it is one out of three or one out of four that really cares as to objectivity. They try and find that within, of course, our institution called a press, within the free, unfettered press.

Mr. Speaker, I really question at times why, over the course of the years, members opposite and indeed writers have not seen fit to dwell on debt and deficit.

I cannot help but also notice the smile from the member for Brandon East (Mr. Leonard Evans) of course who would totally probably reject the theory. The reality is, people of his political stripe in other provinces in this Canada have come to grips with this.

I said I would not digress, but I will. Three weeks ago I was with the Minister of Education in Ontario, Mr. David Cooke, whom I have come to appreciate knowing and asked him to give my regards to one Floyd Laughren. I think we all in Canada know who Floyd Laughren is.

I said: Tell me, David, if you had to go back to Day One in the term, would you do anything differently and would you try to spend your way out of this thing called the recession? Well, Mr. Speaker, I will not provide the answer that he gave me, but I certainly will whisper to the member for Brandon East (Mr. Leonard Evans) after I speak.

I just want to, in praising this budget, say very, very clearly that it has taken some period of time to move to where we are and, oh, I know it would be great in some respects if we were Alberta. I have a lot of my supporters who have said to me, well, why do you not do what Mr. Klein is doing in Alberta? Why do you not just go at it hard? Well, Mr. Speaker, the editorialist also in The Globe and Mail said exactly why the Alberta experience cannot be practised in any other province in Canada. Let me say, it certainly could not be practised in the province of Manitoba.

We knew in the manner in which we had to make the structural changes. I think today Manitobans see the fruits of many years of labour, and I know will reward this party come the next election because they will see as representing this budget, the eighth budget with no tax increases, a surplus budget, a level of

expenditures sufficient to meet the social requirements of our public and balanced budget legislation with real teeth.

I say to the Minister of Finance (Mr. Stefanson), I knew he was working on this and I did not try to get too close to the drafting of the budget, but when he shared with me and all of us what he was contemplating, I can tell you I was overwhelmed. I say that because I did not know that we were prepared to go that far, but I support it fully.

Mr. Speaker, one other thank-you I would like to make. Well, it is more than a thank-you; it is a congratulation also to the members of our side who are going to be stepping aside—congratulate my deskmate the MLA for Pembina (Mr. Orchard) for his 17, 18 years of contribution. Yes, we agreed on many issues. I can tell you we disagreed on a few issues too. Knowing us, would anybody expect anything differently? Yet I guess we agreed that in a lot of philosophy, particularly, that history shows us that when government fights poverty the poor ultimately lose.

I do not know, I wish we could sometimes have a real debate on who should take ownership of this word "compassion," because you see the liberal left has had it their way basically for 30 years. I include Liberals and NDP in this. I do not make any distinction when I make that statement. The reality is this word compassion. Who owns it?

An Honourable Member: Nobody.

Mr. Manness: Nobody. Well, that is great and I appreciate that statement because that means a lot. I would hope then that would be the attitude that would be carried out on the hustings as we move into the next election. I do not think, quite frankly, that is the way politics has been played during election campaigns, because of course the left leaning have always made it sound that the poor exist and they exist for a reason, and the reason is that they are held down by Conservatives, that taxation will fix it all and

that ultimately society will work to everybody's betterment. Mr. Speaker, we know life is not that simple and solutions are not that easily found.

I also say that the poor, in my view, will lose and will continue to lose as long as some people believe that the solutions are always going to be found in Chambers such as this. I also believe, and I know I shared this with my seatmate, that taxing and spending have not solved our problems and that bigger government is not the answer, that higher taxes on the middle class—there are not nearly enough wealthy to tax to be meaningful—and that higher taxes on the dreaded corporations, or as the NDP call them, the corporate welfare bums, will only mean either higher consumer prices or reductions of costs by laying off workers.

So it is with a good feeling that I say goodbye in an active political sense to my seatmate with the knowledge that health reform was needed, was started, will be successful and that we will be guaranteed a health program into the next century. Thank goodness we started when we did. Thank goodness we had the MLA for Pembina leading. Thank goodness one member of the opposition, namely Dr. Cheema, understood and set politics aside. Thank goodness reform will continue under the leadership of this government in spite of all the fearmongering that I know will be used over the course of the next number of weeks.

I also wish an enjoyable farewell to the member for Riel (Mr. Ducharme), loyal to his constituents, loyal to the internal workings of this group, almost loyal to a fault; and the MLA for Turtle Mountain (Mr. Rose) who gave one of the best speeches I have heard in this House, just brimming over with wisdom as only he can do. I do not know if many members of this House have really come to know that particular member, but I just sat in astonishment in caucus every time he spoke because of the wisdom that came forward.

* (1530)

A final word on the budget, again, because I do not plan to speak ad nauseam on the foolishness of high taxes, profligate spending in the belief that good intentions gone astray are excusable reasons for liberal-minded government to come to grips with reality.

Mr. Speaker, there are two other thank yous I want to put on the record. I want to thank my executive assistant and special assistant over the years, Cindy Carswell, and I want to thank the other member—I mean, I also sensed that if you want to get a lot accomplished and you really want to be productive, surround yourself with very strong women, and the job will almost take care of itself. To that end, I would also like to thank my secretary for all this period of time, Pearl Domienik. Collectively, the two of them, of course, basically organized my life and then with Cheryl, I had no choice, I had to follow the path.

Mr. Speaker, the budget. I truly worry about the impact of the federal—and I hate using the word "offloading." I really do, because it is a word I have kind of resented when it was thrown at me when I was the Minister of Finance. Yet it is certainly a significant change. I worry about it, and yet I acknowledge that it is going to happen, it has happened and it will continue to happen.

Some number of issues, events, have disappointed me over the last 13 or 14 years, but none greater than the federal PC government to not use its mandate to address spending, ignore the ignorant bleatings of special interest groups and also of big and small businesses wanting more, and not taking on big business when it could have and, therefore, making decisions and postponing decisions.

As a government, we may have pushed at times too hard to maintain the status quo. I am talking about in the Canadian context because we were a province that always, and rightfully so, and we still do, look to see how federal judgments and decisions are made and how they fairly impact or unfairly impact upon our

province. Nevertheless, as I told the Minister of Finance federally, and I was close to them, if health reform is required or if federal funding in support of social programs is to be reduced, at least let us walk down the path of reform together.

Mr. Speaker, we did some offloading, to use that term, on our municipalities, but we just did not say, it is your problem, deal with it. Our Minister of Highways (Mr. Findlay) particularly, I can remember, met and met again, and we tried, in every way possible, to minimize the impact. I think today provinces like ourselves would be so much more accepting of federal decisions in these areas of joint responsibility, traditional in a sense, if indeed those ministers in Ottawa, regardless of what party, were prepared to take a leadership role in the reform. But I have not seen that. I certainly did not see it when the Mulroney government was in place. Mr. Speaker, I certainly do not see it today. That is the great tragedy.

I say to the Minister of Finance (Mr. Stefanson) that my great worry is that a lot of the impact, indeed a lot of the decisions that are going to have to be made in Ottawa in an implementation sense have not only run their full course, but their full impact is even hard to measure. That is why I know and I say to people who want to listen, even though we have a balanced budget now, if you think that we are out of the woods, so to speak, that any province is out of the woods, so to speak, we are not. Those who are given the responsibility of making decisions over the course of the next number of years are still going to be faced with some difficult decisions.

Mr. Speaker, my final point on the budget is simply, although I am elated that a balanced budget is forecast, that balanced budget legislation is coming—it was tabled today—being the worrier I am, I know how difficult that budget drafting will continue to be for the rest of this decade. I, however, take great satisfaction in knowing that, barring a complete collapse, our party will be in a position to make these difficult

decisions and will do so on a position based upon experience, confidence, stability and vision. Those may just be words to a lot of people who listen, but I know that in the heart and soul of the electorate in our province today those words have meaning. That is why I am so confident that this party will return after the next election.

Mr. Speaker, I would like to take the next few minutes to address the issue of education. As I told my Premier, I would love to have had about one more year guiding the activities. Although we are well on the journey of education reform, I know there will be some rough water ahead. I know the Liberals particularly will try to make those in the education field because, remember they have 22, I believe, individuals who will be their standard bearers in the next election and maybe more to come who will represent education in some fashion or another. I know—[interjection] You see, this is the shot I get. How many farmers do we have? That is the shot we get from the Liberals.

We are farmers. You see, many of the farmers over here have been trustees. Many of the farmers over on this side supposedly have been community leaders in their own right and some school teachers. [interjection] That is the difference. The Liberals never will understand the difference. In their minds, we are rural; we are farmers.

What will they promise? So far I have only heard three elements to their education policy. They are going to consult. Secondly, they are going to work towards a provincial code of conduct. I want to see how the 22, let alone the one million people in this province, are going to work to a provincial code. Thirdly, they are going to reinstitute physical education and history as if either of them were ever taken away.

This may work with the practitioners and some trustees, but it will not work with the parents and the general public. Anyone who wants to open their mind just a slight degree

knows that public education today needs reform. The public school system, unquestionably the most important factor in building the modern nation of Canada as we know it today, is under attack, not from government restraint, not from isolated criticism because they have been there since the beginning of time. I am talking about lack of money and criticism. No, the threat comes, in my view, from the public school's great foundations which themselves are stressed and, in some cases, crumbling. I am referring to the breakdown of the family, the breakdown in morality, the breakdown of the community interest and involvement in the public school. Of course, superimposed upon this has been the progressive education movement that practises the ideology that the sum of individual learnings is greater than the collective learning of the many, plus the well-intentioned but naive view of many that we can correct all society's ills at the public school.

Mr. Speaker, as someone said, the public school system that was created many generations ago has as its base the community, the family, often the church and the people of all ages, not just parents. When so many of those supports are not there, the professionals, the specialists and the superadministration cannot possibly replace what is missing. Furthermore, given the way society has developed, if a new system of education were to be started from scratch today it would appear in a much different mode than the present public school system. The public school system was based on values and systems that today do not exist, and that is why it is having so much difficulty. Something is going to have to give. Either those foundations are going to have to be rebuilt or the public school system as we know it is going to have to be radically altered. I am hoping the foundations can be built and rebuilt.

Mr. Speaker, some people are questioning how committed our party and our government is to reforming the system. The answer is easy to give for we are focused in our vision. We have stated clearly our plan we are implementing at this time and will continue upon re-election. No

other party in this province can state clearly where they want the public school system to be in the next two or three years, not another one, and we will be listening most carefully to the opposition parties to see where they stand. No government in Canada has laid forward a plan, not only with principles but with implementation dates and strict guidelines, like the Province of Manitoba. We are very proud of it, but of course we are going to expect the other political parties to lay out something for their vision of education.

* (1540)

Mr. Speaker, the members opposite talk about consultation. They lead listeners to believe that they will balance views. They will not rush change. That is incredible. They know the issues. They see what their brothers and sisters and cousins are doing in other Canadian provinces, and yet they refuse to state clearly their policies. I say they are unprepared to govern. This is the last issue they should try to fudge. The issue is an attempt to be all things to all people.

Mr. Speaker, there are other deficits. I would just like in the last few minutes I have left to talk about some of the other deficits that concern me. I believe as a society we really are quite twisted and absolutely consistent in our views with respect to some of these other issues such as free expression, political correctness and hateful speech. It is ironic and tragic that Liberals who fought against censorship in the '80s now want to engage in their own brand of censorship in this decade. It is noticeable that the left which worships the word "tolerance" is the least tolerant of all today.

You know there is this theme, this motto that goes: Be tolerant of the person who disagrees with you, after all he has a right to his ridiculous opinions. Let me explain. Parents who try and shape and mould their children's minds and souls and therefore their values are denounced with all-purpose pejoratives, they are called

fundamentalists, they are called bigots, they are called intolerant zealots and have been told to stay out of the public school systems and its libraries. They are told that blasphemies, curse words and stories endorsing sexual permissiveness, anti-Americanism and environmentalism gone wild are the price that all of us have to pay for a free society.

Yet political correctness overrules this freedom. For today we dare not use a politically incorrect term. The Bible is being rewritten in some face. Hymns are being discarded in some churches. In my church, for instance, the old hymn "Onward Christian Soldiers" is being discarded because the word "soldiers" is now supposedly politically incorrect. Soldiers are connected to war.

Yet we keep twisting all over the map when we try to put into place antihate laws. Yet we turn our back on the rappers who call for the sexual and violent abuse of women, the killing of cops and other antisocial and injurious behaviour. We turn our back on Hollywood and the motion picture industry where everything is countenanced, or on the U.S. signals that promote the most base of instincts, and we call it freedom of expression—no consistency, no leadership, just sort of lurching from issue to issue. How are our young people supposed to make sense of this deficit?

Mr. Speaker, in this desire to be politically correct, in this desire to change the old to the new, in this desire to hold back freedom and yet to give us full expression, how are young people to make sense of this? We ask our young people to ignore the hatred in some places, condemn it in others and then say, under freedom of expression everything and anything can go—bizarre. No wonder we are confused.

Someone once said: A move is underway to abolish the exclamation point; people are not surprised at anything any more.

Mr. Speaker, how much time do I have left? [interjection] Thank you.

Just a final commentary, and I could go on and on. You know, some people say the cold war is over, and yet the warm war is just beginning. I came across this term when I was representing Canada at an education conference in Argentina here just a while ago, and I try and make this point everywhere I go.

The challenge today is not the fiscal or the physical or the geographical or what we have in Canada. The challenge today to our young people are the education systems that still exist in other countries where the focus is very much on literacy and where the technology base of course will allow them to say to me, well, Canada, you have had it great for a lot of years. You have got your wealth, and you have your minerals, and you have your timber, and you have got your good land, but we are going to catch you.

I have had Ministers of Education tell me that, we are going to do it in the classroom, and we are going to do it through the use of technology. Yet I am mindful of something else that the Minister of Education from the Bahamas told me. She said, you know, we can push too far.

She impressed upon me that now given that the island of the Bahamas has little more in the world economy, that its comparative advantage centred around the production of bananas on one of its islands, she said if the island could now, through education based upon the technology, emerge quickly into a fully developed country—although she said this generally—but she said they had to be careful how quickly and how far they went.

She pointed out that there was one part of the island where the children of spongers were often taken out of school to help with the harvest and grew up knowing who they were, knowing respect for girls and women and therefore their culture. But they were forced then by government edict and agreed to stay in school. Two generations later, the primitive understudies, some would say, gone, because

there was too little help.

Mr. Speaker, the island is dependent upon the state; sexual assault is rampant. The culture is now a drug culture.

We have to be very careful how far we push and destroy natural cultures wherever they may exist under the guise of the modern state, the modern technology, the modern education system.

If I had time I would bring it back to Canada, because I really think we have to be very careful how it is we take some of our best, our specialists, our learned people, how it is they try to impose models and systems upon everybody as if we are a homogeneous society. We preach multiculturalism, multicultures, on one hand and yet we come to Chambers like this and we try and pass laws that are pushed upon everybody. I am saying, Mr. Speaker, we have to be most careful.

The one other deficit I will only spend a moment talking about is the deficit around those of us who are public figures in this institution called democracy. I stepped down in a riding where there were 20 people I know who were worthy of replacing. One came forward, Mr. Speaker. I think we have to call into question, particularly not ourselves because the actions of individuals in my view in this in their personal lives and their association with the democratic process has been exemplary in the Manitoba context.

Mr. Speaker, I also point out that the way that some of the media love to sensationalize how it is that we do our duty or how it is that we do not do our duty is very, very destructive to the political process. I hope in time in the future I will have a chance to expand upon it.

* (1550)

In closing, my closing remarks. With respect to the budget, I am very happy, very supportive. I know there will continue to be difficult

decisions, that federal reductions and transfers will continue to see groups in society call upon the province to backstop reductions and programming as a result of federal decreased funding.

We have our record of managing. It starts at the very top right with our Premier. It must start at the top. There is nowhere else it can start. As a matter of fact, I happened to run into a rating agency today, Dominion Bond Rating agency, and he says where it works and it does not work. The only difference is that in the provinces where it works, there is a line of communication and understanding and agreement as between the Premier and the Minister of Finance. That is where it begins and if that does not exist, it cannot exist.

So, Mr. Speaker, it has been here for a period of time and I know it will continue. It will continue for this group of ministers and the new ministers to come to understand the larger picture, the necessity of working as a team and the necessity of making decisions early as compared to late. Most importantly, we have courage. Phillips said physical bravery is an animal instinct; moral bravery is a much higher and truer courage.

We practised moral courage over many years before it was popular in other provinces and by other political parties and long before local liberal-minded pundits say or pretend to see that social programs can only exist in an economic free society.

It took moral courage to stay the course—I have talked about that—to privatize so many Crowns, to bring in Bills 70 and 22 to reduce positions in government by 13.5 percent from where we began. Yet the youth of our province when they reflect, as they will some day, on our actions over the past number of years, leading to the balanced budget presented on Thursday last, will thank us for the moral courage shown at the time when politicians' offices, political pundits, editorialists, were attacking us and basically calling upon us to tax at higher levels or increase

deficits which is in essence taxing at a higher level somewhere in the future.

So, Mr. Speaker, I take my leave from this Chamber, expressing a sincerest thank-you to you, to my Premier, the Minister of Finance and the members of the government side and all of caucus for letting me vote on a budget that is balanced. Nothing could mean more to me. A special thank-you to my colleagues in caucus, particularly in the cabinet, who remain so supportive, so steadfast in supporting the difficult decisions throughout the years. I thank you and them very much.

Mr. Daryl Reid (Transcona): Mr. Speaker, it is my pleasure to rise today to add my comments to this government's eighth budget.

Before I get into my comments specifically about the budget, I would like to congratulate the member for Morris, the member for Pembina (Mr. Orchard) and the member for Riel (Mr. Ducharme), who have already indicated their intentions to resign from public service, in effect not run again.

That leaves me with mixed emotions, because during my days in this Legislature, some four and a half years, I have had the opportunity to listen to all members of this House on numerous occasions, and I must say frankly that looking at the length of service that these individuals have, the oratorical skills that they bring to this House have added a great deal of interest and brightness to the debate in that they presented us with different thoughts and challenged us to think and to rethink the beliefs that we have.

We wish the members who are not running again for office well in their future endeavours. We also thank, too, their families for the years of support that the families have provided for the members who are leaving public service.

I note all too well the sacrifices that the families have and I congratulate the families for their years of dedication into the public service as well, because no individual member of this

House can do this job by themselves. So I would like to congratulate the members who are retiring and their families as well.

Mr. Speaker, I have had the opportunity to listen to the debates. As a rookie coming to this House in 1990, it gave me some room to think about the things that were being said in this House and to learn from the skills that the retiring members had brought to this Chamber.

I also, too, would like to thank my colleagues the former member for Flin Flon, Mr. Storie, and my colleague the current member for Dauphin, Mr. Plohman, who will be retiring as well, for the guidance they have provided to myself and the invaluable service and guidance they have provided to me during the last four and a half years. I am not sure that I would have been able to survive without the insight they have provided.

This government has brought forward their eighth budget. There are several areas that one could talk about, but before I get into the budget itself, Mr. Speaker, I want to talk about the reliance on Lotteries funding. The reliance of this government on Lotteries funding has, I believe, severely impacted on the well-being of my community of Transcona. I refer specifically to the Third Quarter Report that is put out by the Manitoba Lotteries Corporation wherein they make public the collections they have had through the first three quarters of the current fiscal year.

In 1993, Mr. Speaker, some \$18 million came out of my community of Transcona and surrounding communities to the Club Regent operations. That in itself is a very large number and I believe severely impacts on the community. But when I just received the Third Quarter Report for this year, 1994's Third Quarter Report, there is some \$26.5 million in Lotteries revenue that is coming out of my community and surrounding communities. This represents an \$8.5 million year-over-year increase in Lotteries revenue, a huge amount of money coming out of essentially a working

community, communities that can ill afford this type of money.

I myself have driven by the Club Regent facilities on numerous occasions on my way to the Legislature, and I must say that I am disappointed and shocked that on every occasion I go by, the parking lot is full at Club Regent, and I know that there are people in this facility that are putting their hard-earned dollars into the VLT machines and that they can ill afford to spend that money. I have heard reports and talked to the people of my community about the impact on the families that Lotteries and gambling in general is having.

We know all too well that in my community in particular, and it may happen in other communities around the province and while it has not been widely reported that there has been loss of life that has been directly attributable to gambling and gambling addiction, there are families in my community, one in particular that I know of that I will not state the name here today, that has lost the sole breadwinner for the family as a result of gambling when the individual ran up such high gambling debts and then decided to take his own life. That is tragic, Mr. Speaker, and that is the result of our reliance in this province on gambling revenue and the expansion of gambling.

I have had the opportunity just this past weekend to talk with members of my congregation, and I know the member opposite had the opportunity to come and address the St. Michael's Church on the occasion of the church's recognizing the 125th birthday for Manitoba. During my discussions with members of that congregation, who are also members of my community, they related to me the impact that gambling has had on their church activities. Churches for a number of years as well as community clubs, youth sports programs have done fundraising to support their activities, and they were using bingos as a means to generate those funds. When I talked with members of the congregation they related to me the serious decline in their revenues and the near inability

that they have now to continue with operations in the services that they provide for members of their congregation and also members of the community organizations, the community clubs themselves.

As I raised in this House last session, the impact that the expansion of gambling is having on my community clubs, my youth sports programs, wherein the Transcona Optimist Club is on the verge, after 25 years of operation, of looking to have to close their doors, because they are no longer able to generate the revenues necessary to support their youth sports programs. That is true. They are no longer optimistic about their future.

That is, Mr. Speaker, very, very tragic, because they were providing a necessary and worthwhile service for the community and, in particular, the youth of the community.

This budget is a mistake. It is a mistake in the reliance that this government places on lotteries revenue. Many speakers before me have indicated that this government has taken and put lotteries revenues into a sock for the last couple of years and have now brought forward some \$148 million in lottery revenues so that this government could balance the budget in this one year.

* (1600)

On the face of it, this government thinks they are achieving something, but Manitobans and, I can tell the government, the members of my constituency know all too well that this is a one-shot deal, and that Manitoba, in particular, is going to be in some very difficult circumstances next fiscal year, and that we are going to have difficulties, very serious difficulties, in achieving balanced budgets, unless there is going to be a significant reliance on the government's part by way of program cutting.

I think we need to take some steps to address the reliance on lotteries. Just this weekend, when I was at my own local community church,

I had members of the congregation come up to me and talk to me about our reliance on lotteries. In fact, they gave me a petition that they have, wherein they have expressed their very serious concern about the reliance on VLTs.

I listened to the Minister responsible for Lotteries (Mr. Ernst) saying, some year, year and a half ago, that there was going to be a moratorium on the expansion of VLTs in this province, and we were in the range of a little over 4,000 at that time.

Since that time, Mr. Speaker, the VLT numbers in the province have grown to I believe some 5,300, a significant number that have been increased, further adding to the problems of our communities.

We need to have public hearings on VLTs, Mr. Speaker. We need to find out what the public of Manitoba thinks about the course of direction of gambling in our province. I believe it will be one of the issues of this campaign that is not far away; it may only be a matter of days away from commencing.

I am also concerned too about the impact the federal government's budget is going to have on the Province of Manitoba. I have listened to my colleagues and our caucus discuss the impact, when we are going to lose some \$391 million over three years, coming out of health, post-secondary education and other social programs by way of loss of transfer payments to the Province of Manitoba, that is going to impact upon the decisions that future governments in the province of Manitoba are going to have to make. I realize that.

That part bothers me, Mr. Speaker, because in the situation where we do not have growing revenues we are going to have to find ways to maintain those levels of service that our constituents have come to rely on, whether it be in health care or in education or in social programs for those that fall upon hard times. I believe we have a responsibility to address the needs of those people.

Over the last three to four years I have looked at the numerous budgets this government has brought forward and the impact that it has had upon education within my community.

Just last evening I had the opportunity to attend the Transcona-Springfield School Division's annual budget meeting wherein they informed the members of the public the school division's plan for education expenditures for the coming year.

In the last three years we have seen provincial education transfers cut to the Transcona-Springfield School Division in the range of some 10 percent, not counting inflation. If you add inflation to that, the number would be significantly higher than the 10 percent cut to the education transfers to the Transcona-Springfield School Division. That has forced my school division to lay off teachers, to cut paraprofessionals, to cut special services to the students and to the families of my community. That has had a significant impact on the ability of the school division to deliver quality education programs that would be comparable to what other divisions of the province would be able to deliver.

Transcona constituency has a property tax assessment base that is somewhat lower than other areas of the city of Winnipeg in particular, and significantly disadvantages the children of my constituency, Transcona, in that we, therefore, are unable to provide comparable levels and educational opportunities for the students in this division.

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

That is why I believe, Mr. Acting Speaker, that we need to have a change in the funding formula that will give students in the Transcona-Springfield School Division and every other school division of the province an equal opportunity to achieve a quality education, and equal opportunities to achieve that level of education so that when they move on to the

workforce they will have an opportunity to achieve the job opportunities that we hope will be there for them.

The government brought out its long awaited document on school boundaries. [interjection] Well, I can tell members of this House that, as I have done publicly already—and for the information of the member for Inkster (Mr. Lamoureux), if he was to get a copy of the Transcona Views, he would find quite clearly where I have expressed my opinions and my thoughts and the needs for the school boundaries, and that if he wishes he is more than capable of talking to the members of his own particular family, in particular his cousins who are personal friends of mine, and maybe ask them to send a copy to him so he might be aware of what my positions are.

The impact of the school boundaries review—and we listened, over a number of years, that there were going to be cost savings as a result of the Boundaries Review and the amalgamation. I know the member for Inkster (Mr. Lamoureux) only wants one school division in the city of Winnipeg, but what he has not told the members of the public and the members of my constituency is whether or not there is going to be a cost saving. I believe the public was led to believe that there were going to be significant cost savings by a boundary redistribution for the school division boundaries. Yet when the report came out we saw, in the Transcona-Springfield School Division, that the school division taxpayers were going to be hit on an average home, which is of a value of approximately \$80,000 in my community, with another tax bill increase of over \$77. That is something they can ill afford to do because just last night we learned that there is going to be a \$60 increase per home in the community on average, increase. [interjection]

I guess the member for Inkster wants me to comment on all the constituencies of the province, but I hope that their own representatives would be there to do that. If the member for Inkster feels he is uncomfortable in

commenting on it, maybe he should be talking in this House here as to why has he not stood up and asked the federal government why they are putting in a landfill site in Rosser that is going to directly impact on his own constituency of Inkster? Why is he sitting there not being accountable for that?

He did not make that in his speech. That is something that I think needs to be addressed because that is going to impact on the operations of the Winnipeg International Airport. If we have an accident or a near accident or a near miss, as it is referred to, we are going to have to, if that landfill is put in, go back and revisit a decision and potentially close down a landfill.

I do not hear the member for Inkster making reference to that in his speech and doing something to protect the interests of the city of Winnipeg, the province of Manitoba, because it is one of the major economic factors for this province, the International Airport. He is totally ignoring the issue.

Why did the member for Inkster not talk to his Leader or go down to Ottawa and visit his federal leader and tell him about the impact that the federal budget is going to have on the province of Manitoba? Why did he not stand up for Manitobans? This was his one opportunity.

I can refer to comments that were made by his Leader, from July 7, 1993. I will quote what the member for St. James (Mr. Edwards) has said: I just hope very much that we have a change of government at the federal level, because I know that will bring with it a change of philosophy about rail lines.

Mr. Acting Speaker, we know all too well that the Mulroney government was in the process of attempting to privatize CN Rail. The members of my community and railway workers in general were hopeful that when the 1993 federal election came about, there was going to be a change in philosophy at the federal government level.

* (1610)

Here is the member for St. James, the Leader of the member for Inkster's party, the Liberal Party of Manitoba, and the Liberal Party of Canada, saying that he hopes there is going to be a change in direction. Now what have we got? We have the federal Finance minister talking about privatizing CN Rail, the very course the Mulroney government was going to follow.

An Honourable Member: That red book was blue.

Mr. Reid: That red book had a red cover, but the inside of it was filled with blue pages. I can tell the member for Inkster and members of this House that I have had the opportunity now, and again just recently, just last week, to talk with hundreds and hundreds of railway workers in my community. They, I can tell you, to a person, are extremely disappointed in the actions and the direction that the federal Liberal government has taken toward the privatization of CN Rail.

If the member for Inkster (Mr. Lamoureux) were to take the opportunity to stand at the plant gate and talk to the rail workers, as the Honourable Lloyd Axworthy did in 1993, promising that he was going to save rail jobs and restore Manitoba as the transportation hub of Canada, he will find that the Liberals had betrayed their word to railway workers. It is not going to happen. In Manitoba, we are going to lose. I will explain in a few moments how that is going to happen.

I listened to the member for Assiniboia (Mrs. McIntosh) talk about the impact and the loss of military jobs to her constituency, and I must confess that I too am concerned for the loss of those jobs. I have family that works in those facilities, and I know the impact it is going to have on them. I have personal friends and I have constituents that also work there, and I know the impact the loss of those jobs is going to have on them as well, all young families, all with young children. If they lose the jobs, they do not know what they are going to do.

We talk about the job losses. The member for Assiniboia talked about job losses and the impact it is going to have on her community. I can tell members of this House that the information I have that has been brought to my attention indicates that the number that is being used in this House is not accurate, from the information that has been provided to me.

We have been talking about some 1,300 job losses that are going to take place at the 17 Wing and the Air Command here in Winnipeg and the jobs that are going to be lost at the Shilo Base as well. It is my understanding that the military at the 17 Wing, which is now some 2,800 jobs, is going to see that reduced to 2,200 jobs, a loss of 600 jobs there. We have civilian jobs in the range of 840, that are going to be reduced, some 340 jobs there. We are going to lose all of Air Command that is being transferred, a loss of 750 jobs there. We have the CEU, the Construction Engineering Unit, which was just announced prior to the budget, a loss of some 40 jobs there.

In addition to that, we hear that there is going to be a 17 percent reduction in land forces at the Kapyong Barracks, and the Shilo job losses that we now learn in the range of 285 jobs, bringing the job losses from the federal Liberal budget to over 2,000 direct jobs. Mr. Acting Speaker, 2,000 direct jobs.

These are figures that have been supplied to me by people that work at those facilities that are now fearful for their jobs. I think that, in answer to the member for Inkster's question, do I support the military in this country, I have long believed that the military has a significant role, not only to play in peacekeeping and to enhance our image and to protect peace in the world, but also I would hope that the military could play an expanded role in responding to civilian disasters, whether it be floods or forest fires or other disasters.

I believe there is a role for the military to play in that, and I had hoped that the government would have moved in that direction instead of slashing some 2,000 direct jobs out of the

province of Manitoba, and we all know, all too well, that there is at least a three-to-one spin-off from those jobs. We are going to lose three to one, so we have a potential loss of some 6,000 jobs in this province as a result of the Liberal government's decision to cut the military in Manitoba.

It is unfortunate the members for St. James (Mr. Edwards) and for Inkster (Mr. Lamoureux) have stood up and wrapped their arms around the job losses and the federal budget and the federal Minister of Finance and Mr. Chretien. Jobs, they promised jobs and hope. Promise for the future was the red book promise. Some promise. What they meant by the red book was that they are going to lose jobs.

An Honourable Member: We got j-o-b-b-e-d.

Mr. Reid: Yes, we did get jobbed. There is no doubt.

Well, I do not know if the member for Inkster is—I suppose he is not worried about the jobs in the province here. It does not appear that way because he would rather defend his federal cousins' interests than defend the constituents who elected him to come to this Chamber to represent their interests, which I think he has failed at.

I think there are other decisions that are going to happen, and I want to go back for a moment for the impact that the federal government's decision to privatize CN Rail is going to have on the province of Manitoba. I can tell the members of this House, including the member for Inkster, who told us some time ago that he had his first campaign manager come from CN Rail

Mr. Lamoureux: He just moved to Vancouver.

Mr. Reid: I guess it was to get away from you.

The unfortunate part about the privatization decision, it is going to lose more real jobs. When I came to this Legislature—and I have had the opportunity now for some four and a half

years, the honour and the privilege to represent my constituency of Transcona. When I came here from CN Rail, where I was an employee, we had some 2,500 jobs in the Transcona operation. You know how many jobs we have here today? Fourteen hundred. That has taken place as a significant drop in high-skilled jobs. These people now, some of them, have gone on to unemployment insurance. Some of them have taken the buy-out away from the company and have left the country. Others have left the province. [interjection] Exactly. They have left the province, further eroding the opportunities for us in this province.

There are no job prospects for the young people that wish to come along to work at the rail and other railway jobs. [interjection] Well, let me explain to the member for Inkster (Mr. Lamoureux) who has little, if any, understanding of railway operations, and I say that in sincerity because that is through no fault of his own. The railway has signed, with respect to their motor power purchases, service agreements with the manufacturers, long-term service agreements with General Motors and General Electric to create jobs in the United States and in eastern Canada for equipment that will no longer be serviced in Manitoba or in western Canada, taking away thousands of job opportunities for the people of Manitoba and other provinces to repair rolling stock equipment. [interjection]

Well, the member makes reference to the call centre. I believe he supports the Filmon government's direction on the call centre, but I can tell him that there will likely be no jobs brought to the province of Manitoba from the amalgamation of the call centre services here in Manitoba. For the few people that are on employment security, those people will fill the jobs that are coming open through that centre. In addition to that, we have lost jobs through the rail traffic controllers to Edmonton, once again transferring rail jobs from Manitoba to Alberta. As we saw with CN Real Estate, as we saw with the CN western region headquarters, as we saw with CN Engineering, we have lost jobs to the province of Alberta. Now, I know the member

for Inkster (Mr. Lamoureux) supports that. It is unfortunate that he does.

Mr. Lamoureux: Search and Rescue came from Edmonton to Winnipeg.

Mr. Reid: Now he wants to switch back to the military, Mr. Acting Speaker. I suppose I have to refer back to the text of my own speech and stop listening to the direction that he wants to take because he seems to be all over the map on issues—no direction whatsoever.

With the military facilities in the province here and the over 2,000 job losses that we are going to see as a result of the Liberal government's decision, I do hope in all sincerity that we do see some jobs transferred to Winnipeg from Trenton as there appears to be some indication now. I do not believe that it will fill the void left by the 2,000 direct job losses.

* (1620)

The provincial government's decision—it is interesting to note too that the member for Inkster makes reference to the honourable member for Winnipeg-Transcona.

An Honourable Member: Where is your support?

Mr. Reid: It is funny. Where is the Liberal support? That is the interesting part. Is it the Liberals who tried in vain to knock off Mr. Blaikie in the last federal election, put everything they had into that campaign and came up short.

Once again, in the upcoming provincial election, I suppose that individual is going to take another run at it. I am not sure whether or not he will be successful or not, but I am sure we will be taking our message to our constituents to make sure that they are aware of the Liberal policy direction with respect to working people in this province. I am sure that they will look very closely at the policies that the Liberal government has, and the Liberal members of this House as well.

I know the member for Inkster (Mr. Lamoureux) says that he does not support unions, that he is against unions. I have listened to his Health critic say that on a number of occasions. It is unfortunate that he does not support working people.

The problem that we have with the lack of direction and the lack of support for the railway jobs in this province is indeed unfortunate. I remember two budgets back when this government brought in a tax reduction for the railways on their locomotive fuel, and they said it was going to bring back trains to the province of Manitoba and stop CP Rail from diverting trains around Manitoba through North Portal, Saskatchewan, down onto the U.S. lines.

What have we seen? We have given up precious tax revenue, forcing the government to have greater reliance on revenue lotteries, we have seen further job losses in the railway industry, and we have seen over a doubling of the number of trains by-passing the province of Manitoba, further adding to the problems of the rail workers and the loss of jobs that they have.

An Honourable Member: So what did the Liberals say about that, what are they doing for railway workers, or doing to?

Mr. Reid: That is exactly what the Liberals say, that this budget is tough, and I know the member for Inkster (Mr. Lamoureux) and the member for St. James (Mr. Edwards) say the federal Liberal budget is tough but fair. But if you talk to the rail workers of my community, they know it is not fair.

I have seen rail jobs lost. We have given tax breaks to the railways; they continue to bypass Manitoba. Now the federal Liberal government kills the Crow WGTA grain rate.

We have also heard—and I have copies of information here that have been provided to me by the rail workers in my community indicating that now the federal government is looking at the grain hopper car fleet that they own. The

question here is if the federal government sells the grain hopper car fleet, who is going to purchase it? Is it going to the producers of western Canada? Is it going to be the Wheat Board? Is it going to be the railway workers? Is it going to be U.S. interests?

Where is this fleet going to be maintained? It has historically been maintained at the Transcona Shops. There is no guarantee if this fleet is sold it will come back to the Transcona Shops. The federal government in the past has prevented the Transcona Shops from bidding on jobs. That means that we stand potentially to lose the remaining Transcona car shop rail employee jobs, because the portion of that work that they do is related to grain hopper car fleet.

Yet the member for Inkster (Mr. Lamoureux) and his colleagues here in this House and in the Parliament of Canada think that it is the right course of action and that it is fair. It is tough, but it is fair. Try telling the rail workers of my community who have young families, who are going to be unemployed, how they feel about it, how they are going to have a bright future, how they are going to give their children the opportunities that we want for all of our children. They trusted the Liberals in 1993, and they have been severely let down.

I think we need to take steps to look at how we govern our rail operations. I believe in a publicly owned railway in this country. I believe we need to maintain that.

I will always believe that because I believe that the Government of Canada and a publicly owned railroad have a significant role to play in transportation in this country.

An Honourable Member: Who brought that in? It was the Conservatives. Where do they stand?

Mr. Reid: Yes, the Conservatives did bring in CP Rail, I believe.

An Honourable Member: Robert Borden.

Mr. Reid: Yes, Borden. He brought in the amalgamation of the various railways interests to form CN Rail in 1923.

Well, I am glad the minister for Lotteries could join us here, because we have had some discussion for the last little while about railways and the impact the federal budget is going to have on the rail workers in my community and the families, of the job losses that are going to affect opportunities because the apprenticeship program has been abandoned a number of years ago. We are no longer training young people to be tradespeople in the areas of railway jobs, which is an area that we need to move into with our Department of Education here in this province.

I would like to see in my community an expansion of a program that would include or involve the high schools in the beginning steps, the first steps of an apprenticeship program, to encourage the young people of my community who are now dropping out of high school to stay in high school, to give them some reason, some incentive to stay there because they have some promise in their future. That is why I believe we need to move in a direction that will give them those opportunities.

I had the opportunity to talk to my school division administration who have indicated that some 105 young people have dropped out of high school so far this year. Some of them have tried to come back. Not all of them have been successful. But I think we need to have programs in place that will assist them in staying in high school and completing their education.

I believe we need to have 24-hour universal comprehensive community health programs. I would like to see my community be one of those first communities in the province of Manitoba to have such a program, to take the strain off the acute-care facilities, the hospitals of our province. I know I have talked to many nurses in my community. Not only are they concerned about the jobs and the direction this government has taken which has severely impacted their job

numbers by the cutting in the number of nurses, but it has strained their resources in the hospital, putting them in positions where they are not sure whether they can any longer cope with the stresses of the job, which leads to further problems when people are overworked in life and death situations, in critical situations.

So we need to take some steps to make sure our health care system is improved, and I do not believe that the course of this government's direction in health care over the last four years, four and a half years, that I have been in here, is the right course of direction. Now, I know the Liberal Party supports that, and I can tell members of this House, when we move into the campaign trail shortly, that will be one of the messages that I am taking to the members of my constituency, informing them that the Liberal Party has openly embraced the health care reform of the Filmon government. I do not think that the members of my constituency are going to be very happy when they hear that the Liberal Party has supported that.

Mr. Lamoureux: You can always be doing worse than that. Do you see what is happening in Saskatchewan or Ontario?

Mr. Reid: What is happening in Saskatchewan?

Mr. Lamoureux: Fifty-two hospitals closed down.

Mr. Reid: Well, it is interesting that the member for Inkster (Mr. Lamoureux) makes reference—

An Honourable Member: Not one hospital closed.

Some Honourable Members: Fifty-two hospitals closed.

Mr. Reid: I listen to the members of this House, Mr. Acting Speaker, that say that the province of Saskatchewan has closed hospitals. I would like to inform members of this House that the government of Saskatchewan, the Province of

Saskatchewan, has not closed one facility—not one. The 52 facilities that the members refer to have been converted to personal care homes. They have been converted to nursing stations, wellness centres, and in addition, for the information of the members of this House, those facilities, a good number of them, had not delivered a baby in over 15 years. You see a government and members of the Liberal Party saying here that they want to have a more efficient health care system, and yet they support and they think that we, the NDP governance of this country, should not take the necessary steps to ensure that the health care needs are met and that they are acted upon in a responsible fashion.

* (1630)

It is a lot better than what this government has done: to lay off nurses, close hospital beds, have lengthy waiting lists. I will make reference, Mr. Acting Speaker, to a constituent of mine who brought to my attention just recently, and I say this with all sincerity because this individual came to me, his wife was diagnosed as having skin cancer, went to the doctor to find out when treatment could start. She was told by the doctor that it would be several months before treatment could begin, but the doctor did add one caveat to that, for he said that if you were willing to pay a fee you could come to my office and you could receive treatments through my office.

Now, I do not think that this is fair, a fair way to treat the residents of this province, that when you are in a life-and-death situation, diagnosed as having cancer, you have to wait first off for an extended period of time, but that if you want to have some treatment for your condition, for your disease, you can pay a fee and go to the doctor's office and receive that level of service.

How is that helping the people of the province of Manitoba? Yet it appears that this government is allowing this to go on blind, to go on in the province turning a blind eye to what is taking place, causing some hardship for this family.

So I think, Mr. Acting Speaker, with those comments that I put, I am prepared to go and take the position of our party to the members and constituents of Transcona and to tell them what this Filmon government has done to this province: that they have increased taxes as has been reported in the media; that they have increased the taxes that homeowners have to pay in this province; they have cut back services; they have deteriorated the educational opportunities for our youth and have cost us jobs in the province.

I find that is unfortunate, and that is a message I will be taking to my constituents. I will be offering, on behalf of our party, constructive suggestions on how we can change and improve our province, to improve the opportunities and to make sure that all people of the province are treated fairly. Thank you for the opportunity to add my comments here today.

Mr. Jack Penner (Emerson): Thank you very much, Mr. Acting Speaker, for the opportunity to rise and put a few comments on the record on this great budget.

Before I do that, I would certainly like to add my condolences and my wife's, Doris's, condolences to the honourable member for Seine River (Mrs. Dacquay) at the loss of her mother and also to the John Harvard family at the loss of their daughter. It is certainly a time when families and friends become very important, and we certainly offer that friendship and wish them all the best in their grieving time.

This budget that has just been put before the House certainly is a culmination of the seven years of work that this government has put into bringing some economic stability to Manitoba. Manitobans have, of course, indicated, since we were elected or before we were elected, their desire to see the immense spending that the previous government had been into and the spend-and-borrow attitude be changed in this province, and I believe we have done that.

(Mr. Bob Rose, Acting Speaker, in the Chair)

I think, for the first time in the history of this province, there is a sense of confidence that has been instilled in the general economy, and indeed in society, that there is a group of people currently in government who have not only the will but the desire to ensure that equity, and above all equity, is part of the governing process.

Proper equity ensures that when a government makes decisions to spend money, they have a source of funds available to spend it within that given year. Therefore, Mr. Acting Speaker, it did not cause us any great deal of hardship to draft a piece of legislation that would ensure that future governments would have to abide by those same principles to ensure that our children and their children would not be saddled with the debt of their forefathers.

One of the greatest impediments we can saddle our children with is having to pay the bills that we incurred and them paying for the good times that we have had during our lifetime.

That is certainly what the Pawley administration was into. They simply did not want to pay the piper for the good times they were having at the time. The government did not want to face the challenge of seeking out the revenues that would be required to offer the services to Manitobans that they were offering at the time. Therefore, now 20 years after the fact or 15 years after the fact, we are faced with the situation of finding additional revenues to not only cover the cost of the daily expenditures of this government, but we are indeed saddled with the task of finding the additional funding to pay the banker for the money that he borrowed some 20 and 25 years ago.

That amount of money, of course, is somewhere in the neighbourhood of \$600 million to \$650 million that we could be offering services to, had the previous governments not chosen that economic path. Therefore, I find it interesting—not only interesting but I find it somewhat derogatory when the member for Transcona (Mr. Reid) speaks about health care and health care funding and where the money for

health care funding will come from and some of the changes that this government has made to ensure that we will in fact have a health care program for our future generations.

He mentioned specifically a person that had gone to a doctor with skin cancer and that doctor had said, if he had additional money in his pocket and was willing to pay out of pocket additional fees, he could be cured or treated right away.

I seldom ever have challenged anybody for telling untruths in this House, but I think that this came as close as anybody has come. I say this simply from a point of knowledge, because we have had two family members in our family over the last couple of years that have been diagnosed with cancer, one with leukaemia, and my wife, Dora, with skin cancer. At no point in time have we ever been confronted by a doctor or the medical profession and been told that if we had additional money we could be treated right away.

The treatments that were prescribed were entered into, in our granddaughter's case, for instance, immediately. Within three hours she was in treatment after being diagnosed. Similarly, in my wife's case, she was within a matter of days treated after being diagnosed. I do not think that that is an aberration. I think that is the norm.

I believe that the health care system we have in this province is second to none anywhere in Canada. We only need to look at provinces, neighbouring ones, to both the west and the east, and imagine what it would be like to have 52 rural facilities in this province closed, and then be confronted with the fact that we might have to travel 100 and 150 miles in some cases to receive medical services.

In this province, we are not only realizing that there need to be facilities in rural Manitoba, facilities such as the new hospital that is going to be opened within the next few weeks in Altona, the new hospital that was built in Vita, at some

very significant cost to taxpayers, but recognizing that we need to provide those kinds of services to our rural communities.

Not only do they become service providers to those that need health care, they also become employment centres for small communities like Vita. That is the difficulty, that a single decision in government, whether to do what this government has done, whether to make some adjustments and fine-tune and all those kind of things to save some money in some of the areas, instead of by one fell swoop of the axe cutting the umbilical cord to 52 facilities and the services.

That, of course, is the mentality of the socialist community, not only in this province but all across Canada, that you do not have to pay any attention, once you are elected, to the needs of the people. You can do away with the services and expect them to accept that because that is what we did.

Similarly, that same mentality exists in Ottawa today. I want to, before I get into what Ottawa did during the last federal budget, talk a bit about education and social programs. It is my view that we have for far too long sat idly by as governments and as parents and watched our education system deteriorate to the point where we are graduating people out of high school without being able to read and write.

* (1640)

We have done nothing to put in place processes that would test these people, identify whether they are in fact learning the things that they need to learn in order to, when they graduate, become useful people in society.

I know that the criticism that has been extended by both parties opposite to our government in that regard and the questioning that is going on currently as to what not only our motives are but what in fact the need is or whether or not that need is in fact there. I know they would much sooner cater to the needs of the

providers instead of to the needs of those that require the service, mainly the child.

It is our view, it is my view, that the one element in society that needs to be most carefully evaluated and how we deal with that sector in society needs to be carefully measured and decisions made that will ensure that the education of those young children is such that they can in fact become useful and productive citizens when they come into the workforce—that has not been done in the past, Mr. Acting Speaker, and both parties opposite know this.

Therefore, we were making the kind of changes in education that need to be made in order to recognize the needs of those children. The biggest supporters that we have out there are the parents of the children that are going to move into the educational system within the next year or period of time.

Similarly, the social programs, there has been a tremendous amount of criticism from members opposite, and you have to wonder sometimes how close to honesty they want to maintain their comments when they talk about cuts and cuts and cuts.

I ask members opposite: What does it mean for the Province of Manitoba, which over the last six years has increased its expenditures in health care by some \$600 million annually? What does that mean? Does that mean a cut? A \$600-million increase in spending this year over 1988, is that a cut? A \$250-million increase in educational spending over 1988, is that a cut? A \$250-million increase in spending on family services over 1988, is that a cut?

An Honourable Member: Welfare payments.

Mr. Penner: Well, I mean, the members opposite are yelling, welfare, welfare.

It is the actions of the previous NDP government that has caused the mentality in this province that has created a welfare mode in this province. That is why there has had to be some

additional spending. They, of course, told everybody when they were in government that you do not have to go out and work if you do not want to because society is going to care of you.

Now, once you start creating that kind of mentality in society, it grows and grows and grows like mushrooms. Of course, very quickly, when the nutrients of a mushroom are gone, in other words the moisture, the plant dries up very quickly. Well, I say to you, Mr. Acting Speaker, the plant has dried up, because the taxpayers who are the nutrients of the mushroom in this province have said, enough. There is no more. Therefore, the mushroom has withered and is going to become merely dust after the election campaign that we are going to win, and the opposition members are going to choke in the dust that is going to be provided by the mushrooms that they have created.

Now, Mr. Acting Speaker, we have an industry in this province that I think has been tremendously influential in directing the economy of this province over the last 50 to 100 years. That industry was largely expanded, developed by pioneers that came to this country. They saw the rich soil in Manitoba, they settled here, they made homes for their family here. They created wealth, a wealth that other industries built on, and that wealth, of course, caused the need for service centres in this province. Those services centres are our towns and our villages and our cities. Those towns and villages and cities today are still dependent on a good healthy agricultural economic base, and any government that forgets that is going to be in trouble next election term.

We have done an awful lot to encourage value-added initiatives to be taken in this province to encourage growth in those smaller communities. We have done an awful lot to encourage not only the expansion in the other-than-grain sectors in agriculture. We have encouraged red meat production, poultry production and speciality crops production in this province over the last eight years, and the results are just starting to emanate. There is

discussion about building pasta plants. There is discussion about building sugar factories in this province. There are discussions about a number of other initiatives in value-added such as killing plants for livestock and processing to final product for shipment, and that is, of course, what we would like to see.

However, in the interim, over the last couple or three weeks we have really, really been devastated by the dramatic policy change in Ottawa, a larger change than society has ever witnessed during the 200-year history of western Canada. The policy change announced during the budget by Mr. Martin was so discreetly masked and announced that nobody will know the true economic impact of that change for a long time to come.

One of the main policy changes that we have seen in Ottawa—and I could not believe when I heard the announcement being made by Mr. Paul Martin, that a Liberal government would ever step that far to the right in the political spectrum as they have done. They really have made Brian Mulroney and his bunch look like a bunch of pinkos in the past.

I say to you, Mr. Acting Speaker, that the equilibrium that has been used in Canada to establish an economic base and ensure that the social services, being health care, education and a number of others, are maintained on an equal level in this country has been decimated, totally, totally decimated, because the federal government in Ottawa made a decision to appease Quebec.

Mr. Acting Speaker, it is my view that Ottawa drafted the policies, enunciated them during their budget, to ensure that Quebec would get what they had asked for for a long time, and that is more power. They have given it to them. Not only have they given it to Quebec, they have given it to many of the other provinces as well.

The health care funding that we have seen to ensure that there would be an equal health care system in this country is gone. The funding

process that we have been used to to fund education and ensure that there would be a proper level of education funding across this country is gone. Because of the changes in the transfer payments that are going to be made, the provinces are going to have to make some decisions that are going to be saddled with some of the costs that were deemed to be national programs. They are going to be gone.

* (1650)

It started with the announcement when the Minister of Agriculture said the Crow has died. That Crow program was designed to ensure that western Canada would have equal costs in transferring its products into the export market position at an equal level. That is gone. Provinces such as Manitoba will have three times the cost that the province of Alberta will have. What does that mean to an individual farmer in Manitoba? It means that his bottom line two years from now will be \$35 an acre less than it was last year. That is what it means. His cost of production to produce a tonne of product will be \$35 higher than it was two years ago.

Now, some people might shrug their shoulders and say, well it is all right, the Crow should be gone, we have expected this. I have heard that comment a number of times, it is time that it was gone, and I do not disagree with that. But let us not forget the true impact and the true cost. Now there are some advantages to be gained by Manitoba by having the lowest feed costs in the country, but let us remember what we did 20-30 years ago to ensure that western Canadians would have a market for their feed grain. Not only did we have the Crow benefit that would get our grain to Thunder Bay or to Vancouver at an equal cost, we had a pooling system that the Wheat Board used to ensure that those processes would remain. That is gone. What does that do to Manitoba again? It adds another cost to Manitoba producers.

The second issue is gone, the feed freight assistance program which gave assistance to Manitoba feed grain to move into the central

Canadian marketplace to do what? To compete with American corn in the Toronto-Montreal area. That is gone. Then, beyond that, we had what was called the At and East program (phonetic). It was a freight assistance program that allowed western Canadian feed grains to move from Montreal into the Maritimes. That is gone. What does that do for western Canada? Well, it puts Manitoba, which is the farthest from any waterway, from any water port in Canada, at an extreme disadvantage, and I talk only about the grain sector now. What does that do for the livestock sector? It puts us into a very significant advantageous position because we will have the cheapest feed grain prices in all of Canada. That means that we should be able to competitively produce meat products or any kind of poultry products cheaper than anywhere in Canada.

I think farmers in general were saying, during the budget process, well, you know, if we have to make some changes, we have to make different investments; let us move in that direction, although we will do so hesitantly, but we will move in that direction.

What did the federal Minister of Agriculture do a week after the budget? He boarded a 747, flew to Australia and said to the Australians, what can we do for you? They, of course, said, well, you know, we have a surplus of red meats and if you have a market for it—and Mr. Goodale said, well, my goodness, sure we do. His eastern processors had said, we know where we can buy cheaper red meat or beef offshore than we can buy in western Canada, and you need to allow us to bring this into the country to fill our needs at a less price than we have to pay western Canada.

That really hit the Crow in both eyes at the same time and really blinded the little, black bird. But not only did it blind the little, black bird that we call a Crow, it really put a kink in the farmer's back because he is now faced with the situation of having to spend an additional \$35 an acre in freight cost to get his grain to—where?—somewhere where we are not sure whether anybody will want it.

To top it all off, that same minister, three months before the budget, went to the United States. He said to the secretary of Agriculture of the United States, and what can I do for you? Mr. Clinton, of course, had told his secretary of Agriculture that, you know, what you need to do is you have got to tell Goodale that we are going to shut the border to Canadian wheat. You know what Mr. Goodale said? Mr. Goodale said, in order to protect the pressures that the Americans have been putting on my supply management system in central Canada, I am going to agree with you. So we shut the border to Canadian wheat coming into the United States, and the supply management system in central Canada was, of course, protected.

Similarly, when we announced decreases in spending, we announced a 30 percent cut in the dairy subsidies in eastern Canada and 100 percent cut in the Crow. We poked the eyes of the Crow with a double whammy.

So where are we at today? No dairy products can move to eastern Canada because we have provincial border restrictions. We will not allow our products to move there. No chicken products, no poultry products can move because we have the restrictions in place.

We have done away with the equilibrium of the freight transport system, of the health care system, of the education system; we have blasted that out of the water. So where are we at as a province? Faced with an extremely difficult decision of which we truly do not know the economic impact of yet.

But to sweeten the pot of the American agreement with the Canadians, our federal government agreed that we would not take much action to stop the closure of the U.S. border to Canadian sugar coming into the United States. Now, what have we got? We have a situation where this province has some tremendous opportunities to add value, to add some manufacturing and use the cheapest products that we are going to be able to produce anywhere in Canada to add value to, and yet what does our

federal minister so? What does our federal government do?

Our friendly Liberal government, our friendly Liberals in Ottawa, who, I say, have moved farther right than any Brian Mulroney government I have ever seen in Ottawa move, have dared move that way, have not only made sure that we in Manitoba are not going to be able to grow economically. I think quite frankly, Mr. Acting Speaker, they did it to ensure that they would support the provincial Liberals in this province to get elected, because they would be able to come along and say, well, these are our friends. Because we have now said to alleviate the hurt on the freight line, we will pay these farmers to keep them quiet. To shut them up, we will pay them \$1.6 billion once. Well, you know what \$1.6 billion does to Manitoba producers? It pays two-thirds of the additional freight costs for one year. That is all it does. And then it is gone. One year.

And then they said, oh, my goodness, we know that Manitoba is going to be hurt a little bit more; we will add a little more money to the pot. We will put \$300 million in a special pot to alleviate some of the additional hurt. We will do that, and we will say to the Manitoba Liberals, you can go out there and use this as candy to give to the rural voters so that they will support you. That is why they did it. Will rural Manitobans buy it? I think not. I think they have had their fill of Liberal crow. I think they have eaten enough Liberal crow, Mr. Acting Speaker.

What I find interesting is that we are seeing today the exact same attitude that we had during the Liberal regime when Pierre Elliott Trudeau sat as our Prime Minister. He came to western Canada, and western Canada asked him whether the Liberal government would get involved in moving the huge tons of wheat that were lying in dealers yards and in farmers yards and nobody moved it, and he said, what? He said, ladies and gentlemen of the farm community, sell your own wheat. He said, we are not in the business of selling wheat.

Well, this Liberal government in Ottawa today is not in the business of knowing what agriculture and the economy of this country is based on. If western Canada does not prosper, if Manitoba does not prosper during this next decade, there will only be the federal Liberals to blame, because they have created the chaos that we are going to have to—if they had at the same policy announcement during the budget made the decision to remove all the provincial boundary restrictions that we currently still have, we might have a chance. But they decided not to do it.

* (1700)

Now, what have we done provincially? What has the Liberal Party in this province done? They have done nothing, Mr. Acting Speaker, but stand there and support that position. They have said, we think it is fair and it is balanced and we will support this federal budget. What are they supporting? They are supporting the total negation of the responsibility that society has taken for granted over the last year, totally ignored it in support of ensuring that Quebec will gain what they have wanted all along—more power. That is what this budget was all about.

I say it is totally appalling that our provincial Liberal Party will stand there in support of a federal program or a federal budget and a federal policy announcement that will see the decimation of the programs that we have held dear—health care, education and social services—because the federal government will no longer contribute its fair share through the block funding process. We have seen that demonstrated during the budget when they cut \$147 million next year and \$225 million the year following out of education and health care.

What will that do to our university students? Will the provincial Liberals have the gumption to stand before the university students and say it is our policy, their Liberal policy, that will cause you to pay more than double in tuition fees than what you are paying today? Will they admit to that?—because they support that program. They

support the decrease in spending towards education from the federal sector. That, of course, will have very severe implications for some of the young people attending university today.

Now they are standing in their place, now the Leader of the provincial Liberals is standing in his place saying to the provincial government, why do you not do something about it? You know what we have done. We have transferred the cost out of the rich area, the 10 million voters and taxpayers in central Canada, to the million in the provinces of Manitoba and Saskatchewan. So the tax base transfer, the value transfer that we have seen before is gone. Our provincial Liberals are supporting this.

Mr. Acting Speaker, I cannot understand the economics. Maybe they should not have studied law; maybe they should have studied some economics. I cannot understand the economics of those kinds of decisions and supporting those kinds of economic decisions. I simply cannot understand that.

In conclusion, I think that the electorate in Manitoba will assess very clearly within the very near future whether the programs that we have announced over the past seven years, the fiscal direction that we have taken over the past several years are a clear indication that health care is a priority in this province and must be maintained to ensure that our people have health care services, to make the changes that will ensure that our children will be the first priority on the totem pole and not those that provide the services. It will be the children to ensure that they receive an education so they can meet the future.

We must and have indicated clearly our desire to ensure those that are less fortunate in society are being supported and will be supported under this government, not like the so-called NDPs in Saskatchewan and Ontario. We have indicated clearly that we must, by legislation, abide by the rules of simple economics. If you buy something it needs to be

paid for. If we are going to increase spending in this province, we are going to have to increase revenues.

Any government that is going to go to the taxpayers and say we are going to pick your pockets some more is going to have to go to a referendum and ask those people which pockets they want picked or whether they actually want their pockets picked, is going to have to be supported by the opposition members.

I say to you, those of you that will not support this legislation or those of you that will not support the economic path that this province has been on for the last seven years will be dealt with very harshly by the electorate. I think the results of this coming provincial election will prove that.

I am convinced that society as a whole has taken a broad view of this government and where we have taken this province over the last seven years—in seven short years—and will want to maintain that economic path and will want to ensure that the feelings with which we have delivered the programs and ensured those programs would remain in place and will be accepted.

So I think, Mr. Acting Speaker, that the members opposite who have spoken so strongly in favour of and support of the federal budget and those kinds of broad-based unilateral policy decisions that have been made to change the direction of Canada and chop it up economically to a much greater degree than we have are not going to be supported in general by the people of Manitoba once they know what the true impact will be.

I thank you very kindly for allowing me these few short minutes to put some of my thoughts on record on this budget. I say to you that I and members on this side of the House will strongly support the efforts of our Finance minister to ensure that our expenditures and our revenues are brought into proper balance. We hope that he and all our colleagues on this side will

continue this path for a long time to come. Thank you, Mr. Acting Speaker.

Mr. Leonard Evans (Brandon East): I rise to participate in this budget debate, obviously the last budget debate that will occur in this particular Legislature.

An Honourable Member: Will it be your last word or what?

Mr. Leonard Evans: Well, you know, that is true. It could be the last for many of us. I want to extend my best wishes to all in this Legislature who have decided to leave politics, to step down. I was thinking well maybe I should be also extending best wishes to those who may be going involuntarily because there may be some who would like to be back but will not be back because of the decision of the electors in their particular constituency.

* (1710)

I enjoyed listening to the Minister of Education (Mr. Manness). I heard his entire speech, and it was true to form because, if anything, the Minister of Education, the member for Morris, is a true solid conservative—big C, small C. There is no which way you cut it, but that is the case. He is conservative. Many of us can share conservative values on this side with that side. This is what makes me very surprised. I will give you one example. It seems to me anyone who has a sense of history, has a feeling of preserving and wanting to conserve the best values that we have inherited over the years from our forefathers. I have always felt that Canadian history was fundamental, was basic in the education program in our public schools and our private schools. I cannot understand why the Minister of Education (Mr. Manness) does not want to make it compulsory. You know, it will still be there, but he does not want to make it compulsory anymore. It seems to me that belies his true Conservative position because a true Conservative would be one who appreciates history and would want to ensure that the youth of the province would be knowledgeable and

understanding of how this great country came into being.

Mr. Acting Speaker, the other thing that rather surprised me about the Minister of Education, who prides himself in being a Conservative, is that he, while Minister of Finance, brought in the biggest ever deficit in the province's history, the biggest ever, bigger than we ever brought in, I can assure you. In 1992-93, and I am quoting from this year's budget document—there it is for everybody to see—the budgetary deficit was \$566 million, and, of course--[interjection] You know, there is this hocus-pocus sleight of hand that has been going on under this government with this Fiscal Stabilization Fund.

They had a similar fund in British Columbia under the previous government. They just called it the budget stabilization fund, and soon everybody said, yes, the b.s. fund, the budget stabilization fund. Well, we have the Fiscal Stabilization Fund. You know, we took 200--oh, there it came--\$200 million, and we plunked it in and we got only \$566 million. If we did not have that magic transfer, this sort of shell game going on, the budget deficit would have been \$766 million, about three-quarters of a billion dollars.

That is on the record, and that is something that this government will go down in history for, and this former Minister of Finance will have and has on his record, having brought that kind of a deficit. I was yelling, shouting or interjecting the other day over to him when the Minister of Finance (Mr. Stefanson) was saying, well, the first time in, what is it, 22 years we have had a surplus budget. Thank goodness, after all these years of Conservatives, we have a surplus budget.

But really and truly the former Minister of Finance, the now Minister of Education (Mr. Manness), could have brought in a surplus in 1988-89, but he chose to take \$200 million out of revenue and put it in this Fiscal Stabilization Fund.

This was after Mr. Walding. This was after Mr. Walding had no longer sat in this Legislature. [interjection] Your '88--your budget. I am talking about your budget. The budget that the member for Morris brought in would have had nearly a \$60,000 surplus. Now that is a fact. The Provincial Auditor at that time wrote a letter and issued a statement criticizing the use of this \$200 million. That money could not have been taken out of revenue, and it would have allowed us to have a surplus, nearly \$60 million, which could have been used to pay down the debt.

You know, we get all the criticism. The NDP gets always criticized for how big the debt grew under our regime, but the fact is, Mr. Acting Speaker, let us not forget that the debt has grown steadily under this government. As a matter of fact, again, you can look at the budget documents. The first budget document, the first year of this government, '88-89, showed a total debt of \$10.6 billion, and we are now up to almost \$14 billion. There has been a substantial increase.

An Honourable Member: What do you think of the balanced budget?

Mr. Leonard Evans: I will get to that in a minute.

There has been a substantial increase. Mr. Acting Speaker, on a per capita basis, dollars per capita, our last year in office, the net debt per capita was \$9,372. Each and every Manitoban owed \$9,372. Is it less today? Has it gone down after seven years or whatever of this government? No, it has gone up about 33 percent. It is up to \$12,272 per person. So I do not know where this government has been taking us.

All of a sudden, with this particular budget, lo and behold, we come up with not a balance but a surplus. Well, we all like to see a surplus. We all like to have a balance. Nobody wants to get into debt. Nobody wants to have deficits. I must say, my colleagues in Saskatchewan, the NDP, historically have had an excellent record in

managing their finances. I guess they are on the track again.

Mr. Acting Speaker, the sad fact of this budget is that the surplus is not based on real economic growth. It is not based essentially on revenue growth. There has been a small amount of revenue growth, but it is based essentially on the VLTs.

I think the Free Press said it all in this cartoon. On the one side, you have the Premier holding the loot, and on the other side, you have the deficit. Here he is, he is balancing the books. Of course, the fulcrum, the balancing point, is a Manitoban looking, staring at a VLT machine. That cartoon speaks wonders. That cartoon speaks volumes. That is a sad part of this particular surplus, that if it were not for VLT revenues and these gambling funds, we would simply not have the surplus. As a matter of fact, we would again be in a serious deficit position.

The other thing, of course, that makes this thing so unreal, because the minister has given us projections through to 1998-99, in his own document says he is not including the monies lost or to be cut by the federal government. The substantial amount of money, a three-year total impact, according to this footnote is \$391 million. That is a substantial amount of money to be cut from the budget of any province, especially Manitoba. Yet most of that is not taken into account.

When we got these projections of balance and then surpluses, I just say, Mr. Acting Speaker, they have to be surreal, you have to be dreaming to base those projections on very, very tenuous assumptions and by ignoring the reality of federal cutbacks.

Who knows, Mr. Martin the federal minister has told us he has only just begun and he has more news for us, he tells us, in next year's budget when we could be seeing additional cuts to the Province of Manitoba.

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

* (1720)

There is something else very strange, Mr. Acting Speaker, about this particular budget. That is the fact that the government has chosen to take \$30 million of revenue out of 1994 and transferred it to 1995. If there was ever a shell game being practised it has to be that. There is \$30 million, and the \$30 million is included in the document we have on the estimates of revenue which were tabled at the same time that the budget documents were tabled. It shows revenues from the sale of McKenzie Seeds, from Manitoba Mineral Resources Ltd. and one other Crown. What we are doing is selling assets.

I believe, if I understand right, the revenue from McKenzie Seeds was obtained in 1994-95. If I am wrong tell me. All the information we have is the company was sold in this fiscal year, '94-95, and that money is shown in the book as 1995-96 revenue. It is part of a \$30 million sale of assets that should have been shown in '94-95 as being transferred in '95-96, so what it does, of course, is make the budgetary surplus look even better than it would be because if you deducted 30, the budgetary surplus, instead of being 48, would be only \$18 million. This is another very questionable practice, and I do not know what the explanation is. It seems like a magical game, a sort of a sleight of hand that is going on.

I really believe that the people of Manitoba are very cynical that this cannot be sustained. We would all like to see surpluses, and we all want to see balanced budgets. Of course, nobody wants debt, nobody wants deficits, but people are very cynical. They do not see how the government can sustain these balances and surpluses because of how this government has arrived at the surplus for this year and because of its ignoring of the fact that there will be further cuts, there will be real cuts by the federal government in the future.

I think the point is that in 1988-89 with the very first budget of this government they came in and they took \$200 million and slid it out into the Fiscal Stabilization Fund. Now this year, the last budget we have of this present government, they are taking \$145 million out of the lotteries slush fund and moving it in. So one time you move it out because it is to your advantage; now you move it in because it is to your advantage.

I would say what this shows you, Mr. Acting Speaker, is that this can be a very fluid situation. These numbers are not fixed in stone. It shows you how the bottom line of the budget can be very nicely and easily adjusted once you start setting up these funds that you take money out of or put money back into, so you play around with it. I think it causes people to be cynical, and, of course, it allows editorial writers a heyday in criticizing the way government operates, the way government keeps its books.

I say the forecasts are, in some ways, unrealistic. I do not see how the forecast of flat program expenditure can be sustained without cutting back on social services, education and health, because whether we like it or not we still have some inflation. When you say in current dollars that you are going to maintain a level of spending, in real dollars, in constant dollars, that is, in dollars that takes into account the inflationary effect, what this government is saying is that it is going to cut back on program expenditures in the years ahead.

Mr. Acting Speaker, we should all be prepared if this medium-term fiscal plan is sustained, if this government should be re-elected and they follow this plan; what it means is and what we are being told right now is to expect further cuts in social services, education and health care.

On the revenue side, again, it is unreal and we have had economists such as a Mr. Paul Darby of the Conference Board of Canada, who said for sure there will be a slowdown in Canada by 1997, and that surely we cannot sustain the rate of economic growth that is included in this

forecast. The forecast shows growth rates of 3.6 for '94, 3.0 for '95 and 2.7 for '96. All you have got to do is look at the economic growth rate of the past few years and you will see we are nowhere near that. In 1990, the rate of growth in Manitoba—this is from Statistics Canada—was only 0.9, less than 1 percent; in 1991, it was negative, 3.1; in 1992, it was 2 percent; in 1993, it was negative again, 0.2 percent. So we have got a very weak record, a record of no growth or stagnation. Yet we are building a budget forecast based on very rosy projections of future revenue growth, based on future economic growth. Even the assistant deputy minister in charge of collecting GST said that he is forecasting lower revenues from the GST than we are from retail sales tax. In reality, we have got a very rosy picture here of future revenues that I do not believe will be realized. All we have to do is look at our past records.

I think, as I said, if this government intends to keep programs flat, in current dollars, this means a real cut; it means massive cuts in the future. It is going to mean that any future government is going to have to make some serious decisions if it is following this fiscal plan, especially if it is bound by legislation. You know, it will have to make a choice. Do we increase income tax by a fraction, say by 1 percent, or do we close down Brandon University? What do we do? I mean, there are some real things here. Do we close some rural hospitals or another major Winnipeg hospital, or do we increase taxes? What will we do?

I would forecast that this government will push more of the burden onto the property taxpayers, and let us face it, that has happened. I was talking to a reeve not long ago who still says his municipality is hurting from the fact that the PRs were turned over onto their shoulders. Again, he said, we have had to take on this additional cost, and that is a real burden for the ratepayers, for the taxpayers, in his municipality. That is, of course, true throughout rural Manitoba; there has been that offloading. There are some other examples of offloading as well. I predict, Mr. Acting Speaker, that we will see

more of this offloading if this particular medium-term fiscal plan is brought about.

To also illustrate the transfer of the tax load to property taxpayers you can look at what has happened to education funding. The share of education funding has dropped from 82.4 percent in 1981 down to 64.3 percent in '94-95. Well, if that is not a transfer to property taxpayers I do not know what is. There is no question about that.

Even the mayor of Winnipeg has her analysts at work. They are beginning to examine how much the city is going to lose in 1996; 1995 is fine but 1996 what is going to happen? Mayor Susan Thompson has already concerned herself about what cuts are going to come from the Manitoba government. So the fact is that there has been this offloading, there has been this transfer of burden, and there have been increases in taxes over the years. Two years ago we had an extension of sales taxes in Manitoba. We even started to tax Big Macs and certain medical supplies and so on. So this government with that, plus some other miscellaneous increases, actually increased the tax paid by over \$100 million.

Again, it is in the budget document. It is there. It is not me making these numbers up. It is there for anybody who wants to read. So there was an increase in taxes of over \$100 million a couple of years ago, including the shifting of property tax, the elimination of \$75 in property tax—[interjection] That is right, and a lot of that went to seniors and to people to whom \$75 means a lot.

There is no question that there has been an increase in the tax burden, there is no question that there has been a transfer of the tax burden, and there is no question that with this medium-term fiscal plan that we are going to see more of that. We are going to see the social deficit increase. As the manager of Winnipeg Harvest said, Mr. Northcott, I believe. Mr. David Northcott said the social deficit is increasing under this kind of budgeting.

Mr. Acting Speaker, in many ways the biggest failure of this government has been its inability to stimulate economic growth. I would be the first one to say, well, we are not an island unto ourselves, we have to look at what is happening to the national economy. Do not judge Manitoba under the NDP years, under former Premier Howard Pawley, with what is happening today. I have done that. I took some time and did some comparisons. The previous speaker was talking about how great the economic record has been under this government. Well, I am sorry, that record is rather dismal.

* (1730)

Just to use one example, employment. In the NDP years, taking our entire period of office, jobs increased by 9.3 percent. When we left office, there were 9.3 percent more jobs than when we took office. Under this government, which has had an additional year in office, there has been less than 1 percent increase in the number of jobs, 0.6 percent more jobs in 1994 than there were in the year 1988. I am using annual figures which are a lot more reliable than the monthly figures.

There is no question that this government has not performed to the same degree as the previous NDP government did in job creation. Now you might say, well, that is because we have a bigger recession and so forth and so on, but to look into that question you should compare what has happened in Canada. It is true. In Canada as well there has been a reduction in jobs in this country, job creation. In Canada as a whole, however, the jobs increased by 3.7 percent. Between 1988 and 1994, the jobs increased 3.7 percent. In Manitoba they increased by 0.6 percent. In other words Manitoba achieved only one-sixth of what Canada as a whole achieved. Whereas under the previous NDP government we achieved three-quarters of the Canadian average. We did not do as well as Canada as a whole. Manitoba tends to be a slower growth province. At least we achieved approximately three-quarters of the Canadian growth rate.

What have we been doing under the Filmon government? We are only a sixth of the Canadian growth rate in jobs.

Those figures are based on information from the labour force surveys of Statistics Canada, and I think they are very telling. This is the bottom line. You can chart that. I am going to get these printed out on a computer. I would be pleased to share it with every member in the House, because that is the fact, that the job creation record of this government, vis-à-vis the Canadian job creation record, is weak, is much poorer than occurred under the NDP.

You can look at it another way, too. You can put it on an index, take 1981 and go throughout the years and you will see for every year except one the rate of job creation in Manitoba was greater than the rate of job creation in Canada. Under the Conservatives—and you can see this dark shaded spot—the Manitoba rate of job creation has always been under the Canadian rate of job creation. Why? Why have we always been poorer than the rate of job creation in Canada as a whole under this government, whereas under the previous government, except for one year, we were above the national average rate of job creation, rate of employment growth? I think that speaks volumes.

As I said I am going to get this done on a computer. It will be a little easier to read than my little handwork here. I can assure you that those are official statistics provided to us by Stats Canada.

Then you can say, well, one of the reasons you do not have as many jobs is because there is a lack of investment. Investment is the basis of economic growth. I was looking at what happened to total investment in this province. Again I have used the 1995 estimate that just came out about two weeks ago. I compared what happened under the Filmon government from 1988 to 1994 to what happened under the NDP government in the Pawley years '82 to '87. It is very interesting. Total investment under the NDP was approximately 80 percent, 79.9 to be

precise, whereas Canada was only 42.2, the increase in investment. We virtually almost doubled the rate of total investment expansion that occurred in Canada as a whole.

What has happened under this government? Well, Canada only experienced 6.5 percent increase, but lo and behold Manitoba was negative 3.8. We have gone down. We have had disinvestment, not positive investment. We have had disinvestment. That is one of the explanations for the very poor job creation record of this government.

So you could say, well, that is total investment. What about the private sector? Well, the same picture for the private sector. What has happened to private investment under the NDP in the '80s? Manitoba's private investment increased 95.5 percent in the period that we were in office, from '81, '82, to when we left office, '87 thereabouts, 95.5 percent compared to Canada at 65.4, so far superior to the private investment growth in Canada as a whole.

What has happened under the Filmon government? These are Stats Canada figures that just came out, the revised ones two weeks ago. Canada increased only 5 percent, very weak. But what happened in Manitoba? It is negative, 4.7 percent. We have less in 1994. We had a lower level of private investment in Manitoba than we had in 1988, when the government took office. Is that supposed to be economic performance? That, my colleagues, members of the Legislature, is economic stagnation, because that is what we have had under this government for the past seven years, economic stagnation.

You know, you can go on to other charts. I have figures here on employment starts. I have figures on building permits. We have figures on the unemployment rate, on other items, retail trade and so on. By and large, in every case, in all these basic economic indicators, we perform better than this particular government. [interjection] Mr. Acting Speaker, I would only

ask the honourable members to look at the statistical data that is available to us to analyze. There is something very telling as well. I talked about job creation, investment.

Another very basic indicator as to what has been happening to our province is population loss through interprovincial migration. Every year, there are so many people who come into Manitoba and so many people go out, and that has been going on for decades.

There was the odd year and there were a couple of years under the Pawley government where there was actually a net influx of people, but if you take—and I am just going to round this off—the NDP years under Premier Pawley our total loss—we lost people on interprovincial migration. Our total loss was 7,100. That is the net loss of people through interprovincial migration. What do you think has happened under this government? How much do you think we have lost under this government? [interjection]

Mr. Acting Speaker, all I ask for is decorum. I listened very quietly during members opposite. All I want is the Minister of Agriculture (Mr. Enns) and the Minister of Energy (Mr. Orchard) to give me the same courtesy. I am sure their constituents would appreciate that if they were flooding into the Chamber here and could observe what is going on. They would appreciate them being quiet and to listen. But they do not want to hear the facts.

(Mr. Bob Rose, Acting Speaker, in the Chair)

I said we lost just over 7,000 people during the Pawley NDP years. Well, how many people have we lost under the Filmon Conservative years in government? Is it double? Is it 14,000? Is it triple? Is it 21,000? Who knows? Is it four times as much? Four times seven is 28,000. Is it five times as much? That is 35,000. No, it is not five times as much. Is it six times as much loss as under the NDP? That is 42,000. No. Is it seven times? That makes it 49,000, and it is even bigger than that. It is 50,000 people that

were lost to the province of Manitoba to interprovincial migration under this government. It is seven times as great of a loss as occurred under the NDP. Those are population figures. They are issued quarterly, annually, by Statistics Canada. I did not go to my office and dream them up. They are there for anyone to examine if they wish. So whether you are looking at job creation, whether you are looking at private investment, whether you are looking at population loss, this government scores very poorly. That is very sad.

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

I know we have been given all the propaganda about how great things are and how Manitoba is expanding, but the fact is this is the basis, this is the reason why the budget over the years has been in the deficit situation. It is not because the government here has not tried to cut back, because as we all know there have been cuts. We have got all kinds of cuts in health, education and social services. We are all aware of that.

* (1740)

Mr. Acting Speaker, if we had the economic growth we would have had the increase that we needed in revenue. For example, income taxes between '91-92 and '92-93 declined by approximately—this is very rough—\$100 million. I mean, you decline income taxes because there is less income being earned by individuals and corporations.

Similarly, the overall collection—it is called Manitoba collections. That is a series of various fines and fees and charges. That showed a drop too of approximately \$150 million. That, again, reflects a rather sad economic situation. So I say, if we had adequate economic growth we would have adequate increase in operating revenues which would then ensure that we had a balanced budget or closer to a balanced budget. It would have assured that we would not have experienced the deficits that we have had to

experience over the years. Essentially, this is the failure of this government.

I say therefore that a major deficiency of this budget is that it puts all the focus on balancing the budget or bringing up a surplus. It is all dedicated to a financial objective of the government. We are not criticizing the fact that we should have surpluses or we should be in balance. As I said before, we would all like to achieve that, but the fact is, Mr. Acting Speaker, the budget does precious little for job creation. This government over the years has cut back on stimulative measures that could have brought about greater economic activity than we have experienced, whether it be infrastructure spending or whether it be direct job programs. I know the government in the past, the former Minister of Finance in particular, was always critical of job-creation programs, yet this government has actually done it on a very minute scale. It has sort of been brought into it in a very minor way in the last year or two, and partly because of federal government policy as well.

So the real challenge of a budget should be ultimately, Mr. Acting Speaker, to raise the standard of living of the people of Manitoba. That should be our objective. We should use the budget as a major instrument to bring about a greater amount of wealth for our people, a greater amount of wealth so that we can improve—

Some Honourable Members: Oh, oh.

The Acting Speaker (Mr. Laurendeau): Order, please. I am really having a hard time hearing the honourable member. If the two members that are having this discussion want to carry it on they can do so in the loge.

Mr. Leonard Evans: Mr. Acting Speaker, I appreciate your assistance.

The fact is that there is a real challenge to this government, to anyone who is in government, the real challenge is to provide enough jobs for

our people so that we can allow Manitobans to produce the goods and services that we all want and will enable us in the long run to have the balanced budgets that we want. But instead the emphasis has been the cost cutting, has been a reduction in social services and what we see as a result of some of the decisions made in this budget, further layoffs.

For example, there is an article in the Free Press quoting officials from the University of Manitoba. There are going to be more layoffs at the University of Manitoba, and I know there are layoffs that are going to occur in Brandon University because of inadequate funding of that institution. I think that is sad because it is our universities which are the centres of higher learning that are one powerful group of instruments that we can have and assets that we can have to develop our population, to train our people, to educate them so that they can be productive and to enable us to have the kind of economic growth that we all want.

So, Mr. Acting Speaker, we have a budget that is based on a very, very shaky foundation and one that I do not believe can be sustained, unless there is a major turnaround in the economic situation of the government. I know the government has put its wishes into legislation for a balanced budget in the future, and I often do not agree with the Winnipeg Free Press editorials, but the fact is that they make a couple of statements that I think are worth quoting and for all of us to be aware of.

This is from the Winnipeg Free Press editorial of Saturday, March 11, and I am quoting from this one article and it says: "If the government goes to the people without having passed the balanced budget legislation, voters will be justified in suspecting that it will never be passed into law." And I think that is a true observation.

So if you mean business, we better get on with it and discuss it and the government will do what it will to pass it and so on. But if we are just bringing it in and then saying, well, in the

sweet by and by this is going to happen, I think people deserve to be cynical.

But there is another observation made in the editorial which is worth our consideration. It says: "The government should have the right to incur that deficit and to answer to the people who elected it." They are saying governments that are elected have to be responsible to the people who elected them for whatever they do, whether it is deficits, surpluses or whatever they do in their programs.

It says: "Some future government may decide that it should remove some of the burden of education from property tax and pay for it through a higher personal or corporate income tax. It should not be required to hold a plebiscite to approve that shift in policy."

I further quote: "Governments should be responsible to the people who elected them, not to some government elected in the distant past, which presumed to extend its powers beyond the term that people gave it. The Filmon government has a tough enough time coping with its own budget problems without trying to dictate fiscal policy for decades to come."

I think that is a very wise observation. I repeat, we are not against budget surpluses, because you have to have a surplus to pay off your debt. We are not against balanced budgets when we can achieve them, but the fact is that there is something immoral for this Legislature, even if we all voted for it together and said we are going to pass it.

What we are telling people who could be elected 10 years from now, even 20 years from now because we go on to a long time here, that is how you are going to run the province. I say, those future legislators who sit in this Chamber have a responsibility directly to the people who elected them at that time, not to any of us who happen to be here in the year of our Lord 1995.

So I suggest that this is not—it is very popular. I am suggesting you are playing to a feeling out

there that people would like to see governments achieve these objectives, but nevertheless—

I want to just say this—I see my light—How many? One minute? Two minutes? Thirty seconds. Well, okay. I would like to have gone on to talk about the national situation, because a great deal of what is happening here is because of federal policy, no matter which government is in power.

(Mr. Speaker in the Chair)

I suggest that if we had a more progressive monetary policy, lower interest rates with the Bank of Canada holding a greater percentage of the federal debt, there would be less of a burden on the Canadian taxpayers, less of a burden on the federal government. Therefore, you would not see a federal government cutting the hundreds of millions of dollars that it wants to from the Province of Manitoba.

So I suggest, Mr. Speaker, some of our problems are beyond us, but we have to advocate these together and lobby for them to get a more progressive monetary policy in Ottawa, which will far better cope with the debt problem that has arisen in this country over the last two years. Thank you.

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, honourable colleagues, it is always a privilege to address what I consider to be probably the most important document that we debate in any Legislature. We sometimes tend to overlook that. We get wrapped up with that other function of legislators, that is, passing laws, and they are important as well, but certainly of late, and to our regret, the economics side of the legislative responsibility has been neglected. I am so tremendously pleased that I have been given the privilege to have witnessed what we are witnessing in this Chamber today, namely, a balanced budget brought in by a responsible government, by an extremely talented Minister of Finance (Mr. Stefanson) that I am happy to serve with, not only that, but a somewhat unprecedented commitment to

continue on this path by the introduction and the inclusion of the balanced-budget legislation right within the budget document.

That is an important message to send out to those who watch us. If it was just a case of people watching us from different parts of the world, well, I suppose it would not matter all that much, but they, from time to time, make judgments about us that do matter a great deal.

It would be my hope that the credit rating agencies in different parts of the world will take the time to read this document, take the time to completely understand what a rather unprecedented position we are taking with respect to the following legislation and make their judgments accordingly.

* (1750)

Mr. Speaker, I too would like to acknowledge with some sadness, certainly a lot of fond memories, the departure of a number of colleagues within this Chamber, on both sides of the House. We have seen the stated intentions, in fact the leaving of such members like the member for Flin Flon, whom I have spent a great deal of time in this Chamber with, the announced intention of John, the grumbler from Dauphin, whom I have had the privilege of sharing Transportation and Highways portfolios with on occasion, as well as the Natural Resources portfolio, I understand.

Then, of course, my own colleagues here, that gentleman from Pembina who will probably be best remembered in this Chamber for his quiet dignity, his soft and tender approach to all matters political, his wise counsel that he was always fortunate to be positioned at the end of the row here to give, whether he was an opposition member or a government member. His place will long be remembered by many who have served in this Chamber. I regret it very much that I was called out of the Chamber and did not get the opportunity to hear the major portion of my colleague from Morris's comments earlier on this afternoon.

A person like myself, in the ministries that I have had the privilege of representing, I suppose you get used to it, but I want to tell all my colleagues here, including those on this side, that the reality of the new fiscal policies that this government had to adopt, and I make absolutely no apologies for them, indeed, only extremely supportive of them, it was all worthwhile in the process that we have arrived at with this budget.

For departments like Natural Resources, like Agriculture or like Highways, our paying, quite frankly, started earlier, and that was not by accident. That was by carefully calculated design because of this government's often stated and still stated and still committed to policy that we hold that social services of health, education and family services are at the very top of our priorities.

If 194 employees of the Department of Natural Resources had to be relieved of their jobs, that happened, not in the last budget or the last two budgets, but three or four and five budgets ago. It was not particularly pleasant, but I know my colleague the then- Minister of Highways did not particularly like to readdress some of the questions, some of the responsibilities of provincial roads and had many long discussions with municipal and local governments. They came to a decision as a budget cost-cutting measure to in effect transfer back some 3,000 kilometres of provincial roads to the municipal governments.

I repeat these things only because it has to be absolutely refuted that this Minister of Finance (Mr. Stefanson), this government has in some ways approached their books for this year's purposes to come in with a balanced budget. For those of us who had the all too unpleasant task sometimes to try to reorganize their departments, try to reprioritize their programs in such a manner that, in the main, program delivery did not suffer, the truth of the matter is, we are operating with—I do not know what the precise figure is, but I understand it is in the neighbourhood of 2,200 or 2,300 or 2,400 fewer Manitoba public civil servants than we had on

the payroll when this government took office. I am very happy to say—2,400, I am correct, fewer civil servants on the payroll today than when this government took office.

There is no rubbing of hands or being happy about it. What I am happy to say is that in most instances it was not a question of laying people off, it was a question of rigid discipline, of not just automatically filling positions as they became vacant through attrition. It was rigidly adhering to the guidelines set down by Treasury Board, that in fact demanded of departments that they run with 4, 5, 6 percent vacancy rates.

That was a lot of discipline to put on the individual ministers. I think, unannounced, the great public will never really appreciate the kind of discipline and how that was maintained through these seven years and these seven budgets, because after all we are all blessed with our own egos, or cursed. We all to some extent get carried away with the importance of our offices, when we walk into those ministerial offices and we swear the oaths of executive councillor.

I would like to think that this government is no different than any other government. Most of the ministers wanted to accept that challenge in a way that they were going to leave whatever

their discipline was, whether it is agriculture or highways or education or health, perhaps a little better when their term was over than when they walked in. Those are the ambitions, those are the goals, those are the objectives of all ministers, I am prepared to say.

That was a more difficult challenge under the circumstances that I have just described, and to have been able to carry that out with the degree of unity within the cabinet was an accomplishment in itself.

I also want to acknowledge my friend the honourable member for Turtle Mountain (Mr. Rose). I wish him well in his retirement. There will be new faces when next this Chamber meets after that rumoured election, although I suspect that we will be doing a considerable amount of business in this Chamber before that time comes, but we will see.

Mr. Speaker: Order, please.

When this matter is again before the House, the honourable Minister of Agriculture will have 30 minutes remaining.

The hour being 6 p.m., this House now adjourns and stands adjourned until 1:30 p.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 15, 1995

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