



Third Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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The Honourable Louise M. Dacquay
Speaker*



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 24, 1997

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Gang Action Plan

Madam Speaker: I have reviewed the petition of the honourable member for St. Johns (Mr. Mackintosh). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Yes.

Madam Speaker: Yes. The Clerk will read.

Mr. Clerk (William Remnant): The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the increase in violent crimes in Manitoba since 1990 has been more than three times as much as the Canadian average; and

THAT crime can only be effectively dealt with through both prevention and suppression; and

THAT the tough talk of the Manitoba Justice minister has not been matched with action; and

THAT Manitobans want a positive, comprehensive response to crime and gang crime that provides alternatives for youth; and

THAT the New Democratic Party has put forward an 18-point plan to deal with gang crime; and

THAT this plan is divided into elements focused on both the justice system and families, schools and communities; and

THAT this costed plan has been subject to widespread consultation and has been praised as a

detailed plan to fight youth crime that is well thought through and constructive.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Justice (Mr. Toews) to consider using this action plan as a basis for provincial policy on organized criminal gangs.

* (1335)

ORAL QUESTION PERIOD

Home Oxygen Supply Services Privatization—Cost Analysis

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is to the First Minister (Mr. Filmon). Last Friday, his Minister of Health was quoted as saying, in dealing with the Home Oxygen Program, that they had no studies and they, in fact, did not know the cost issues related to the decision to privatize the Home Oxygen Program.

On Saturday, after we had tabled one study in this Legislature, the minister admitted that there were at least three studies that the government had conducted on the decision on Home Oxygen Therapy programs, and given the fact that in this House before we have had cover-up after cover-up of reports dealing with privatization and establishing profit in the health care system witnessed last year in home care, I would like to ask the Premier to stop the secrecy, stop the cover-up and order his Minister of Finance (Mr. Stefanson) and his Minister of Health to table all relevant reports in this Legislature on behalf of Manitobans.

Hon. Darren Praznik (Minister of Health): First of all, there is no cover-up, Madam Speaker. There is no hiding. The report that the member for Concordia tabled in this House, or bits and pieces from it, was an analysis that was done by one individual in 1993 that did not include all of the costs and, quite frankly, was dismissed by the department.

The other report that he referred to, Madam Speaker, estimated the cost of providing the care in the private sector with no particular analysis at \$1,500 per unit. In sorting this out, in going to tender, we brought that cost in at—I believe it is around \$1,050 approximately per client, which is well under, or under any projections or actual costs. The taxpayers save money; the consumer now gets a service—what was provided by two providers, now provided by one.

The Leader of the Opposition is just wrong in his analysis.

Rimer Alco Contract

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, I asked the Premier to table the information, the analysis, so all Manitobans will know what the facts and figures are. What is the government afraid of? That is the real question.

Madam Speaker, on Friday the Minister of Health in Hansard stated: The prime issue is one of service.

I would like to table a letter from the Manitoba Association of Registered Respiratory Therapists, wherein they conclude that they are profoundly disappointed at the process that was used by the government to arrive at the decision to tender out the home oxygen process to the Rimer Alco company. I would like to ask the Premier why, again, do we see the government going against their own health care experts and putting the quality of patient care at risk with the ideologically extreme position that this government is taking on home oxygen therapy services.

* (1340)

Hon. Darren Praznik (Minister of Health): Madam Speaker, again, to the Leader of the Opposition, I think he overexaggerates considerably this whole situation. He came to this House telling us that it would cost \$1,500, \$2,000, \$3,000 per patient with respect to oxygen. The tendered price came in at \$1,050. That is why, in fact, in sorting things out, with often a lot of different information from a lot of different sources, what clearly sorted this issue out was the fact that we did go to a tendering process, which ensures, I think, a better service and a reasonable cost.

In the small areas in the health care system we have done and tested that. He certainly cannot say we are privatizing the system. In fact, as we move to a more centralized organization in governance, I would suggest we are going just in the opposite direction.

Privatization

Mr. Gary Doer (Leader of the Opposition): Again, the First Minister (Mr. Filmon) did not answer the question.

We want all documents, evaluations and studies tabled before all Manitobans because we found when the government said they did not have the Connie Curran report on home care, they were not telling us the truth. We found before when they said they did not have an advisory committee report on home care services, it had recommended the government's extreme position. On page 4 of one of the government's studies, they say that we had been required—the government health care department—to do the evaluation due to the lobbying efforts by private oxygen suppliers.

I would like to ask the Premier is this decision to proceed with the privatization of home oxygen services on the basis of patient care, on the basis of advice from health care professionals or is it their own extreme ideological position based on lobbying from private profit oxygen firms.

Hon. Darren Praznik (Minister of Health): Madam Speaker, I am somewhat amazed at the question from the Leader of the Opposition. After listening to members of the New Democratic Party last week defending the large oxygen interests in this country and the situation where Canadians and Manitobans were overcharged for oxygen and attacking a company that in the oxygen business has brought a great competitive force and reduced the cost of oxygen in the hospitals with concentrators by 34 percent, to hear them today asking that question seems a bit inconsistent.

Madam Speaker, this is not a case of putting anyone at risk. We had two places for people to contact: one to get their equipment from government, one previously a private supplier of oxygen. This has been amalgamated into one service, which is much better, I think, for the users, and it has come in at a very

competitive, economical price, well below the estimated cost that the Leader of the Opposition suggested in this House.

Home Oxygen Supply Services Privatization-Consultations

Ms. Marianne Cerilli (Radisson): Madam Speaker, we have tabled a letter that showed that this home care oxygen contract was tendered with no criteria set out to ensure patient care. It is obvious with this government, in privatizing health care, it means that standards for patient care are out the window.

I want to ask the minister why the registered respiratory therapists were first asked to appoint someone to be part of their steering committee to provide expertise on home oxygen supply but the contract was then tendered and awarded without input from that profession to develop the criteria to ensure patient care.

Hon. Darren Praznik (Minister of Health): Madam Speaker, first of all, the committee that reviewed the proposals that came in did separate a number of companies that they felt were not able to fulfill the quality requirements, and their bids, I understand, were not even opened. They concluded that there were in fact two companies that could complete this contract.

What I would suggest we have here is a lot of people with their own particular piece of interest in this area pursuing it, and if that were the case, we would never make any decisions in government.

Point of Order

Mr. Gary Doer (Leader of the Opposition): A point of order, Madam Speaker, the Minister of Health is impugning motives to the respiratory therapists of Manitoba. I think that is very, very unprofessional of him, and I ask him to withdraw it.

* (1345)

Madam Speaker: I will take the point of order raised by the Leader of the official opposition under advisement and report back so I can review the context in which the words were said in Hansard.

* * *

Ms. Cerilli: Madam Speaker, I would like to ask the minister how he responds to the respiratory therapists in their letter to him February 4, when they say that they strongly supported the recommendations of his steering committee that all suppliers be required to meet basic standards, but that these standards were ignored and it appears to be what is a quantum leap to tendering the whole program without appropriate consultation. How does he respond to that?

Mr. Praznik: Madam Speaker, with respect to the specific concerns in this letter, I will check out their concerns with respect to the process and what others understood it to be.

But let me say to members, in all of these issues there are so many people and groups that have a particular role—and I do not say that to be disparaging of them or to impute motives—but as Minister of Health, as critics of Health, we continually get conflicting views from different health care providers, professionals, in the system—and I know the member for Wellington (Ms. Barrett) implies that she knows all about this, Madam Speaker. We know between the medical profession and nurses there is a dispute as to who should be providing what services. Ultimately, the responsibility falls on us in government, in a publicly funded one-payer system, to make these decisions.

Ms. Cerilli: Madam Speaker, I want the minister to explain why it is he first asked for the expertise of respiratory technologists on this committee and then issued the contract without their input in criteria to protect the health and the safety of the patients in Manitoba that use the services.

Why did they not include the respiratory technologists in setting the criteria for the health of Manitobans?

Mr. Praznik: Madam Speaker, I am not quite sure what the member is asking. If she is asking why this committee was not asked to set the standards by which they were to judge the—I will have to check on it, I was not minister at the time. I was not involved in the detail of that particular—

An Honourable Member: February 4.

Mr. Praznik: Well, the member refers to February 4. That is the date of the letter. This committee and this process has been on for some time. The member has seen minutes tabled from that committee, which her party has tabled, dated in December, when decisions were made with respect to the particular view of this organization. I have endeavoured in responding to their letter—I will check out the facts of what they are saying, but, Madam Speaker, there were more members of that committee than just one organization, and they did indicate that two companies had met the standards by which the contract was to be judged, and the lowest bidder was awarded the contract.

Grade 12 Mathematics Examination Brandon School Board Resolutions

Ms. Jean Friesen (Wolseley): Madam Speaker, one of the lessons you learn from this government is that nothing is ever their responsibility. It is the civil servants, it is the weather, but it is never the government's responsibility, and the Minister of Education wants to blame the Brandon School Board for her own incompetence in learning nothing from last year's weather, from having no Plan B for a snowstorm in January in Manitoba and from learning little from other jurisdictions who have well-administered and fair exams. Would the minister tell the House whether she is seriously considering disbanding the Brandon School Board for mistakes that she made?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I should just correct some of the preamble, because we have written eight exams so far in Manitoba and we have adopted, in consultation with the field, a policy that indicated that where provincial exams were not written, divisional exam results would apply. That was in place and has been in place in consultation with the field and accepted by the field. It is also the policy that is in place in other jurisdictions such as Alberta, et cetera. But this year, indeed, we did have some very unusual circumstances in that 19.5 percent of the students could not write. Therefore, we made accommodations in the way we display marks this year only, and next year we will have backup exams.

Madam Speaker, in terms of Brandon, I have indicated that I have not yet made a decision as to how Brandon should be dealt with for having passed a motion intending to break the law rather than work with me to resolve any anomalies that come up, but the papers have correctly reported the alternatives available to the minister, most of which I have said that I do not favour as being the alternative I would select.

* (1350)

Ms. Friesen: Madam Speaker, would the minister withdraw the offensive remark she was quoted as having made to the Winnipeg Sun, that the Brandon School Division is essentially looking for ways to hide their students' marks, and acknowledge that the Brandon School Division in fact made specific criticisms of only one exam, has offered teachers for marking exams and has frequently been commended by the minister for their co-operation with New Directions?

Mrs. McIntosh: Madam Speaker, I am not going to comment on how I am quoted in the paper except to say this. It is very clear that Brandon School Division wrote to me the last day of February, a letter that arrived on my desk on March 4, and three days later, without checking to see if I had already begun work on the situation, which I had, passed a motion stating that they would ignore the results.

I was not informed of that motion—media reported that to me—until last week Brandon confirmed that they had indeed passed such a motion, a motion to essentially ignore the marks rather than deal with the problem. That is just fact. It is not a negative statement or a positive statement; it is just a reflection of what happened.

Ms. Friesen: Would the minister make a commitment to the House that in considering her response to the Brandon School Board she will maintain the integrity of an elected board of citizens whose only act has been to challenge the minister's own mistakes?

Mrs. McIntosh: Madam Speaker, I was very clear in my comments to the press that there was a range of options the minister could consider when a school board knowingly violates provincial law. I also made

it very clear that of the one option available, which has been used in British Columbia, an NDP province, to disband the board was, yes, legally something that could be considered but was not the alternative I preferred because of the fact that the board has been duly elected. So stating what is allowable and what I feel about what is allowable are two different things.

I have to indicate as well that Brandon's mistake, as the member puts it, was that they only criticized my mistake is wrong. Brandon made a motion based upon the fact that they felt 40 percent of the students had not written the exam because of poor weather. That was an erroneous assumption not checked out by the Brandon board. The member may wish to review the tape to confirm that. They were not sure that it was 40 percent, but they thought it was 40 percent. Therefore, they drew conclusions on that, made a motion to break the law based upon erroneous assumptions. A motion should not have been made in any event, Madam Speaker.

Emergency Room Diversions Reduction Strategy

Mr. Dave Chomiak (Kildonan): Madam Speaker, after 10 years of Tory management the emergency room situation in Winnipeg is worse than ever, and we have more diversions now on a regular basis than any other time in the history of the province. The new mantra from the minister is we will wait till the new regional board is set up and that will solve all the problems.

Madam Speaker, we have waited through six reports. We have waited through three ministers. We have waited through promise after promise with respect to emergency wards. Will the minister outline today and take some responsibility for the situation in Winnipeg and outline what specific steps he will take to alleviate the crisis in emergency rooms in the city of Winnipeg?

Hon. Darren Praznik (Minister of Health): Madam Speaker, as with all such issues, I think it is important to have one's facts straight in terms of the proper context. The member for Kildonan is correct when he talks about high numbers of diversions, but in terms of visits to our emergency wards, I am advised across the city that we are at or below the historical levels. In fact, in '94-95 Winnipeg averaged 732 visits per day, in

'96-97 we are at 664 visits today. The problem is not in the emergency wards; it is in the availability of acute care beds.

By institution, Madam Speaker, we have beds available in some facilities and are tighter in others. That is part of why we need to have a centralized management of our facilities in Winnipeg, in order to be able to move and accommodate patients with space and facilities so that the pressure is not there. But that is, I am advised, the genesis behind this particular problem.

Mr. Chomiak: I am happy to hear the minister say that.

Central Bed Registry Implementation

Mr. Dave Chomiak (Kildonan): Will the minister not agree with the comments of the president of Victoria Hospital who said bed shortages and the cutbacks of this government—my words now—are the responsibility of this government? Will the minister not agree that the central bed registry has been promised since 1993, in fact, 1991, and in the Lerner report, the report recommended it could be set up in six months? Now it is 1997, and all we get is words and no action from this Premier (Mr. Filmon).

* (1355)

Hon. Darren Praznik (Minister of Health): I would agree with the member for Kildonan that the need to be able to have a registry or system in place is an important one. I know in the transition from the previous minister that was one of the frustrations he expressed to me. Part of the difficulty is that we are dealing with seven corporate bodies, each with its own view and negotiation and struggling to get these things together. That is why ultimately bringing these decisions under the direct authority of the Winnipeg Hospital Authority, quite frankly, does away with those kinds of problems.

I am expecting very, very shortly, as we make those appointments, for that process to be able to act quickly to resolve that issue, which I would agree with him is a long-standing matter.

Emergency Room Diversions Reduction Strategy

Mr. Dave Chomiak (Kildonan): I will table a letter from the minister dated October 5, 1995, where it says an integrated plan in emergency wards will be promised for Winnipeg by January 1, 1996, signed by the former minister. How can we have any confidence in this minister, who now tells us it is going to come under the auspices of a new regional board, when the government has failed to live up to every one of its commitments with respect to emergency wards and failed to take any responsibility for its part in creating this crisis?

Hon. Darren Praznik (Minister of Health): The member for Kildonan has flagged, and I would argue, rightly flagged, a criticism of the system as it now operates. One of the great frustrations my predecessor the member for Brandon West (Mr. McCrae) had and, Madam Speaker, that I have experienced in the last few months in working towards the establishment of the Winnipeg Hospital Authority is there is a great deal of reluctance within many in the existing system, not all, to give up the kind of autonomy and authority in running their institutions that are needed to make this happen.

Madam Speaker, quite frankly, what we are looking for under this new Winnipeg Hospital Authority is a centralization of management, of finances, of moving programs. I would argue very strongly, we need to have a centralized employing authority so that we can move people and teams across the system rather than get into these silly situations where we can be laying off people and hiring in other facilities. Getting the Winnipeg Hospital Authority in place is absolutely critical to achieving this result.

Education System Antiracism Strategy

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

Last Friday we celebrated the International Day for the Elimination of Racial Discrimination, and there were events virtually throughout the weekend. In fact, today we have the B'nai Brith of Canada which is going

to be having a symposium on racism and hate in the home, school and the community.

Madam Speaker, there has been a lack of commitment from this government over the years to combat racism. I would ask the Minister of Education, specifically, that one of the recommendations from the Manitoba Intercultural Council is that the Department of Education provide training to every teacher in Manitoba by the end of the coming year in dealing with racist incidents in the school, and that was back in 1990. My question to the minister is can she give us an update as to what they have actually done.

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I should indicate that I think, first and foremost, the most important thing that we have been doing is the drafting of new curricula, which is currently underway and has been in some subject areas for a couple of years now. Threaded throughout our curricula in all subjects are, wherever possible, designated concern and identification of issues regarding racism, regarding gender, regarding sustainable development and a couple of other initiatives that we have identified as very important to the whole basis of education. So you will see that threaded through all curricula, and you can see that coming down now as well in curricula that is already starting to come into the schools. I think that is the most important thing we have done.

As well, in terms of our aboriginal population, Madam Speaker, we have put in place a number of initiatives, which I will continue in my next answer because of the time limitations here.

Members of Legislative Assembly Cross-Cultural Training

Mr. Kevin Lamoureux (Inkster): Madam Speaker, the supplementary question actually goes to the Minister responsible for Culture and Heritage.

Another recommendation was the one-day cross-cultural course for the MLAs. The question specific to the minister is—the government has now had eight years—why has it failed to act on that particular recommendation to provide all MLAs a cross-cultural awareness day.

* (1400)

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): Madam Speaker, I am very pleased to acknowledge the work that was done during the week for the elimination of racism and also the day, which was on Friday, which the United Nations recognizes.

My department has participated in a large number of efforts across government, and that appears to be one in which we need to look for an opportunity and agreement by all MLAs in their willingness to participate. However, my department has in fact provided a number of opportunities across government to recognize the importance of making sure that we eliminate racism.

I was also very pleased, Madam Speaker, to participate in a number of community events starting more than a week ago across this province and in joint participation in recognition of the importance to eliminate racism.

Youth Gangs Reduction Strategy

Mr. Gary Kowalski (The Maples): Madam Speaker, my question arises out of the gang strategy session held this past weekend where there was unanimous agreement from the provincial Minister of Justice (Mr. Toews), the Justice critic for the official opposition and myself on the important work done by the 70 youth justice committees in Manitoba and the importance of training for those sessions.

I would like to table an agenda of previous training sessions that were done February 8, 1992, and May 26, 1993. When will we see the types of training sessions that were depicted in these in Manitoba again?

Hon. Darren Praznik (Acting Minister of Justice and Attorney General): Madam Speaker, being reluctant to rise any more often than necessary, obviously this is a very important issue to the Attorney General and to all members of the Assembly, and I will take the question as notice on behalf of the Attorney General.

Louisiana-Pacific Environmental Contamination

Ms. Rosann Wowchuk (Swan River): Madam Speaker, the Minister of Environment has said I am being mischievous when I raise the issue of wastes from the L-P plant being dumped in sensitive areas. I want to assure this government that I am raising this issue because many people in the Swan River Valley are very concerned, particularly those people who live downstream of the sites.

Will the minister confirm that, although he says it is okay to use this waste for livestock bedding, permission has not been approved by the Department of Environment for this material to be spread on agriculture lands and what is happening is not legal?

Hon. James McCrae (Minister of Environment): Madam Speaker, if this is the member's best attempt at an apology for the mischief from last week, I think the people involved in this matter would expect something a little more sincere than that from the honourable member. I know the honourable member has made her position very clear about this particular project, and she tries to do whatever she can to be consistent with her initial position.

My position, on the other hand, is to see that our environment is protected and that the regulations are carried forward. If there is a gap in regulation about what one can or cannot do and it is an issue that should be looked at, that should be done.

The regulations call for certain things not to be done and we want to ensure that happens. If there is some other issue that needs to be raised, then it ought to be raised in the appropriate manner but not through the grandstanding techniques of the honourable member.

Ms. Wowchuk: Madam Speaker, shame on this Minister of Environment. He is supposed to be protecting our environment.

Since the minister said that he was sending out staff, can the minister confirm how many sites his staff found where waste was being dumped and not being used as

livestock bedding but, in fact, was being dumped in sensitive areas that were not approved by the Department of Environment?

Mr. McCrae: Madam Speaker, I do not have a report on the number of sites. I expect, however, that that number is extremely small, and my department advises me that where that has been happening the corrective action has been taken. The honourable member's videotape performance of last week needs further review.

Ms. Wowchuk: Since the minister has now admitted that he is wrong, will he agree to come to Swan River and view first-hand the many sites, well over 20 sites, where this waste is being dumped, and will he meet with the public in Swan River and explain why he is so weak in protecting the water resources in our area?

Mr. McCrae: I would be pleased, Madam Speaker, when I am able to do so, to visit and have a look around the sites the honourable member refers to. It would be nice, however, if when she makes allegations and has information to back them up or information that she can make available, and when she is asked for it by the department, it would be very nice and very reasonable I suggest for the honourable member to make that information available.

Point of Order

Ms. Wowchuk: On a point of order, Madam Speaker, the minister says that it would be nice if I informed the Department of Environment. I would have him know, if he would check the record, I called the Department of Environment on February 12 and no action came.

It is not my responsibility to identify the sites. It is his department's responsibility to go out and check and protect the environment.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable member for Swan River does not have a point of order. It is clearly a dispute over the facts.

An Honourable Member: Madam Speaker, you have ruled. I was going to contribute to the point of order.

Madam Speaker: I am sorry. Okay.

CP Rail Derailment Cleanup

Mr. Daryl Reid (Transcona): Madam Speaker, derailments on Canada's two national railways are unfortunately a common occurrence. Over the weekend, a train derailment occurred on the CP rail line through Windsor Park, here in the city of Winnipeg.

Recently, CP Rail has laid off some 250 Manitoba employees, occurring in February of this year and again just two weeks ago laid off another 10 employees. Many of these laid-off workers could have performed the cleanup work for that Windsor Park wreck that occurred over the weekend.

I want to ask the Minister of Labour to advise is it appropriate or even legal for CP Rail or any other railway operating in this province to lay off its Manitoba rail workers and then contract out this work to U.S. workers that were called in to do this wreck cleanup work.

Hon. Harold Gilleshammer (Minister of Labour): I know that the federal Department of Labour is working with the railway companies on some of these issues. I do believe, however, that a private sector company does make decisions on their workforce from time to time and we are not privy to the basis for those decisions, but I know that CP Rail has been a good corporate citizen within the province of Manitoba. I am sure that they are working with the federal Department of Labour on a number of these issues.

Mr. Reid: Does this Minister of Labour support the federal minister who said that by allowing CP Rail to come in with U.S. workers to do this work, supplanting Canadian workers, that it will have no labour market impact? Does this Minister of Labour support the federal Liberal minister who said this in a recent letter?

Mr. Gilleshammer: I am sure the member is going to table the letter. I am not sure in what context the

federal minister made these statements, but I can tell the member and the House that our department and our government is pleased to work with any of these companies when it comes to solving some of the problems within our province.

An Honourable Member: Table it.

Mr. Reid: I will table it for the minister's information. Can this Minister of Labour—[interjection] It is a fax sheet and you can have it if you want.

I want to ask this minister a final supplementary question.

Does this Minister of Labour and this government support allowing the railways to lay off Canadian workers and to bring in U.S. workers to do the work, whether it be in wreck cleanup or other work, and will this minister investigate how these U.S. workers got visas to come into Canada to do this work?

Mr. Gilleshammer: Madam Speaker, I will look at the correspondence that the honourable member has tabled. I know that our government has a fine track record in working with all corporations within the province to resolve some of these issues. There are times when emergencies do exist when companies have to make decisions on very short notice, but I will be pleased to look at the information the member has tabled.

Red River Community College Youth Care Worker Program

Mr. Doug Martindale (Burrows): On at least five separate occasions since June 1, 1992, this government has promised a full-time youth care worker training program at Red River Community College and as recently as June 26, 1995, the current Minister of Family Services indicated that the program could be up and operational by January of 1996.

* (1410)

Since the Youth Secretariat, the Children's Advocate, the government's own Independent Review of Reporting Procedures in Children's Residential Care

Facilities, the Child and Youth Care Workers Association of Manitoba, both associations of the operators of residential settings, and Red River Community College support a two-year program, is there any reason why this government does not want people working with high risk youth to be trained in basic full-time training?

Hon. Bonnie Mitchelson (Minister of Family Services): I thank my honourable friend for that question. Yes, we have been working very diligently. There are issues surrounding the youth care worker program and detail that still needs to be examined. We will continue to work on that among departments within our government.

Mr. Martindale: Can the Minister of Family Services tell the House why she has been promising this full-time program at Red River, and her government since 1992, and now gives the excuse that there are details that need to be worked on? It has been in the Estimates for the last two years. What is stopping this government from implementing this program as soon as possible?

Mrs. Mitchelson: I thank again my honourable friend for that question. I will indicate to him, when we are prepared to announce training programs right across government for different initiatives, we will make those announcements.

Public Library Advisory Board Appointments

Ms. Diane McGifford (Osborne): Madam Speaker, I have a letter of resignation from the Public Library Advisory Board that I would like to table. This letter charges that the composition and workings of the board violate in many ways The Public Libraries Act and the recommendations of the previous Public Library Advisory Board and that the board's composition make it virtually impossible for the board to apply to the Carnegie Foundation for funding. We also know that recent budget cuts will make the board's work even more difficult.

To the Minister of Culture: I would like to ask the minister if she will now comply with The Libraries Act

and the recommendations of the previous Public Library Advisory Board and appoint a proper Public Library Advisory Board.

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): When individuals make a decision to resign, I think one of the most important things to do first of all is to thank them for the time that they have put in when they have served on these boards and where they express concerns and to take a look at them seriously and to investigate them. When I receive a resignation, that is exactly what I am doing, I am looking at issues which have been raised; I am looking forward to meeting with representatives of that board.

But I do not think it should remain on the record any question of our government's commitment because I know the member knows that our government has had a strong commitment to libraries across this province in a number of ways, and I would not want that to remain on the record to muddy the waters of the concern that she has raised.

Ms. McGifford: Madam Speaker, what should remain on the record are the violations of the act.

Will the minister now appoint a professional board, which is necessary in order to access Carnegie Foundation funds, which in turn could finance public consultations which are necessary to produce a current Public Libraries Act?

Mrs. Vodrey: Madam Speaker, the member across the way, as other members of her party, has brought allegations occasionally to this House not complete. So I do not accept what the member has attempted to put on the record in terms of the board, any of those allegations. However, what I did commit to, what I commit to individuals who write, individuals who also make a decision after some time to resign from certain boards, is to look very carefully at the issues which they raise.

Our government, Madam Speaker, has continued a major commitment towards libraries, towards accessibility to materials within libraries, and I will be dealing with issues as they relate to the board very shortly. I am looking at arranging meetings. So I

understand that is the important part of the question. That is the part that I will be dealing with.

Public Libraries Act Amendments

Ms. Diane McGifford (Osborne): Madam Speaker, since the 1994 strategic plan, the Future of Public Libraries, is gathering dust and this government is cutting library funds, I wonder if the minister would tell us what steps she is going to take to modernize The Public Libraries Act.

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): Madam Speaker, again I reject the information that the member has put on by way of a preamble. I do not believe that she is accurate in her facts.

We will have the process of Estimates. I look forward to that opportunity to discuss with the member across the way, again exactly what this government has put in in terms of the increase of funding which has occurred over the time that our government has been in power, the commitment that we have made in terms of electronic support to libraries, in terms of sharing of resources. There is in fact a great deal of support and a very good-news story to tell in terms of our libraries all across this province, the city of Winnipeg, the rest of Manitoba, and I look forward to taking the opportunity with the member across the way to correct her.

Computer Services Tender Process

Mr. Jim Maloway (Elmwood): Madam Speaker, I would like to ask the Minister of Government Services a question about the government computer contract. The tendering process has been narrowed to IBM and SHL, eliminating GE Capital and Powerland Computer, which is a local company.

When will the minister announce the successful bidder?

Hon. Frank Pitura (Minister of Government Services): Madam Speaker, in response to the question from the honourable member, I would just like to indicate that the process has been started to go through

the proposals in detail. I would expect that in due course that announcement will be made.

Madam Speaker: Time for Oral Questions has expired.

NONPOLITICAL STATEMENTS

National Media Human Rights Awards

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): Madam Speaker, do I have the leave of the Assembly for a nonpolitical statement?

Madam Speaker: Does the honourable member for River Heights have leave for a nonpolitical statement? [agreed]

Mr. Radcliffe: Madam Speaker, I am pleased to tell you and my colleagues this afternoon that I had the honour and the distinction on the weekend to attend the 21st annual National Media Human Rights Awards presentation hosted by B'nai Brith of Canada. There were members of our judiciary who were there. Our honourable Minister of Justice (Mr. Toews) was present, and I was joined as well by colleagues from across the House.

The B'nai Brith society was honouring the media, which play an influential role in shaping our public opinion. The Media Human Rights Awards were established to give encouragement to and positive recognition for outstanding responsible and effective work in the area of human rights by members of the Canadian media. These awards have fostered an awareness within the media industry of human rights based on our multicultural idea depending on our sharing of our diverse backgrounds here in Canada.

The League for Human Rights, which was the initiator of this award founded through B'nai Brith, is a national volunteer agency dedicated to combatting prejudice, bigotry and racism. We heard earlier in this Chamber today in Question Period reference to what our government was doing, and I am pleased to advise that we are participating with the citizens of Manitoba and the wonderful acts that they are doing to combat racism and bigotry in our province. I thank you, Madam Speaker, for this opportunity.

Mr. Tim Sale (Crescentwood): May I have leave to make a nonpolitical statement, Madam Speaker?

Madam Speaker: Does the honourable member for Crescentwood have leave? [agreed]

Mr. Sale: I, too, want to pay tribute to the B'nai Brith association and the Anti-Defamation League for their, I believe, actually the 22nd this year—21st, is it?

An Honourable Member: Twenty-second.

Mr. Sale: Twenty-second, I thought it was the 22nd. I am often accused by members opposite of having my facts wrong, but in this case I think I was correct.

The league has recognized in particular a number of media. I was very, very pleased to see that the work of the Brandon Sun, for example, was recognized for a 19-part series which that newspaper did on the serious problems in the reform of mental health services undertaken by this government. They won an honourable mention for that series. There were many other very good efforts on the part of the press across Canada to expose both individual and systemic racism as it exists in our country and to provide the public with ways of understanding the depth of the discrimination, the human rights issues and the hate that exists in our provinces and in our country today in spite of the very best efforts of organizations that have tried to counter that.

* (1420)

Madam Speaker, I also want to pay tribute to an outstanding Manitoban, Helmut Harry Loewen who received the very first midwest region award for his tireless work in exposing hate literature and exposing groups like the Northern Hammerskins. He also drew our attention to the fact that a trial will shortly commence in this province of four men who are accused of second-degree murder in the beating death of a person in 1991 who was alleged to have been gay. Mr. Loewen pointed out to the assembled group last night that hate was, in the view of the police, a factor in this crime. He called on all of us to have a vigorous defence of those minorities that are still affected by hate in one form or another.

So I want to add my voice to the member opposite in commending the B'nai Brith organization in their outstanding and tireless work on behalf of us all.

Altona Chamber of Commerce

Mr. Jack Penner (Emerson): Madam Speaker, I wonder whether I might have leave to make a nonpolitical statement.

Some Honourable Members: Leave.

Madam Speaker: The honourable member for Emerson indeed has leave.

Mr. Penner: It gives me a great deal of pleasure to rise today to recognize the efforts of the Altona Chamber of Commerce. My wife, Dora, and I had the pleasure of attending their annual banquet this past Saturday and they spoke very highly of the tremendous economic turnaround that the province of Manitoba had made, at this banquet.

They also paid tribute and recognition to one of their own, and they named the former mayor of the Town of Altona, Mr. Art Dyck, Citizen of the Year. I believe it could not have happened to a nicer person, a more hard-working, more dedicated person, and the honour bestowed on him on Saturday night certainly was well deserved.

Mr. Dyck, in his many years of public service, was the mayor of the town for many years. He was also the president of the MAUM organization, the urban organization of municipalities in the province of Manitoba for a number of years. He was the chairman of the Rhineland School Division Board of Trustees for many years. He served on his church council and many, many organizations on a volunteer basis. He and his wife, Mary, have served not only the community in a very, very dedicated manner, but he and his wife, Mary, have both served the community, the municipality, the Town of Altona and the province of Manitoba, and, indeed I say, the country of Canada to the highest order.

The honour bestowed on Mr. Art Dyck and his wife, Mary, on Saturday was of the highest order by his peers, and he deserves every bit of that recognition.

My wife, Dora, and I certainly, and hopefully all members of this Legislature, will recognize his efforts and join in congratulating him and his wife, Mary, in being recognized as citizens of the year in the Town of Altona.

Gateway Flyers

Hon. Bonnie Mitchelson (Minister of Family Services): Might I have leave to make a nonpolitical statement?

Madam Speaker: Does the honourable minister have leave? [agreed]

Mrs. Mitchelson: It truly is a proud day for me today to stand in this Legislature and give special congratulations to the Gateway Flyers, the Bantam A2 city champions.

I want to indicate that those in our community, the parents, the supporters and those that are involved in Gateway Community Club take much pride in recognizing this team of young boys, 14- and 15-year-olds, who started off the beginning of the year having not played together as a team. It was the first year for the 14-year-olds to be involved in a mixed-age group of hockey playing. They had come through several years of playing with the same boys on the same team and had to find a way of developing and learning to play together with boys that were a year older than they were and families, coaches that they had not been involved with before.

I want to say, from a very trying beginning when they had to come together as a team and get to know each other well, they continued to develop and to grow and to learn. Not only did the boys on the team become good friends, they truly did indeed come together to play as a team. It showed in the results that we experienced over the weekend where our boys indeed did prove that they had the ability to win the city championship, and they took it in the first three games out of the best of five games.

I would like to congratulate the team players, the coaches, the manager, the parents and all of those that were involved in helping them to reach this milestone in their hockey career.

If I could just read the names of the individual boys that played truly as a team, they are Tyler Beckering, Chris Cox, Michael Dare, Curtis Franklin, Kerry Holberg, David Johnston, Ryan Jones, Nathan Kerr, Frank Koch-Schulte, Kevin Kotyk, Trevor Mahoney, Tyler Mangano, Scott Mitchelson, Thomas Pavlik, Elliot Roch, Lee Schick, Troy Seman and Christopher Wasylin. And the coaches were Rick Holberg, Larry Vincent and Herb Cox.

I know that the boys displayed a great effort. I want to congratulate East Elmwood, the team that came second to the Gateway Flyers. They showed true sportsmanship and were worthy competitors in the playoffs. I just want to commend all for the sportsmanship and for the co-operation and the team play and the effort that was put into winning the city championships for the A2 Bantam hockey season. Thank you, Madam Speaker.

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, I would like to seek the leave of the House to make a motion respecting the report of the Standing Committee on Privileges and Elections regarding the Children's Advocate issues, and I have had discussions with my colleagues.

If there was leave, I would move, seconded by the honourable Minister of Family Services (Mrs. Mitchelson), that the recommendations contained in the report of the Standing Committee on Privileges and Elections respecting a review of the Children's Advocate section of The Child and Family Services Act received on March 21, 1997, be concurred in.

Have I gone too far already?

An Honourable Member: Yes. You have to ask for leave first.

Mr. McCrae: Okay.

Madam Speaker: Does the honourable government House leader have leave to move the motions recommended in the Standing Committee of Privileges and Elections on the Child Advocate? [agreed]

Mr. McCrae: Madam Speaker, then I move, seconded by the honourable Minister of Family Services (Mrs. Mitchelson), the aforementioned motion and —[interjection] I will get this right yet.

I move, seconded by the honourable Minister of Family Services (Mrs. Mitchelson), that the recommendations contained in the report of the Standing Committee on Privileges and Elections respecting a review of the Children's Advocate section of The Child and Family Services Act received on March 21, 1997, be concurred in.

His Honour the Lieutenant Governor, having been advised of the contents of this motion, recommends it to the House, and I am pleased to table the recommendation.

Motion agreed to.

* (1430)

Mr. Steve Ashton (Opposition House Leader): It is on another matter of House business. Looking ahead to next week, I note that we have no decision yet in terms of Easter Monday. I want to indicate that if we do complete Interim Supply we would certainly have no difficulty not sitting on what is a civil service holiday. It would require bringing people in on Easter Monday.

Tuesday is Brandon Winter Fair day. I want to indicate that as long as I have been here we have always made sure that we did not sit on that day to allow members of the Legislature to visit rural Manitoba's premier event.

I want to also raise as a matter of House business what we do with the remainder of the week. We, for the past 10 years, have not sat during the spring term break. There appears to be some sense that we should consider doing the same, particularly given the fact it is a three-day week if we do not sit Easter Monday and on Tuesday because of the Brandon Winter Fair.

I want to, perhaps by way of a question to the government House leader, suggest that we take it back to our caucuses. It does seem to me that there is some question being raised by a lot of members. I am getting asked a lot of questions, and we may want to consider whether it is worth sitting for that three-day period. I

certainly know there is a fair deal of interest in our caucus in seeing that we follow the normal precedent, which is not to sit during the spring term break, but I leave that once again to the government House leader and it may be a matter we can take to our caucuses tonight.

Mr. McCrae: On the same matters, Madam Speaker, it would be my hope that Interim Supply will have been achieved prior to Good Friday and that would obviate the requirement for us to sit on Easter Monday, and indeed, speaking personally as the member for Brandon West, I would be very happy if the House should not sit on Tuesday, the last day of the month, so that I could invite all of my honourable colleagues from all sides of the House to come and take part in what is clearly the best show of its kind probably anywhere in North America. Those who have been to that particular show will bear me out when I say that, because I have noticed some honourable members return year after year and they are always very welcome when they do.

The other matter referred to by the opposition House leader respecting the remainder of that week, the winter break time, the honourable member for Thompson has suggested that we raise these matters in our caucuses. I suggest that is something we could do, and we could have further discussions later.

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, if I can impose on the House just further to what the House leader indicated and remind honourable members that the Department of Agriculture will have a bus available to leave the city on Tuesday for the Brandon Fair leaving the front steps at ten o'clock.

I certainly invite all members of the Legislature, those who choose to avail themselves of that means of transportation, to indicate to the department that they are interested in doing so. Spouses and family members would also be invited. The bus would leave at ten o'clock in the morning and be back here at about midnight probably, elevenish to midnight.

BUDGET DEBATE (Seventh Day of Debate)

Madam Speaker: To resume adjourned debate on the proposed motion of the honourable Minister of Finance

(Mr. Stefanson) and the proposed motion of the honourable Leader of the official opposition (Mr. Doer) in amendment thereto, and the proposed motion of the honourable member for Inkster (Mr. Lamoureux) in further amendment thereto, standing in the name of the honourable member for Crescentwood, who has 24 minutes remaining.

Mr. Tim Sale (Crescentwood): Madam Speaker, I was remarking on Friday morning the budgets sometimes I think are seen by many as very dull reading, and they do not bother to get to the details. But I think the details are important because as the saying goes, the devil is often found in them. In this case the devil is certainly there.

One of the principles of accounting that was always pointed out to me when I used to be the director of the Social Planning Council was that in some senses consistency is more important in accounting conventions than absolute accuracy. The accountant who told me that, who is a senior member of that profession, pointed out that as long as things were consistently dealt with from year to year a good accountant could always find the mistakes, but if a firm or a government played fast and loose with accounting conventions and changed conventions from time to time or relabelled lines in a budget from time to time, it became very difficult to discern where the truth lay.

Madam Speaker, I think we have a case in point between last year's budget, 1996, and this year's budget for 1997. I would draw honourable members' attention, if they have a copy of the budget in front of them, to pages 24 and 25 of the financial review and statistics. This is the overall 10-year pattern of how our expenditures and revenues have gone, what our debt is and what extraordinary items there are in a budget from year to year.

Now in any 10-year summary for the last approximately 10 years since that practice started in the mid-1980s, there are always eight years of Public Accounts which are factual. The Auditor has the final say in what these numbers are and how they add up and how they get noted into the various pieces of our complex public accounting system. So the eight first years of the 10-year summary are always absolutely

accurate, and they do not change from year to year. The current year forecast, of course, is always subject to audit and to final amendments, but the line which is pure fantasy in the last two budgets is this year's estimate of revenue and expenditures. So we have eight years of facts, one year of approximation and one year of fantasy.

About one-third of the way down the page there is a line in the 1996 budget which says, Deficit Reduction Transfers from/(to) the Fiscal Stabilization, and a second line, Special Lotteries Transfer. Surprisingly, Madam Speaker, all of the denials of this Finance minister (Mr. Stefanson) and his predecessor Mr. Manness are laid bare in these two lines.

In 1988-89, Madam Speaker, for example, in the 10-year summary it becomes very plain that had the government not borrowed \$200 million to put in the Fiscal Stabilization Fund, they would have had a surplus of \$58 million, just as we have always claimed, not a deficit of \$141.

Hon. Harry Enns (Minister of Agriculture): Not true.

Mr. Sale: The Minister of Agriculture chirps from his seat, not true. I would ask the minister, Madam Speaker, get a copy of the budget, go and get your copy or maybe borrow one; there might be some member over there that has their budget with them. Pick it up, open it up to the page I am referring to, and we will walk through it together, and we will find out whether it is true or not.

Madam Speaker, in 1990-91, it is very clear that they took \$67 million out of the stabilization to reduce the deficit. The real deficit was \$358 million or so; they claim \$291. What is the difference? Sixty-seven. Where did they find it? The Fiscal Stabilization Fund. Then, in 1992-93, they took another \$200 million out of the Fiscal Stabilization Fund to reduce what would have been, well, what was, in fact, the record deficit of all time in Manitoba, this government that talks about deficits. Well, they ought to know. They ran the biggest one in history: \$766 million, 1992-93. But you used this little accounting convention and, poof, \$200

million of it disappeared. How come? Because you took \$200 million out of the bank.

Now, any business person, and there are a few over there—I am sure the minister in running his elk-ranching business and his cattle-ranching business, whatever it is, I am sure that he has to account for withdrawals from his capital. Well, here is a withdrawal from capital. Would the minister actually think—would it be a reasonable thing to think that when you took money out of your savings and you applied it to your operating deficit, you had really reduced your deficit? Would any accountant seriously suggest that that was the case? No. All they would say was you were forced to draw on your savings in order not to show a bigger deficit than you wanted to show; you reduced your deficit by withdrawing some savings, in that case \$200 million.

* (1440)

A couple of years later, 1995-96, we have another entry, an entry that there has been a lot of ink about during the Manitoba election of 1995. The Dominion Bond Rating Service had something to say about it, Madam Speaker. They did not think it was a very good piece of accounting; \$145 million from the Lotteries Fund. Poof, a whole bunch of deficit disappears—from gambling money, not because there was not an operating deficit. Of course there was. They budgeted for a very significant deficit; a deficit of \$96 million was the budget.

As things turned out, they got rather more revenue than they predicted, but they still moved \$145 million out of their Lotteries Fund to create a surplus, a surplus of \$120 million, it says here. The actual surplus we know turned out higher, \$157 million. How did they achieve it? With \$145 million taken from the slush fund, the rainy day fund, the Lotteries trust fund. Another little bit of deception. The Lotteries trust fund was supposed to be empty last year. That \$145 million was supposed to be all that was left. The piggy bank was empty. Well, Madam Speaker, not the case. Volume 4 Public Accounts shows the Lotteries trust fund, miracle of miracles, still has \$30 million in it. Just sitting out there in another little—maybe this is just a cloudy day fund. The rainy day fund is empty; the \$145 million is gone. Now there is just a cloudy day fund left, \$30 million. The auditors confirmed it, the

annual reports confirmed it, but did the Finance Minister show it and say, we are taking it all out like he promised? No. Just \$145 million. The \$30 million still sits in there.

Then we come to this year. But what is the first thing we do to kind of make it not so clear where the peas under the shells are? The first thing we do is we change the labels, so that the accounting convention looks like it has shifted a little bit. We no longer have the line that said from or to the Fiscal Stabilization Fund. We just have Deficit Reduction Transfers. That second line got missed. We no longer have a special Lotteries Transfer, although this year, according to the Auditor, \$30 million will have to be brought into income, and that has gone missing. Maybe we should turn it over to Inspector Poirot. Where has the special Lotteries Transfer fund gone? The case of the missing budget line.

This year, we have a new budget line, Deposit to Debt Retirement Fund, \$75 million paying down the debt. The only difficulty is, and here the devil is in those details, and I am glad the Minister of Agriculture (Mr. Enns) is paying attention. I do not know if he has his copy of the budget yet, because I would like him to see this. Maybe the Minister of Rural Development (Mr. Derkach) has a copy of the budget he could loan to the Minister of Agriculture. No, those are the Estimates. I think you want the budget, is it not? Get the budget. That is better.

Pages 22 and 23, Financial Review and Statistics: I would expect that the Minister of Agriculture might get those documents confused given his ideological bent. Let us go on. We hope he will get his copy of the budget out, and he will have a chance to look at it as we go. What does the Minister of Finance (Mr. Stefanson) say he is going to do this year? In his 1997-98 budget, he says he is going to collect \$2.23 billion from Manitobans. That sounds like a reasonable amount of money. It is about \$110 million more than last year, but there is a little tiny footnote, just a tiny little note, a little two. It is such a small note that, as I said the other day, it is about the same size as the Progressive Conservative was on their election signs, just about that kind of microscopic size where you need a magnifying glass to see it at the bottom of their signs, the Gary

Filmon team that happens to be owned by the Progressive Conservatives.

Madam Speaker, there is a little two here, and it says, if you can read the No. 2—now, this is hard even with my glasses—includes \$100 million from the Fiscal Stabilization Fund, so in every other year, when they took money out of the Fiscal Stabilization Fund, they showed it in their budget. They did not like to talk about it much, but at least it was there a third of the way down the page in the 10-year summary. Last year it was there. In 1993, 1992, 1991, 1990, 1988, every one of those years, they showed their transfers from the Fiscal Stabilization Fund, but not this year. We are going to hide this transfer up in General Revenues in order to deceive Manitobans because, two things—the members opposite should pay some attention to this because they might want to ask their Finance minister about the probity, there is a word for Mr. Radcliffe, of not showing revenue in the proper line.

Madam Speaker, if they took the \$100 million out of their revenue and showed it in its proper place, what would be the result? The result would be that they would be showing revenues for next year that are no bigger than this year. Would anybody believe that? When the minister stands up and brags about the economic performance, and yet his own Manitoba collections would be \$2.13 billion, a paltry \$24 million greater than last year, would anybody believe him? Would the press believe him? Would his own followers believe him? No. Nobody in their right mind would believe that Manitoba's own revenues would only grow by \$24 million in a year when we have, according to him, a buoyant economy.

So if he put that little old revenue in the right line, he would be shown for the deceptive budgeter that he is, deliberately understating his revenues in order to justify cuts to health and education and other vital services for Manitobans.

Madam Speaker, a second thing would happen if he put the \$100 million in the proper line, under Deficit Reduction Transfer. He would have to acknowledge that, in fact, this budget, as he has presented, essentially has a deficit because, if he is going to pay \$75 million off in debt, he has to find that money somewhere.

Where is he finding it? The Fiscal Stabilization Fund. In other words, we are going to take some money out of the bank, which is our money, and put some more money in the bank, and that will be our money too. Will we be any different at the end of the day? No, and the Auditor will show that.

It would be just so silly for the Finance minister to put the \$100 million in the proper line this year, because it would then be transparent that what he was doing was withdrawing one asset in order to create another, precisely the kind of flim-flam that the Auditor pointed out when he first did it in 1988-89, when the Auditor pointed out that this was improper accounting, when Dun & Bradstreet pointed out it was improper accounting, when the Dominion Bond Rating Service pointed out it was improper accounting. This Finance minister is committed to improper accounting and to trying to mislead Manitobans.

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

Otherwise, he would put the \$100 million in the line where it belongs and all Manitobans would see for themselves the flim-flam of taking \$100 million out of one savings account in order to put it into another. This budget is deceptive and deliberately so, because one does not change accounting conventions without explaining the change. One does not hide general revenue. One does not hide withdrawal from savings in general revenue and call it Manitoba collections.

* (1450)

Mr. Deputy Speaker, I am going to ask the Auditor about the propriety of terming a withdrawal from the Fiscal Stabilization Fund a Manitoba collection. There is no way that by any accounting convention with which I am familiar you can count a withdrawal from a stabilization fund a Manitoba collection. Yet, that is what this budget says, that \$100 million will be taken in the form of Manitoba collections. It is not. It is a withdrawal from the cloudy day, rainy day, Tory slush, re-election fund.

In concluding my remarks, I just want to make a comment about the revenue items, particularly the income tax revenues. In the third quarter financial

statement, the Minister of Finance (Mr. Stefanson) notes that his taxation revenues are going to be adjusted upwards for last year, that is, '94-95, by some \$81 million. I know these numbers are boring but, unfortunately, the deceptive budget techniques of this government depend on understanding the numbers. I think they need to know that we do understand the numbers, and we know the deception that is going on.

The real increase in income tax revenues for '94-95 was \$250 million over the previous year. That is, our income tax revenues rose by close to 20 percent in one year. That is an incredible increase in income tax revenues year over year. When you make the adjustment and get the proper revenues in the proper year, Mr. Deputy Speaker, what we are being asked to believe by this Finance minister is that in the next two years, that is, in '95-96 and in '96-97, there will be virtually no growth in Manitoba collections of personal or corporate income tax. We confidently predict that there will be a surplus in the current fiscal year just ending of at least \$120 million if accounting conventions are not further bent out of shape—that is based on last year's conventions—and probably somewhat higher.

We confidently predict that the real revenues for this year affected by the '97-98 fiscal year budget will be at least \$150 million higher than forecast and that the minister will once again be exposed as a minister who budgets revenues low in order to justify his extreme ideological position of cutting human services, cutting support to municipalities, cutting support to education, underfunding services for protection of our natural environment and of our natural resources, Mr. Deputy Speaker.

With those remarks, I would conclude and just express my sorrow that the minister is not prepared to be more forthright and to be more open with Manitobans concerning the real picture of his revenues and expenditures as compared to the picture that is put forward in this document.

Mr. Jack Penner (Emerson): It is always interesting to listen to the diatribes of the opposition members when they assess a budget document such as our Minister of Finance (Mr. Stefanson) has put before this

House. First of all, it is very hard to criticize on a real matter, so what they then have to do is sort of wonder about things.

I think that is what we have just heard from the honourable member who just finished speaking, wondering whether we should have put this line in this place or whether, in fact, a line has disappeared or whether the amounts transferred from one account to another account are, in fact, real.

An Honourable Member: See what the Auditor says.

Mr. Penner: I think the important thing to note, whether the Auditor speaks to these matters or not, is that rural and urban Manitobans alike are telling them and are telling us that this budget is a budget that is not only fantasized, but that it is a budget that places reality in the financial marketplace.

That is really what the people of Manitoba have wanted since 1988 when the Progressive Conservatives were first elected in this province. We at that time and our Minister of Finance of the day put forward a plan, not a one-year plan or a two-year plan or even a four-year plan, which most political parties do—if you go to Ottawa these days, it is clearly demonstrated how narrowly focused they are bringing everything to a culmination within a three-and-a-half-year period—but a focused approach, a 10-year plan that would see the economic base of this province put on a sound financial basis.

There is no question that when we took office the budget that was defeated was a budget that had a deficit that was somewhere in the neighbourhood of \$380 million-some. That was the budget that was defeated. We immediately sat down and said we have to do something about these huge deficits. That is when the plan was put into place. It saw a reduction of that \$380 million amount that first year of some \$200 million.

Yes, our revenues did rise that year above expectations, but in the final analysis what a government has to do is to strategize without causing undue pain in areas such as our health care, education and our social service sector, and still bring your spending down to realistic levels. Realistic levels by

the terminology that many Manitobans use is zero-based deficit budgeting.

That is what we have done. For the first time since the early '50s, this government is actually paying down real debt. Not only are our government corporations paying down their debt obligations, but we are actually seeing an amount in the budget reducing the amount of money owed by Manitobans. That simply means that we will be paying less in interest costs to financial institutions and less money is going to leave this province, and more money is going to be spent on programs whether it be health care, education or other services.

That was the goal. That was a campaign that we ran back in 1988, to keep Manitoba taxes competitive. That is what we said. If you elect us, that is what we are going to do. Nine years later, we can honestly stand here and say that is what we have done. We said we would balance the books, and we would reduce the burden of debt on Manitobans. That is what this budget is again doing.

Without fail, Manitoba has demonstrated the longest freeze on the major taxes in the history of this country, and I would dare to say, even in the history of any state in the United States. You have seen, again, in this budget no new taxes, no new revenue streams. I know that is a difficult one for the opposition members to accept, a very difficult one because it is a hard one to compete against and campaign against in an election. Even though we are probably two or three years away from an election, it is a hard one to defend or to criticize. I have listened very intently to some of the members opposite, yet I have heard no criticism, no real criticism.

* (1500)

Interestingly enough, it has always been many of my colleagues' contention that when you reduce the debt burden and when you reduce the tax burden, you encourage investment. You encourage real investment. Again, that is what is happening in this province. When we see many, many industries expanding, creating jobs, investing capital, investing capital in Manitoba at more than double the national rate, why is Manitoba being selected? Why is Manitoba being

singled out? Is it because they know that finally there is a group at the Legislature that is willing to put their money where their mouth is? In other words, take action where action is needed. Make sure that we manage and control our expenditures.

Manitoba is the only province in Canada that has five years running, five years straight, consecutive years of increased private investments. Our total increase in the private sector investment is 33 percent. Thirty-three percent. Four times the national average. Four times the national increase. I know my honourable Liberal friends in the Chamber here will not like those numbers, because they would have the national numbers at least compared to our provincial numbers, yet it is not happening.

You know the reason it is not happening, in the three and a half years that they have been in power in Ottawa, they have not been able to demonstrate an ability to truly get their expenditures under control. They brag now that they have reduced the deficit by roughly about between \$8 billion and \$10 billion, but if you look realistically at those numbers, you will find that they have done nothing but transfer the responsibility of those economic powers to the provinces; they have offloaded. I think if you look at health care and education this year, the Province of Manitoba has been forced to expend \$220 million additional provincial dollars on health care and education just to maintain the status quo because the offloading that we have seen from Ottawa has been very, very dramatic.

Let me turn this whole debate to a more realistic matter, one that we can all understand and feel. We have only talked in this Legislature about the \$220-million offloading. Well, the offload is much, much greater than that. When you look at what Ottawa has done in the last three years in offloading, they have really removed a \$750-million annual commitment to the farm community of western Canada, they have removed it entirely and dumped it in the laps of our primary producers. Is that an offload? I think so.

Most of the organizations, farm organizations, individual farmers accepted that and said, yes, we can handle this. In fact, what they did was, they swallowed

a \$750-million expenditure that Ottawa normally made to the transportation industry and took it on themselves as farmers. Do you know what that means in understandable terms? There are some in this Chamber on the opposite side that would not understand this. Do you know what this means? It means an additional cost to our farmers of \$56 an acre this year, \$56 an acre additional cost. That is no big thing, is it, not \$56 an acre when you bring it down to that equation. It is no big expenditure if your revenues have increased accordingly, and they did last year. Everybody was saying, well, this is fine.

When I look at some of the numbers given as to increased revenues in our province of some almost \$2.4 billion, as indicated in the last issue of the Manitoba Co-operator, of agriculture revenue, it is easy to understand that farmers did not feel the true impact of the \$56 increase in freight cost. Yet, let us look at what has happened over the last six months.

Over the last six months, you have seen wheat drop from \$7 a bushel to roughly about \$4.20 on the market this morning. That is almost a 50 percent drop. If it was on the increase side, we would have said from \$4 to almost \$8 was a 100 percent increase in pricing, but it is a 50 percent drop. At the end of the year, you watch farm organizations heading to Ottawa and heading to provincial Legislatures saying our farmers cannot sustain the huge amount of offload that Ottawa has imposed upon the farm community.

That offload is not the only one, the \$750-million freight cost. We had a GRIP program until last year which contributed very substantially to the stability of agricultural pricing. The farm community, farm organizations in this province, lobbied our Minister of Agriculture (Mr. Enns) and lobbied the federal government very hard to maintain that amount of money in a research fund, but Ottawa said no, we will not leave our money in a research fund.

However, they did not mind putting that amount of money into the Saskatchewan Crop insurance fund. Not only that amount of money, they actually left \$150 million of the GRIP fund in the Province of Saskatchewan, the only province by the way in Canada that was allowed to retain its federal GRIP money in

the provincial treasury. Why? Is it because the federal Minister of Agriculture actually resides in Saskatchewan? Is that the reason? I do not know. I do not know. I have no idea, but it seems a bit odd, does it not, when we look at the whole federal scenario of expenditures in the various provinces.

It is interesting that Terry Baynard in a letter to the editor in last week's Manitoba Co-Operator indicates that documents released in November 1994, when Saskatchewan formally left GRIP, show that Ottawa agreed to let Saskatchewan keep at least \$150 million of federal funds.

When the farm organizations in Manitoba asked that federal money be retained in Manitoba for research, the answer was no, but let me say this. In 1986-87, the federal government spent \$1.5 billion annually to support the grain sector, \$1.5 billion in western Canada, plus \$700 million—I believe at that time the number was \$680 million CROW benefit. That is \$2.3 billion.

Now, \$2.3 billion plus all the other support programs that were paid by the federal government in Manitoba would have amounted to almost \$3 billion to western Canadian producers of support paid by the federal government just to the agricultural sector. Well, in three years, our Minister of Agriculture has had to tell his farmers in this province that all those programs are gone, all those federal programs have disappeared. Over \$3 billion. We talk about the \$220-million offload in the health care and the education sector. Well, it is peanuts compared to what the farm community has had to deal with in swallowing the poison pill that Ottawa has laid upon our agricultural sector.

* (1510)

Well, let me say this to you, Mr. Deputy Speaker, those honourable members on the Liberal side that sit in this House that defend those kinds of actions are going to have to face the farm community in a year or two years from now. Watch it. This coming election, farmers are going to voice their opinion. How many elected Liberal members have we got, federally elected members have we got? Eleven federal members in Manitoba?

An Honourable Member: No, we have 12 of 14.

Mr. Penner: The honourable Liberal member opposite tells me that it is 12 of 14. Well, maybe that is the problem. Maybe that is where our problem lies. None of these members have voiced an opinion on any of the agricultural matters related to the farm community. Let me say this—

An Honourable Member: Your government has done nothing.

Mr. Penner: Oh, the honourable member opposite tells me that our government has done nothing. Well, a \$3.4-million increase in the research budget has been lauded by the agricultural community all over this province. They say it is money well placed in the budget at the right time.

I will give the honourable member opposite all due credit for defending the federal Liberal budget and the offload to the agricultural sector, because what he is, in fact, defending is the lowest grain prices in all of Canada right in his own province. That is what he is defending. There is nowhere in Canada that you are going to buy a lower feed grain at a lower price anywhere in Canada than you will in Manitoba. What does that do to the grain producer in Manitoba? How is he going to defend that in the next provincial election?

An Honourable Member: More producing.

Mr. Penner: Oh, he says, produce more. Spend more, produce more, produce more, spend more; at the end of the day you would go broke with a very large pile of grain.

However, I think the one thing that the attention is drawn to by Jim Rohman and the Manitoba Co-operative—and Jim Rohman who is a freelance agricultural journalist based in Waterloo, Ontario, speaks about the egg quota prices in Ontario. He speaks about the high value of the per-bird quota prices, \$70 a bird. He speaks about an issue that I think we as provincial politicians are going to have to face within the very near future, and that is, how long are we in

Manitoba going to stand idly by and watch our grain being produced at the lowest common denominator anywhere in Canada and yet not be allowed full access to total livestock production because of provincial laws, provincial rules and federal agreements that are probably antiquated?

I know this is a delicate area to touch on, but Jim Rohman says this. At \$70 a bird, any farmer with more than 14,000 units of quota is a millionaire in Ontario. He says any well-equipped farm with less than 25,000 units is less than a full-time operation, and he questions whether it is time that the federal government review the whole supply management sector.

We in Manitoba are going to be faced with that question in the very near future, whether we like it or not, because our producers are not going to sit idly by and watch others produce those commodities that we could be producing in this province more economically than anybody else in this country and not being allowed to do it because of provincial and federal laws.

That is the question. It is all based on the point that the honourable member for Crescentwood (Mr. Sale) made, and it is all based on economics. See, if you want to truly allow the competitive factors to function, then we have to start dealing with one issue, and it was subtly mentioned in our budget, and that is the elimination of the trade distortions within our country. It is about time that we as Manitobans be allowed full access to the Saskatchewan market.

But the Saskatchewan market is not the real problem; the Ontario one is. The laws in Ontario simply prohibit me as a farmer from accessing the Ontario market with many commodities. The laws prohibit me from accessing the Quebec market with many of the commodities that I can produce cheaper than anybody in Quebec can.

Similarly, we are becoming the chuckling end of the stick in many international forums when we talk about free trade, when we talk about the NAFTA, when we talk about the GATT. We in Canada are being laughed at because we have not been able to put our own house in order from a trade perspective. We have not been

able to deal with our own trade laws the way we should to free up the marketplace internally. It is time that federal politicians during the next federal campaign address these issues, and it is time that Manitobans of all political stripes point the finger and ask the pointed question: when are we going to deal with the real issues? Because if you cannot compete and you are restricted by law from entering a different market and diversifying, then where do you go, where does our farm community go? That is the question.

I think it is about time that we recognize that we are prohibited from employing a true competitive strategy or allying our farmers to employ a true competitive strategy. We are prohibiting them from marketing grain to their nearest customers. It does not take us more than 45 minutes to meet as a federal cabinet and pass laws that will criminalize our farm community and stick them in jail. Quite frankly some of the farmers are proud to be identified as martyrs in this whole scheme.

It is interesting that when you take the commodity that you produce on your own farm and cannot sell it, for instance, barley as malting barley in your own province, but you can market it as malting barley in another country and it is accepted, that we are not able to transport those goods by ourselves to those markets. Those are issues that are going to have to be addressed in a meaningful way. I hope that farmers and farm organizations and our Minister of Agriculture (Mr. Enns) point these things out very vividly in our upcoming election.

* (1520)

Then, of course, there is the matter of transporting what we have grown. No matter what the price is, we have not been able to get it to the marketplace. I believe it is about time that we devised a mechanism of true evaluation. I know the federal Minister of Agriculture has said that he would like to put in place a program of incentives and disincentives for transporting grain. Well, let me ask you something. How much more of an incentive do you want to pay the railways than we are currently paying them? When farmers pay \$42 a tonne to transport barley to Vancouver or to Baie-Comeau, I mean how much more do you want to pay the railways?

Maybe it is time that we said to the railways that if you cannot transport grain and deliver it, we will take a hard look at your operations and how you function. That is an issue that I think needs to be addressed by the federal government. Canadian National Railway has simply done an absolutely horrible job of transporting our grain.

When you have 50 ships lying in harbour in Vancouver waiting for grain and not enough grain to fill those boats, the cost of those ships waiting there is transferred directly to the farm community; \$60 million they say the cost has been up to now. It might well be \$100 million, maybe \$150 million by year-end. Which sector, which union, which labour union in this country would accept those kinds of charges being offloaded on them when their employer is not performing? That is what farmers are faced with in this country and, by law, by federal law, our farmers are required to pay the demurrage charges. What kind of insane mentality drives the establishment of those kinds of laws?

Should it not be the railways that are charged with nonperformance? Should Mr. Goodale not be saying to the railways, look, if you do not perform to standard, you are going to pay the bill, you are going to pay the demurrage charges, but, no, not our federal Minister of Agriculture. He says, he keeps on saying, well, the farmers are going to pay.

Our Wheat Board, because they are the marketing agency designated for the farm community, not by the farm community but for the farm community, designated by the federal government to be the marketing agent for the farm community, should have stood on its head by now and objected in Ottawa vehemently that they were not able to move the grain that they had sold.

But what have we heard from the Wheat Board? What have we heard from our Liberal opposition members in this House? Absolutely nothing. Yet we do not mind charging up till now our farmers \$60 million for nonperformance of railways. It is amazing. When we look at some of the issues identified in our budget, when we look at agriculture and we talk about agriculture and the \$3.4 million allocated to do agri-food research and when we look at the farm cash receipts of \$2.8 billion, a fifth consecutive record, and

when we look at cash receipts in Manitoba that grew over 13 percent over this last year and when we look at the crop and livestock receipts that have hit record levels in this province over this last year, it is truly amazing how well our farm community has performed and, yet, our opposition members sit and laugh. They sit and laugh at that record. They sit there and support their federal Minister of Agriculture in dropping off, pawing off these huge costs, \$750-million Crow benefit, \$660-million demurrage charge and many others. Yet who sits there, sits quietly and suffers? It is our farm communities.

Yes, our farm community has demonstrated an ability to produce. Our farm community has demonstrated an ability to compete, but our farm community cannot, my honourable friends opposite, compete against nonperformance of railway and be expected to pay the cost at the end of the year. I ask you, when your federal members come home and you meet with them, do yourselves a favour—

Mr. Deputy Speaker: Order, please. Could I ask the honourable member to avoid having a conversation with the honourable member and put his comments through the Chair. It might be more appropriate.

Mr. Penner: I respect that, Mr. Deputy Speaker, and I will, through you, ask the honourable members, I will, through you, plead with the honourable members, and I will, through you, ask the honourable members to support my request, that when they meet with their federal members, to beg their federal members to pay some attention, to pay just a little bit of attention to the crisis that we are facing today in agriculture, because we are going to be faced with a huge amount of grain being held over until next year and those farmers cannot sell, turn that into money that they can buy fertilizer with, chemicals with, seed with.

I am asking you to indulge, Mr. Deputy Speaker, to help me convince our honourable members opposite to lobby their federal members on our behalf, on our farmers' behalf, that we can maintain an agriculture community. Then I am going to ask you, and I am going to ask your indulgence, whether we can actually ask their support to approach the federal Minister of Transport to drive some performance rules into place that will force the railways to meet their obligations.

I will ask the Minister of Agriculture, through you, Mr. Deputy Speaker, we would ask the federal Minister of Agriculture to put in place rules as quickly as he did when farmers exported their own grain, in criminalizing them. May he also put those kinds of rules in place for our railways performance, as quickly as he did. This is no easy time for young farmers, grain producers, in this province, that have their bins full of grain and are not able to move it into the marketplace because somebody at CN is not performing.

Now, I want to speak a little bit about some opportunities because we are going to be forced into a situation where we cannot move our grain and because we are not being allowed to expand our livestock industry to its fullest potential because of federal laws and provincially restrictive laws, because we cannot fully expand our livestock industry, then we must build on what we have to work with.

I say to you that in our manufacturing sector we have seen an absolutely admiral performance. The manufacturing sector has increased in this province by 94 percent since 1991. A 94 percent increase, that is almost double the production that they had in 1991. I say that is phenomenal. That is a phenomenal performance.

When the honourable member opposite, protecting his Liberal performance in Ottawa, talks about the industrialized sector, he has to defend a 5 percent increase nationally in that same period of time—5 percent nationally. If you look at the 94 percent increase in Manitoba and the other three western provinces and delete that from the equation, you have a zero, minus percent industrial increase in this country. That is the Liberal legacy that we are going to leave to this country; that is the legacy that the Liberals are going to have to defend in Ontario, Quebec and the Maritimes.

* (1530)

I would suggest that manufacturing shipments this year into the export market are up 8 percent over last year. That is a multiple of three times the national average, a multiple of three times more than the national average is, but I think, Mr. Deputy Speaker,

that when you look at the entire economic situation in this province and you compare it to any other provinces in this country, we stand high and we stand tall. We can speak long and we can speak loud about our achievements, and it is done through proper planning and long-term policy development that has caused this to take place. People in our community on Saturday night at the Chamber of Commerce banquet, time and time again, came to me and said, Jack, whatever you do, don't change course. You are doing absolutely the right thing. We do not want you to change course, whatever you do. That does not speak well for our Liberal and our NDP friends in this Chamber, because they want to change course, but the people of Manitoba are saying don't change course.

We believe that there is an absolute opportunity with seven years of consecutive increases in the export market, with the opportunities that we have to look forward to in the U.S. and the Mexican markets, the tremendous growth that we are seeing in the Asiatic markets, I believe that our value-added sector, our primary agriculturally based value-added sector, is going to have a tremendous future in this province, second to none anywhere in Canada. It behooves all of us in this Chamber, it behooves all of us as Manitobans to take advantage of our competitive edges that we have today and build on them and support our Minister of Finance (Mr. Stefanson) in achieving not only a balanced budget, a surplus budget that can actually pay down the debt and continue on along this economic line.

Thank you, Mr. Deputy Speaker.

Mr. Gord Mackintosh (St. Johns): Mr. Deputy Speaker, it is my pleasure to rise for the first time this session on the budget speech. As well, I want to comment with an overview of my perceptions of the throne speech.

I, first of all, want to welcome to the Assembly the new Clerk Assistant Shabnam Datta. When I saw you come in here, I recalled my first moments as I entered this Chamber as a brand new Deputy Clerk back in 1980, a time when there was a great eruption in this House over the issue of whether Bob Wilson should keep his seat in the Legislature after having been

convicted of criminal charges. It was a humbling experience to walk in through those curtains, let alone to have to deal with such a difficult eruption of emotion and debate in the House. I thought when you came in here as we were discussing the role of the Speaker and the recent events, that you would have had similar thoughts, that it seems sometimes a daunting experience, but I know that you will be a welcome addition to this Chamber, and we look forward to your advice from time to time.

I also congratulate the new ministers of the government, the ones who have been brought in from the back bench. I wish them well, and I hope that they will make decisions in the public interest. I do not have great hopes, I might add, Mr. Deputy Speaker. I believe it is, not because of the individuals and their personal qualifications, but I know it is such a corrupting experience to serve in this government.

I particularly welcome the new Justice minister. I do not think there is a minister that we have looked forward to being replaced in this House as much as the Justice minister, although I notice that the former Justice minister remains in the cabinet, and I am somewhat bewildered by that. The new minister, I hope, will elevate the discussions from what I think was too commonplace with the former minister. Those were the discussions about competence and credibility of the minister. I hope that we will be able to deal now with more of the substantive issues, and there are so many in the areas of justice.

I was disappointed nonetheless to read in the Hansard of March 17 the remarks of the new Justice minister where he attributed to me statements to the effect that I was saying it was the provincial government that was responsible for criminal law, and then just to bolster his little statement he said you can check the record. Of course, that is an old trick of members, to make allegations and then say check the record. Well, it is a good thing we do have the record, of course. I never said any such thing. It would be as if I were to say the sun rises in the west.

What, of course, I said was that the federal government was trying, interestingly around election time, to now get some co-ordinated comprehensive response to organized criminal gangs. My words were:

yet with only limited jurisdiction. I believe those were likely the words that the Minister of Justice was reflecting on. I regret that he misled this House. I did not in any way say that criminal law was the responsibility of the provincial government. It would be foolish to do so. So I hope that he is not going down the path his predecessor went down, where if you are not winning an argument you make one up, if you want to attack the opposition you create a false argument.

We just heard from the member for Emerson (Mr. Penner), and I think some of his comments on closing really reflect what I have been suspecting for some years. He was talking about the feedback that he was getting from the Chamber of Commerce banquet the other night. The point is I believe that the members opposite are only getting their feedback from Chambers of Commerce in Manitoba. They are only getting feedback from those who have business interests, interests that may not always, in fact, may sometimes conflict with the general public interests in this province. Something is terribly off base with this government. They are out of touch, badly, with the reality of Manitoba.

We have just seen a budget tabled in this House that further cuts health care when you consider the supplementary spending on health care last year. It fails to restore the earlier cuts to education, cuts that affected children, cuts that affected families.

What they did do was they tried to introduce a new tone, particularly noticeable in the throne speech. They started like a light switch to turn on this idea that they were somehow compassionate. They said in the throne speech such things as the government was committed to two immediate national priorities: job creation and children in need.

Then they went on to acknowledge that aboriginal peoples indeed have been by-passed in realizing any benefits from any improvements in the economy. They said they had to work in close partnership with First Nations communities. Of course, they did not give any undertakings regarding the recommendations of the Royal Commission on Aboriginal Peoples, but they used this acknowledgement of the needs of aboriginal peoples, children in particular, and I am sure it has no relationship to any intention on their part to actually

ameliorate the pain that is being felt in those quarters. It is instead to try and put a softer face on a heartless government, but people do not buy it at all.

* (1540)

(Mr. Ben Sveinson, Acting Speaker, in the Chair)

This government is what it is. This government is known to the people of Manitoba, and they know how this government has been complicit in the creation of pockets of despair in this province like never before.

I think if there is any trend that we have to reflect on over the last 10 years, and it is the trend not only in Manitoba and not only in Canada but across this continent of governments who are prepared not just to allow the creation of but to exacerbate if not create a permanent and huge underclass. The statistics alone do not accurately portray what this underclass is suffering.

The Acting Speaker (Mr. Sveinson): Order, please. I am having trouble hearing the comments by the member for St. Johns—if those wishing to carry on a conversation would kindly do it in the loge or out in the hall. Thank you.

Mr. Mackintosh: The statistics fail to show the despair that this underclass in this province is experiencing. For example, the unemployment statistics, which are bad enough, fail to include the unemployment being suffered in First Nations communities. Can you imagine what that means? It is saying to First Nations communities, you are not part of this province, of this nation. Your experience is not part of the national experience. Your suffering does not count. We will exclude you when we portray what this country is in its statistics.

Similarly, the statistics on poverty exclude persons in First Nations communities. Can you imagine a more racist statistic? Can you imagine what those statistics do to a problem that is already tragic?

The Acting Speaker (Mr. Sveinson): Order, please. To all members, I have asked for co-operation in keeping our discussions down a little bit inside this Assembly. If you would wish to move to the

loge—[interjection] Attention, please. The honourable member for St. Johns.

Mr. Mackintosh: Thank you, Mr. Acting Speaker. I understand why people opposite do not want to hear this. They do not want to hear about racism in this Chamber. They do not want to hear about racism, and they have asked the Speaker, for the support of the Speaker in trying to rule that that word, the term “racist policies” was not appropriate in this Chamber. I think they should reflect very carefully on the racism that is being perpetrated not only in the actions of government but in the statistics.

Well, the government goes on trying to perpetuate several myths, Mr. Acting Speaker. What I would call the Filmon myth or Filmyth No. 1, the economy is the strongest our province has ever seen. Now, that is a real doozie. People in my neighbourhood, when they hear that one, just shake their heads, and that is when the credibility of this government is threatened even more, because they know what is happening in their own families and in their neighbourhood.

They know that people who once had full-time, good-paying jobs are losing those jobs and having to go and work for low-wage, part-time work. They know of families, particularly coming from the North, who have no opportunity to improve their skills to become employable. They know of so many who are employable but are unable to find work. Full-time employment is down to 403,000 in January from 412,000 in 1988 when this government took office. No improvement, Mr. Acting Speaker. Meanwhile part-time jobs are up from 89,000 in 1988 to 123,500 today, and that change is mostly in the service sector, a sector known for its low wages. Indeed, over that period of time that I have just talked about, real wages have dropped 8.6 percent. So the economy is not the strongest.

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

Filmyth No. 2, there is no funding available for maintaining social programs. Well, that is another doozie. It was just a few weeks ago we had Dr. Schweinhart in town from the United States who is one of the individuals who, I believe, conducted and

analysed and is now talking about the American High/Scope Perry Preschool study, which compared children who attended an enriched preschool program with those who did not. The study over a period, I think, of some 21 years or so found that there were immense savings experienced in the justice system, in health, education, other systems for those who were in the enriched program as compared to those who were not. The study was fascinating in many ways. The group that was in the enriched program had, as I recall, half of the arrest rate of those who were in the control group.

But when the government was presented with these findings, a real true cost-benefit analysis, the Native Affairs minister (Mr. Newman) is quoted in the Winnipeg Free Press on March 6 as saying that there is no funding available for improvements to early childhood education. So even when the government is presented with a cost-benefit analysis, with real evidence of long-term savings, they say no. They cannot get by the idea of maintaining or enhancing social programs. There is something ideologically repugnant to the government.

We find a 12 percent revenue increase to this government in only two years. An expected surplus this year of \$56 million. We know it will be much more. Of course, not counting the \$410 million realized from the sale of MTS, and, of course, there were new business tax cuts of \$16 million this year. While there were the tax cuts and help for businesses, but meanwhile as we are creating this huge and permanent underclass, there was virtually nothing. There is ample money available to invest in our future, Mr. Deputy Speaker, and enough to meet our obligations to pay down the debt. I recall on budget day the Finance minister saying that there would be \$470 million in the savings account at the end of the year, \$470 million in the piggy bank. Maybe that is where the word "piggy bank" came from. It is a pork-barrel fund.

Filmyth No. 3, there are no new tax increases. My colleague the member for Selkirk (Mr. Dewar) said you do not have to go beyond going back to your statement on the increase in revenues. The facts are that individual income tax revenue was projected to rise 6.7 percent, which is well in excess of inflation and

economic growth. Individual income tax has brought in 30 percent more since '88-89 because of bracket creep.

* (1550)

What is very worrisome to people, particularly in my part of the city, is the forced rise in property taxes as a result of this government's policies on education funding. The Winnipeg School Division No. 1 has to go through the annual exercise of trying to balance the needs of students in the system with the concerns of taxpayers, particularly seniors, who no longer can enjoy the homeowner assistance plan that they once enjoyed. Right now provincial support to the school division has decreased by 8 percent or \$9.9 million, while inflation has gone up 11 percent. While the assessment base has decreased by 5.3 percent, the school division special levy has gone up 17 percent. It is very, very difficult for a school division that services some very high-need students, high-need families to be a school division that has to rely more and more on property taxes.

What is happening, of course, is that the number of teachers is being cut. The teaching assistants are being cut. When you are cutting the funding for special needs programming, you are doing something, I think, Mr. Deputy Speaker, that is very dangerous. Once special needs students no longer can get the support that it is their right to have in the classroom, arguments will inevitably follow that those students are too disruptive in the ordinary classroom. We will be back to the dark days, I am afraid, unless this government understands its obligations to public education.

No, this government is out of touch. It is out of touch with what the concerns of ordinary Manitobans are. It is in touch, I suspect, solely with the needs and the lobbying efforts of the Chambers of Commerce in this province rather than balancing those views with the views and needs of the majority of the individuals in this province.

I certainly worry sometimes about the First Minister's lack of grip on reality, not simply because of concerns about the throne speech and budget speech. I will be going on about some of the concerns in the area of justice shortly, but I hear this Premier (Mr. Filmon) get up and make statements that are so out of touch and are

so concocted, I really question his ability to lead that government any longer.

I was perhaps amused, I think more correctly concerned, when the Premier got up on March 3 in this Chamber following remarks that I made about the role of the Speaker and the government and set forth some real doozies that were almost laughable. It appears that he is suffering somewhat from paranoia. He went on to say, he made the statement that the member for St. Johns, with two former House leaders from the New Democrats, Mr. Anstett and Mr. Cowan, were seen here in this Legislature during the summertime, and we were told about how they had this grand plan to break down the rules of the House and break down the agreement they had willingly entered into. I could not believe that. This is a man here who is so far out of touch he is nonetheless not only willing to disregard the needs of Manitobans, but disregard reality. I have not spoken to Mr. Anstett, I believe, for about six and a half years; I have not seen him for about 10; and I do not know that I have said anything more than Merry Christmas to Mr. Cowan in about six years.

He had a few other doozies in here like we are attributing some search for credits from me for Meech Lake, which I would never take, to going on to saying that all Elijah Harper had to do during Meech Lake was say, no, and was saying that I would not know any better because I was not here. I find that sad, if not slightly amusing. Mr. Harper, of course, made a point of order which was, I think, the cause of the resolutions on Meech Lake being kicked out of this House. Mr. Harper could no longer say no on the day the resolutions came to the floor of the Chamber, but I will leave that to history. It is set out in documentaries like Millennium or in Pauline Comeau's book, and I do not think it will be left to the Premier (Mr. Filmon) of this province to do any historical observations.

(Madam Speaker in the Chair)

He had another that was an interesting one, particularly when I got home on the evening of March 3. He was saying that I had my family down here, gathered in the House, to watch my performance as I rushed down from my seat into the centre of the

Chamber. I guess that was referencing November 23. That was interesting because my wife apparently did come down here at the end of the day, but she certainly was not here when that event happened and certainly not at my instance, but came down here to witness a tragedy, not her husband. But that is sort of a pitiful observation from someone who obviously has something under his skin and is unable to deal with truth.

I want to deal with some of the issues in the area of Justice. When you stand back and you look at the throne speech and budget speech, I cannot help but find it remarkable that two of the most disturbing trends in this province, that is, the rise of criminal gang activity and motor vehicle theft, were not even mentioned. The word "gangs" is nowhere in those documents. Can you believe a government that is so out of touch that I suppose the Chamber of Commerces never raise the issue of gangs and never raise the issue of motor vehicle theft so they never put it in? They are so into their own world that they do not understand what bothers Manitobans and what Manitobans hope this government will help them find solutions for.

It was back on September 11, when our Leader (Mr. Doer) sent to the Premier (Mr. Filmon) of this province our gang action plan, and he sent it to him in a positive and constructive way, saying here are some ideas for how we can comprehensively counter the threat of organized criminal gangs. We urge you to look at these and adopt them and move forward. This was not for the purposes of elections. There is no election. This was for the purpose of benefiting Manitobans to make all Manitobans safer.

The gang action plan was a result of extensive work that was done contacting agencies and individuals across this continent, and individuals and organizations in the city of Winnipeg that have had experiences dealing with youth and gangs in particular. We set forward ideas like specialized prosecutors to deal with gang members that we found was successful in British Columbia, about the vertical prosecution of gang members that we found was successful on the west coast of the United States, the idea of enhanced victims' programming and witness programming because prosecutors in areas with high criminal gang activity were saying that it was hard for them to keep their

witnesses, hard for them to ensure witnesses and victims testifying at trials.

* (1600)

We proposed a regional gang surveillance agreements based on the model from Brandon, Manitoba, the continent leader in getting youth agencies co-ordinated and talking together through a computerized network and monthly meetings.

We have been urging the establishment of a young offender mentoring or monitoring program because we found that in the state of Missouri there is a program that has been working there for many years with tremendous success. Indeed, last year their budget allocation for that program was increased. We discovered this with discussions with senators from the state of Minnesota who were proposing for Minnesota a similar model. There was a budget allocation for that state last year. It will be interesting to see how well that program is coming together.

We urged the establishment of an aboriginal corrections program to get going in a meaningful way on the recommendations of the Aboriginal Justice Inquiry report. We urged the establishment of crimes-of-children legislation in The Child and Family Services Act so that children can be dealt with according to established protocol so that there can be interventions to discover what problems existed in families that are bringing forth gang members and gang violence at an early age so that problems can be nipped in the bud.

The most important aspect of the gang action plan was to call, though, for a youth job prospects fund. That item in the gang action plan attracted the most money, and this plan was costed in total at \$11 million. We believe that with a public investment we can lever a similar investment from the private sector, and we can work in partnership with the aboriginal community to establish a focused employment program for youth, particularly those at risk.

We wanted community funding for after-hours school use. We want to refund the friendship centres of Manitoba. We want to see parenting skills programming in this province like never before on a

comprehensive basis, perhaps even mandatory. We want the Winnipeg child and parent centres re-established, those centres—there were five of them, I understand—that were destroyed by this government when they came into office.

We want to see gang-proofing materials and videos available. We want to see a hot line that works; and, based on a program, the weed-and-seed federal initiative, that has been applied on Railroad Island in St. Paul, Minnesota, we would like to see a community-driven local initiative that concentrates on policing and outreach to get rid of gang activity in the particular area and then bringing in street workers, bringing in community responses to deal with locally identified problems.

Those are some of the ideas that we brought forward in a positive way, but what happened? The government said, ha, we already did all that. What an outrageous response. It is one that is completely out of touch with reality.

Now, this action plan is not the only positive, comprehensive plan that has been presented to the government. The government presented one to itself through the Child and Youth Secretariat subcommittee on gangs. There, representatives from different government departments and community agencies and indeed representatives from victims' groups, and I think there might have been a youth representative, put together over 30 recommendations to deal with gangs. They did that in June. That was a long time ago, Madam Speaker. The government has buried that report.

Meanwhile, we understand that as of Friday, the number of known gang members and associates in the city of Winnipeg has skyrocketed from 800 in September to over 1,300 today. There has been an increase of threefold in three years of known gang members and associates in this city while this government turns a blind eye not to just our action plan but to its own government recommendations.

What is happening with auto theft? Just when we thought that auto theft rates could soar no further, they increased another 6 percent last year. In other words, auto thefts have gone up 246 percent in just four years.

The response of the government is not to implement its six outstanding promises on auto theft from the election campaign of two years ago. No, their response is to blame the victim and put a deductible of \$500 on every victim of auto theft. If a victim has a vehicle locked up with a Club on the steering wheel, locked in a garage and has a vehicle stolen, they still have to pay the \$500 deductible. That is how ridiculous that is. That is what the government meant, I believe, by its promise of new programs for victims in the throne speech. These are people who are out of touch with the reality of Manitoba.

Now, we have got a tragedy that occurred in this province last April in the way of the Headingley riot. Then in December, Justice Hughes brings in his report. He does not just deal with Headingley, does not just deal with the Corrections department, he deals with the ultimate challenge that all Manitobans face, and that is to find the real solution to rising violence and gang activity in this province. He goes and gets an old document, a dusty old document out of the library, one that the government has long forgotten, the Aboriginal Justice Inquiry.

Lo and behold, he finds, I think, as his ultimate finding that Judges Hamilton and Sinclair were very wise when they said that to change the situation will require a real commitment to ending social inequality in Canadian society, something to which no government in Canada has committed itself to date. This would be a far-reaching endeavour and involve much more than the justice system as it is currently understood. It will require governments to commit themselves to social and economic policies that will allow aboriginal citizens to participate fully in Canadian life. In the case of aboriginal people, it will also involve a significant redistribution of political and economic power as governments honour the historical commitments made to aboriginal people through treaties and other formal agreements.

Here it is years later, those words from the Aboriginal Justice Inquiry that apparently meant nothing to this government being thrown back at them saying, what ever happened to that report?

Justice Hughes goes on to say: The time has come for governments to move safety of person and property

onto the sacred pedestal alongside education and health. The public must be convinced that this area is of comparable importance with education and health, insofar as the achievement and preservation of quality of life are concerned and that it must have equal standing in terms of tax dollars allocated to it.

He goes on to ask the question: Would pouring millions of dollars into economic and social programs that would allow poverty-stricken people with no marketable skills, no job and no job prospects to participate as law-abiding citizens in Canadian life be a justified and worthwhile expenditure of public funds?

He answers: Someday the Canadian public has to accept that the answer to those questions is yes. We all have to realize that we cannot forever afford to turn our backs on the problem as it exists and avoid reaching out to the real solution.

* (1610)

I understand from a press statement that the Minister of Justice (Mr. Toews) went off to the Minister of Justices' conference a few weeks ago to fulfill a commitment by the former Minister of Justice to bring this issue to the attention of federal-provincial ministers. I would say that that is not fulfilling the expectations of Mr. Hughes. This government has to lead by example, and it certainly has not been following in any way the path that Mr. Hughes suggests is one we have to follow. Indeed, when the Minister of Justice went to the ministers' conference and presented this idea, I just shook my head and I wondered if it would be seconded by Ontario. How hypocritical.

We note in the budget that the line that has been there for a number of years allocated to aboriginal justice initiatives and the only little part of action that the government purported to take after AJI in the amount of \$1 million is no longer there in this budget. Instead, there is one and a half million dollars but not specifically for aboriginal justice initiatives. This causes us great concern.

I notice in the budget a decrease of 13 percent for victims—that is through the Criminal Injuries Compensation Board—that causes us great concern. I see reductions for the third year in a row to the Human

Rights Commission of Manitoba, and I see, strangely, hypocritically, that this is the government now that is doing away with the Law Reform Commission, one cut made by the Pawley administration that this government screamed bloody murder about.

The only increase in the budget is in the area of courts and corrections, and, of course, Madam Speaker, it is because the investments have not been made up front. The investments that we need to ensure the long-term stability of this province, a healthy population, are missing. This budget, once again, is an unbalanced one when you look at it in the long view.

Thank you, Madam Speaker.

Mrs. Shirley Render (St. Vital): It is a real pleasure for me to speak to the budget today, and I want to begin by congratulating our Minister of Finance, the Honourable Eric Stefanson, for the hard work that he has been doing these past many years and also to thank the previous minister who set in place the things that the present minister has carried out and all of my colleagues who have been working so hard since they were elected in 1988 or before that to bring about this very historic budget that we are debating here today.

This is very historic budget because, again, as the Minister of Finance said earlier, it is a budget that is balanced. This is the third consecutive year that this has happened, and just as importantly, this is a budget that for the first time is bringing in or setting aside, perhaps I should say, a large chunk of money that is going towards repayment of the debt. So, as I say, Madam Speaker, this is a historic budget, a budget that I am very proud to be supporting, a budget that I am proud to be a part of a caucus, a part of a government that has spent this many years coming to this point because this is a budget that all of us who have children, perhaps have grandchildren or nephews or nieces—this is a budget for the future.

For the very first time, I had young people campaign for me, and the reason the young people came out in such strength for the past election—1995 is what I am talking about—is because that was the year that we brought in balanced budget legislation. Those young people are smart young people. They know that if

government right now does not get its act in order, it is going to be those people, whether they are 25, as my children were at that time, or whether they were younger, if the budget is not balanced, if we do not start paying down the debt, it is going to be our children, our grandchildren who are the ones that are going to get it, literally, in the ear. They are going to be the ones with no benefits. They are going to be the ones suffering from not enough health care, not enough schools, child and family services in trouble.

So, Madam Speaker, this is an historic budget and a budget that I, as I say, am very pleased to support. It is because of this government's thinking that I joined government, because I believe that government should spend as I run my household, as my husband and I run our household, that we should not spend beyond our means. It is because of that philosophy that I became part of the Filmon government.

In 1988 when this government came into power, they set forth their aims and they, since that time I think, have progressed well along the path that they set out to do. Some of the things that they said that they wanted to do and which this budget now, as I say, brings forward again—it has no new taxes, no tax increases. It extends the freeze of major taxes for a full decade. I do not think there is any other jurisdiction in North America that has that kind of a record. The budget provides strategic tax reductions, and the budget invests in our hospitals, in our schools and in our roads. It also provides strategic targeted tax reductions.

Now, one of the things that I have found very surprising as I have done my door knocking is that some people just do not seem to realize how important balanced budgets are. They do not realize that unless you have a balanced budget you are simply not going to have a thriving and dynamic economy. They do not realize that to have a balanced budget that governments, in fact governments right across the country, had to bring their government spending in line with revenue. For too long, governments were getting into the habit of overspending. Well, we recognized that when we came into power, and we immediately set forth to try to bring government spending into line. We began also the process of making our tax system more competitive. We juggled a number of things at one time because we

had to work very hard to make our province the very best place to live in.

There were a number of things that we did internally that really did not get very much PR at the time, but we did things such as improve the efficiency of government operations. We improved accountability at every level, and we also insisted that taxpayers receive better value for their dollars in every single department of government. As the Minister of Finance (Mr. Stefanson) said, in short, we restored responsibility and accountability to our government operations. We continued doing this throughout the early '90s when it was really tough to do. Those were the beginning years of recession. Those were the beginning years of the huge cuts by the federal government. In fact, those cuts are still going on, cuts to health, to education and to social programs. We held that line until we were able to bring in our first balanced budget. Now, this year, as I say, a very historic budget, a budget that begins the repayment of our debt.

Now, I have listened to members from the opposition, from the other side of the House, and others out in the community who criticize the budget and whine. They say, well, you have a surplus, why don't you spend it here? Why don't you spend it there? I have to say, Madam Speaker, those people are very shortsighted, and it is very obvious that they have never had a business or managed a business because as soon as you have a surplus you just do not go and spend it, because there are other things that have to be done to make sure your house is in order. So I was very pleased to read the Free Press editorial on March 15 on the budget, because it was very obvious that the writer of that editorial understood good business practices.

I just want to put on the record here the editorial of March 15. That editorial was titled, Theme and variations. The writer goes on to write: This is a government that came to power believing that the best way to build a prosperous province was to reward enterprise, encourage investment and give more Manitobans the chance to learn the skills needed to make it in the new economy.

He goes on to talk about the things that this government has done to encourage small business, small- and medium-sized business. I just want to skip

through that and zero in on where he talks about the surplus, because so many of the members across the way think that we should spend our surplus right away.

* (1620)

As I say, this writer here for the Free Press knows good management practices, and he writes: The budget will not strike a harmonious chord with everyone. There will be those who point to the province's \$75 million a year debt repayment program and its Fiscal Stabilization Fund, and argue the government could do more. What they choose to ignore, however, is that nearly half of the Fiscal Stabilization Fund is due to one-time revenue windfall of nearly \$260 million from the sale of MTS. Without the MTS revenue, the fund would stand at \$227 million, enough to help cover unforeseen expenditures, but hardly enough to justify ongoing program spending. The Stabilization Fund is there to be used in case of emergencies, such as the \$100-million cut in payments from Ottawa 1997-98. To use it for anything else would be foolish.

The writer is exactly right. To use that surplus right away would be foolish. Critics also like to attack the government's debt repayment program, arguing that it takes money out of the economy when government should be doing more to stimulate job creation. This remarkably shortsighted criticism ignores a crucial point: paying down debt frees up money used for service charges for more productive things like health care and education. Roughly 10 percent of the government's total spending, or \$575 million, will go to service the debt this year, and that is hardly a drop in the bucket. It should also be remembered that a debt repayment program is necessary today only because of massive overspending over the last 15 years. The fact is, the writer says, somebody has to pay the piper.

That is what is happening now, that we are all paying the piper for the overspending that went on in previous years. Now it has been most interesting listening to the NDP criticize the budget, the incentives that we have made towards the manufacturing sector, towards small and medium-sized business. They have also criticized our use of money from the sale of MTS. In the past, they have criticized our use of money from gaming proceeds. Well, in fact, I have a transcript here in front of me from the member for Thompson (Mr. Ashton)

who is very critical of the MTS money here. He says they used a significant portion of the money of the sale of MTS last year to dump it into the provincial caucus. In fact, if they had not done that, they would have run a deficit. I think that is unfortunate, said the member for Thompson. If you were to look at what the government is doing, it is just what I would call garage-sale economics. That is how he characterizes that.

I am quite surprised to hear him say that because when I look at the Saskatchewan budget, I am wondering if he would use those same words to criticize his NDP colleagues in Saskatchewan, because that is exactly what the Saskatchewan government has done. Madam Speaker, the 1996-97 revenue includes special dividend transfer from the Crown Investments Corporation of Saskatchewan of \$364.7 million. Part of the proceeds is from the sale of the province's share, and I will spell this for Hansard, Comenco Corporation, a uranium company. I wonder if the member for Thompson (Mr. Ashton) would call that garage-sale economics. I would like to hear what his comments are.

Also, he has criticized our use of gaming proceeds. Again, is he criticizing his colleagues from Saskatchewan? Listen, Madam Speaker, 1997-1998 revenue includes a significant increase in transfers from the Saskatchewan Liquor and Gaming Authority. Well, does he say one thing to us and something different to his colleagues in Saskatchewan?

I remember being criticized, or this government being criticized, in the past for reducing taxes. Well, again, I am reading from the Saskatchewan budget. They have reduced their sales tax from 9 percent to 7 percent. Are the members opposite going to criticize their colleagues for reducing taxes?

They also quite often criticize us for giving tax credits. Again, I read from the Saskatchewan budget. The investment tax credit for manufacturing and processing is extended to used machinery and equipment retroactive to February 1995 when the credit was first introduced.

Well, I would think that it would be quite easy for the members opposite to support their budget, because

many of the things that the Saskatchewan government have done are some of the things that we have done and, as the Minister of Agriculture (Mr. Enns) so eloquently spoke of last week, I think it was, there is a precedent set for opposition members supporting the government budget. I believe it was when Premier Schreyer was in government, 1972, 1973, members opposite could give me the dates a little better, but I believe that was the year that the Conservative Party supported the NDP budget. So, members, there is definitely a precedent set for supporting a government budget.

I guess what concerns me, Madam Speaker, though, in these last couple of weeks and actually in last November, and I do not know what other word to use, but it is the fearmongering that regretfully so many on the other side want to try to strike into the hearts of Manitobans. This was just brought to my attention again last week, because the Public Utilities committee sat last week, and what we did was, we looked at the annual reports of Manitoba Hydro, and once again, members opposite are trying to whip up various people, various groups out there in the public and scare them.

Madam Speaker, interestingly, once again the Free Press has picked up the NDP tactics, and they stated it very clearly on Friday, March 21, in the editorial—

An Honourable Member: Were you on that committee?

Mrs. Render: I was on that committee, the member for Thompson.

Ashton's policy, and I am quoting, "... when NDP MLA Steve Ashton decided to try to make political hay out of a perfectly sound agreement Hydro has made with the Mid-Continental Area Power Pool"—[interjection] Well, let me just move down here. "Mr. Ashton, however, understands the power of symbols and he has glommed onto the surrender of the monopoly to try to whip up fears the Tories intend to privatize Hydro. How he reaches this conclusion is unclear, probably even to Mr. Ashton himself. All he says is that it's the first step. When the government denies his charge, he calls them liars."

Now, I am quoting, Madam Speaker, so I hope you will not call me to order, because I am just reading what is in the paper. In itself, Mr. Ashton's big-lie approach is—and I am going to say that “s” word. It is called sleazy and, again, I am quoting, but I will withdraw the word—

Point of Order

Mr. Steve Ashton (Opposition House Leader): On a point of order, Madam Speaker, first of all, it does not matter whether you are reading an article or an editorial, if it includes words that are unparliamentary, I would suggest in this case the member should withdraw, but I am surprised that she would even mention the editorial, because she said she was in the committee, and if she cares to read the Hansard, of the one comment I made, I never once mentioned anything to do with the power grid deal.

I think the Free Press was perhaps confusing me with our critic. The member for St. James (Ms. Mihychuk) and I are not normally confused. I also think they did not look at the entire transcript, but if I am going to be criticized for being sleazy by anyone, I hope it is for something I have said rather than something I have not said.

Mrs. Render: Madam Speaker, I will withdraw that word. I should not have read out what was in the Free Press editorial. I shall withdraw.

Madam Speaker: I thank the honourable member for St. Vital.

Mrs. Render: As the member for Thompson has pointed out, we should not really—

Madam Speaker: Just one moment, please. I am just getting clarification.

* * *

Mrs. Render: Madam Speaker, as the member for Thompson (Mr. Ashton) has corrected me, it may have been that they got the critic for Hydro mixed up with Thompson. I do not know how they could do that, but these things happen. I guess once you are in this Chamber, we just all look alike—however.

Okay, I digress though. Getting onto that particular subject, I could probably continue on for another 30 minutes though on that. However, what puzzles me most though is the very strident denunciation that members opposite do give to everything that we do. It is sort of a constant refrain that if they were in power, they would do things better, that they would put more money here, they would put more money there.

I think what might be useful is let us look back and see what they did do when they were in power. I mean, we have all heard that saying, if you do not know your history, you are doomed to maybe make the same mistakes, so I think it might be useful to look back at the NDP record and see just what happened when they were in power.

* (1630)

In 1982, the NDP increased personal income taxes by 24 percent. They increased insurance premium tax. They increased the bank corporate capital tax. They imposed the payroll tax on jobs. Now, that has to be one of the worst things they did. I remember my husband and I had just started a small business and that just about finished us, that payroll tax, imposed a high income surtax.

In 1983, what did the NDP do? They increased personal income taxes by 23 percent. They increased the corporate income tax by 104 percent. They increased provincial sales tax by 6 percent.

In 1984, what did they do? They increased corporate income taxes by 18 percent.

In 1985, what did they do? They increased again. This time they increased the personal income tax by 11 percent.

In 1986, they increased personal income taxes by 17 percent, increased the corporation capital tax on investment, increased bank corporate capital tax.

In 1987, increased personal income taxes by 30 percent, increased provincial sales tax by 7 percent, increased provincial sales tax base, increased the payroll tax on jobs by 50 percent, increased corporate income tax by 40 percent, imposed a 2 percent net

income tax, imposed a land transfer tax, imposed a corporate capital tax surcharge.

Now, another thing that really puzzles me is that I have heard members opposite say a number of times that they left us with a deficit. This, I really do not understand, because when their budget shows or they left—I am sorry, they left us with a surplus.

Now, this I really have a hard time understanding because when a budget shows a deficit, how can that be a surplus, and yet so many times I have heard members opposite say that they have left us with a surplus. The member opposite said check with the Auditor's Report. What I have here in front of me is one page from their budget book, and it says the fiscal plan, and right here it says, what they call the fiscal plan, and I am reading their words: It shows sharp improvement in the net operating deficit, and their deficit is \$334 million, and here is their Minister of Finance, the Honourable Kostyra, and in his words, and I quote, Madam Speaker, this is from Hansard, March 8, 1988: "The deficit is \$334 million. I may not be the brightest person," the former honourable Minister of Finance Mr. Kostyra says, "but my mathematics . . ."

At that point he is cut off, but he says more than once on March 8 that the deficit is \$334 million. Maybe the members opposite can tell me how a deficit of \$334 million is, in fact, a surplus, because to me a deficit is a deficit, and that to me is not a surplus.

Now, I wanted to go back, just check and say, now what would the NDP do if they were in power? Well, actually the Free Press has come to my assistance once again, and I am using an editorial from the Winnipeg Free Press. This one is dated April 3, 1996, but it does give me a comparison, and we are talking—well, I will use this year's budget for us, but I will use the NDP budget that the Free Press has used. We have spent 34 percent of our budget on health care. The NDP by comparison spent 31.4 percent on health care in 1985-86. Madam Speaker, I may not be a genius in mathematics either, but to me 34 percent of a budget is far higher than the NDP's 31.4 percent.

Now, on education and child and family services, we have spent a total of 31 percent, and the NDP in those

years spent 28.8 percent. Again, the amount of money that we have put into health, education and child and family services is higher than what the NDP put in when they had the opportunity to be in power. So when those on the other side complain that we are not doing enough, I have to say to them that when they were in power they did not even do as much as we are doing, so why are they pointing their fingers at us?

Madam Speaker, being a historian, I do like to look back in time and see what has happened to make sure that we do not make the same mistakes. This time I thought it might be useful to see what my predecessor, the former MLA for St. Vital, said. The former MLA for St. Vital, as I am sure that—[interjection] Oops, you are right, two before me, as the member for Inkster (Mr. Lamoureux) has pointed out to me. Before the Liberal, Bob Rose, it was the NDP's Jim Walding. He gave a very interesting throne speech, and I have his throne speech here in front of me, February 12, 1988. I understand from speaking with many people that Mr. Walding was a very principled man and was a little concerned with the way things were going.

From a read of his throne speech, it appears that he was not happy with the NDP practice of tax and spend, and if you still do not have enough money, you borrow and maybe increase your taxes again and maybe borrow some more money. It sounds like he was giving a warning to his colleagues. I am going to sort of jump into the middle of his throne speech, and he is obviously talking to the Minister of Finance here. He is talking about the fact that it really does not matter who is in government. Governments always have to make choices of how they are going to spend money and perhaps, more importantly, where are they going to get that money in the first place to spend.

So here is Mr. Walding, and I am going to quote from Mr. Walding, the former NDP MLA for St. Vital: So the Minister of Finance is in a rather awkward position, and he looks around to see which taxes we can increase. What new sources of revenue does the government have? What new thing can we tax? You know, there used to be an expression in the army that if it moves, salute it, and if it doesn't, paint it. I'm afraid government philosophy—and he is talking about NDP government philosophy here—tends to be, if it moves,

then tax it, and if it doesn't move, put a tax on it. That is the perception that people are getting out there.

This is what was said to me when I went out and was campaigning, was that Mr. Walding had been talking to his constituents and his constituents had been saying to their MLA, your government is getting out of hand; your government seems to just be putting tax on tax on tax. Once they have run out of taxes to invent, they are just increasing the taxes that they have. So Mr. Walding is giving a warning to his colleagues.

* (1640)

He goes on to say—and he is talking about his constituents, people of Manitoba—when they see all these taxes, some of them are regressive. Some of them are not as progressive as they could be, like the sales tax. You have the employment tax, which has a name that I cannot remember.

In that particular instance, Mr. Walding is talking about the payroll tax.

He goes on to say: But the Minister of Finance is also borrowing money to operate the province on, and that is a situation that simply cannot occur. He knows that that is the route to bankruptcy. Yet he sees the government doing that, and that is not going to inspire confidence.

Mr. Walding goes on to say: People are not too sure who is in charge of the store or, more frighteningly, is anyone in charge of the store.

Then he goes on to talk about some of the Crown corporations and then he talks about the compensation system. Did the deficits in the compensation system happen overnight, and how many years has it been that the government or the Compensation Board or whoever is responsible has been running an illegal deficit for a number of years? But that did not happen overnight. It has been happening for several years. It has been building up. It is a little brush fire that should have been snuffed out some time ago.

Then he goes on to talk about MTX. When it comes to MTX, did we lose that money one night when somebody tripped over in the sand and spilled out \$27

million under the sand? Of course not. It has been happening and developing over the years. There have been enough things said. The Auditor has made enough reference to it that somebody ought to be out there with a fire extinguisher saying, we cannot have this brush fire. It does not reflect well on the competence of government. Let's deal with it, let's get on with it.

There are other examples, too, said Mr. Walding, but at the same time, people expect their government not only to be looking after today's things, not only those things that have developed in years past, but of what is coming in six months, a year or two.

He goes on to say that we have been doing well in this province, but are we doing well on borrowed money, asked Mr. Walding. The day of reckoning will come, whether it is next year or the year after. But what I am trying to show, says Mr. Walding, is that there are a number of concerns that the average Manitoban has.

Well, Madam Speaker, he spoke very eloquently that day in his throne speech. Regretfully, his colleagues did not listen to him. I think all of us know what happened when the budget was debated and when the budget came to a vote because when it came to the vote, the Leader of the Opposition, Mr. Gary Filmon, now our Premier, brought in an amendment. Listen to the amendment.

Here is the amendment: The motion before the House—here is the Speaker saying that here is the motion before the House—is the proposed amendment of the honourable Leader of the Opposition, THAT the motion be amended by deleting all the words after “House” and substituting therefore the following: Regrets that in presenting the budget the government has: 1. Ignored the long-term effects of uncontrolled spending by once more increasing its expenditures at twice the rate of inflation; 2. Dipped into the pockets of ordinary Manitobans for an enormous tax haul of \$185 million more in personal income taxes; 3. Absorbed the largest increase in revenue in the province's history while applying less than 15 percent of it to deficit reductions; 4. Because of its continued policies of foreign borrowing and deficit spending, has brought

about an increase in interest costs of almost 20 percent in this year's Budget; and 5. Thereby lost the confidence of this House and the people of Manitoba."

Of course, we know, Madam Speaker, how that vote went. Mr. Walding voted with the opposition and brought down the government.

Madam Speaker, this government, since it came into power and was able to put into practice its philosophies, has brought in—and once more I am going to quote from the Free Press—a new era. "Conservative economic management has paid off," says the Free Press, March 19, 1997. "Tax cuts will bring in a new era. The emphasis of the budget brought down by . . . Eric Stefanson is all future tense," says John Collison, and that is so important.

I talked earlier in the budget debate about how young people came out and campaigned with me in 1995 because we were the only party here that was not talking about just what has happened right now but what is going to happen into the future. Before it became popular for all governments across this country to talk about reining in government spending, to talk about making tax cuts, to talk about that debt, we were doing that, Madam Speaker, and the budget that this government has brought in in 1997, as I said earlier, is historic.

We have brought in the third consecutive balanced budget. For the first time now, we have started the repayment of our debt, and all the time that we are doing this we have maintained our priorities, priorities of health, education, child and family services.

Madam Speaker, I think I could open this budget book at any page and read good news. Private capital investment grew by more than double the national rate in 1996 and is expected to exceed the national rate again in 1997. Manufacturing Investment Tax Credit will be extended for three years.

That just reminds me, Madam Speaker, I know I am running out of time, but, again, members opposite seem to jump up and down whenever we give tax breaks to corporations. They seem to think that "business" or "corporations" is a dirty word. Well, one of the breaks that we gave was to the film industry. Let us just see if

I can find that fast enough here. Here we are: One of the most remarkable success stories of the last several years has been the spectacular growth of Manitoba's film and video industries. If the projections for 1997 hold, this industry will have grown fiftyfold just in the last 10 years, and our government has supported the industry through establishing the Manitoba Film and Sound Development Corporation.

Definitely, Manitoba artists and production companies are making their presence felt across the continent and beyond, creating local opportunities for Manitoba's abundant homegrown talent, and in this year's budget, Madam Speaker, the Minister of Finance (Mr. Stefanson) announced how pleased he was that this government will introduce the Manitoba Film and Video Production Tax Credit. This credit will encourage more Manitoba-based productions and create opportunities and jobs for the abundant talent that we have here in this province.

So, Madam Speaker, again, sometimes their ideology so blinds them that when they speak against giving tax breaks to small businesses, to corporations, they are speaking against these new industries such as our very successful Manitoba film industry.

I will finish by saying, Madam Speaker, this is a good news budget, and I am pleased to support it. Thank you.

Mr. Gary Kowalski (The Maples): It is my pleasure to rise for the first time in this session to speak to this budget. Because it is the first time I have had an opportunity to make a speech, I would also like to welcome the new Clerk Assistant and the Clerk and all the Clerk Assistants, the Journals staff, the pages, the Sergeant-at-Arms, the assistant Sergeant-at-Arms, the Hansard staff and all the people who are going to help us do our job in this session.

This session will be under the old rules as opposed to the provisional rules which I have to say was a better way of doing things. I will miss the provisional rules, and I hope, once things cool down, that we will be able to look at some amendments to the way we do business here, once again in a more efficient, a more humane way. I look forward to that.

I also want to say, Madam Speaker, that I will continue to respect your position as Speaker and your rules and decisions. I may not always agree with you, but I will always honour your position, and I will treat you fairly as a person who sometimes is right, sometimes in my opinion may be wrong, but you do have the entitlement to the respect that your position holds.

* (1650)

In speaking to the budget, I have to say it is not a bad budget but it sure is not a great budget. There is a lot of room for improvement. Much of the budget speech given by the Minister of Finance (Mr. Stefanson) talked a lot about federal issues. I find it very strange how partisan we get when we start talking about the budget because I look back at this creature, this enemy to all Canadians, the deficit. Was it something that was unique to any one government? Whether you look back to the Trudeau era, the Grant Devine era in Saskatchewan where he tried to get elected by building rec rooms in every house in Saskatchewan, whether you go back to the deficits that were run by previous governments in Manitoba, deficits are a nonpartisan issue.

It was a way of thinking. It was some economists that convinced many Finance ministers that the rate of inflation would cover their costs, their increasing deficits in the future. Then we all came to the realization that we could not continue as a society to spend more than what we were taking in, so the federal government decided on the importance of decreasing the deficit and eventually lowering our debts. Manitoba has benefited from those practices.

The Minister of Finance in Manitoba is quick to blame the federal government for the reduction in transfer payments, but he just talks very little about the benefits to Manitoba from the lowered interest rates, the lower cost of borrowing to our province. We look at the provincial revenues, and I would dare say that some of the increase in revenues is because of the increased business activity due to the lower interest rate in Manitoba which has caused an improvement in our economy as elsewhere. Manitoba has been a beneficiary of those lower interest rates.

I wonder if our Minister of Finance (Mr. Stefanson) was the federal Minister of Finance, would he do things much differently? I look across Canada, whether it is the government in B.C., an NDP government, or Saskatchewan or Frank McKenna in New Brunswick or Ralph Klein, they are all doing similar things. Deficit reduction is a nonpartisan issue. Everyone is doing it. Everyone is bringing in balanced budgets.

I have not been here as long as some members, so I have consulted with my two colleagues in my caucus about some of the history about our deficit. It was explained to me that back in '88 when the NDP were in power, they presented a budget that forecast a deficit of around \$356 million. Because of that large forecast, some new taxes were part of that budget.

Now, that budget was defeated, but the interesting part is when the new Conservative government came in as a minority government, according to my colleagues, the budget that was presented by them was a xerox of the NDP budget. Only a \$55-million surplus with an addition of borrowing \$145 million created a new Fiscal Stabilization Fund.

Now, I understand that members in the Liberal caucus voted against that Fiscal Stabilization Fund, but both the NDP party at that time and the Conservative minority government all voted in favour of instead of having a \$55-million surplus back in 1988, we incurred a debt. One of the reasons why we had that \$55-million surplus, which ended up being a \$145-million deficit, was increased transfer payments from the federal government at that time, was because of increased mining revenues.

So when we are quick to blame the federal government for the reduction in transfer payments, we have to remember that those transfer payments helped create the present Fiscal Stabilization Fund that is now being used to offset. I think that is an important issue. Sometimes we have to think a little further, a little bit more globally when we are talking about the budget, because there are factors from outside, other factors that have an effect.

Today, I would like to talk about one of the factors that could very seriously affect the economy of

Manitoba. Members will have to listen carefully to understand the relevance to this budget. Recently, the Assembly of Manitoba Chiefs Grand Chief Phil Fontaine decided to make the initiative of hiring a gang leader to a three-month contract position. This was not a good idea. I can say that plain out, with all my background, everything I know said, you do not get a leader of a gang that creates its revenues from having its gang members, having girls as young as 12 years old prostituting themselves, from selling drugs so 16-year-old kids can shove needles in their arms. This is how they made their money. This gang's lifeblood is the wannabe's. So how could you believe that the leader of that gang, whose revenue is generated from those activities, would not want more gang members to join his gang? So it was a bad idea.

Now, I do not blame Assembly of Manitoba Chiefs Grand Chief Phil Fontaine for the intent. It was good that he was interested, that he tried to do something, but it was a bad idea. The chief of the Winnipeg Police Service, being someone who I think is very progressive, when he was asked to meet with the grand chief and this gang member, in spite of what I am sure he must have gotten advice within his own department to not do this, he met, he kept an open mind, but then when he was asked by the media, he said he developed a wait-and-see attitude. He did not try to sabotage the plan.

So then later, when this gang member who had been hired by the AMC was arrested, Grand Chief Phil Fontaine later admitted it was a mistake. He later admitted that it was wrong not to consult with the other chiefs before doing this. But the one thing that he did do that was very negative was, he blamed the police chief. He blamed the chief of police for sabotaging his plan. In fact, in a communique found from his communication officer in the AMC, talked about the white police force and the white police chief. This is very dangerous. It raises the tension between the aboriginal community and the police service, which is a very dangerous situation.

So then the follow-up was, we continued to have interest in the street gang issue, and this past Friday I attended the McDonald's Youth Services teleconference to deal with street gangs, and it had down links from 600 centres in North America, and after a very informative session there was a discussion.

Chief Fontaine's executive assistant, Jim Lavallee, was there, sitting beside that friend of police officers, Gordon Sinclair, and what they did was, for the two police representatives there, Inspector Ken Biener and Sergeant Hodgins, they went at them. They tried to find fault in everything they said.

The following day when we had the conference at the Broadway Community Centre, Chief Fontaine announced a new initiative, that he was going to gather gang members and gang leaders together for a summit, and then put the chief of police on the spot by asking for his support.

This is a dangerous situation. I talked to the experts there. I talked to Candace Kane, a criminal justice information authority. I talked to Rob Gordon, who said that bringing together gang members and gang leaders is probably one of the most counterproductive things that you could do. It will worsen the gang situation because it helps facilitate these gang members who are very poorly organized; it facilitates their organization. It is bringing them together. Secondly, it is giving credibility to these gang members. The other part is, what about the gangs that are not affiliated with the AMC? Will they affiliate themselves with another group and then we will have increased tension between gang members? The risks are too great.

* (1700)

After the conference, I approached Jim Lavallee to introduce myself and discuss the issue. He said, I know who you are. He said, what is your former occupation? I said I am still a police officer on leave of absence. He said, yes, you are a white police officer. You do not care about aboriginals. I have nothing to say to you. And he turned his back to me. It hurt. I now know what racism feels like.

Now, for some people, they could belittle that hurt because they may face racism every day, but my interest for youth, whether they be aboriginal youth, Filipino, Ukrainian, has always been there, and to be discounted and told I cannot care about aboriginal youth because I am a white police officer is a very racist remark. Jim Lavallee talked about some of his past life experiences and I have some empathy for what has given him an almost pathological hatred for police.

but what concerns me is he is an adviser to Chief Phil Fontaine. If Chief Phil Fontaine continues to escalate the tension between the police and aboriginal community and with 70 percent of the street gang members being aboriginal, what are the chances that we are going to have a white police officer shoot an aboriginal youth in the commission of an offence?

If the AMC continues to heighten the tension between the police and the aboriginal community, we will have a reaction far worse than what happened after the J.J. Harper incident, and that will affect the safety of our citizens, which will translate into whether businesses will leave Winnipeg or settle in Winnipeg.

So this is one incident where public policy can be dramatically affected. I think it is a very serious matter, and I would call on the Minister of Justice (Mr. Toews) to do something to alleviate the growing tension between the AMC and the Winnipeg Police Services before we have an unfortunate incident that could be very serious, not only for Winnipeg but for the entire province. I ask that the Minister of Justice consult with other experts.

So maybe I am wrong. Maybe the summit is not the wrong thing to do, but I have talked to, as I said, the experts. I have talked to others. Are we going to end up with what happened on a blockade in northern Manitoba where the Manitoba Warriors became the "security" for a certain faction of the aboriginal community who have different factions being affiliated with different gangs? We are at a crossroads here. Sometimes for political correctness we are scared to say what needs to be said. We have to take this matter in hand as responsible legislators, as responsible leaders, because it could not only affect the economy of this province but the safety of every citizen in Manitoba.

The Minister of Justice, Allan Rock, at the session on Saturday talked about all of us being on the same side of a problem instead of some of us on one side, some of us on the other. In the past five years or so, the relationship between the aboriginal community and the Winnipeg Police Services has improved greatly. Many positive initiatives have been done.

I hope that Chief Fontaine has no other motives than what he believes, wrongly, are good plans to address

the street gang issue. I do not want to impute any motives to him, but he is playing with fire here. It could affect the economy of Manitoba, so this is something that we all have to take a look at, and I hope we will show leadership roles. It is a difficult situation to deal with, but this is a bad idea, not because it is an aboriginal idea, not because it is brought forward by the Assembly of Manitoba Chiefs. It is a bad idea to give credibility to organized gang members and bring them together and have them affiliated and access people in power.

The worst thing about the event on Saturday was when gang members had an opportunity to have their picture taken beside prominent politicians. I am sure if they get copies of those pictures, they could use them as recruitment pictures amongst the 12- and 13-year-olds. It is a deep concern. What I am saying now is probably not a very wise thing to do politically. I might end up with a protest outside my constituency office. I do not know. But this issue is more important than my political career or anyone else's political career.

As regards the relationship between the Police Services, we should not be returning the Police Services to the old paradigm of them and us. The police are part of the community; they are willing to work with all groups. I think all of us as leaders should realize the impact that this would have on the province of Manitoba if we had a major race incident, as they did in Los Angeles.

Go down to Los Angeles and ask them about the number of businesses that moved out of Los Angeles. Ask them about their tax base, what happened there. If not just because it is the right thing to do, look at the economic—so we should look at this seriously.

Getting back to the budget, a lot of the minister's words—he had the laudable motive of looking at the financial future of our children. That is a laudable thing to look at and not leave them with a deficit, and, in some areas, yes, by cutting back now and by being careful now, we can accomplish that purpose, but there are some things that by not spending money now, we will be paying a heck of a lot more.

I think of the High/Scope Perry Preschool presentation that some of the members of the

Legislature saw, that by spending some money up front in preschool programs that we are actually saving money, much money later. In fact, I guess the analogy I would make is to not saddle my daughter with a debt when I die, that to not spend money on her university education, to not spend money on her schooling, would not be a wise thing to do. To not spend money on some health care would leave her with other deficits that she may not ever be able to correct. So I think although the motive is very laudable, sometimes we could be penny-wise and pound-foolish, so we have to look at that.

Madam Speaker, sometimes some of the money that is in the Fiscal Stabilization Fund—we are concerned that it is going to be used as an election readiness account, and sometimes it is good to put money aside for emergencies, but by putting money into programs like fetal alcohol syndrome programs that could prevent even one child from being born with fetal alcohol syndrome, we save anywhere from \$1 million to \$2 million depending on which statistics. So by investing money into a fetal alcohol syndrome prevention program, we are actually saving money in the long term. So, as I said, not sending a debt to our children is important.

Also, I talk to a lot of young people and they sometimes are angry at the intergenerational unfairness. They are saying your generation are the ones who had the benefit of low tuition; you received business start-up loans, all sorts of benefits, and you are the ones who got the benefit that caused this deficit to be here. Now you are cutting back on services to us to, once again, pay off the benefits that you had before, and it is not fair. Why are we not getting the same benefits that you had when you were growing up, with lower tuitions, with benefits in health care, universal health care, better Pharmacare?

* (1710)

This year, I know in our household, because my wife is a diabetic, we pay \$1,000 more in drug care costs out of my pocket after taxes than I did the previous year. Now if that had been a tax increase, that would have been a sizable tax increase. Once again, for a young person who is a diabetic is saying, well, I do not understand, Mom, when you were a diabetic, you got free drugs. You had a Pharmacare program that did not

have the deductible. How come I will have to pay for the benefit that you received? So there is some intergenerational unfairness.

Although this deficit has some laudable motivations, the goals of it, I would like to have seen some more spending in justice, in that justice delayed is justice denied, and, in some instances, the quick dispositions to criminal wrongdoings would result in a more meaningful justice system to many young people. I would like to see in education some of that fiscal stabilization being funded on education so that kids would benefit from it now. Those kids who are disadvantaged now, the poorest, for them not to have a deficit in the future will not make a bit of difference if they are unemployable. If they have health care issues that develop over the next couple of years, they will never be able to catch up. There are certain health care problems that if they are not taken care of early in life, you are never able to correct them later when in a better financial situation.

So, as I said, I will not be supporting this budget for those reasons. Thank you, Madam Speaker.

Hon. David Newman (Minister of Energy and Mines): Madam Speaker, I rise to speak in support of the budget. This budget is a continuation of the long-term economic agenda which drew me into political life. It drew me into political life because it is something that had to be perpetuated. The long-term plan, an innovative kind of way to address problems, spanning 30 years instead of the normal three, four or five years, is the basis for doing effective change in governments today, I would submit.

Madam Speaker, the framework which was put in place beginning in 1988 has progressed in an evolving kind of way, resulting in this budget, which I am urging all members of this House support, actually taking the step to pay down the accumulated debt. This is a signal, a signal that this government is going to make a tangible difference, for the betterment of the lives of our children and grandchildren. It will not only take debt off their backs, it will allow them more freedom to make more decisions themselves how they spend resources raised through taxes and other fees and other means when they are in a position to make decisions on behalf of the people of Manitoba.

So it is a symbol; it is a statement; it is tangible evidence of the leadership which all members of our wonderful Manitoba province have contributed to. Everyone has invested in this strategy, and everyone continues to do so. They continue to do so in some cases like public servants by working less hours for less pay, which means that they have more time to spend with their families. That was done for the sake of children and grandchildren; it was done for the young people of Manitoba.

Fortunately, it was done with a spirit of co-operation and in a spirit of support for a common cause. That same sort of spirit is what is driving volunteers in our society, those people who are the products of the necessary adjustments to economic change, early retirees in many cases, people who take unilateral premature leave from the workforce. Rather than doing nothing while they look for other employment, many get involved as volunteers, and more from that group than ever before. They learn experience; they learn skills; they gain experience, and they learn from others by serving as volunteers.

I was at St. Amant Centre the other night, volunteer recognition night, and I paid tribute to volunteers, and I noted how many of them are young people and how many of them were also prematurely retired people. Of course, there were a number who are, what we used to call elderly, active senior citizens who are very much involved in supporting the most disadvantaged people that we have, those people totally dependent in St. Amant.

What struck me was the contribution our young people, through co-operative programs in the school system, the hours that they put in as volunteers is striking, and they are proud of it. They also realize that it is an investment. It is an investment in their career opportunities. They know that it can add to their resumes; they know that it helps them develop skills. They know that it helps them see paid employees, who love their work, giving loving and caring service to a wonderful institution, a centre like St. Amant.

The other portion of my address with respect to the budget is going to now move from the economic side to my portfolio and breaking it down into some of its component parts. Energy and Mines is affected

positively by this budget. The diesel fuel tax reduction for off-road mine to production situations is another one of those kinds of things which helps Manitoba be more competitive internationally and, lest one give an inappropriate significance to that term "competitive" in this environment, I want to share the importance of Manitoba being an attractive place to invest in exploration.

The risk analysis and the very sophisticated analyses that companies go through, junior ones and senior ones, in deciding where to invest is affected by those kinds of differences. If they can not only have the wonderful economic agenda behind them of balanced budget, stable government, rule of law, all of those infrastructure kinds of things, a responsible Environment department, responsible Workplace Safety department, responsible respect for entrepreneurship by government, to the extent that those things are present, Manitoba is an attractive place to invest and do exploration. Also our taxes are very important, and the extent that they are disadvantaged in terms of profitability or the way investments are respected by our fiscal policies, they will think twice about doing business in Manitoba. So this is just one other reason why they feel that this is a profitable place to invest.

* (1720)

Lest we forget what advantages there are from exploration, it is the finds, it is the prospectors' finds in different parts of this province which bring about things like the city of Thompson. After all, Thompson would not be there had it not been for the prospectors and geological people who made that find, and from 1956 until this day we had a developing presence and a consistent, major, significant city, third largest city in Manitoba, in that area. In that city those participants in that community have paid taxes, and Inco has paid taxes.

A mine, you know, is like one huge underground industrial complex. If you think of it like an undersea world, this industrial complex is massive. It extends for three and a half miles underground from one end to the other and, in terms of depth, it extends down over a mile, all of that having to be tunnelled with shafts and drifts.

There are people working down there. There is machinery down there. It is just a massive industrial complex. It is equivalent to our hydro dams in terms of magnitude, in terms of significance, and that has led to the employment of thousands of people. It is developed and helped develop the infrastructure of the North. The roads that can only be justified by a certain amount of activity, that is, justified in terms of prudent use of taxpayers' dollars, came about because of that find, the result of prospectors' work and geological work that has been done.

Hudson Bay Mining and Smelting have a presence for over 70 years in Flin Flon. Why does Flin Flon exist? Flin Flon exists because of the mine, and that goes back, again, to prospectors who years ago discovered the base metal sufficient to warrant the continuation of that for these many, many years.

What impact has Flin Flon had on the province of Manitoba over those many years? Huge. Just as Thompson in the more central part, Flin Flon in the more western part of our province has made an immense significant and provided lives for generations of people there, a style of life which is an enviable one. I do not see anyone disagreeing from the other side on that. It is one of the most splendid community-spirited places that you could find in the province. It is warm in the wintertime because of the people, and they do not think twice about the weather there.

The oil sector similarly is something that is never going to be as big as mining to the province, but relative to some of the other jurisdictions like Ontario, where there is no oil presence at all, Manitoba makes a very significant contribution to our economy. This is in the southwestern portion of the province primarily, and just to measure the success of that area, value to the extent that \$3.9 million was generated from the sale of oil leases in February, and that goes straight into general revenues at the moment. I might be able to make a case to the Minister of Finance (Mr. Stefanson) that maybe some of that should be dedicated to some special things, but that is the kind of debate we have within government.

Oil is a major contributor to the bottom line. Oil is a revenue producer in the Energy and Mines department, and like Mines, we have to continue to make this an

attractive place to invest. So when these people buy these oil leases, they then have responsibilities and have invested money in exploring the many acres, hectares, that they have taken on, and that means there is more likelihood of finding producing wells. It also is simply an addition to the fee simple, the private ownership of lands that are likewise being explored and developed.

It is quite exciting to see the Manitoba business community itself involved in southern Manitoba in oil development, and Tundra exploration and development is one example of a Manitoba-owned presence. The Richardson and Cohen family are behind that company and with its horizontal drilling process, most recently especially, have considerably enhanced their production. All of this is for the benefit of Manitoba. I tracked the contribution to the bottom line that Tundra makes to this province in terms of tax revenue, and there has been an ever-increasing contribution in the form of income taxes, corporate taxes, capital taxes, sales taxes. It is a very excellent record. The more that they do exploration and the more they develop wells, the more comes into this province as revenue. Finally, it is starting to pay off for some of these companies and they are learning how better to make money, be more profitable in this province, given the peculiar nature of our oil reserves.

With respect to Northern Affairs, this budget continues its commitment to the North, and I am very pleased about that. We are doing things differently in the North because the whole purpose of the Northern Affairs portfolio is to contribute to the emergence of healthy, sustainable and more self-reliant communities in the North.

I want to share with you, because not everyone understands this, and representatives from the North do appreciate this, and maybe some of my colleagues on this side who have not had the good fortune to have the same degree of involvement with the North by holding a portfolio or living there might have some interest in this, as will members opposite and in the Liberal Party, who might not have this appreciation, which I have just begun to understand fulsomely.

Those 53 communities are essentially Metis communities. Some of them are immediately adjacent to the Status Indian reserves. They have a large number

of Status Indian people who feel more comfortable living there than they do on the reserves, and non-Status Indians as well. Then there are, of course, nonaboriginal people. Those communities are very proud communities. Some of them have a great urge to become autonomous, like a typical municipal government. They want to be released from the more paternalistic approach that has been characteristic of some of the past ways of dealing with them, and they want to cut some of the umbilical cords which are out there and emerge.

One of the difficulties they have, of course, is a tax base. They have substantial unemployment problems. They do not have as much economic development as they would like to become independent. So this has to be gradual, and it has to be responsible, and it has to be there with a support system from Northern Affairs continuing in appropriate ways for appropriate communities. As all members of the House see change taking place, for example, the movement of The Pas office into Thompson, those kinds of changes are all going to be consistent with this direction, a direction which is positive.

We are looking at many innovative ways to try and help these communities on their own with support and encouragement to emerge and become more self-reliant, more in control of their own destinies. Some of this is pretty foundational, and some of it is as important as dealing with some of the social problems first. There are issues like dependency on welfare; issues sometimes like health problems, epidemic in nature, which are peculiar to their particular region and sometimes peoples; problems like justice problems which they are becoming, in many cases, more in control of, having local community police and having more involvement in restorative justice, more involvement in preventative justice in their communities. All of these are directions which are being dealt with in the North, community by community.

* (1730)

I wanted to share with you how precarious some of the economic base is in the northern regions. I had a recent exposure Friday night when I attended in Gimli the Manitoba Trappers Association, 25th annual

meeting. It was very interesting to begin to understand the statistics in that peculiarly remote kind of industry, although it is not peculiar to the North, since there is trapping in southern parts of the province as well. Where there are registered trap lines, there is revenue generated from those trap lines, as I understand it, about \$1.6 million. According to the information that I received from the Department of Natural Resources, about 75 percent of that revenue comes from northern communities and people in those northern communities. This is about \$1.2 million. With a multiplier of 2.5, that is \$3 million of revenue for the province. In terms of income to workers in the industry, 6 times multiplier, \$7.2 million. This is one of those areas where there is a need to protect that kind of industry from the international community.

The Europeans are the main area of export for furs. They have judged in some cases that this kind of industry in the North is not as humane to animals as it should be. The result is in many cases that the very livelihood and lifestyles for multigenerations of people in those northern communities is impacted. Fortunately, there is some good educational work being done in the international community, assisted by the Department of Natural Resources in very significant ways, to help correct those misinterpretations of what is going on and also misunderstandings of the tremendous importance to Manitoba and those particular northern Manitobans of this industry. It is a lifestyle. It is a source of pride. It is one way where they earn monies through their own efforts.

My wife and I had the good fortune to sit beside a couple, and the trapper was 88 years of age. He just had hip operations, and he was not able to walk his trapline like he had done all his life, but he had a cane. He had a young wife, he had an 80-year-old wife, who went out with him on the trapline, driving the truck, and she would be the one to bend down and remove the animal from the trap. That kind of spirit of Manitobans exhibited that way, and the pride, the commitment, it was inspiring, and that represents the spirit of the northern community.

What we have to do is work with them to help develop to overcome their social problems and help them with their economic development. The way we can help them with their economic development is to

help educate them about getting involved in mining, help educate them about getting more involved in forestry, which they are already heavily involved in, help them get involved in all kinds of opportunities which are peculiar to the North, in tourism and fishing, more into fishing. They are some of the best fishermen in the province, aboriginals from the northern regions.

I wanted to touch on Native Affairs and that area of the portfolio. We are a co-ordinating body within government for native issues. We are not a portfolio that has much money in it to hand out or to invest, but we are a resource and a co-ordinating body within government, and we chair the Native Affairs committee of cabinet and have a responsibility for the Children and Youth Secretariat as one of seven ministries. In addition to Native Affairs, we have Housing and the major departments, Health, Education, Family Services, Justice, and Culture, Heritage and Citizenship that are the people that integrate information and co-ordinate activity.

Through the throne speech and through the budget and the announcements in the budget in relation to investments and early intervention and prevention, especially with respect to the aboriginal people, we have something which we can be very proud of.

The Children and Youth Secretariat has now come of age and produced something which is going to be a basis for a comprehensive plan for the long term in this province in addressing some of the fundamental problems that we have.

With some great pride, at the meeting that was referred to by the representative from The Maples, Mr. Kowalski, at that event on Saturday I handed out copies of a statement of government policy on children and youth in Manitoba and also the booklet, Strategy Considerations for Developing Services for Children and Youth, and the ChildrenFirst Strategic Plan. I pointed out at that time that these were for discussion. On the front covers it indicates these are for discussion.

The approach being taken by this government through the Children and Youth Secretariat is different than has been in some cases by governments in the past. It says that we have developed the research, we have consulted with the experts in the communities,

and here is what we think, here is how we think we should invest in this province in children and youth, then saying, but we want to have this refined by the actual grassroots, we want to have the people that work directly with the communities, the real individuals who are going to be the recipients of these services, we want to hear from them to make sure that this fits.

Then the agents for delivery have to be identified. Those agents for delivery are going to be the people that are in the front lines. Those people are going to be the people like the Salvation Army. They are going to be people like New Directions. There are going to be organizations like the many and worthwhile aboriginal agencies that are out there doing excellent work.

Why does this have to be done? Why is it so important to do this? I just wanted to cite some statistics found at page 23 of the Strategy Considerations for Developing Services for Children and Youth under the heading Aboriginal Children and Youth. Aboriginal children and youth are overrepresented in all high-risk groups.

The following statements illustrate the magnitude of this problem in Manitoba's aboriginal community: The rate of adolescent suicide in aboriginal youth is six times the provincial rate. The death rate in aboriginal children is four times the Manitoba average. Family violence and alcoholism occur in nearly 80 percent of families in some aboriginal communities.

Aboriginal people are six times more likely to be incarcerated than nonaboriginal people. The average life expectancy for aboriginal children is eight years lower than the national average. The number of First Nations' children under age 16 in the care of child welfare authorities is four times higher than the national rate.

* (1740)

Seventy percent of the wards of Child and Family Services of Winnipeg are aboriginal. Aboriginal children use 50 percent of the Children's Hospital beds but are only 10 percent of the child population in Manitoba. Mortality rates of aboriginal children in all age groups are at least twice those of Manitoba as a whole.

Fifty-two percent of single mothers between the ages of 15 to 19 are aboriginal, 75 percent of whom live off reserve. The rate of hospitalization of aboriginal children for acute respiratory infection is twice the Manitoba childhood rate.

Aboriginal youth are 69 percent of the youth in correctional custody. They make up 54.5 percent of the admissions to probation supervision. The projected population growth for aboriginal children is 70 percent over the next 20 years. Approximately 50 percent of aboriginal children and youth live in disadvantaged conditions.

Clearly aboriginal children and youth are at a greater risk than nonaboriginal children and youth of not becoming healthy, competent, productive and happy adults. For many, their circumstances will doom them to a lifetime of hopelessness unless a comprehensive plan is implemented to support young families and encourage higher level education that will enhance future job opportunities and alleviate poverty.

The Partners for Careers program, which was introduced in the throne speech and is now reflected in the budget, is a program which has that foundational direction to it. On the first blush, it appears to be dealing with those who have successfully graduated from high school, community college or university, those aboriginal youth who have weathered all of the challenges of their environment and overcome it and been successful in graduating with the basic level of schooling. However, more important, those individuals who are successful in that way will become role models. They will become mentors. They will become missionaries for improving the chances of those younger than them who follow. They will become the people that will help them improve the mind, body and spirit fundamentals which are necessary to cope in the very challenging world of today.

So that program which has the support of the Department of Education and Training, the Department of Native Affairs and also the matching from the federal government and the participation of the employer community in Manitoba in significance will go a long way to beginning the process of improving

the situation of our aboriginal people in the province of Manitoba.

This is inclusive. It is for Status Indians and non-Status Indians, Metis, and aboriginals, all. Delivery of the program is through aboriginal agencies. The executive, the CEO in charge of the program, is a very respected Status Indian, former chief of the Brokenhead band, I believe Jim Bear, who is using his expertise and connections and experience in large measure to bring this about.

The other kinds of programs affecting the aboriginal community which grow out of the budget, the monies devoted to nutrition, Department of Family Services, are monies which are simply a movement in a direction which is attempting to enlist the support of other levels of government, the federal government, the provincial municipalities, the City of Winnipeg, and also the foundations in this province, and others, individuals, whoever, will contribute to a basic nutrition program. It is very interesting how groups come together on this. The biggest challenge that we have is co-ordinating all the different groups that have an interest in participating and using existing resources wisely. There is such a need to do that. The taxpayers are doing their share. Now it is up to governments and other leaders in the community to co-ordinate the use of those resources.

It is very interesting, in my conversations with elders in the aboriginal community, they want to see less waste, less duplication, and more focus on actual programs which directly reach the people in need of those special programs. Too often, unfortunately, the middle people are taking too big a chunk out of the funds that must reach the hands of the women and children, particularly who are in need. The elderly people who are in need are not part of any political process anymore. They have left that to another generation of people. So the elders, the women and children, the most disadvantaged males, and others who have suffered from addictions or learning disabilities, these people are dependent on responsible leaders in government and in organizations to do the right thing for them. They are dependent on that being done.

Our government in the budget and our government's policies are going to respect that trust and are going to

implement programs that are designed to benefit those people. It will be done in co-operation, in partnering with aboriginal organizations and with other organizations that have strong ethical foundations, have responsible management ability and to the extent that they do not have support or conditions to ensure that services are appropriately delivered as responsible stewards providing those services with public money. So this is the basis of the statement of government policy, the strategic considerations and the ChildrenFirst strategic plan. It is the underpinning of that approach.

The kinds of specific programs that are going to emerge from this will be testing initiatives like reducing the births of FAS/FAE children, reducing adolescent pregnancy, helping high-risk mothers care for themselves in preparation for their babies and then to develop positive parenting skills.

Targeted preschool programs are also required to help at-risk children prepare for entry into school. Full-service schools, which encourage parents to initiate programs and services based upon community needs, are a first step towards greater parent control. Although these are just a few of the possible initiatives, they are part of the goal of enhancing the social capital of the community where networks of people, extended family supports, close friends and involvement of neighbourhoods bring people together to solve common childhood problems.

Throughout Manitoba, there are examples where government and community partners have successfully begun the process of producing more community ownership responsibility and accountability. As well as testing new initiatives, we need to learn from these examples and find ways to expand them throughout the province. Our ultimate success will be determined not in the short term, but over time. Key indicators will be the number of at-risk children and youths requiring services, the nature of the services they need, the efficiency of the delivery system, and the cost of those programs and services compared over time.

Thank you very much, Madam Speaker, for your attention. I am very proud of this budget and would hope that we receive support from all members of this House for the budget.

* (1750)

Mr. Clif Evans (Interlake): Madam Speaker, I welcome the opportunity to make some comments with respect to this budget.

First of all, as I did not have the opportunity to address the throne speech, I would like to make a few comments and offer my congratulations to the new members opposite who, these past few months, have received ministerial positions within the government. Hopefully, I will be able to work with these new ministers in their departments, that there will be an open-door policy as there has been with some of the ministers opposite in dealing with constituency matters, and that these ministers will be able to provide any opportunity for me to bring to their attention the problems that we may have in my constituency.

I would also like, Madam Speaker, to offer my congratulations for the efforts and the work that the former Minister of Natural Resources and the former Minister of Consumer and Corporate Affairs put in during their tenures as minister. Since 1990, when I was elected, the then Minister of Natural Resources and, of course, in 1990, the Minister of Highways, Mr. Driedger, offered support many times. I certainly appreciated that, when it came to constituency matters. I wish him well in the future, and also to Mr. Ernst, the member for Charleswood, who also provided a very open and kind of a sociable fun way of dealing with matters. It made things a lot easier when I had the chance to meet and discuss issues with the former minister.

To the member for Portage (Mr. Pallister), who has decided that he feels that he should go on to bigger and better things, when it comes to the federal platform, I wish him luck with that. As we all know with the forthcoming election, it is going to be, I believe, quite a battle with the issues that the feds are now providing for us. The opportunity for him to take this opportunity to represent his area and community, I wish him well in that during the election. Certainly I am sure that he will do his utmost if he does win.

Madam Speaker, a few comments about the budget, and I would also like during this budget opportunity to speak—some of the issues that I am going to be talking

about are some of the issues that are of concern not only in Manitoba, but a concern in my constituency.

Besides the normal budget cuttings that we have had over the past many years in education, health care, and highways, Madam Speaker, I am going to discuss and openly remark to members here about some of the issues that are also very growing in Manitoba and in the Interlake, that being the fishing issue and the flooding issue. The last two or three years we have seen an enormous amount of problems that have stemmed from the amount of water that we have had.

Snow and moisture have greatly affected the availability of people in my communities and in other parts of Manitoba to really have the opportunity to have an economic benefit because of these disasters, if I may want to use that word, when it comes to the flooding issue.

The fishing issue too in Manitoba has become very controversial at times and an economic concern to the people of Manitoba, especially in and around the northern parts of Manitoba, when it comes to Lake Winnipeg fisheries, Lake Manitoba fisheries and those further north.

Madam Speaker, the budget itself brings to light the fact that the government, after all these years of hacking and cutting and cutting and hacking now talks about how good this budget is, the surpluses, the paying down of the debt service. Well and fine, well and fine to exemplify the fact that they are doing that now, but not during the budget speech did they bring in their record from 1988 to now. They happened to mention previous years in their budget, but they mentioned nothing from '88 to present. They mention nothing about the cuts, the amount of cuts, the amount of job losses, the cuts to education, the cuts to health care. They mentioned nothing about that.

They mentioned the good-news budget. In the meantime, the good-news budget is there, but so are the cuts. The cuts are still there. The job losses are still there, Madam Speaker. They talk about low unemployment rate. Well and fine. If you compare that to the full-time jobs now and the full-time jobs that we had some years ago, then perhaps they could compliment themselves on saying them.

A lot of this budget and the previous budget have received the surplus, the surplus of funds and resources from a position that has been very controversial, and that is the resource available made to them by the sale of MTS. With this extra money that has now been made available to them through the sale of MTS, now they can flip-flop their numbers. They can fudge their numbers.

They can say this and they can say that, we are doing this and no tax increases, no tax increases, paying off the debt service, no tax increases for all these years. Well, they are lucky. I would think that they were lucky because, if the MTS sale had not have gone through, I do not think we would have seen this type of budget, nor do I think we would have seen the gambling revenues or any more monies that have been available.

They talk about the monies and the revenues from the feds. Madam Speaker, we know that the revenues generated by this government in taxes, in widening of the tax base, more than offsets what this government is saying that the federal government is cutting to them for the necessary services such as health, education, social services.

I should say that we should not and the people of Manitoba should not be bamboozled by this good day budget of the Conservative government for '97-98. I do not believe, Madam Speaker, that the people of this province will be fooled. When they do still look back, they go back, they see that the cuts are still hurting. The pockets still have holes in them from when this government decided to hack and slash funding to education, funding to health care, funding to friendship centres, funding to roads. These people, the people of Manitoba, the people in the Interlake, will not forget. They will not forget. You can tell them all you want about paying off some of the debt service. The debt service, it will take a long, long, long time to pay it back. Where is this government going to stop reducing the necessary funding, a level of necessary funding, back to where we can provide proper education for our kids, where we can provide proper health care, back to a level?

Members opposite have indicated today that we feel that because there is a surplus that we should just go

out and write a cheque. Members opposite have said it. I heard them. But that is not true, Madam Speaker, that is not true. We did not say write out a cheque, and we are not saying write out a cheque. We are not saying open up the vault and let the money flow out that is there in surplus. I did not hear any members on this side say that. I heard members on your side say and repeatedly say the fact that we need and should make sure that those services that are so essential to the people and the young people and the elderly of this province be at least slowly reinstated. They talked about slowly paying off the debt service.

They could and have the opportunity to slowly bring back some of the funding that is necessary, some of the funding that over the last eight years they have cut from the people, they have cut from the education, they have cut from health care, just the services, as my colleague states and has stated, the basic human services. I am sure that if those services and the funding for those services would be provided and managed fiscally, properly, in making sure that the people and the young

high school kids and the elementary kids and the elderly in the hospitals and personal care, if it was fiscally managed properly, I do not think that we would have a problem with parts of this budget, but on the whole, Madam Speaker, this budget does nothing for that, does nothing for those people.

An Honourable Member: You are saved by the clock.

Mr. Clif Evans: Madam Speaker, I want to and I will continue. I know that my time is near, and I see I am losing my audience, except my colleagues are here, of course, supporting me. [interjection] The Minister of Justice (Mr. Toews) says he is going to stay right to the end. Great. We will talk about some Justice issues.

Madam Speaker: Order, please.

The hour being 6 p.m., I am leaving the Chair with the understanding that this House will reconvene at 8 p.m. this evening, at which time the honourable member for Interlake will have 29 minutes remaining.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 24, 1997

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