



Fourth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

*Published under the
authority of
The Honourable Louise M. Dacquay
Speaker*



Vol. XLVIII No. 17 - 10 a.m., Friday, March 13, 1998

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.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FAURSCHOU, David	Portage la Prairie	P.C.
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.
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.
Vacant	Charleswood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 13, 1998

The House met at 10 a.m.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Madam Speaker: I have reviewed the petition of the honourable member for Radisson (Ms. Cerilli), and 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: Dispense.

Madam Speaker: Dispense.

WHEREAS the provincial government has embarked upon a project in which it is closing hospital kitchens and having hospital food transported in from Toronto for reheating; and

WHEREAS this proposal will not improve the quality of food but will cost hundreds of jobs to the provincial economy; and

WHEREAS on December 8th of 1997, the provincial cabinet staged a photo opportunity for the media in which government MLAs were served chicken breast from a chef flown in from Toronto for the occasion while the actual meal served residents that night was macaroni and peas; and

WHEREAS this proposal will result in more health care dollars being spent on questionable privatization projects; and

WHEREAS in December of 1997, the provincial government was forced to drop a similar privatization scheme involving home care which had been opposed by the clients, families and the public; and

WHEREAS once again the provincial government without consultation has committed itself to a

privatization project which will likely cost taxpayers more money for a poorer quality service, thus forgetting the patients who deserve better care.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.

Winnipeg Hospitals Food Services—Privatization

Madam Speaker: I have reviewed the petition of the honourable member for Wellington (Ms. Barrett), and it complies with the rules and the practices of the House. Is it the will of the House to have it read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

WHEREAS the provincial government has embarked upon a project in which it is closing hospital kitchens and having hospital food transported in from Toronto for reheating; and

WHEREAS this proposal will not improve the quality of food but will cost hundreds of jobs to the provincial economy; and

WHEREAS on December 8th of 1997, the provincial cabinet staged a photo opportunity for the media in which government MLAs were served chicken breast from a chef flown in from Toronto for the occasion while the actual meal served residents that night was macaroni and peas; and

WHEREAS this proposal will result in more health care dollars being spent on questionable privatization projects; and

WHEREAS in December of 1997, the provincial government was forced to drop a similar privatization

scheme involving home care which had been opposed by the clients, families and the public; and

WHEREAS once again the provincial government without consultation has committed itself to a privatization project which will likely cost taxpayers more money for a poorer quality service, thus forgetting the patients who deserve better care.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.

INTRODUCTION OF BILLS

Bill 24—The Crop Insurance Amendment Act

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I move, seconded by the Minister of Highways and Transportation (Mr. Findlay), that leave be given to introduce Bill 24, The Crop Insurance Amendment Act (Loi modifiant la Loi sur l'assurance-récolte), and that it now be received and read a first time.

His Honour the Lieutenant Governor, having been advised of the contents of this bill, recommends this to the House.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us this morning sixty Grade 7 students from Bruce Middle School, under the direction of Mrs. Marie Blake and Mr. Kevin Dyck. This school is located in the constituency of the honourable member for Sturgeon Creek (Mr. McAlpine).

On behalf of all honourable members, I welcome you this morning.

ORAL QUESTION PERIOD

First Minister Apology Request

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, we have been continuing to receive calls from residents of the southeast Winnipeg area, residents of St. Boniface, nurses, doctors that have pointed out to us that the number of staff that this Premier has cut is not 200 but in fact, since 1992, close to 900 people in the hospital, and they are absolutely shocked that this Premier, after cutting their staff, after closing down parts of the eighth floor, after cutting the swing beds at St. Boniface, contrary to the advice that they had given this Premier, would then blame the "management" of St. Boniface, management, of course, which has been put in place by the voluntary board of St. Boniface Hospital.

I would like to ask the Premier again today to apologize to those people, to those volunteers, to that community for his vicious comments the other day and his inaccurate comments about the situation at St. Boniface.

* (1005)

Hon. Gary Filmon (Premier): Madam Speaker, I am very cognizant of the fact that our rules do not permit me to call the Leader of the Opposition a liar, and so I will be very careful not to do that.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, the Premier is totally out of order. Beauchesne is very clear that the members cannot either directly or in this case indirectly use terms like that. Given the discipline we have shown in not using that word to apply to that Premier, I think it would be only appropriate that you would call him to order and once again ask him not to break the rules of this House.

Madam Speaker: The honourable government House leader, on the same point of order.

Hon. James McCrae (Government House Leader): Madam Speaker, I was not going to contribute to this

discussion, but the discipline in the New Democratic Party ranks is clearly lacking. The honourable member for Thompson has clearly not been listening to what has been going on if he suggests that honourable members on his side of the House have not been breaching the rules respecting this sort of language since this session resumed just a week or so ago.

The honourable member for Crescentwood (Mr. Sale) has very clearly breached the rules in reference, and I have raised this matter with your colleague, Madam Speaker, so I will not re-raise it, but the Premier has clearly breached no rules in his comment this morning, and I urge you to rule accordingly.

Madam Speaker: On the point of order raised by the honourable member for Thompson, I would caution the honourable First Minister that any reference even to that word causes disruption in the House, and the rule is very specific in that the use of any word that causes disruption in the House is always identified as being unparliamentary.

* * *

Madam Speaker: The honourable First Minister, to complete his response.

Hon. Gary Filmon (Premier): Madam Speaker, firstly, I appreciate your ruling. I will say very simply, as I said yesterday, that the member opposite ought to be careful in the manner in which he misrepresents statements that he alleges that I have made. I would just say to him that at no time—at no time—did I in any way blame the staff at the hospital for the circumstances that prevail there. I repeat that this province invests \$1.93 billion a year in health care, over 34 percent of our budget, the second-highest level of support of any province in Canada. We remain committed to investing in health care in order to support the needs of the people of Manitoba.

Mr. Doer: When given the opportunity to take the highroad and apologize to the people that he commented on, the Premier again demonstrates his low-road approach to health care. I am very disappointed in the lack of leadership on the part of this Premier, both in terms of the integrity of this House and in the integrity of the cuts he has made in health care.

Health Care System Funding

Mr. Gary Doer (Leader of the Opposition): I would like to ask a further question. According to the minutes of 1997 at St. Boniface Hospital, labour management minutes, the government intends the establishment of the new WHA to take approximately \$47 million out of health care and put \$10 million back into the community health services. Can the Premier confirm again that this is a further set of cuts that is being anticipated by the WHA? Are these cuts going to be introduced now, or is he going to plan and not actually have a chance to implement these cuts after the next election campaign?

Hon. Darren Praznik (Minister of Health): Madam Speaker, the member for Concordia, the Leader of the Opposition is referencing minutes of the Labour Management Committee meeting. I imagine in the course of that meeting a lot of issues get dealt with, some dealing with speculation about the future role of WHA plans. They are certainly not a representative body of decision making nor are they intended to. One of the great benefits of the WHA—and I should say very clearly it is not their intention to go in there and find savings to be taken out of health care; it is their intention and their purpose to find better ways of using the dollars that we do provide. I would reference what happened last winter with respect to the Grace Hospital, where we had a decline of some 3,000 births in the city of Winnipeg annually. By closing the obstetrics ward at the Grace, moving those mothers who would have given birth there to other facilities, where the marginal cost was virtually zero, it freed up \$1.8 million annually to do more hip and knee replacements. Those are the kinds of things we are looking for.

* (1010)

Mr. Doer: Madam Speaker, this is a government that we do not trust. It said that it would put \$600 million into capital after the federal budget. They said that that \$600 million in capital would flow in spite of the massive cuts from the federal government, and then in June of 1995 they cancelled those cuts. They said that the reason then, after breaking their promise, was the fact that the federal budget forced them to do it, forced

them to freeze capital for three years, but in fact at the same time they were freezing capital, they built up a pre-election slush fund of some \$600 million, while they did not build our personal care home beds, which has led to the crisis in our hallways and in our health care facilities in Manitoba.

My question is to the Premier, who has gone through various Ministers of Health who have not been able to deliver on past promises. Why should we trust the Premier that their long-term plan is not to withdraw further money as indicated in the minutes of the WHA or the St. Boniface Hospital? Why should we trust him now, when he has broken his promise on capital in the past, he has broken his promise on staff in the past, and at the same time he has built up a slush fund of some \$600 million?

Mr. Praznik: Madam Speaker, again, the Leader of the Opposition, if you listen very closely to his question, implies that these are minutes of the St. Boniface Hospital board. Earlier he indicated they were the minutes of the Labour Management Review Committee. That is a forum for discussing issues and concerns, and part of that is issues of rumours and speculation, and they are discussed at those meetings. That is part of the process, a very legitimate part of the process, but it is not an official body that is dealing with budgets.

I believe very sincerely that the efforts that we are embarking on in fundamentally reforming the structure of our system, we have seen those benefits, what can come out of that kind of centralization, regionalization in delivering our health care services. We have seen those benefits with the changes at the Grace Hospital, how dollars were freed up to deliver more and better services to the people of our province, and that is what it is about.

Madam Speaker, until we have that kind of regionalized approach and systematic approach for the city of Winnipeg, we will not be able to get the best out of our system. We intend to continue to move forward on that, and I believe very sincerely that once that has happened, we will start to see some very significant improvements in the delivery system.

Regional Health Authorities Staffing

Mr. Steve Ashton (Thompson): Madam Speaker, we are now saying that the government has three rules in dealing with the health care crisis. Number one is deny there is a crisis. Rule No. 2 is when that does not work, blame everyone and anyone except themselves, and the third one, when the first two rules do not work, the third rule is wait until next year. But we are starting to see what next year will look like with the release of the staffing for the regional health story in northeast, and I am wondering if the minister can indicate that the regional health authority will have six vice-presidents, a CFO, a COO and about half a dozen managers. Is this where the very little amount of new money for health care is going to go, into health care bureaucracy instead of patient care?

Hon. Darren Praznik (Minister of Health): Madam Speaker, this is where exaggeration leads to, I think, a very unfair debate. The North Eastman Regional Health Authority, when I visited their offices in Pinawa, which I do from time to time in meeting with their board, had their CEO and administrator; they had a person in charge of finance; and they had a secretary. They had three. That was some weeks ago. I suspect what the member is referencing is the fact that what they have done, and very responsibly, is they have identified people who are currently working in administration of the system and they have given them responsibility for various areas for the whole region. Individuals who were the CEOs of individual hospitals are now the chief operating officers because they work for the North Eastman Regional Hospital Authority. If the member would have visited their offices, he would have found three—it is a very sparse office, believe me. I have been there.

Mr. Ashton: Madam Speaker, I am wondering when the minister, who seems to have time to visit administrative offices but not St. Boniface Hospital which is in crisis, will face the reality that the Tory health care plan that we are supposed to wait until next year for is these new regional health authorities, new layers of bureaucracy, SmartHealth and cuts to patient care.

* (1015)

Mr. Praznik: Madam Speaker, I will never apologize for visiting with my constituents and the people who have sent me to this Legislature, nor will I apologize for meeting with regional health boards to deal with issues as we move forward. I meet regularly with officials from the Winnipeg Hospital Authority to deal with these types of issues, which is my responsibility and my role.

Madam Speaker, I can tell the member, in the North Eastman Regional Health Authority, because of regionalization, because of work in sharing resources of the region, we now have a dialysis program—because we worked co-operatively—we did not have before. We now have seen the use of our hospitals increase. We have an excellent physiotherapy program in Pinawa we did not have before, and we are moving towards major capital projects in Beausejour and Oakbank. The delivery of service in North Eastman is on a gradual progression of improvement because of regionalization. It is regrettable that members of the New Democratic Party do not want that to happen.

St. Boniface General Hospital Minister of Health Visit

Mr. Steve Ashton (Thompson): A final question. Since the minister wishes to talk about meeting with people, will the minister do what we have done, go down to St. Boniface Hospital and talk to the patients who have been in the hallway, talk to the staff? Will he get out of the bunker, get out of meeting only with administrators in the health care system and deal with the staff and the patients that know we have a crisis in health care in this province?

Hon. Darren Praznik (Minister of Health): Madam Speaker, I can tell you there is no bunker in which a Health minister can hide anywhere in this country, as myself and my colleagues would say.

Madam Speaker, I regularly make it a habit of touring facilities, of dropping in. I like to use the opportunity to drop in sometimes very unexpectedly on facilities. I have toured many facilities. I have not been in St. Boniface this week, but I have been in St. Boniface Hospital on a number of occasions. I even indicate

to the member, I hope that—depending on planning with Estimates, I would like to visit his facilities in Thompson within the next few weeks. I would hope I would be welcome there.

Education System Funding

Ms. Jean Friesen (Wolseley): Madam Speaker, in this budget the Minister of Finance wants to trumpet an increase in education funding, but in fact the truth of what has happened in education funding is that we have lost close to a hundred million dollars in the purchasing power of the provincial support for education, numbers which in fact the Minister of Education's staff have confirmed.

I want to give the Minister of Finance an opportunity to be straightforward, to be clear in his political discourse and to tell us the truth of what has happened in education financing, and that it has been a deliberate and systematic cut to public education and a planned long-term increase in the property taxes of Manitobans.

Hon. Eric Stefanson (Minister of Finance): Absolutely not. I think all the member for Wolseley need do is look at our 1998 budget, and she will see a very strong commitment to education right across the board here in Manitoba. If you look at funding for kindergarten to Grade 12, Senior 4, you will see an increase of in excess of \$16 million in funding for that very important area, 2.2 percent. If she looks at the funding for our post-secondary institutions, she will see in excess of \$8 million provided directly to those institutions. If she looks at support for students directly, she will see many millions of dollars, \$4 million to \$5 million more of support being provided directly to students. She sees commitments for capital for our schools, for our maintenance and renovation of our school facilities, capital at our post-secondary institutions and so on.

In total, Madam Speaker, the increase in funding for education in this budget is almost \$50 million. That is a significant commitment to education. We know the value of quality education, and we are supporting it with the dollars required.

* (1020)

Ms. Friesen: I would like to ask the Minister of Education to explain why she promised stable funding for this year to school divisions—to quote from her press release: in a move designed to assist school divisions with planning for the future—when in fact what she intended was that more than 29 school divisions, some of them with little or no decrease in enrollment, would be facing severe provincial cuts and higher taxes.

Hon. Linda McIntosh (Minister of Education and Training): The member knows and knows very well, as do school divisions, that in the last budget, when we indicated that for the first time we would be able to give an indication of multiyear financing, at least in a floor, so that they could plan for the future, we were able to announce that overall funding for education in Manitoba for public schools would stay the same in terms of the provincial amount put into all public schools. That in fact is the case. That did happen.

It was very clear at the time, and school divisions knew this and appreciated it, that because of fluctuations in enrollment in their school divisions, assessment changes in their school divisions, that did not mean that every division would get the same amount, or more, as the year before. It would depend upon—in some divisions where the enrollment has dropped, of course they get money per pupil and the funding that would flow would be less accordingly, but all school divisions indicated appreciation to be able to plan more accurately for the future as a result of knowing a floor for the next year.

Ms. Friesen: Could the Minister of Education explain why she has so little respect for those trustees in those 29 or more divisions who are now facing tax hikes of 11 percent, 13 percent; why she gave them no transition time, no time to prepare for the broken commitment that she has had?

Mrs. McIntosh: Most school divisions—in fact, I believe all will take the formula which is known to them which they helped us write, which all have said they wished to see stay in place, and take their known assessment, their known enrollment projections and work out a variety of scenarios based upon what they think the province might be giving. So they have plenty of opportunity, and they do develop certain scenarios based upon whether it is going to be a 1 percent

increase, a 2 percent increase or what they estimate might be coming from the province. Based on that, they are able to make some pretty good guesstimates as to what their mill rate will be.

In the case of the division she mentioned where there is a 13 percent increase in the mill rate, which of course would be in their tax assess levy—is Brandon, of course. Yet in that area that school division had an 11.5 percent increase in funding under that formula for the years prior to this year, so they were coming from—

Madam Speaker: Order, please.

Points of Order

Madam Speaker: The honourable member for Wolseley, on a point of order.

Ms. Friesen: On a point of order, Madam Speaker, I wonder if you could direct the minister to answer the question which dealt with transition time and advance notice about the impact of a broken commitment.

Madam Speaker: The honourable minister, on the same point of order.

Mrs. McIntosh: On the same point of order, Madam Speaker, I spent some time explaining to the member how school divisions have adequate time to place their own known figures into the formula, and that was indeed the answer that she specifically asked for.

Madam Speaker: On the point of order raised by the honourable member for Wolseley, I will take the matter under advisement to check in more detail both the question posed and the answer given.

Economic Growth Employment Statistics

Mr. Leonard Evans (Brandon East): Madam Speaker, I have a question for the Minister of Finance. In his budget the minister has been bragging about the economic health of Manitoba and how everything is so great, and yet the unemployment data released this morning, if you take a good look at it, if you take a careful look at the data, you will see that employment growth in this province is stalling. Looking at the

seasonally adjusted figures, which are there to give us annual estimates per month, show that we have got 1,300 jobs fewer in February than we had in the previous month's, January.

The question to the minister is: how can the government continue to ignore the current employment trends in Manitoba and continue to portray rapid employment growth when in actuality we are stalling?

* (1025)

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, that question and that preamble just shows how out of step the member for Brandon East is with what is happening here in our province, and he need look no further than the community that he represents. To date, year to date, 1998, there are some 1,700 more jobs in Manitoba, but I think most importantly is in 1997 Manitoba did have a very strong year, and in 1997 there were over 538,000 Manitobans employed on an average basis, the largest number in the history of our province. In 1997 our job growth was 2.4 percent, the third best in all of Canada. When you look at full-time jobs in Manitoba in 1997, there were over 14,000 new full-time jobs in Manitoba created in 1997, the best growth in full-time jobs in all of Canada. When you look at growth in private-sector jobs in 1997, over 16,000 new private-sector jobs, the second-best job growth in all of Canada. Those are the facts, those are what Manitobans know, and our economy is doing very well today.

Mr. Leonard Evans: Will the Minister of Finance take off his blue-tinted coloured glasses and take a real look at the economy and acknowledge that the labour force is declining, with 3,400 fewer people in the workforce in February compared with last February and, indeed, lower than in January? People leave the workforce; they stop seeking jobs when the job opportunities disappear. Why is the labour force indicating that it is now declining?

Mr. Stefanson: Madam Speaker, the reality is our employment rate today in Manitoba is the lowest it has been since 1981, 5.8 percent, and for the last 11 months it has consistently been under 7 percent, and it is consistently either the second or third lowest in all of Canada. And what a challenge that is creating, by

having one of the lowest unemployment rates and by having amongst the highest employment rates, that is actually creating a skilled shortage in various areas, like construction, like trades, like trucking. There have been articles written on that. In fact, today, if the member gets a chance to read one of our local papers, the headline is "Province looks good bank economist says," and this is a senior economist for one of the banks, one of the forecasters, and I could quote at length, but I will quote one important point for the member for Brandon East. This economist says: "The only problem with the economy growing is getting enough skilled people in place. These shortages are hard to offset in other provinces and in Manitoba it is doubly hard."

The reason it is doubly hard is because of our low unemployment rate and our excellent job growth here in this province.

Madam Speaker: The honourable member for Brandon East, with a final supplementary question.

* (1030)

Mr. Leonard Evans: Will the minister acknowledge that low unemployment rates can occur if people leave this province and will he acknowledge that this decline in the rate of job creation is reflected in the sharp increase in outward interprovincial migration whereby we lost 5,000 people in the first nine months of last year, two and a half times greater than the previous year? Why are we having this massive increase in outward migration if there are so many jobs available in the province of Manitoba?

Mr. Stefanson: Madam Speaker, I will acknowledge no such thing, and our low unemployment rate is a direct result of the kinds of jobs that we are seeing created here in Manitoba, over 12,000 jobs in 1997. I have already outlined for him the growth in full-time jobs, the growth in private-sector jobs. I am certainly prepared to share all of that information with him again.

If you look at Manitoba, we currently have a situation—we have the second highest level of participation in terms of the portion of our working-age population working in our economy. Only Alberta has a higher portion. That again is an excellent indicator of

the opportunities and the number of Manitobans working, and I wish the member for Brandon East would get out and talk to individuals in Manitoba and individual businesses, because he will see the real results with his own eyes by going into all kinds of businesses. I could give him a list of all the businesses that are having job growth increased activity because Manitoba's economy is performing very well today, and Manitobans know it, and Manitobans are very optimistic and positive about the future of our province and the future of job growth. The only negative people in terms of Manitoba's opportunities are those people sitting across on the other side.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Point of Order

Madam Speaker: The honourable Minister of –

Hon. James Downey (Minister of Industry, Trade and Tourism): The member for Brandon East made some accusations–

Madam Speaker: Just a moment, please. The honourable minister was not recognized because I could not hear if I was even asking to recognize him. The honourable Minister of Industry, Trade and Tourism, on a point of order?

Mr. Downey: Madam Speaker, yes, and I have to apologize for my excitement as the economy of Manitoba keeps booming along. I would like the name that the member put forward from across the way so that we could assist the individual he has referred to in getting a job in the trucking industry.

Madam Speaker: The honourable Minister of Industry, Trade and Tourism does not have a point of order.

St. Boniface General Hospital Minister's Involvement

Mr. Neil Gaudry (St. Boniface): My question is for the Minister of Health. Last week, when I asked a question to the minister, obviously there were some

differences of opinion about how to administer the emergency room at the St. Boniface Hospital, and that is democracy. However, I think it is now time for logistics, not for politics. Could the minister indicate to this House if he is prepared to get involved personally in order to rectify this unacceptable situation at the St. Boniface Hospital?

Hon. Darren Praznik (Minister of Health): First of all, it is a matter of logistics, the debate that has been going on on the issue of how we structure and responsibilities. It is a matter of logistics in governments.

I am pleased to say that the signal that we have been having from the administration of the St. Boniface Hospital is one that is moving towards an increased level of co-operation with the WHA. I can tell the member that staff of the WHA, senior staff, have been working very, very closely with St. Boniface Hospital. I work very closely with them as we deal with problems in the system in transition. Part of our capital budget has included—I believe it is some one million dollars towards the capital retrofit of the emergency stage 1 getting underway shortly. Dr. Chochinov, if he was quoted correctly in many of his interviews, has indicated that Manitoba Health has been involved with the WHA in trying to resolve these issues.

Emergency Services

Mr. Neil Gaudry (St. Boniface): Could the minister indicate to this House what measures he has taken to get the sick people out of the hospital hallways and get them to emergency rooms where they will receive the quality care that medical staff wants to deliver with the dignity and respect to those patients?

Hon. Darren Praznik (Minister of Health): Madam Speaker, obviously, we have talked about the long term, but the short term is of great concern as well. One of the benefits of the regionalized system—and already as it works to co-ordinate with facilities—is being able to manage on a system-wide basis so that any particular hospital which is under a particular pressure at a given time—and I think the CJOB report of yesterday demonstrated that you could have a great variation in demand on particular facilities at any given time. The ability to have proper co-operation to be able to move

resources around the system or to be able to move patients to where beds are available is essential to helping to minimize difficulties in times of stress, and that work will continue.

Mr. Gaudry: Could the minister get personally involved to see that doctors and nurses at the St. Boniface Hospital emergency room get more help and better working conditions in the best interests of Manitobans?

Mr. Praznik: Madam Speaker, I can tell the member that one of the first issues with which we had to deal in improving and stabilizing emergency conditions in the city of Winnipeg was negotiating an agreement with the emergency physicians of Winnipeg. I was very personally involved and hands-on in that. In fact, I even, in our process of negotiation, met with the negotiating committee of the emergency physicians. I think I spent three or four hours with them one night dealing with a number of these issues and having that discussion, so I have been very much involved in many of these issues on a very systematic basis.

Pan Am Games Budget

Ms. Marianne Cerilli (Radisson): Madam Speaker, we have raised a number of examples—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable member for Radisson has been recognized to pose a question.

Ms. Cerilli: Madam Speaker, we have raised a number of examples where this Finance minister has had inaccuracy in his budget and has brought inaccurate information forward and withheld information. This is a definite pattern. I want to ask the minister why last May, in Estimates, he insisted that the \$122-million budget for the Pan Am Games would be adequate to meet all the requirements when the chairperson of the Pan Am Games Society said that all three levels of government knew well before that that \$122 million would not be adequate and that the budget would have to be more like \$157 million.

Hon. Eric Stefanson (Minister of Finance): I hope I am not reading into the member's comments that she and her party do not support the Pan Am Games which will generate significant economic activity for our province, create a lot of facilities and obviously create a lot of lasting memories and opportunities for our citizens, our volunteers, our athletes and so on.

As the Pan Am Games Committee themselves have indicated, they returned to governments back in May of last year with revised proposals in terms of their budgets. We then started negotiating with the Pan Am board, with the federal government, with the City of Winnipeg, everybody involved, to try and find a solution. We ultimately were able to find a solution. It did require the province putting in some more money, it does require the federal government putting in more money, and today the budget and the financial plan of the Pan Am Games is on very solid footing, which I think is something that we all want. I certainly hope that is something that the members opposite want and support so we can move forward to have a very successful quality event that will benefit our economy and our citizens in many ways.

Ms. Cerilli: Madam Speaker, my question for the minister is: did he know last May when I asked him about revised budgets for the Pan Am Games that the \$122 million was not going to be enough, as the chair of the Pan Am Games Society has said, and if so, why did he not disclose that last May in Estimates?

* (1040)

Mr. Stefanson: Madam Speaker, I will get the exact dates when the Pan Am board came to us with their revised budget. As the chair and the CEO and others have been saying, it occurred in late May and June, and the reason they did not make it public at that point in time was they were very sensitive to a federal election that was taking place, and they did not want to roll it into a federal election at that particular point in time. That was a decision that they made. But in terms of it coming to us, it came to us in late May, early June, in terms of a revised proposal. We dealt with the federal government in terms of what we were prepared to do. The federal government has made an additional commitment, and we now today have a budget plan that is very solid that allows these games to move forward

with the support of three levels of government, with the support of the private sector and with the support of our community. That is what is most important, and that is what we will prepare to be a part of.

Ms. Cerilli: Is the minister saying that he knowingly gave wrong information in Estimates at the committee last May, and then can he explain the contradiction between himself and Sandy Riley, the chairperson of the Pan Am Games Society? Who are we supposed to believe—the Minister of Finance (Mr. Stefanson) or the volunteer chair for the Pan Am Games?

Mr. Stefanson: Madam Speaker, no, I am saying no such thing. The member for Radisson can believe both of us because what Sandy Riley, the chair of the Pan Am Games Society, is saying and what I am saying is exactly one and the same thing. There are no discrepancies, there are no differences, and that information was provided to us, as I have already outlined, late May, early June. We negotiated with all the governments and the private sector came forward with a package that was revised from the original budget of \$122 million and became the revised budget subsequent to all of that.

Flin Flon Sewage Treatment Plant Construction Schedule

Mr. Gerard Jennissen (Flin Flon): My question is for the Minister of Finance. On December 22 the minister wrote back to me concerning the proposed Flin Flon sewage treatment plant and the Channing project. In this letter the minister stated that the sewage treatment plant would proceed in phases beginning this year. Could the minister state when the first phase will begin and the estimated costs associated with each phase?

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I think as the member for Flin Flon knows, this has been an ongoing issue. We have had several meetings with representatives from the community of Flin Flon. I believe he has been at least informed of those meetings and some of the outcomes of those meetings. Flin Flon recently came forward with a phased plan in terms of providing the improvements that are required. That has been analyzed and dealt with, really, by our Department of Rural Development. I did inform the community that we are prepared to

move forward on this phased basis in terms of starting the first phase of the improvements to the sewer and water, and I will certainly undertake to get the specific details, in terms of the various elements of the phases and the timing, for the member for Flin Flon.

Mr. Jennissen: I thank the minister. Could the minister detail what his improved service commitment to Channing involves exactly?

Mr. Stefanson: Madam Speaker, the details of the entire project are being dealt with by Rural Development. Obviously, we have approved the first phase in terms of the funding commitment for the first phase of the improvements. In terms of the various phases, the aspects, the total commitment, as I have already indicated, I will undertake to obtain that and provide as much as I can to the member for Flin Flon.

Water Resources Branch Funding

Mr. Stan Struthers (Dauphin): Madam Speaker, my question is for the Minister of Finance as well. Between 1991 and 1996, \$1.15 million was cut out of the Water Resources Branch, and in 1994 this government withdrew 43 percent of its share of the federal-provincial water monitoring services. That led to a lessened ability for us to predict the flood of the century last year. In this budget we see further cuts to the Water Resources budget. I want to ask the Finance minister: within a year of the flood of the century, why is this provincial government putting less money into water services in this province?

Hon. Glen Cummings (Minister of Natural Resources): Madam Speaker, I am sure the member did not mean to misrepresent the ability of the Water Resources Branch to forecast this flood, but he did imply that we somehow are not going to be able to maintain our share of monitoring responsibilities. I can tell you that there has been an ongoing shared responsibility that at one time was a hundred percent funded by the federal government, and as that responsibility has changed, we have been picking up an increasing share of that.

We have been prioritizing our monitoring responsibilities so we do have the best flood forecasting

capability, and we will be increasing that this year. Not only that, we are going to be increasing the ability to service a number of the severely damaged infrastructures or in some cases what needs to be upgraded infrastructures through that section of our department.

Mr. Struthers: This government is cutting more money out of our ability to predict.

Madam Speaker: Order, please. Question.

Mr. Struthers: When will this government stop cutting the amount of money going into Water Resources as portrayed in this budget from \$650,000 to \$628,000? The facts are there.

Mr. Cummings: Madam Speaker, obviously this member's only way of managing is to compartmentalize his questions. If he has to look at the budget of Natural Resources, he will find it is up, and it is up significantly in the coming year. The Water Resources Branch, if he wants to get into the details of where we are spending each dollar, I will be quite glad to get into that with him during the Estimates. But I emphasize, we have been working with the federal government, and we said that our forecasting capability would be maintained and enhanced so that we have the ability to forecast, and that is being done.

Madam Speaker: Time for Oral Questions has expired.

For the record, I would just like to ensure that the Minister of Agriculture (Mr. Enns) did table the message of the Lieutenant Governor.

Speaker's Ruling

Madam Speaker: I have a ruling for the House.

I am ruling on a matter of privilege raised on June 23 by the honourable member for St. Johns (Mr. Mackintosh). The matter of privilege arose from answers to questions posed in the House on June 19. In putting forward his case, the honourable member for St. Johns asserted that contrary to a government election promise made that people who solicit sex from

prostitutes would have their vehicles seized, the legislation, when it was brought forward in the shape of Bill 38, did not provide for the forfeiture of johns' vehicles. When the member for St. Johns posed a question on June 19 to the Minister of Justice (Mr. Toews) about whether vehicles would be confiscated, the minister replied that the bill would allow a motor vehicle to be seized, but there would be some intermediary steps that the police thought would be more effective in dealing with this particular problem. The honourable member for St. Johns concluded that the minister had deliberately misled the House to try and make it believe that the government response to prostitution was in accord with the election promise.

The government House leader in his submission on the matter of privilege raised a concern about timeliness, as the bill in question had been moved for second reading on June 5, and referenced Beauchesne Citation 115 which states: "a question of privilege must be brought to the attention of the House at the first possible opportunity. Even a gap of a few days may invalidate the claim for precedence in the House." In speaking to the matter of privilege, the Minister of Justice asserted that the legislation did have repercussions for johns which in various circumstances do lead to the seizure of motor vehicles.

A Speaker when considering a matter of privilege must be satisfied that the matter was raised at the earliest opportunity and that a prima facie case exists, or, as expressed by Joseph Maingot, the Canadian authority, is the evidence on its face sufficiently strong for the House to be asked to send it to a committee to investigate whether the privileges of the House have been breached.

Speaker Walding on June 13, 1985, in ruling on a matter of privilege said: "The deliberate misleading of the House by a member is a serious matter and probably constitutes a breach of privilege. It must be borne in mind, however, that a deliberate misleading of the House involves an intent to mislead and/or knowledge that the statement would mislead." Speaker Rocan on January 17, 1990, quoted Speaker Phillips who ruled that when one member "charges another member has deliberately misled the House, that member must support his or her charge with proof of intent."

* (1050)

MEMBERS' STATEMENTS

Budget

I believe the Manitoba rulings are based on an extract from Maingot's book *Parliamentary Privilege in Canada*, Second Edition, on page 234, where he states that an admission that either a member of the House was intentionally misled or an admission of facts that lead naturally to the conclusion that a member was intentionally misled, and a direct relationship between the misleading information and a proceeding in Parliament would be necessary to establish a *prima facie* case of a matter of privilege.

I am concerned that there was some delay between the time the bill in question was moved for first reading, distributed and moved for second reading and the date on which the honourable member for St. Johns raised his case. However, as the honourable member for St. Johns noted, he had asked a question to clarify the matter respecting seizure of vehicles on Thursday, June 19, and raised the matter of privilege on June 23, which perhaps was the first opportunity he had after receiving the printed Hansard of June 19.

To make a case that a member deliberately misled the House is very difficult, because as noted earlier in this ruling, the member in question must admit to doing so or else his or her intent to mislead must be proved. Further, obstruction of the House or of a member by the alleged misleading must be proved. I find that the honourable member for St. Johns has not made a case of the Minister of Justice (Mr. Toews) deliberately, with intent, misleading this House.

I also do not believe it has been shown that the member for St. Johns or the members of the House were obstructed in their work by the actions of the Minister of Justice. Because a *prima facie* case has not been made, I must rule the motion of the honourable member for St. Johns to be out of order.

It appears what does exist are two opinions: The honourable member for St. Johns was certain that the legislation would not lead to the forfeiture of vehicles, while the Minister of Justice stated the law could lead to the seizure of johns' motor vehicles.

Mr. Peter Dyck (Pembina): I have been listening with interest to the debate following this our government's fourth consecutive balanced budget, and I am concerned the NDP are having difficulty with their numbers. I believe my comments can be of service in setting forth an honest commentary for the public. The member for Brandon East (Mr. Leonard Evans) said, "What is so magical about balancing the budget every year anyway?"

I agree wholeheartedly with my esteemed colleagues. Balanced budgets are not magical. Indeed, if anything is magical it is that the NDP government in only six years tripled the debt it took the previous 112 years to accumulate. What is magical is that, as a result, interest payments quadrupled and taxes spiralled out of control. It is precisely the kind of magic espoused by the members opposite that our government, through balanced budgets, will ensure is not repeated. Manitobans do not want or need NDP magic such as: *abracadabra*, look, we raised our taxes 22 times in five years.

Madam Speaker, members opposite have made the claim that our increased funding to health care is the result of a physical slight of hand. Now, while it has been a few years since I sat in the classroom, I know that \$1.93 billion subtracted from last year's budget of \$1.83 billion equals a spending increase of \$100 million.

Madam Speaker, it is precisely because of the lack of math skills of members opposite that our government has instituted standards testing. We are committed to ensuring our children have the skills necessary to compete and succeed in the global economy. Our 1998-99 budget was prepared with the interests of Manitobans in mind. We did not balance the books and begin paying down the debt for members opposite but because of them. It is because of their mismanagement of our economy during the 1980s that Manitobans demand responsibility and accountability in their government. We have delivered. Thank you.

Mr. Tim Sale (Crescentwood): Madam Speaker, what this government has delivered in this budget is the most outrageous series of misleading statements that I have ever read in a budget.

Madam Speaker, on the Finance minister's own numbers, not on numbers that have been analyzed or changed by anybody or with assumptions in them, simply on his own numbers he is trying to tell the people of Manitoba that there will be no revenue growth for his government in the new year for which the budget is now being debated.

Madam Speaker, this is surely one of the most outrageous cases of attempting to suck and blow at the same time. The Minister of Finance (Mr. Stefanson) stands in his place and talks about booming economy, growing employment, which of course is not true either. He talks about how wonderful things are, and he presents a budget with no new revenues in it. He attempts to fudge that by pretending he will draw a hundred million dollars on his stabilization fund in the year we are now ending and only 60 million next year.

Well, is that not a wonderful thing. The rainy day fund of the province, so called, the stabilization fund that was to protect us from downturns in our economy is being drawn while the Finance minister stands in his place and saying things have never been better. What prudent Finance minister would draw down his savings account while he stands on his feet and tells us how wonderful things are? Is that a prudent Finance minister? No, that is a Finance minister who built a distortion into his budget in the form of revenue numbers that are so understated as to be ludicrous. This budget is full of misleading information.

Four-Day Workweek Resolution

Mr. Mervin Tweed (Turtle Mountain): Madam Speaker, the purpose behind the current budget debates is to bring forward ideas and discuss them. However, there is one idea put forward by the members opposite during their annual convention last fall that has been notably absent in their speeches, the proposed NDP resolution stating: Therefore be it resolved that the next NDP government bring forth legislation whereby workers would receive 40 hours pay for 32 hours work.

Despite a unanimous vote of the NDP convention delegates supporting this policy, I have yet to see one member opposite rise in the House to enlighten us as to the economic benefits. While members opposite have been strangely silent about this new policy, Manitobans have not. A spokesman for the Manitoba Chamber of Commerce termed it utterly unrealistic. The chamber noted that the NDP had not given any calculation of the number of new jobs the four-day workweek would create, much less an estimate of how many jobs would be lost by such a measure. The resolution is just too extreme and too costly. That is from the Portage Daily Graphic.

The NDP is still the party that believes government can do no wrong and business can do no right. It is also the party that believes the government's sole purpose is to spend more of everything and stick someone else with the bill. That is from the Winnipeg Free Press.

The one quote, Madam Speaker, that struck me the most was from the Thompson Citizen. The Thompson Citizen newspaper states: The 32-hour workweek would sink most Manitoba business firms. The New Democrats have adopted a formula that will drive industries right out of our province. The NDP seem to be stuck in the policy era where they were 20 years ago.

I do not want to be accused of stifling debate, Madam Speaker, so I encourage all members opposite to rise and speak on this new policy.

* (1100)

Economic Growth

Mr. Leonard Evans (Brandon East): Madam Speaker, the fact is that Manitoba is not an economic island unto itself. We are part of the prairie economy. We are indeed part of the national economy, the North American economy. We have had some economic growth, but not everyone has shared in this growth, and we do know of many Manitobans who are looking for good jobs who cannot find them. That is the reality.

If you listen to people and you go out to the community, you will find there are just too many jobs, too many low-paying jobs, too many minimum-wage

jobs, too many part-time jobs. The fact is that the recent data that we referred to in the Question Period this morning does show some current weakness in the labour force and in the employment growth. We have to ask ourselves, if we want to be truthful, why is there this weakening in the growth of the labour force. That comes about because people get discouraged; if they cannot find jobs they leave the labour force and you see that shrinking.

This problem, I believe, has been demonstrated in the interprovincial migration statistics which very surprisingly increased sharply last year. They indeed were dropping for a number of years, but last year interprovincial migration grew by 5,000. There were 5,000 people who left the province on a net basis. That is two and a half times the number of 1996—a very sharp increase in net outward migration.

Where are they going? Alberta, B.C., but even Saskatchewan. Almost 800 people left to go to Saskatchewan, and that is unusual because we are usually the net recipient of people from the province of Saskatchewan. This time we have a reversal. So it would seem to me that the Minister of Finance (Mr. Stefanson) and the government should be concerned as to what is currently happening. I emphasize the words “currently happening,” and why is it? They will have to answer the question why it is we are losing so many people, 5,000 people, to the rest of the country. Thank you, Madam Speaker.

ORDERS OF THE DAY

BUDGET DEBATE (Sixth Day of Debate)

Madam Speaker: To resume adjourned debate on the proposed motion of the honourable Minister of Finance (Mr. Stefanson) and on the proposed motion of the honourable Leader of the official opposition (Mr. Doer) in amendment thereto, standing in the name of the honourable member for Osborne (Ms. McGifford) who has 18 minutes remaining.

Ms. Diane McGifford (Osborne): Madam Speaker, you might remember or members of the House might remember that yesterday, when the House adjourned, I was speaking about the importance of art education,

and I had an interesting altercation. As I left the House, I was accosted by the Minister of Education (Mrs. McIntosh), who, in her usual dictatorial and hectoring manner, instructed me that I was not to speak to her about art education because, after all, she had I believe been a chair of the symphony board and a former art teacher and had a child who was a musician and a performing musician.

Madam Speaker, I could trade credentials with the Minister of Education on our contribution and role in the world of art, but what really annoys me is that the Minister of Education actually thinks she can control debate in this House and instruct me on what I can address and what I cannot address. I do not know whether she thought she was back in Grant Park School or whether she thought I was Chris Millar. Chris Millar lives in my constituency, but I am not Chris Millar. My eyes were not bulging, and I did not have sweat on my brow, and I am sure that my veins were not popping, so I think the Minister of Education was really quite safe from me.

The point, of course, that I want to make is that the Minister of Education, dictatorial and controlling and manipulative as she might be, does not have the right to control debate in this House. Madam Speaker, I believe you are in charge here, so I regret that the Minister of Education does not understand that. So I do have a few more comments on art education. The point that I was making yesterday was that good art and music programs in school are extremely important in developing mathematical and linguistic skills. There is evidence that children who have been exposed to good art education have developed the mathematical and linguistic skills far in advance of children who have not had those particular benefits.

We all know that mathematical and linguistic skills are essential for the 21st Century in which knowledge-based industries, so we are told, will become increasingly important. It seems to me then only common sense that the Minister of Education (Mrs. McIntosh) and the Minister of Culture (Mrs. Vodrey) should sit down together and do something about art education in public schools. I underline public schools. We know that the more affluent among us can afford art lessons for their children, music lessons, drama lessons. Those whose children go to Ravenscourt, for

example, probably have the money to pay for these, but this is not true for all of us. So my emphasis here is on these programs in public schools and including, and this is extremely vital, in elementary schools. The earlier children are exposed to art, the better. We all know that the squeeze on funding in public education, combined with this minister's almost monomaniacal emphasis on core subjects and centralized testing, that this has put the squeeze on art education, and so I ask the Minister of Culture perhaps to show some leadership and talk to her colleague.

I want to emphasize, too, the importance, once again, of Artists in the School programs and my fervent hope that the cuts to culture this year will not result in further damaging this program, which, I understand, is already so tied up in red tape that it is very difficult for the program to function as it was originally intended to do.

I want to turn briefly to the Minister of Finance's Manitoba Film and Video Production Tax Credit. This was a credit first introduced in the 1997-98 budget, and it was designed to be in place for three years and to provide 35 percent of eligible payroll costs. This credit naturally has a major role to play in the development of our film and video industry, and these are very, very important developing industries.

Most Manitobans are familiar with the work of Credo. Most of us have seen episodes of Shirley Holmes. We in the Legislature were present for part of the filming of the Avro Arrow, and many of us viewed these episodes on television when they were aired. My point is that all of the members of this Legislature appreciate Manitoba's cultural industries and the contribution that they are making to our province, but I wonder, and I do not know the answer, I am wondering, whether this 35 percent of eligible payroll costs remains in Manitoba; or, to put my question in a slightly different way, I wonder if this government is taking proper responsibility to train Manitobans, especially young Manitobans, for positions in cultural industries. I am sure that the Minister of Culture might have the answer to this. That is to say, are there properly trained cultural industry workers, and, if not, should not something be done about it? Perhaps we can pursue these questions in Estimates. I put them on the record here because they are on my mind and

because I know they are on the minds of cultural workers with whom I have consulted.

I wanted to return briefly to health care. My colleagues have dealt with the mirage of the 100 million new dollars in health care. They have dealt with the closure of approximately 800 beds, the dismissal of 500 nurses, a total dismissal of 1,500 health care workers in recent history.

During Question Period, of course, we have struggled with the government, urging a focus on patients lying in hallways, patients on display, often without dignity, often at great risk of contracting communicable diseases. The premier solution is to instruct St. Boniface Hospital to cancel elective surgery, which, of course, would only add to our waiting lists. The Minister of Health (Mr. Praznik)'s answer to this problem is unreasonable and almost bizarre. His answer was to close the Misericordia Hospital as an acute care hospital, and then here is the almost farcical fiasco of the 1995 election promise of \$600 million in capital costs, first cancelled, and now I think in the works again, the plan to build personal care homes, creating beds for the elderly who now occupy hospital beds. So the funds announced pre-election in 1995, then cancelled, may possibly come to fruition. When? Just in time, no doubt, for the next election.

* (1110)

My last comment in health care is on the AIDS strategy. Most of us will remember that in the summer of 1996 this government with its usual fanfare announced a Manitoba AIDS strategy. I wonder why the government bothered, because the more things change, the more they stay the same. This government, contrary to what the minister has said in the House, still does not put one cent into community AIDS organizations. The only money they put into AIDS is through the Village Clinic and through medical services. So I sincerely hope that before the Aids cap monies run out to AIDS service organizations in the province of Manitoba—and I understand that there is bridge funding now for one year, so that the funding would run out on the 31st of March, 1999—I sincerely hope that the Minister of Health (Mr. Praznik) will finally show some leadership in the field of AIDS and

fulfill some of the promises and some of the needs that are so desperately required by this community.

I am not going to talk about hepatitis C, because the issue appears to be in transition. I know there was an announcement this morning which I have not had time to study properly.

One note I would like to make is about daycare. The budget tells us that there will be \$4.8 new million into daycare. I point out that the daycare system in Manitoba was developed in the '80s by the New Democratic government. Since 1988, this government seems to have made a consistent effort to gut the daycare program. There has been no increase in operating grants since 1990. There have been a frozen number of daycare—I think they are called cases. The method of funding has been characterized by inflexibility and inaccessibility. This government has taken millions out of the daycare program, and now they are putting \$4.8 million back in. I, for one, am very anxious to hear from the minister as to exactly how that \$4 point million is going to be utilized. I would like to take the opportunity to congratulate the Manitoba Child Care Association and daycares everywhere on grace under pressure and assure them of our commitment to quality, accessible and nonprofit daycare.

Madam Speaker, there are other issues to discuss: education, both public and post-secondary; personal income tax and other taxes, debt repayment and other aspects of this budget. Since I want to allow time for my colleagues to speak, I will consequently conclude agreeing with all my colleagues that this government has lost the confidence of the people of Manitoba and the confidence of this House. Thank you.

Mr. Ben Sveinson (La Verendrye): Madam Speaker, as I worked on preparing my speech in the last day or two, listening to some of the other speeches that were happening, I reviewed our government's time in office which is quickly coming up to its 11th anniversary. The purpose of my review was to discover what happened in the province of Manitoba, so that today companies such as Maple Leaf want to invest millions of dollars and create thousands of jobs. How is it that more Manitobans are working today than ever before, and our unemployment rate is 5.7 percent? How is it

that our government is in a position to dedicate a full \$1.9 billion or 34.6 percent of its total spending on health care? How is it that our manufacturing shipments are at a record level? How is it that our government has been able to offer all Manitobans tax relief and not tax increases?

The answer is quite simple, Madam Speaker, and colleagues. In 1995, this government took the historic step of bringing down The Balanced Budget, Debt Repayment and Taxpayer Protection Act, legislation that commits our province to living within its means, just as the families I represent in this Legislature must; legislation that restored responsibility and accountability to provincial government operations, both now and into the future; legislation that makes it impossible to increase major taxes without first going to the people we represent through a referendum; legislation that The Financial Post described as, and I quote, worth studying and adoption by other governments in Canada if they are serious about deficit and debt elimination.

Now I am all too aware of members opposite's views when it comes to the very idea of balanced budgets. There was considerable talk around that time, but I would just like to throw out a few quotes by a couple of our members opposite. The member for Wellington (Ms. Barrett) said, and I quote: It will not mean that the province will be more economically viable. It will have a deadening impact. It will not be helpful in trying to keep the engine of the economy and the people of the province on an even keel.

Well, I want to assure the member for Wellington that our provincial economy is running just fine, and there is no need for an NDP-style tuneup. In fact, last year the Conference Board of Canada summed up Manitoba's stellar economic performance with the comment that the Manitoba economy runs wild.

The most recent TD Bank forecast expects that a total of 30,000 new jobs will be created in our province over a three-year period, from 1997 to 1999. I would hardly describe our economic successes as having suffered from the deadening impact that the member for Wellington describes.

The member for Swan River (Ms. Wowchuk) said, and I quote: No government needs balanced-budget legislation. Maybe no government needs balanced-budget legislation, but the people of Manitoba did. They need to know that their hard-earned tax dollars are not going to interest payments on our debt—which, I might add, currently consumes more than \$500 million of Manitoba's total budget—but towards their priorities of health care, education and support to families.

Future generations need balanced-budget legislation to ensure that their future is not mortgaged by the tax-and-spend policies that nearly crippled our province during the early 1980s. Our dedication to balanced budgets restores credibility, responsibility, and accountability to the operations of our government. By passing the balanced-budget legislation, we have restored confidence among the entrepreneurs in our great province whose businesses create the jobs, income and wealth for Manitobans.

The Leader of the official opposition (Mr. Doer) said: Well, you have not paid off the debt yet. Just do not give me the rhetoric. You know, walk the walk, do not talk the talk, my friend.

* (1120)

No, we have not paid off the debt. We do not pretend that we have. This \$6.8 billion debt is very real. But we have done something that the previous government did not even consider during their time in office. We have addressed the debt. We acknowledged that taxpayers do not represent an infinite source of revenue. We recognize that burdening our children with a massive debt is reprehensible and will only reduce their opportunities in the future. So I say to the member for Concordia (Mr. Doer), the doubling of this year's debt repayment to \$150 million is a positive step in the direction of paying down the debt. I would encourage the member to look me up in about 30-odd years and then debate the merits of debt repayment. I will look forward to it.

Most citizens, Madam Speaker, instinctively recognize that governments cannot endlessly run budget deficits without paying a price. The price that taxpayers must pay is not just higher interest payments, the price

we all pay is lost creditability. If this government were to follow the proposals of members opposite, Manitobans would be burdened with high deficits and high-debt servicing costs.

Madam Speaker, our government is forced to spend more than \$500 million on servicing the debts of previous governments. This is \$500 million squandered; \$500 million that we could be spending on our important social programs or reducing Manitoba's tax burden. We have made a commitment to the people of Manitoba to reduce that burden, to increase spending to our priority areas and return some of our citizens' hard-earned tax dollars.

Just talking about that for a second when we were listening to the Finance minister (Mr. Stefanson) when he was presenting the budget, it was interesting to watch the faces and the expressions of some of our friends across the way or the members across the way.

I have a picture here from the Winnipeg Sun, and it shows the Leader of the Opposition (Mr. Doer) and the honourable member for Kildonan (Mr. Chomiak) sitting there and the look on their faces, one of what can we possibly say that is wrong with this budget. Year after year that same expression seems to be on their faces, but also it is interesting to note the captions here, and one is: Manitobans get break, provincial taxes down for first time in decade. And then it gives the different highlights.

Madam Speaker, some of those highlights—and I will be hitting on them very shortly, but some of the ones that are in the paper here: provincial budget highlights income tax cut for individuals, rate drops from 52 percent to 50 percent of the federal tax by January 1, 1999. Province will double debt payments from \$75 million to \$150 million. There is a little something to go along with that that I have not heard too much talk about and that is just how much interest or how much money that will save over the long term, be it that you have made that additional payment. I am told that it is something in the neighbourhood of \$200 million over a 30-year period. It is really quite incredible when you think about it. Funding of \$94 million for 380 new personal care home beds, that will definitely take the strain off our acute care beds in our hospitals and any

line-up that was there before will probably not be there for the near future anyway.

Projected surplus of \$23 million. Budget is balanced for the fourth straight year. Sales tax rebate of up to \$2,500 for first-time home buyers extended. The payroll tax for business is cut to 2.15 percent from 2.25 percent. Corporation capital tax exemption increased to \$5 million. The City of Winnipeg gets \$5 million for residential roads. I heard many comments not just from city councillors but from the people living within the city of Winnipeg and how good they felt about that. Province using \$226 million from rainy day fund for one-time expenditure and debt repayment.

Mr. Marcel Laurendeau, Deputy Speaker, in the Chair

Mr. Deputy Speaker, the one thing that you can see just in those few that I have named off there is a balance, a thing where most everybody throughout our society has received something, and throughout their different meetings that the Minister of Finance (Mr. Stefanson) attended, those were the things that the people had mentioned to him. We have made a commitment to the people of Manitoba to reduce the burden, to increase spending to our priority areas.

Mr. Deputy Speaker, our commitment is not shared by members opposite. Their proposals would return Manitobans to high deficits, out-of-control spending and high taxes. Our government and the people of Manitoba say no to the proposals of members opposite. We say no to deficits. We say no to higher taxes.

Some of the budget highlights, as I touched on a minute ago, \$100-million increase in the health budget at \$1.93 billion. Our government spends more of our balanced budget on health care than any other province in Canada. An increase to education spending. Now our government spends more than a billion dollars on education for our Manitoba students doubling our \$75-million payment. Like I said, once again, that saves us money and some \$5 million or approximately \$5 million per year and something in the neighbourhood of \$200 million. [interjection] That is right. Something in the neighbourhood of \$200 million to \$300 million in 30 years. That is absolutely incredible, but they say why are we doing it? A 2-point cut in Manitoba's personal income tax rate to 50 percent of the basic

federal rate by 1999; indeed, something for everybody. A payroll tax reduction giving Manitoba businesses a further incentive to hire more employees. It is a good feeling. I have talked to many different employers in my constituency alone and the comments that they have made. It is really a good feeling out there. It was a good feeling before, and after the budget came down it was even better.

Mr. Deputy Speaker, our government through the prebudget consultations of the Minister of Finance have developed a budget that reflects of pride, the priorities of Manitobans. This government has prided itself through continuing consultation with Manitobans concerning the budget. This year 12 communities were visited by the Minister of Finance and his diligent staff. I am proud to say to the people of La Verendrye, and indeed to all Manitobans, this government has delivered.

Mr. Deputy Speaker, just a few words on the flood of the century. Last spring's flood saw people from around the world witness how our people here in Manitoba refused to give up in the face of adversity and come together in a time of great need in support of their neighbours, their fellow men and women. Thanks to the efforts of communities and organizations from within La Verendrye and beyond, local infrastructure and homes received additional protection. Assisting Manitobans in local communities in recovering from the flood is a priority for our government. We will continue to work with Manitobans to ensure that initiatives such as expanded ring-dike programs, sandbagging assistance and construction of temporary ring dikes continue so that similar damage does not occur again in the future.

At this time I would just like to mention that—and this is to my people in the Red River area, alongside the Red River, whom over many months have had a number of meetings. Unfortunately I have not been able to attend every one of them simply because of previous commitments, and if I only have a day or two it is hard to switch. So to them I apologize for not being able to attend every one of those meetings.

I would like to say though that if they could give me just a little bit more time sometimes, I would make every effort to be there, and indeed I am sure they know

it. I just would like to say it. Assisting Manitobans in local communities in recovering from the flood is a priority for our government, and we will continue to do that.

* (1130)

To date the R.M. of Reynolds, and that is out east and many people do not even know that the R.M. of Reynolds did have flooding problems. But the R.M. of Reynolds had something in the neighbourhood of \$150,000 to probably in the neighbourhood of \$175,000 damage done, and that was just the homes and things like that, places like that in the R.M. of Reynolds.

I was out there during the time that the water was coming up from the Whitemouth River and Birch River and Boggy Creek, and it comes together right at Hadashville. I was there for about an hour, and it literally blew the base of No. 11 Highway right out of there. It left the pavement hanging there like one of those hanging bridges that you see on TV. Also, the Winnipeg waterworks, the tracks, there was no base to it left. It was just sitting there hanging like that—something to see. The Highways people were there very quickly and had two drotts literally holding the pavement up, and another big tractor was pushing rocks and stuff underneath so that it could not disappear and that we would have something to work with as soon as the water had dissipated to some degree. At any rate, it did work. The pavement did hold, at least until after the water had disappeared, and then our Highways people were there to repair it. But it was something to see just how vicious water can be and what it can do to erode. In a matter of about 20 minutes to half an hour the road had literally disappeared.

As I said, to date, the R.M. of Reynolds has received approximately \$150,000 and will receive actually more. In the areas where there were roads that were blown out, the Highways department will be coming in there and putting in some culverts and so on. For that, I thank the Minister of Highways (Mr. Findlay). They are very happy with that now, and it should help in the future. Whenever the Whitemouth River decides to climb out of its banks, those culverts will help.

The Manitoba government continues to review the issue of flood compensation and has made substantial improvements to the system, including increasing the compensation limit from \$30,000 to \$100,000, removing the depreciation factor from the structural items such as heating, cooling and plumbing systems, and co-operating in joint federal programs such as the Jobs and Economic Recovery Initiative.

The emergency response to the 1997 flood of the century was the largest in provincial history. Our response capabilities were tested to the limit. Recently an independent organization concluded its review of emergency preparedness and the response of the Manitoba Emergency Management Organization to the 1997 flood. While MEMO has already initiated many of the recommendations contained in that review, there remains some room for improvement. We will carry out those recommendations that will allow us to improve our response and recovery capabilities. The lessons learned in preparing for and co-ordinating the response of this emergency will be of assistance in the future.

Mr. Deputy Speaker, the 1998 budget highlights point out from 1987-88 to 1998-99 our health care budget has increased by almost 600 million or 45 percent. The total budget for Manitoba Health will be \$1.93 billion for 1998-99, an incredible sum of money. I guess we can all understand why this kind of a figure and the Manitoba Health hospitals throughout our province have to be looked at very closely in order to keep our costs and our services—our services up and our costs under control. There is 23 million more for home care to cover 123 million, triple what was spent on this program in 1987-88. That increase, of course, is a thing that has to happen when you are moving services from your major hospitals to the community, very understandable and something that really, really shows the people of the province that in fact the picture is there. It is really becoming much more clear than it was, something that the minister has said many times that we were going to do. We were increasing it all right, but the picture is becoming much more clear now.

Mr. Deputy Speaker, \$4.5 million more for the operation of personal care homes brings the total funding to \$260 million. Well, I guess the personal care home beds are something that really completes the

picture, not to say that we do not need more, or that we will not need more in the future because we know that the baby boom is moving in, that in fact we are going to need more and more nursing home beds, senior home beds. We are going to, and this number will indeed help us tremendously, will free up many, many acute care beds that will be there for other people, when they are really sick, to use.

The '98-99 Health Capital Program, totalling \$94 million. This program will bring more than 500 personal care home beds into the Manitoba health care system. A special allocation of \$10 million for the purpose of medical equipment. This new funding is in addition to an ongoing commitment of \$22.4 million for new medical equipment purchases. Almost \$11 million more to address the need for additional dialysis services throughout the province. It was not too long ago that we in fact heard that there were many people who needed it and had to travel to, I believe it was Morden or something; there were a few that had to travel there to get that service. This will definitely address that situation. Again, as I say, the picture is coming together; the plan is coming together. Indeed, it will not be far down the road that things will be rolling along quite smoothly.

Support will be provided for ongoing initiatives to reduce waiting lists for joint replacement surgery. It was not too long ago that I believe it was in the Grace Hospital that the Minister of Health opened a couple of operating rooms to do that kind of surgery. I believe that was the case. Mr. Deputy Speaker, \$2.4 million more will support the additional intensive care beds at the Health Sciences Centre, additional beds and expansion of the neurosurgery program at St. Boniface Hospital.

Manitoba Breast Screening Program opens the third provincial site. December 2, 1997, a breast-screening centre was opened in Thompson. That is incredible, three of them now, I believe, in the province. Launched in 1995, the Manitoba Breast Screening Program provides breast screening, including a physical breast examination and mammography every two years for all eligible Manitoba women 50 to 69 years of age.

From its start in July 1995 to the end of August 1997, the program has screened over 28,000 women. Of

those screened over 89 percent were normal, which is great, and about 11 percent requiring further testing. The Manitoba Breast Screening Program is a joint initiative of the Manitoba Cancer Treatment and Research Foundation and Manitoba Health. The total operating budget for the program is \$1.5 million. Thompson is the third location where the service is offered. That is great. Other sites are in Brandon and in Winnipeg.

Hospital beds. Manitoba Health has committed over \$511,000 for the current fiscal year, which will allow for the opening of 83 beds at Deer Lodge, Seven Oaks, Grace General Hospital and Riverview Health Centre. The beds will be opened in a phased approach as required. This will allow patients currently awaiting placement in personal care homes to be moved to free up acute care beds. As I said, things seem to be coming together very well. There are a few other spots yet that have to be dealt with, but it will come.

* (1140)

Capital projects underway at Manitoba hospitals. St. Boniface General Hospital is in the process of consolidation upgrading of eight medical intensive care beds and six coronary care beds at an anticipated cost of \$2.9 million. The project will include the transfer and consolidation of a total of 14 beds in two units currently located on the fifth floor to new quarters on the second floor. One of the contributing factors in planning for this move is to improve patient care through enlarging the areas for those two units.

Thanks to our increased funding commitment to Health Capital Program, the Ste. Anne personal care home will be able to replace hostel beds with new beds and upgrade the facility. I know that the people there have been working towards that. I know that they are really happy about that, and it will definitely, being upgraded like that, be good for the people who are in there.

Assiniboine Community College practical nursing program expanded. You just never seem to run out of things. An expanded and enhanced practical nursing program in renovated facilities were officially unveiled at Brandon's Assiniboine Community College. The

annual capacity of the practical nursing program will increase to 90 students from 60 by doubling enrollment at ACC. The college will also operate a program at Winnipeg's Misericordia Hospital that will accommodate 30 of these students beginning in April of 1998.

A blood transfusion centre approved for Winnipeg. The Canadian Blood Agency has approved construction of a new regional blood transfusion service centre to be located in Winnipeg. The new \$24-million centre will be located near Winnipeg Health Sciences Centre and will replace the current blood transfusion centre provided by the Osborne Street location of the Red Cross.

Education. Whether we have children, grandchildren or neighbours in the school system, or are furthering our own education, education is an issue that affects all of us. That is why our government continues to make education one of our main priorities. In fact, education is our second highest funding priority, exceeded only by health care. The choice we make now to improve our education system for our youngest students will determine Manitoba's strength in the global economy. We must ensure that our students possess basic skills. A meaningful education empowers individuals to read, write, compute and problem-solve. These are the skills that build a secure future for our children and our province. If our educators and parents continue to encourage our younger students to learn and excel in the basic areas of reading, writing, computing and problem solving, we can give our children a solid foundation on which they can build their education. In this way, we will ensure that our children are prepared to enter tomorrow's workforce. They will be productive citizens, and from their strong knowledge base will come economic security through innovation, skills and a commitment to continuous learning.

As a part of our efforts to ensure that our students are given the tools to compete and succeed in a global economy, our government recently announced an increase of 2.2 percent, or \$16 million, in funding for Manitoba public schools. To make certain that students and staff have a safe environment in which to learn and work, we increased funding for school construction and renovations by 23.8 percent or \$29.6 million. In addition, we are providing \$30 million for a three-year

Aging Buildings Program that will help school divisions renovate and upgrade older schools.

In Lorette, Manitoba, we have a new school that is being built right at this time, and the people and the students are waiting with glee almost, to get into their new facility. The student enrollment there has increased drastically because the building has been going on in the Tache municipality, the R.M. of Ste. Anne and the R.M. of Ritchot at a pretty heavy pace. Our government recognizes that the use of technology will become an increasingly more important skill, and we are committed to making certain that our students have access to this knowledge. In June of 1997 we announced a new \$1-million initiative aimed at improving technology resources for our students. Thanks to this initiative, more schools from across the province will have access to computers and software for classroom use. Our government continues to meet our children's education needs.

Mr. Deputy Speaker, our efforts in education are drawing praise from many stakeholders in the education system. The University of Manitoba president says: The province has come through, and that is wonderful. I look at this as a first step in the right direction.

In our budget we have included an additional \$4.2 million for the further development and implementation of new curricula and expansion of standards and testing. Testing both the student and the system will provide measures of success and ensure that children are receiving a quality education; \$1.8 million to ensure information technology, which is a key area, is more accessible to our students; continued support for the volunteer-led computers for schools and library program that will refurbish and distribute about 2,000 donated computers to Manitoba schools and libraries; \$4 million more for scholarship and bursary support brings the level to \$5 million, expected to benefit 10,000 students beginning this year; \$1.6 million towards the introduction of an interest relief program and a debt reduction program for students; provides for participation in a national harmonized student loan program that will reduce overlap and duplication and help graduates arrange more manageable payments; \$8.9 more in operating grants for university, bringing the total to over \$215 million, almost \$9 million for university capital projects; \$1.1 million more in

operating grants for community colleges and \$500,000 for the college Strategic Initiatives Fund; \$3 million to support the expansion of apprenticeship training programs.

It sounds like a tremendous year for education in the province of Manitoba.

Infrastructure and research: \$50 million will go towards supporting capital initiatives to create jobs and stimulate further economic developments, including \$5 million dedicated specifically for residential streets in Winnipeg; \$7.1 million more for highway construction, bringing the spending on provincial highways to \$170 million in 1998-99; \$7 million for the Manitoba Innovations Fund to support world-class scientific health, engineering and environmental research infrastructure; \$13 million more for water and sewer projects throughout our province. I think that a community of mine, I believe out at Whitemouth to Elma, will be receiving some of the funds out of that particular area: a waterline that will run from Whitemouth along the new 406 to Elma—\$6.5 million to enhance the Agri-Food Research and Development Initiative, another area that has been busy and probably will be busy for the next number of years as we move away from the timing of the removal of the Crow—the continuation of the Manitoba Research and Development Tax Credit which now provides over \$5 million annually to research and development.

* (1150)

Mr. Deputy Speaker, supporting our local governments has been a tremendous thing that we have worked towards. Our partnering with local governments to improve the quality of life and opportunities to rural Manitoba, I believe, is unmatched. Manitoba is the only province to allocate a portion of provincial personal and corporate income tax revenues directly to local governments. For 1998-99, the provincial-municipal tax-sharing payments are up 4 percent over last year's levels and will total \$64.2 million. Having talked to a number in my municipality, municipal councils and councillors, they, too, understand that the different types of large tractor trailers, the different types of transportation that are utilizing our municipal roads and provincial roads—they know and are looking towards spending more money,

not happily, mind you, but knowingly that they have to spend more money on the municipal roads because of the types of vehicles that the farming community especially is using today.

Established by our government in 1992, the Rural Economic Development Initiative has been an excellent vehicle for stimulating economic development and diversification in rural Manitoba. Geared towards projects such as business development, infrastructure development, tourism, and commercial services, this year our government will increase funding to this initiative by \$1.8 million, bring the total budget to \$21 million.

Mr. Deputy Speaker, do I have five left? Three left.

The Filmon government will continue to support the Rural Entrepreneur Assistance program, which has already demonstrated a successful take-up by women entrepreneurs.

In conclusion, this, our fourth consecutive balanced budget, is a reflection of the priorities of Manitobans. We have consulted Manitobans, and they told us they wanted us to pay down the debt—and we did; to increase spending to health and education and reduce taxes—and we did. We have listened to them; we have delivered. The budget ensures that there will be enough money for our social programs and maintaining Manitoba's position as the lowest-cost government in Canada, I believe. To the people of Manitoba, we have delivered. Thank you.

Ms. Marianne Cerilli (Radisson): Mr. Deputy Speaker, I appreciate the chance to add some comments to the debate on the budget; particularly because of the way that the timing worked, I did not get to speak on the Throne Speech. I did definitely want to talk about some of the deceptive aspects of this budget. It is a very deceptive document.

As the previous member has just said, this was supposed to be this government's do-it-all budget. They said that they were going to have a surplus. They said they were going to increase spending. They said they were going to put money against the debt. They said they were going to do it all with this budget, and that is what they have told the public. That is some of the

headlines they have gotten in the paper and through the media. But, when you look very closely at their numbers and when you look at what is actually happening and you compare the actual amount spent this year with previous years and you look at the revenues, you see that they are playing a shell game. You see that there is not actually happening some of the things that they have claimed. They are repromising things they have promised previously, and I am going to point out a few things about how they cannot have it both ways.

They said in this budget that they were going to restore health and education and other programs Manitobans depend on through massive new investments, when in reality this budget contains only slight increases in funding. For example, in health care, the so-called \$100 million is really only \$7 million, and in education they are not even beginning to address the damage that has been caused by earlier cutbacks. They said they were going to invest in new programs for children and families, but in reality the program announcements for children and families will be funded by reductions and relying on income assistance and clawbacks from the federal national child tax benefit. This makes up almost half of their so-called new money for services, \$20 million in new money for programs and services for children and families who are at risk.

In their budget they claim they were going to put money in taxpayers' pockets by significantly cutting personal income taxes when in reality what they have done is to take the most unfair way of putting money into the poorest pockets of Manitoba, and the across-the-board personal income tax cut will not really be noticed by many, many Manitobans. What they have really done in true Tory form is given more corporate tax breaks, some of them to the most wealthy and largest corporations in our province.

Madam Speaker in the Chair

In the budget they said they were going to restore Winnipeg streets and highways throughout the province with new infrastructure investment. What they really have done is that, through putting \$5 million more for the city of Winnipeg and another \$5 million for improvements in highways throughout the province,

they have taken the same \$10 million out of the infrastructure program.

So this is the kind of shell game that they continue to play in a number of cases. I know that a good chunk of that could pave the roads out leading into my constituency, and I would invite members opposite to come and take a ride down Mission Street or Grassie Boulevard or Gunn Road or Panet or Pandora, if they want to see some of the streets with the largest potholes in the city of Winnipeg. I think a good chunk of that budget could just be spent in the East Kildonan-Transcona area.

They also said that they were going to shield Manitobans from the effects of federal cutbacks when in actual fact Mr. Stefanson's, the Minister of Finance's, comments that the feds made me do it are actually no longer relevant or accurate since equalization payments will rise by \$40 million in the coming year and the federal flood assistance, \$87 million worth, is still continuing to come to the province.

The government also said in their budget that they would produce the fourth surplus in a row. This also gets us into the shell game where they will, on the one hand, put money into the Fiscal Stabilization Fund, take it out of the Fiscal Stabilization Fund; where, on the one hand, they try and say the economy is booming but they do not show any growth in their revenue from taxation. Some people are suggesting that if it were not for the same trick, which the Auditor has denounced previously, of taking money from prior years' revenues, from doing things like selling off MTS, that this is indeed actually not a surplus budget.

So really the only claim that the government is making that is true is that they are putting more money against the debt. We can debate the wisdom of the kind of approach they are taking in putting money against the debt when you look at the fact that they have starved services like health and education in order to do that. This year, in putting \$150 million into the debt retirement fund, they are doing that while since 1992 and '93 they have cut spending in health care of \$184 per Manitoban and they have cut spending in education by \$472 per pupil in Manitoba.

When you also consider that we have the lowest payments on the debt—it is less than 10 percent on the dollar, 10 cents on the dollar, going toward the debt; our debt to GDP ratio was also lowest in Canada, 22.2 percent—you have to consider what the real debt is in this province. Later on I am going to talk about the social debt and the social deficit and the cost in our province, because that is one of the claims of this budget that really bothers me, that this government and this minister have made. It is highlighted in their pamphlet that they are going to be distributing throughout the province, and that is that they are sharing the benefit of any so-called economic recovery in this province. They claim they are sharing the benefits of a balanced budget and that is simply not true, Madam Speaker.

* (1200)

I am going to emphasize that quite a bit because I believe it is very important to realize there are people who have been completely abandoned by this government. There are many families, communities, regions in our province that this government has turned a blind eye to, be it the core area of Winnipeg, the northern areas, or simply families who are chronically unemployed; the number of children in our province who are being left behind because of their cutbacks in health, education and other services; the seniors who are lined up in hallways and waiting for personal care homes. All of these people have been abandoned by this government and this budget.

I also wanted to point out before concluding my comments on the debt and this deficit fixation. The headline in the paper today: This crazy debt crusade. That is one of the other ways this Finance minister and the government tried to have their cake and eat it too. A Mr. McCracken, he is an economist—where is he from—he is from Ottawa, Informetrica, and the point that is made today is that if you are going to try and use this run-a-government-like-a-business kind of approach and lingo, that you have to do it like a government would actually keep its books, that you cannot on the one hand sell off your assets, like MTS, and then not account for that on your balance sheet. So you cannot count it as selling off your assets, and then say that you can use the money as new money, as revenue, and that you are using it on the other side of the balance sheet.

He says if you are going to use the lingo of companies or the lingo of accountants, then you ought to use the concepts that go with them, and those concepts are a balance sheet with assets and liabilities so you cannot have this kind of thing happening. Some people are even suggesting that the government has done this same thing with the number of employees from the Manitoba telephone system, that what they are doing is counting the employees that have been moved to the private sector and those jobs as new jobs. The government likes to brag about the economy growth, the economic growth in the province and the increase in the number of jobs, but if it is playing that kind of shell game there as well in terms of the job growth in the province, they cannot have it both ways in terms of trying to say the economy is booming and at the same time continuing to underestimate their revenue projections.

One of the other ways that they are being less than transparent, shall we say, about the numbers they are using in their budget is the way they are using the scholarship Millennium Fund from the federal government, but they are clawing back the federal benefits under this fund in programs they are announcing. They are trying to say that the federal government, having a \$3,000 cheque going to students in the province, is actually going to be concluded in this government's money, and they are trying to make it sound like that is Manitoba money.

They are saying that Manitobans will pay \$60 million less in provincial income taxes next year, but \$50 million of that comes from Ottawa's recent reduction for low- and middle-income earners. The other thing that is deceptive, as I mentioned earlier, is the \$9 million that they are taking off the cheques of social allowance recipients, some of the poorest families in the province, and that is going to go into other initiatives which we are not yet aware of, that are going to supposedly deal with children and high-risk youth. Unfortunately, what seems to be happening is the money is going into increased staffing at places like the Children and Youth Secretariat which has gone from nine staff to 19 staff in this one budget. We are going to be looking very closely to see how it is that they are going to spend that \$9 million, which is accounting for half of the money that they claim they are going to be putting into children and youth services.

So when we are looking at this do-it-all budget and the approach that this government is taking with putting \$150 million against the debt, with giving more tax breaks to corporations and really not increasing spending into the areas that have been deprived, I want to emphasize that I asked my constituents the question of what they would like to see done with a surplus budget. This is what they have told me. About 70 percent said the surplus should be used to improve health and education services; more than 20 percent wanted most of the money to be used to pay down the debt and only four percent said they should lower tax rates. That was the survey. It was not a scientific survey but those were the responses that were given to me in a mailing I did to my constituents. That is what the people have said are their priorities, and you can see it is quite different from what this government has done.

I want to focus a little bit more then on some of the deceptive things that they have done in terms of how they claim to be allocating money into health care, and I notice that the Minister of Health (Mr. Praznik) is here. We have talked a lot about the promises that have been made and remade in terms of personal care homes. It does not make much sense to me when he is talking about now creating more personal care units and beds at Misericordia Hospital, but how many beds have been closed at that hospital in order to do that? Well, he is claiming that the whole purpose of the personal care home beds is so that people do not have to be taking up hospital bed spaces. But he has closed the hospital bed spaces to create those personal care homes. It is completely illogical, completely illogical.

Similarly, the way they are trying to find a management solution in everything they do in terms of health care—he thinks that they can cut the budget, that there is going to be some kind of magical, miraculous management solution through these regional health authorities where they are going to be able to shift things around and everything is going to be fine. Now what they are doing, we are finding, is that they are creating dozens of new upper-management positions in these regional health authorities. Many of these positions are going to be more than \$100,000 in salary, and in the meantime they have cut more than 1,000 nurses. This is going to mean that on the front lines, in the hospitals, in the personal care homes, there is going

to be less patient care. What we are seeing is this ballooning of bureaucracy in the Department of Health.

* (1210)

The same thing is happening in education where this government has put millions more dollars, particularly into the Department of Education's assessment branch, and in the meantime they have cut hundreds of teachers in their tenure as government throughout the province. I said earlier that over \$400 per pupil has been eliminated from education budgets, in real dollars, since '91-92 by this government. We have seen how they have misled particularly rural school divisions by suggesting that a 2.2 percent increase in funding in education was going to protect school divisions from having to raise property taxes yet again, but now we are finding that school divisions throughout the province are having to raise the school levy part of their property taxes by anywhere up to 13 or 14 percent.

So this is the way that they are starving our public services and trying to continually pass the tough decision making off to either the school boards in the province or off onto these new regional health authorities. But, as we have seen, the CEOs of the regional health authorities are going to be a little bit more up front that this government has been. They are telling us, they are being very clear that although this government is good at making announcements and they can time their announcements very well in terms of pre-election, in terms of what kind of a newsworthy it is going to be, the CEOs from the regional health authorities are being very clear that that announcement does not necessarily translate into any changes that would be coming in the next foreseeable future to deal with this crisis, but it would mean that the crisis will continue. Then we will see this government once again making more pre-election announcements down the road or maybe they will have one more personal care home that they will announce and being at the sod turning or the opening just prior to the next election. That is what I am anticipating.

One of the other things in terms of health care this government likes to brag about is that they spend the highest percent of government revenues in the country on health care. I think they claim that it—well, it is about 34 percent. I think that this has to be challenged

a little bit, because when you look at the cuts they have had in all the other departments, some of the departments that I am more familiar with like Environment and Natural Resources and Housing, Natural Resources have been cut back 30 percent by this government. The Department of Environment, under this government, similarly has been cut back. The Department of Housing this year under this government took the largest budget cut, a 2.5 percent cut in the Department of Housing. When you look at what has happened to the estimated budget in the Department of Housing since 1983, it went up to a high in '90-91 of \$51 million, and we are back down this year to \$43.5 million, which is equivalent to the level it was at in 1984 and '85.

So this again is I think very short, short-sighted. Although they may claim that they are putting all this money into the health care budget, in terms of a high percentage of total government revenue, when you do not make the connection of cutting areas like environment and housing and the link that that has to health, it defeats the purpose. This government has done nothing, really, on preventative health care, and by continuing to erode services and programs and funding in areas like natural resources, in environment and housing, what you are ending up doing is going to force yourselves to continue increasing investment into acute care and hospital treatment for health care because you are not realizing that some of those other government departments could really cut down your Health budget in the long run by putting in place preventative health measures. That is something that this government does not seem to understand very well at all.

One of the other areas that has seen a big increase, I think about \$2 million, is the Children and Youth Secretariat. This is an area of government that I am particularly interested in and concerned about, and one of the things that I am concerned about when I look at their strategy for the Children and Youth Secretariat is that once again they have changed directions. I think that this is their third crack at developing a so-called plan or strategy for high-risk and high-need youth and their families. First of all, they said they were going to take 2 percent of all the operating money from the five or so departments that were linked to the secretariat. This would have been over \$12 million. They decided

then they could not do that, and last year they came up with another plan and they had a \$500,000 fund all of a sudden that was supposed to allow community groups to link with government and solve all the problems facing all these families. They were going to encourage community groups to partner—they use that word a lot—with government agencies to come up with solutions. They had no criteria for how community agencies were going to access this money. They gave no actual reports on how much money was leveraged from other departments, and now they have changed their mind again. We actually took up the offer of the deputy minister dealing with the Child and Youth Secretariat and had a briefing, and now we find out they have got five new priorities. They have completely ignored working group reports that were done in good faith with the community that recommended all sorts of actions on this government. They have completely shelved that, and now they are on to a new track at the Child and Youth Secretariat.

What I can see, the biggest job of that secretariat now is trying to convince the government—it is this government trying to convince itself—that what they have to do is invest in early childhood education and early childhood programs, prenatal right up to school age. I do not know if the government is listening to itself. It certainly does not seem like it, and it seems like even the staff at the Child and Youth Secretariat are frustrated because, although they have been making many presentations on the benefits of investing into early years, whether it is health care, education, child care, nutrition programs, this government really does not seem to get the message. They make massive cuts to large government programs, whether it is in public schools, child care, social allowance, and then they create a little fund, whether it is \$500,000 or \$2 million, and they think that that fund is going to allow them to solve all the problems that are going to be created by their cutbacks in all these larger programs.

They are going to have a lot of little pilot projects that they will announce. They have got one going now. I really want to see what they are going to do with the results of that one, but the pilot projects seem to always be testing out things we already know work out, like investment into speech and language assessing and treatment. We know that that is a good thing; we know that it works. Rather than having a pilot project off in

some corner of the province, why do they not create a province-wide program, which is something that is desperately needed in this province?

The last thing that I want to emphasize in my budget address is that the last budget that we have had from this government, the budget from last year, actually mentioned the word "poverty." That budget actually mentioned problems among aboriginal people; it recognized the demographic changes occurring in our city and province in terms of the growth in the aboriginal population and some of the challenges that presented because this group of people, unfortunately, has suffered incredible discrimination, low economic and social status and it is going to take a lot of work to address the needs in that community. We are realizing the increase in numbers of aboriginal people is going to be a real challenge.

They said that. I think they are realizing that. The problem is that I do not think they know what to do about it. They have tried previously, as the Premier (Mr. Filmon) has said, to say that aboriginal people are a federal responsibility. What they have tried to do on the last budget as well, they said they realized in their last budget and last throne speech address that not all Manitobans are sharing in the benefits of the Manitoba economy. But this budget, they have changed nothing, but I find it absolutely reprehensible that in their pamphlet they have said that we are sharing the benefits in Manitoba.

* (1220)

I want to make a list of some of the things that are going to show that not all Manitobans are sharing in the benefits in the so-called economic recovery. The rosy picture the Minister of Finance (Mr. Stefanson) portrays is not an accurate picture for all Manitobans; many Manitobans are being left out. All that we have to do, first of all, is look at the real wages in Manitoba. The real wages under this government, the 10 lost years of Tory government, have dropped by a \$1,000 a year, on average, for the average worker in the province, and this has occurred while in the rest of the country Canadians have actually seen their wages increase by about \$600 per year. We have gone from having the second highest minimum wage in the country in 1986 to now having the third lowest minimum wage in the

country. At \$5.40 an hour, our minimum wage is well below the poverty line.

Manitobans have the highest rate in Canada for children in care, as wards of the state. We have the highest teen-pregnancy rate in Canada. Drug use among youth has increased by 12 percent in the last four years under this government. We know that our child poverty rate, although we may not be always the top or the child poverty capital of Canada, we are very near that. The food bank users now, in 1997, number over 5,000, and in 1991 there were only 712.

The minimum wage, as I said earlier, is \$4,000 or \$5,000 below the poverty line. Manitoba's youth suicide rate is one of the worst in the country, particularly in the North among aboriginal youth. We have a problem with declining enrollment; we have a problem with the number of students completing university. We also have a problem, I think, with the number of high school graduates that go on to university and how that is not improving in this province.

Manitoba has also been the car-theft capital of Canada. We are the violent-crime capital of Canada. Manitoba has seen the worst increasing gang activity in the country. We are second or third in the country in the number of home invasions and robberies. We have the longest hospital and health care waiting lists in the country. Many areas in the province, including my own constituency, currently have no subsidized child care. The \$6,000 cap on the spaces for subsidized child care means that many children in Manitoba have no licensed child care. We do not know how those children are being cared for, and that is a very serious risk potentially to thousands and thousands of young children in Manitoba.

Finally, the proportion of families suffering long-term unemployment—one person out of work for at least 12 weeks is how that is being described—has risen to 8.5 percent from 5.5 percent; 12,000 families have completely been left out and are certainly not sharing in any of the so-called economic recovery or benefits from this government. They are trying to say that the balanced budget is benefiting all these Manitobans, that it is benefiting aboriginal people, but I would suggest that many of those 12,000 families that are chronically

unemployed are aboriginal people. They are not sharing in the fortunes of the province as this government claims that all Manitobans are sharing in.

In the same vein, in terms of looking at who is and who is not sharing in the fortunes of the province, I want to draw attention to the government's choice of where they have made some tax cuts. We were suggesting maybe there are some tax cuts or user fee cuts that could have been fair in Manitoba. Maybe getting rid of the PST on baby clothes, other baby items, on products like that. Talking about the property tax relief that would have been available, particularly as the school taxes are going up again under this government, if they gave back the property tax credit, but, no, they did not choose to do that.

What have they chosen to do? They have made reductions to the payroll tax, which is going to affect the largest businesses in the province. They have cut the corporate tax exemption from \$300 million to \$500 million. They have given a personal income tax rate reduction that I really do not think is going to be felt by some of the families that need it the most. So, when you also look at the way they have chosen to make their tax cuts, it is very clear that all are not going to really be sharing in the benefits of the budget or the Manitoba economy.

I want to draw attention to some of the kinds of headlines that this government has had. This is from Thursday, November 28, '97, Tories' prosperity passing the poor by: Good times foreign to many as child poverty levels and food banks rise.

I think that I will end by returning to the theme of this budget, or what I see as the theme of this budget, and many of us do, is the deception in this budget. We have outlined many, many examples of how this government is misrepresenting the facts of how this government is deceiving Manitobans.

I want to conclude by, I guess, speaking directly to

the Minister of Finance (Mr. Stefanson), if I could, on this point, particularly after the question that I asked in the House today in terms of a pattern that is occurring with this Minister of Finance. He has been chastised previously by the Ombudsman's office when he was refusing to release all the information related to the Jets. He has withheld publicly funded polling information. He has played around the shell game with accounting for how many VLTs there are in the province and how many they are opening and how many they are closing, underestimated the revenue, and on and on. The list goes on and on and on, the games that they play with trying to say that there is booming job growth in the province at the same time as there is no increase in revenue from those jobs.

Now, today, hearing the explanation for the information given last year in Estimates related to the Pan Am Games, and I guess I want to conclude by saying that those of us on this side of the House want to see the Pan Am Games, but we want to see the Pan Am Games done right. We want to see the financing of the Pan Am Games being completely open and transparent to Manitobans.

With \$100 million in public money going to an event, a huge event such as this, we want the Finance minister on that issue and all other figures related to this budget to be open and transparent and not as deceptive as this budget, Madam Speaker. Thank you.

Hon. Darren Praznik (Minister of Health): Madam Speaker, I believe there to be a mere five seconds before we end today's sitting, and I look forward on Monday to resuming my place and my time to get into my remarks on this very eventful budget.

Madam Speaker: Order, please. When this matter is again before the House, the honourable Minister of Health will have 40 minutes remaining.

The hour being 12:30 p.m., this House is adjourned and stands adjourned until 1:30 p.m., Monday next.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 13, 1998

CONTENTS

ROUTINE PROCEEDINGS			
Reading and Receiving Petitions			
Winnipeg Hospitals Food Service—Privatization		Pan Am Games	
Cerilli	703	Cerilli; Stefanson	711
Barrett	703	Flin Flon Sewage Treatment Plant	
		Jennissen; Stefanson	712
Introduction of Bills		Water Resources Branch	
Bill 24, Crop Insurance Amendment Act	704	Struthers; Cummings	712
		Speaker's Rulings	
Oral Questions		Dacquay	713
First Minister		Members' Statements	
Doer; Filmon	704	Budget	
Health Care System		Dyck	714
Doer; Praznik	705	Sale	715
Regional Health Authorities		Four-Day Workweek Resolution	
Ashton; Praznik	706	Tweed	715
St. Boniface General Hospital		Economic Growth	
Ashton; Praznik	707	L. Evans	715
Gaudry; Praznik	710	ORDERS OF THE DAY	
Education System		Budget Debate	
Friesen; Stefanson	707	(Sixth Day of Debate)	
Economic Growth		McGifford	716
L. Evans; Stefanson	708	Sveinson	718
		Cerilli	724
		Praznik	730