



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

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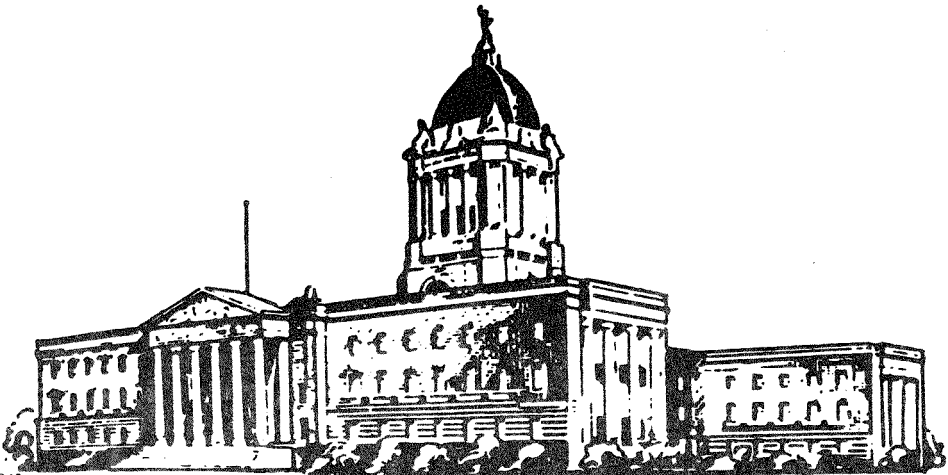
**DEBATES**  
and  
**PROCEEDINGS**

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Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Second Legislature**

**Members, Constituencies and Political Affiliation**

Name	Constituency	Party
<b>ADAM, Hon. A.R. (Pete)</b>	Ste. Rose	NDP
<b>ANSTETT, Andy</b>	Springfield	NDP
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BANMAN, Robert (Bob)</b>	La Verendrye	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
<b>BUCKLASCHUK, John M.</b>	Gimli	NDP
<b>CARROLL, Q.C., Henry N.</b>	Brandon West	IND
<b>CORRIN, Brian</b>	Ellice	NDP
<b>COWAN, Hon. Jay</b>	Churchill	NDP
<b>DESJARDINS, Hon. Laurent</b>	St. Boniface	NDP
<b>DODICK, Doreen</b>	Riel	NDP
<b>DOERN, Russell</b>	Elmwood	NDP
<b>DOLIN, Mary Beth</b>	Kildonan	NDP
<b>DOWNEY, James E.</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>ENNS, Harry</b>	Lakeside	PC
<b>EVANS, Hon. Leonard S.</b>	Brandon East	NDP
<b>EYLER, Phil</b>	River East	NDP
<b>FILMON, Gary</b>	Tuxedo	PC
<b>FOX, Peter</b>	Concordia	NDP
<b>GOURLAY, D.M. (Doug)</b>	Swan River	PC
<b>GRAHAM, Harry</b>	Virden	PC
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry M.</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HEMPHILL, Hon. Maureen</b>	Logan	NDP
<b>HYDE, Lloyd</b>	Portage la Prairie	PC
<b>JOHNSTON, J. Frank</b>	Sturgeon Creek	PC
<b>KOSTYRA, Hon. Eugene</b>	Seven Oaks	NDP
<b>KOVNATS, Abe</b>	Niakwa	PC
<b>LECUYER, Gérard</b>	Radisson	NDP
<b>LYON, Q.C., Hon. Sterling</b>	Charleswood	PC
<b>MACKLING, Q.C., Hon. Al</b>	St. James	NDP
<b>MALINOWSKI, Donald M.</b>	St. Johns	NDP
<b>MANNES, Clayton</b>	Morris	PC
<b>McKENZIE, J. Wally</b>	Roblin-Russell	PC
<b>MERCIER, Q.C., G.W.J. (Gerry)</b>	St. Norbert	PC
<b>NORDMAN, Rurik (Ric)</b>	Assiniboia	PC
<b>OLESON, Charlotte</b>	Gladstone	PC
<b>ORCHARD, Donald</b>	Pembina	PC
<b>PAWLEY, Q.C., Hon. Howard R.</b>	Selkirk	NDP
<b>PARASIUK, Hon. Wilson</b>	Transcona	NDP
<b>PENNER, Q.C., Hon. Roland</b>	Fort Rouge	NDP
<b>PHILLIPS, Myrna A.</b>	Wolseley	NDP
<b>PLOHMAN, John</b>	Dauphin	NDP
<b>RANSOM, A. Brian</b>	Turtle Mountain	PC
<b>SANTOS, Conrad</b>	Burrows	NDP
<b>SCHROEDER, Hon. Vic</b>	Rossmere	NDP
<b>SCOTT, Don</b>	Inkster	NDP
<b>SHERMAN, L.R. (Bud)</b>	Fort Garry	PC
<b>SMITH, Hon. Muriel</b>	Osborne	NDP
<b>STEEN, Warren</b>	River Heights	PC
<b>STORIE, Jerry T.</b>	Flin Flon	NDP
<b>URUSKI, Hon. Bill</b>	Interlake	NDP
<b>USKIW, Hon. Samuel</b>	Lac du Bonnet	NDP
<b>WALDING, Hon. D. James</b>	St. Vital	NDP

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 3 March, 1983.

Time — 8:00 p.m.

### INTRODUCTION OF GUESTS

**MR. SPEAKER, Hon. J. Walding:** Order please. Before we reach the proposed motion of the Honourable Minister of Finance may I direct the attention of honourable members to the gallery where we have 23 visitors from the 93rd Springfield Cub Pack under the direction of Mr. Oleksiuk. They are from the constituency of the Honourable Minister of Finance.

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

### BUDGET DEBATE

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Finance and the proposed amendment thereto by the Honourable Leader of the Opposition, the Honourable Member for Assiniboia.

**MR. R. NORDMAN:** Thank you, Mr. Speaker. I'm inclined to agree with the Honourable Member for St. Johns in his concern over the economy, hoping and praying along with him that it doesn't take a war of some kind to bring us to our senses in getting the economy back on the rails.

Mr. Speaker, at this time I would like to take this opportunity to also welcome our new Clerk, Mr. Remnant, to the sunny south and hope that he enjoys his semi-retirement here in Winnipeg.

Also, I'd like to commend Mr. Mackintosh for the able assistance that he gave us in stepping in to fill the breach after Mr. Reeves passed away.

Mr. Speaker, the theme of this Budget is basically unemployment. Creating jobs and saving jobs is the main object of this government, and I think we on this side can agree that employment has to be the goal of every Manitoban, employment that will enable every man and woman in Manitoba to earn a comfortable living and enjoy life with dignity.

Mr. Speaker, the approach of the previous government to economic development was to create a climate within the province that would encourage the private sector to flourish and develop in our community. This was happening in Manitoba, but when the NDP Government took over in November of 1981, the private sector put on the brakes and said, whoa, and nothing has moved forward since.

**A MEMBER:** Just backwards.

**MR. R. NORDMAN:** We've only gone backwards. In the 1982 Budget, Mr. Speaker, the present government projected a \$335 million deficit, but in the end the deficit came closer to \$600 million, which is all just deplorable. In the 1983 Budget, there still isn't any provision in evidence to control the spending. The only economic blueprint that we see in the new Budget is a job-creating program to the tune of \$200 million,

short-term, long-term, and what kind of jobs - who knows?

I'm going to be generous enough not to blame the present government for all the unemployment that exists in the province today, but I sure can and will blame them for the potential jobs that were lost with the mega projects, and these jobs were facing them when they came into power, jobs which they let slip away through negligence and political expedience.— (Interjection)— Maybe he'd make a better violinist than he would a politician. Those jobs were there and were deliberately let slide into oblivion because the government of the day was not prepared to let the credit for these developments go to where it rightfully belonged.

Mr. Speaker, in the 1982 Budget a tax on bank capital was imposed and again, in this Budget of this year we have a further imposition which will undoubtedly have an effect on the already tight supply of loan capital throughout.

The most regressive tax imposed in 1982 was the 1.5 payroll tax. What a negative impact this tax has had on the private sector. This, in effect, is a tax on jobs. It affects every employer in Manitoba except the Federal Government which refuses to pay this tax. This tax is a deterrent for all employers in Manitoba, whether they are profit oriented or some philanthropic endeavour. Take the Red Cross, the Salvation Army, cultural organizations, voluntary agencies. There is absolutely no escape from this tax. The tax is applicable to everyone and the irony of it all is that the consumer is the ultimate payee, because in most instances it becomes just another cost of doing business and will be passed on to the consumer where and whenever possible, another one of these hidden taxes that we pay. Those on fixed incomes and lower levels of income are affected adversely by this unfair tax.

Mr. Speaker, this type of taxation certainly is not the climate that will attract industry to locate in Manitoba. In fact, this is a powerful incentive for business to locate elsewhere than in Manitoba. This tax, along with the 1 percent corporate tax, the additional gas and diesel fuel taxes in the two past Budgets makes the private sector nervous about their future in Manitoba. So I can't see much coming from this private sector under these existing conditions.

One of the other things that is affecting the private sector will be the taking the freeze off on the hydro. Mr. Speaker, a few years back the Manitoba Economic Council warned us that we must create, at a faster pace, new jobs; we must provide new opportunities for skilled people; provide job retraining; improve the character of urban living and prepare ourselves for the 21st Century. These are mighty objectives and of great intrinsic value to this province, but whether or not they are accomplished will depend entirely upon the atmosphere and environment created by this government. To accomplish the necessary goals, government will require imagination and credibility. If the right climate and degree of co-operation exists between government and the business community,

business will respond to challenge with vigour and imagination, and understandably reach new highs in economic success, which is its fundamental purpose, and from which the economic success of everyone in this province is derived.

Mr. Speaker, in order for the innovator or the self-starter to succeed for himself and for all of us an atmosphere of freedom and encouragement is required. But today the private sector is being discouraged from being innovative; the private sector is being choked with bureaucracy and overwhelmed with complex business legislation and discriminatory taxation. The number of government boards with tremendous powers are a threat to our way of life. No matter what, one cannot move without getting approval or a licence from a government board. This is hardly contributing to individual incentive. It seems that whenever government wishes to resolve a problem with which it is concerned, whether it be the redistributing of wealth, discouraging foreign control of Canadian industry, or fogging mosquitoes, or sanctifying motherhood, it first has to establish a board where it sits for two or three years, then the government rejects about 75 percent of the recommendations and resolves the problem by creating another board to carry out what is left of the decisions that they've come to. I think one of the best examples of that is the Assessment Review Board. The one thing that the government has to come to grips with is industrial growth in Manitoba. It should be our first priority, really. Everything that flows from this is an important fact of life and without industry and industrial growth, there is no profit, no salaries, and no wealth, which can be taxed to pay for the cost of public service.

Mr. Speaker, the deficit of \$579 million - last year it took 5 percent of the government revenue to pay the interest on our debt and this year it is costing approximately 10 percent, and if we keep this up, in a couple of years it's going to be 20, 25 percent.

The substantial cuts of the departments in this Budget - I can't see any at all. The total debt load amounts to \$5,809 according to the figures that the Chamber of Commerce has come up with, for every child, man and woman, in the Province of Manitoba. It seems as if we are running as fast as we can, but are still going behind and what have we to show for the deficit? No new roads, no new hospitals, no new capital spending project, to show where the almost \$600 million went.

Mr. Rowland C. Frazee - he's the Chairman and Chief Executive Officer of the Royal Bank of Canada, in his speech delivered to the Canadian Chamber of Commerce on September 19, 1982, says that "In the public sector there are two methods available to fight inflation", and according to Mr. Frazee, inflation really is the culprit. Employment - yes, it's the No. 1 worry, but inflation is the No. 1 culprit. He feels in the public sector there are two methods available to fight that inflation, one is monetary restraint and other sector fiscal restraint. In his opinion all governments need to cut spending and reduce deficits.

The government has to face up to the task of cutting back on cherished programs, but these huge deficits are leaving little room for interest rates to come down to where they should be. They are reducing the availability of funds for productive development of the economy. Cutting costs has never been more important than it is today.

A government that is not cutting its deficit, not cutting inefficient, non-productive spending, is contributing more to the problem than it is to the solution, which brings me to the question that the Honourable Member for Lakeside put to the House in his speech and incidentally, I think it's one of the best speeches that I've heard in this House. And the question he put before us was - and I think it gives us all cause for thought - when do the debt charges, as it relates to the total revenue and expenditures, become unacceptable? I think that this is something that, on both sides of this House, we should give considerable thought to. I think it's very apropos of the day.

I would like to leave that question with you, and I would like to close by reminding those of you who have thought that big government is the answer, that any government that is big enough to give you everything that you want is also big enough to take everything that you've got away.

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. R. PENNER:** Mr. Speaker, I, too, would like to add my very warm welcome, my congratulations, to the new Clerk, new only to us, not new to the profession, and it is indeed a profession of high calling which calls for skill, diplomacy, knowledge, tact, all of these possessed in strong measure by Mr. Remnant. We welcome him here. The Member for Assiniboia said, we welcome him to sunny Manitoba. I don't think he's seen the sun since he has come here, but had you seen the sun, you would also have seen some very, very cold weather. We had an unusual winter to welcome you.

I would like to open my remarks in this address, Sir, by some general observations. It seems to me that a Budget Debate is or should be preeminently the occasion for some reflections on the economy, globally, nationally, provincially. Given that, beyond doubt, we are still in, and may likely continue to be in for some time, a crisis of massive proportions, a crisis which is prolonged, which is pervasive. Then, a Budget Debate should be, one would hope, a time for constructive, thoughtful, measured analysis, reasoned criticism.

May I say, Sir, with regret, that judging the opposition by those standards, with one or two honourable exceptions, their performance at best has been pathetic; at worst, irresponsible. Instead of reason, we've had rhetoric; instead of measured analysis, we've had bombast and hyperbole. When it wasn't those, it suffered the worst state of all. It was ultimately boring. There have been exceptions. I may say that I'm waiting with considerable interest, for example - I hope he forgives me for this - the address of the Member for Turtle Mountain. I expect that may be on a somewhat higher plane; I hope I'm not disappointed.

In any event, I would like to offer some reflections - perhaps I should say to hazard some reflections after those opening remarks - on the economy as a preface to some specific remarks on the Budget.

Globally, what we, I think, have to come to grips with, and as yet have not, is that there have been some profound, irreversible structural changes that have taken place in the world certainly in the last 20-25 years. I think it's probably been an ongoing process

for much longer than that, but I'll confine my remarks to that period of time.

There has been a global shift in economic power; there has been a global shift in economic development; there has been a global shift in the rate of economic development. The Third World, or at least a portion of it, that portion of it which we refer to quite often as the developing nations, are demanding and winning - sometimes by methods we don't approve of, no one likes to lose the advantages they once had - they are demanding and winning a place in the economic sun. Our world will never again be the same. We have to come to grips with that. We have to try and understand what has happened, what is happening, and what the effects of those changes are. Our economies will never again be the same. Indeed, our collective standard of living on a relative basis - and here I'm speaking globally in terms of the Western World measured against the developing nations - will never be the same.

Let me just cite two examples, well-known of course, but I think neglected in any of the reflections if one indeed could call them reflections in the speeches from the benches opposite. The OPEC situation, the OPEC impact on world energy prices reflects that kind of shift. For the years following the Second World War, particularly, we were able to take advantage of relatively low, in fact much too low, world oil prices which was based on the exploitation of countries which were either captives in a colonial sense of the Western World, particularly the United States, Britain and the Dutch, or were captives of the greater powers in a sense, the cartels, and they suffered 25 years of a very, very low standard of living and in the late 60's, early 70's, they too got the message that the world would have to change for others if it was to change for them. They banded together - I don't defend this cartel any more than I would defend any other cartel, but they had suffered those years of being exploited and they thought maybe it was their turn and now we are paying the price in a whole variety of ways. One day, I would like to reflect on the price we are paying and the way in which we changed our methods of transportation because of the - in a relative sense - abnormally low prices of world oil.

Secondly, as an example - and we do, particularly in Manitoba, I think, have to come to grips with it - the shift in goods production so that in countries which were considered hitherto to be backward, countries we formerly considered to be countries of the rice paddies, the level of goods production increased enormously. Just look at the labels in our own shops - from Taiwan, from Korea, from China, from the Philippines, from Japan. Now the consequences of these shifts were in part some enormous inflationary pressures, no doubt about that. Another consequence was, particularly if one examines what happened for example in the United States and it's reflected in Canada with respect to the production of audio-visual equipment, the effect of what was happening in the mighty leap forward on the part, let's say, in this instance, of Japan, was that there began to develop at an increasing rate a larger and larger percentage of unused plant capacity. A larger and larger area in which the opportunity for capital investment in the traditional way, that is by expanding plants, was shrinking as good production moved over to other parts

of the world. In that context the money that was accumulated through production and not then invested in increased plant capacity began to find its way into the money market.

You know, if you just look at today's Globe and Mail, the business page of today's Globe and Mail in a sense doesn't tell it all - headlines do not ever tell it all - but it gives an indication of the point I'm making. Business spending may drop more this year than in '82, and in '82 it was a disaster, that is, the goods-producing sector is not yet ready for a whole variety of reasons, one of which I've illustrated, to invest surplus capital in increasing plant capacity.

Second headline - "Rebounding Markets Set Records." Capital that would ordinarily, once accumulated, find its way into plant expansion under world pressures that we have to understand is, at least for the time being, entering the capital markets, the speculative money markets, and these things, the OPEC-type thing, the kind of shift in the use of capital about which I'm speaking have contributed to build up, as I said, inflationary pressures.

It's no doubt that inflation is a problem, but I cannot agree with the remark just made by the Member for Assiniboia that inflation is the No. 1 problem. It was undoubtedly identified by the monetarists as the No. 1 problem. It is still identified by those few monetarists trying to hold the fort of Milton Freedman. There are still some that contend for monetarism against all the evidence to the contrary. They still identify inflation as the number one problem when clearly it is unemployment and the effects produced by monetarism. Monetarism, Mr. Speaker, as an answer to something far more profound than that which could be dealt with by mere fiscal policy, is a draconian policy of restricting the money supply, of producing high interest rates. The worst feature, in my view, of that policy is the intentional creation of mass unemployment. I use the word "intentional" advisedly because it's not as if they desired mass unemployment. It's not intentional in that sense, but knowing beyond peradventure, knowing full well that that policy must lead to mass unemployment, they persisted. Some of them - to a considerable extent the Governor of the Bank of Canada, the Prime Minister of Great Britain, perhaps to some extent the President of the United States still persist on following that policy.

I called monetarism draconian; I should have called it callous. Why? Because of this fact that I've just mentioned; namely, that I think all monetarists, but certainly the extreme monetarists believe that the economy in a sense must be depressed. They call it cooling the economy; that's a euphemism for depressing the economy by creating what capitalism often likes to have available, a pool of unemployed, because a pool of unemployed has at least two purposes, two uses - in that view, not in our view, not in my view certainly - one is that it does depress spending and hence is in that sense anti-inflationary but at what cost, at what cost.

Secondly, of course, it creates, as it ultimately has created in this country, the lever to lower wage levels. It's a draconian policy; it's a callous policy, and it's a completely wrong-headed policy because what it fails to take into account, the abysmal failure of Freedman and his followers is that it can never actually work as

an anti-inflationary policy, because those very workers who, being unemployed, may be said to spend less, would, if employed, be producing the goods on the shelves that would balance their increased purchase power and, given a managed economy, keep inflation within bounds.

Now, if one then reflects on what is taking place by this managed, deliberate policy of monetarism blessed by the Government of Canada, blessed by some of my friends opposite, what it conceptually, what it is among other things is massive intervention by government in the economy by fiscal policy, massive intervention by the government by means of fiscal policy. This, supported by many of those opposite, renders ridiculous, gives a hollow ring to their cries of free enterprise. They support government intervention when it suits their purpose and this is massive government intervention of a kind scarcely seen, at least in this part of the world, and this they call free enterprise. As long as government policy suits their particular economic objectives, it's free enterprise. If it doesn't it's rampant socialism.

Parenthetically, these persons who cry out the glories of free enterprise, while in fact relying on handouts through the tax system and on this kind of fiscal policy, never tire, Mr. Speaker, and have not tired in this debate of demanding blank cheques for their own interests. For example, the Member for Arthur was heard, and heard by me, to say with respect to the Beef Support Program, why don't you just stand out on the front steps of the Legislature - I'm not purporting to quote his exact words, but this is the effect of what he says - and throw the money at the cattle producers. Preferably, he said, stand in the middle of my constituency and throw the money at the cattle producers. That's his notion of free enterprise; monetarism, massive government intervention to create pools of unemployed. Give us the money, we, the producers. It is, as I say, it gives a hollow ring to these claims.

Notice as well, Mr. Speaker, what this demand - it almost sounds like the mating call of a moose - this demand for 6 and 5. They lust after 6 and 5, but what is 6 and 5? Six and 5 is not just a set of numbers; 6 and 5 is a policy of government intervention in the field of free collective bargaining. That's their belief in free enterprise; government power on their side when it suits them. Because the historical agreement that was made in 1944 in order to create - in fact, it goes back to 1943, to 1935 in the States - a climate of industrial peace in which the trade union movement, in exchange for exclusive bargaining rights when appropriately certified, gave up the right to strike during the lifetime of a collective agreement, was based in part on the inviolability of that collective agreement. But when it suits their government, when it suits their needs, they can call upon government, and they have called upon us, to take the heavy club and to destroy that historic bargain upon which, comparatively speaking, we have enjoyed 30, 35 and more years of industrial peace.

Look what is happening in the Province of Quebec, and we should measure what is happening in the Province of Quebec. That kind of government intervention snowballs to the point where a government which prided itself - the Government of Quebec - on its own human rights legislation, its own Bill of Rights,

but it had a notwithstanding clause, has passed legislation with two notwithstanding clauses - one for their own Bill of Rights and one for the Charter of Rights - in order to pass legislation which is the most brutal anti-labour legislation this country has seen in 40 years. They will pay a heavy, heavy price for it. The destruction of free collective bargaining which they lust for is a sorry mistake which will never be made by this side of the House.

Mr. Speaker, isn't it peculiar that when we announce a Jobs Fund to deal with the real problem, unemployment, they yell "socialism." If socialism means government action to create jobs, I am once more proud to call myself a socialist. Actually, job creation measures in the context of our economy are more appropriately called the new capitalism, as Heilbroner calls them. In any event, my point is that we are living in a new world. The world production of goods may be increasing, but our share of it is not, relatively speaking, and within that context the pressures, the historic struggle over the division of the product as between capital and labour will be intensified. They want to use the power of government to beat back the demands of labour; to beat back the progress that labour has made through free collective bargain.

Let me reflect, Sir, on some of the things which have happened nationally. In fact, I may shorten my remarks by pointing out that having succumbed to the lure of monetarism for half-a-dozen years, the Federal Government has finally or apparently gotten the message; namely, that what is needed in fact is not monetarism, but Keynesianism, stimulative measures, job creation measures.

I would like to refer the members opposite, particularly, who have been citing the Minister of Finance's document, I would like them to look at all of that document and to look particularly at the submission made on behalf of this government by the Minister of Finance at Meach Lake, December 16, 1982, and just look at the constructive policies that were proposed, that are clearly the kind of policies that are needed in this country and in this province at this time. Fiscal policies; the need for increased stimulus; maintain federal transfer payments; monetary policy and reduced interest rates; expanded and accelerated public investment; financing public investment; improved federal job creation programming and training; extension of unemployment insurance benefits; improved federal-provincial consultation.

There's a program for our time and for the needs of our nation. It was advanced by our Minister of Finance and we should be proud of it, because he gave the lead at that meeting and it is interest that's clothed in various euphemisms, some of the Tory provinces, some of those who aren't bedevilled with the kind of antediluvians that we have in this House, are beginning to take the lead set by this province. He made a creative, that word is worth 50 points in Scrabble any day.

Let me offer some reflections provincially, and I would like the members opposite to pay some attention here because I'm not just talking in a narrow partisan way. I am looking over the last 20 years of the economic life of this province and projecting into the future. The long-term trends for this province - demographically, yes - but, economically, are ominous. The focus on

economic development in Manitoba has been on primary resources: agriculture, mining, forestry, fishing, trapping and, to some extent, on manufacturing to capture linkages through processing to the value-added kind of system that we have sought to develop in this province. But you see, here's my point.

Given the structural shifts in world economy, given what has happened with respect to goods production in Taiwan, the Philippines and those countries, we will never regain the lead that we had and the lead that we've lost because - and it may already be too late - what we should have been doing over the past period of time - and our party shares some of the responsibility; I don't think we should be ashamed to be self-critical where self-criticism is due; we certainly bear some responsibility - have failed to notice sufficiently and in a timely way these changes and to look at where the real heart of our economy is, where it was going, what had to be done, particularly with respect, for example, to high technology. The real growth has been in the service sector, while the other sectors of the economy have been sluggish because of these factors to which I point.

For example, in the period, 1966-1981, the growth measured in 1971 dollars in output in the Province of Manitoba was in the order of about 1.8 billion; 1.4 billion of that, that is about 78 percent, was in the service sector of our economy.

The increase in employment between 1961 and 1981 was considerable, the number of people in the workforce; 86 percent of that growth was in the service sector. Analysis shows, Mr. Speaker, and we have failed to note it in a time that Manitoba has been preoccupied - here I'm speaking about the public sector as well as the private sector - with goods production long after that ceased to be a prime source of economic growth. These, Sir, I'm giving as facts, not as value judgments. It's incumbent upon all of us to understand these trends and to come to grips with them if the economy of Manitoba is to rebound and gain that buoyancy it once had.

We are missing the high-tech revolution. That in a time that Manitoba has been preoccupied - here I'm speaking about the public sector as well as the private sector - with goods production long after that ceased to be a prime source of economic growth. These, Sir, I'm giving as facts, not as value judgments. It's incumbent upon all of us to understand these trends and to come to grips with them if the economy of Manitoba is to rebound and gain that buoyancy it once had.

We are missing the high-tech revolution. That must be addressed, and I say, Mr. Speaker, that it will be addressed by this government. It requires, however, long-range planning. It requires the creative role of government, something that the members opposite ideologically are incapable of. Their slogan - they have given it expressly or impliedly as the less government the better, other than when it suits their purposes, when in fact if we are to be competitive, if we are to maintain a relatively decent standard of living in today's world, we need intensive planning, we need to look to the long term and we need, let me say quite frankly as government, to employ the kind of people that they talk about as being Saskatchewan gypsies. The Federal Government, let me say, is not at all backward in hiring

that kind of expertise —(Interjection)— or Alberta or B.C.

But that bunch, across there, who have mismanaged the economy of the Province of Manitoba beyond belief, and the Minister of Government Services gave some examples of it, rest on those old narrow ideological blinkers about the less government the better, criticize us for employing experts.

You know what they did under the leadership of the Leader of the Opposition, he could hardly wait to get in there with the long knives and to cut out the planning capacity of government. He believed and he did it, out of the sincerity of his belief, as wrong and bullheaded as it was, but he believed in a sense the less government the better and the more decentralization the better. He destroyed the planning capacity of government. He sent it back to the departments hoping that the departments would take it up, which they didn't, they couldn't. It wasn't what departments normally do, and when the crisis hit and responsiveness was needed and when we looked around the planning capacity was there. So, yes, we are hiring slowly, carefully, through the Civil Service competition in most instances —(Interjection)— yes, yes, laugh if you will. The Leader of the Opposition may laugh; he may chuckle; he may as I said, shake like a bowl of jelly, but the facts must be faced.

Now, I would like, having reflected on the world economy, the national economy, base elements of the provincial economy, I would like to make a few observations about the Budget, and some particular observations.— (Interjection)— Well, I must tell the honourable members opposite I have been, if they only had been listening, talking about the basic questions upon which a budget must be based, upon which it must reflect. With respect to the settlement, the reopening with the MGEA, not only have they been negative in that respect, but regrettably, it appears they have made no attempt - perhaps I'm being too charitable to understand that deal, it's almost as if there was a calculated attempt to misrepresent; almost as if there was an attempt to cause confusion.

For example, it is clear the calendar speaks its objective, that what would have been 12 months of an agreement became 18 months of an agreement and yet all we hear about is 30 months. We are talking undeniably about what is now from April 1st an 18-month agreement. They persist in trying to calculate that as a 30-month agreement. Now, no matter, Mr. Speaker, how you slice it, the average increase in that 18 months is 7 percent and that, Sir, sets a mark, a benchmark, of reasonable expectations.

It is not a legislative rollback; it is not a formula. It is what will inevitably occur given the ripple effect of settlements in the public sector. Just take out your pencils, don't take out anything more than your pencils, but just take out your pencils or pens opposite and just write down the figures. Do your calculations. Three months at zero, 12 months at 10.2 and three months at 1.5. Do your multiplication, divide by 18. It's 7 percent. Don't fool yourselves; don't fool the people; don't turn into a political plaything what has the opportunity by leverage for making some significant contributions to dealing with the tough times in which we're faced. That's irresponsible. That shouldn't be done. That's sometimes called the big lie, if it were somewhere else and that we ought not to do that.

I must say, Sir, I'd like to just reflect here for a moment on the responsibility of the press. I haven't since I've taken office in terms of myself, I haven't cried foul with respect to the press. I don't intend to cry foul with respect to the press, but there is a responsibility, particularly when you're living in what is still for all practical purposes a one-press town, and I would like to take the Free Press to task as the Minister of Labour has, because in an editorial on February 17, 1983, and they must have known better, they must know better, "A High Price For Peace" is the label on the editorial, "By its generous treatment of its own employees it has sent a signal to the Centre's" - that's the Health Science Centre's, - "operating engineers that 13 percent is the going rate." That's not the going rate. The signal that was sent is 7 percent. Take out your pencils, I've given you the figures. Calculate it.

Now, what is interesting, Sir, is that the Free Press itself as pointed out by the Minister of Labour in 1981 gave a 43 percent increase in the following terms: 4 percent bonus for signing, 13 percent for 1981, 13 percent for 1982, 13 percent for 1983. Who's sending signals? The Free Press itself sent the most powerful signal of all. Let it see if it can come to a voluntary arrangement with its employees.

I don't really mean that. Forgive me, Murray, I was just using that as an example.

With respect to the deficit, again there has been irresponsible poppycock, scare tactics. In their own lives, Mr. Speaker, in their own businesses, in their own firms, they calculate not only liabilities but they calculate assets, they know how to calculate net worth. They know how a corporate business sheet looks; some of them do, not all of them and that's no sin. Our capital debt, yes, is \$3,711,706,000, a big number, but what is our capital worth? Our capital worth is several times that.

That's what the balance sheet of this province is, and you see the destructive harm that you do by trumpeting deficit, deficit, deficit and deny the heritage that is being built up through successive generations of the work of Manitobans that are there in its power dams, in its infrastructure, in its schools, its universities, its roads - they are there.

If they weren't there, we would have to build them. We would have to go and borrow the money if we were to replace them today, and replacement cost is one way of measuring value. It would be at \$20 billion, \$30 billion, \$40 billion, and we have a debt of \$3 billion. And that's why, even though it might be the case, given the narrow operating parameters of the rating agencies, that our credit rating might, at some point, go AA.

But interestingly, and I would like you to take note of this - three weeks ago, Manitoba with its AA rating, went on the capital market for \$150 million in Canada and got it at 11.75, end rate 11.9 percent. Alberta, the same week, AAA, with all that it's got, went on the capital market for \$100 million, AAA, paid 12.25 percent.

**A MEMBER:** How long? How long?

**HON. R. PENNER:** What we have in effect - 11.75 - the same number of years.

Further, on understanding the deficit, the deficit basically - and there's an article in the Globe and Mail,

of Saturday, February 19th - I won't take time to cite it - I don't have the time - but there's an article in the Globe and Mail by two leading Toronto economists and it will appear as an article in the Canadian Tax Journal that points out that, in fact, the deficit is a fiscal restraint deficit; that is, that it's a creature of the failure of the system. Because, Sir, if the recession had not been allowed to go on unchecked, revenues in the province in 1982 would have been better by \$120 million to \$150 million. Expenditures, with respect to things like welfare and so on, would be less by something like \$75 million to \$100 million, and if we hadn't been damaged by the transfer-payment loss through the change in the equalization formula, we would have had an additional \$150 million. This accounts for virtually all of the deficit. It's a fiscal policy, restraint-induced depression deficit. That's what it is. I don't want to be understood - my time is running short - as defending a deficit as a good thing. It's necessary at certain times in a Keynesian sense, but not necessarily good.

I thought the Member for Lakeside in his speech yesterday - or was it the day before yesterday? - made a very good point, and that's what I call constructive, thoughtful criticism. He worried, genuinely, about the interest charges, the carrying charges and I want to say, quite frankly, we do to. We realize, you know, we do think long and seriously about steps that we take. We're not perfect, we may make mistakes, but we do think, we do worry, we are concerned and we do know that you cannot continue with sizable deficits of that order over a period of time. We know that they restrict your options as the percentage of revenue, going to pay interest charges increases from 5 to 9 and possibly larger. We know federally it's at about 23 percent; it will never be that under this government. But partly the problem is - the key, I think, is in our hands.

We can, yes we do, have to take advantage of national and international trends, but the key is in our hands over the long term and, that is, that we must change the course of the economic development of this province from its reliance on what is now an outdated - competitively speaking - goods producing sector. We must help that, but it's a question of where we focus our attention and we must bear the responsibility if we don't do that.

If we assist, and only government can assist, and I know the Minister of Economic Development has been thinking along these lines, to develop the high-tech industry, then we will create what must be created over the long term, the kind of buoyant economy on which adequate tax revenues may be based, on which the kind of services which must be delivered, are delivered.

Okay. I would like to throw out some challenges. I know what's going to happen. When we get to the Estimates, they're going to say, why aren't you spending more on highways? Why aren't you spending more on ditches? Why aren't you spending more on this? Why aren't you spending more on that? We're going to be writing down every "why aren't you spending more?" And they come to us with these demands, but irresponsibly now, without any real addressing of the problem, they say the problem is that you're spending too much.

They don't look at the world trends; they don't look at the national trends; they don't look at the provincial trends; they don't know the economic history of this



province; they don't know, and seemingly don't care about the economic future of this province. They've got one knee-jerk reaction - cut the spending. Okay, line by line. You're looking for \$300 million, tell us where you're going to find that \$300 million. I'll tell you what you'll say if you're honest. You'll say, kick the crutches. That's what you'll say.— (Interjection)— Yes, you will. Because if you're going to find money of that kind when you're saying more highways, more ditches, more roads, more of this, more of that, then the unstated premise - because you may not have the guts to state it - is kick the crutches.

Because if you're going to be talking meaningfully about changing the shape of the deficit, don't tell us about \$52,000 paid, or whatever it is to Scotton - tell us about \$300 million. You can't do it because you don't know how to think economic; you've got blinders on; you've got a blind Leader; the blind leading the blind, and you would lead this province to its economic destruction on the basis of that kind of discredited outlook.

**SOME HONOURABLE MEMBERS:** Oh, oh.

**HON. R. PENNER:** Well, you know, take time, take time to breathe. Take time to ponder. Take time to think. Some of your members do; too many of you don't. You rely on outdated discredited approaches to complex economic problems.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order please.

**HON. R. PENNER:** Mr. Speaker, I conclude by restating my premise that a Budget, at any time, but particularly the time of crisis, must be addressed in the context of the global economy. It has been said that truly we live in the global village, everything that happens throughout the world affects us. There have been these massive changes. The Third World is crying out for its place in the sun. They will get it, whether we want or not, we have to learn how to structure our lives and our economies differently. We're making some modest beginnings here. Try and be honest; try and be constructive in your criticisms.

**MR. SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Speaker. Firstly, along with the colleagues of the House, I'd also like to extend my welcome to Mr. Binx Remnant, the new Clerk of the House. I think I was one of the fortunate ones that happened to be a delegate to the Northwest Territories last summer when they were hosting the Commonwealth Parliamentary Association and Mr. Remnant was one of the key figures in the hospitality that we enjoyed at that time. It was fantastic. Having done that last year out in the Northwest Territories, he is now here and will be helping, I suppose, and assisting and hosting it for this year out here.

My wife and myself, Mr. Clerk, also have two very good remembrances hanging in our house of the two lake trout that we caught at Peter Lake and I know that my colleague from Roblin has an Arctic char that

is mounted in our caucus room. It's a beautiful fish as well, so we have some remembrances that are very fond to us. So I feel I have a bit of allegiance with you to some degree because of the hospitality that we were shown.

Mr. Speaker, in preparing my notes for the reply to the Budget, many people have spoken, there have been some very good speeches that have taken place, some were marginal, I suppose. As one gets further down the line, you start wondering as you've made your notes, some of this stuff is going to be repetitive to some degree and I was a little worried about the whole issue as to which direction I should take and whether I should change every time somebody mentions some of the issues and then I decided I'd made my notes that I wanted to speak on and I will stick to that to some degree.

However, before I go into that, I would like to respond to some of the remarks made by members opposite. One thing that has come out very obvious, there's been - and no reflection on lawyers, like we all need lawyers, for those that need divorces, for those that need land transactions, we all need lawyers - but we just had an oration by a lawyer that was trying to sort of indicate and, Mr. Speaker, I have to say in all honesty, I represent a very average type of constituency. I don't have many lawyers in my constituency, Mr. Speaker, but I'll tell you something, if I was going to read the speech of the House Leader that just finished, his address to the House here on the Budget, I would lose every one of them. I say, we all need lawyers, but there comes a time when there's a little over weight of some of these things, you know.

One thing that has come out very strongly in the Budget Address so far has been the lack of support that has been able to be generated by the members opposite.

**HON. S. LYON:** They don't like the Budget.

**MR. A. DRIEDGER:** Very few speeches have gone the length of time that they're allowed, understandably, but they have a problem defending what they have done. They have a real problem defending what they have done and we have had all kinds of comments - I'll get a little further into this a little later on about, you know, the requests made for suggestions. I'll get into that. But the other day, on Thursday, when the Minister of Finance brought down his Budget, we went back and we had the various news conferences and what-have-you and I went home and I felt sad and depressed. You know, I have an hour's drive. I had lots of time to think about this and I wondered why would I be sad and depressed because these people across here are the ones that brought down the Budget. I should have been elated because they're self-destructing. Really, you know, they're self-destructing and I should be elated because they won't be there next time after next election.

But, you know what bothered me most? Listen. We're all fans of sports. It's like when the Jets lose or when the Bombers lose; when they lose too many games, we start criticizing the management and all these kinds of things and we say, oh, there they go again. The manager and the coach, everything is wrong but, deep

down we'd like to see them win and it hurts us when they lose and that's the kind of feeling I finally had when I was at home, thinking about this thing. Why was I sad and depressed? You know why? Because we're all losers in Manitoba because of that Budget, we're all losers. It is like when the Jets and the Bombers lose. We lose because of what you people have done and that makes me actually hurt.

I can't make the kind of elegant speeches that the, you know, House Leader has done as a lawyer in terms of exploiting all the things. I want to lay some of the straight facts on the table that the people of Manitoba are hurting by what you've done. We fudge at the Premier; he wrings his hands. We have all kinds of issues. We use words, but we don't come up with the cold hard facts that bother people. It bothers me tremendously and then they have - in the last few days I heard the Minister of Government Services, the Minister of Urban Municipalities, I heard the Minister of Municipal Affairs get up and make their speeches, go back to 1977 in terms of promises that we made. That is desperation when you have to go back that far to try and come up with something to speak in the Budget Debate.

You tell us, give us some suggestions. Give us some positive reaction. That's been interesting.

I happened to be fortunate enough to be in Brandon on Monday when the municipal seminar was taking place and the municipal people were there and, in my opinion as an ex-Reeve, I think the municipalities are the guts of this country, much more so than the Government of Manitoba, they are the guts of the whole thing because they're grassroots. When they take a position in a direction, I think government should take a lesson. And what have they been saying for a long time? They say, cut back.

The Federal Government suggested 6 and 5. All municipalities started holding meetings. School divisions held meetings and said, okay, things are tough, like you all say and like we all say, things are tough, let's accept 6 and 5. Let's cut everybody down to 6 and 5. They held meetings and made proposals to the government of the day. And what does this government do? They totally ignore it. This is the government that came out and said, we are listening to people. This is where the Ministers get up opposite and say, give us suggestions. We have suggested; the municipal people have suggested, and what do you do? You run your blind course. You run your blind course because you haven't got the guts to make decisions when it counts.

They say, government that listens. I have a little item here in my hand that is from the Winnipeg Chamber of Commerce. I want to just illustrate some of these things. "Because Manitoba Government spending is so out of control, the province faces an imminent crisis regarding the deficit." There is much said on this and I think you all have had it. You've read it, but you have ignored it. Then you get up and say, people give us advice. We listen to people. Give us suggestions from the opposition. You don't do that. "In spite of these appalling circumstances, the government indicates further increases in spending and deficits." They also suggested what should be done. This government doesn't listen.

These are the people, and actually, you know, when - I have a little problem, like why get up and be negative

all the time? But what is there to applaud? They are trying to justify the actions that they have done. The backbench must be hurting. Individual Ministers must be hurting and they keep using all kinds of examples and fudging the issue. The Member for Pembina uses the word, "fudging" and he uses, "bash on," but actually, that is what's happening. You are the people that say that you are listening to the people in Manitoba and you are asking the opposition for suggestions in terms of what to do.

Why didn't you listen to the municipal people when they begged you, use 6 and 5, show leadership. Give us 6 and 5. What have you done? Look at this settlement with MGEA, and that is sort of the crux to the whole thing. You have not accepted the responsibility of making cold, hard decisions. When the Minister of Finance the other day sat in his chair and said, we had to make hard decisions, and the Premier sitting there, we had to make hard decisions. They haven't got the ability and the intestinal fortitude to make hard decisions.

When you say you're listening to people, you listen to a few people, and I'll give you some examples. I'll list you a few examples.

When the Minister of Agriculture, you know - and I am agriculturally oriented - in his Beef Program he listened to the people he said. He listened to the people. Well, he didn't listen to the people. I can list all the examples of people that were never contacted, but the NFU, the National Farmers Union, those are the people he listened to and as a result he's come . . .

The Premier is going with his arms. I'll tell you something, that Premier's going to hide his head in shame when this program finally is terminated somewhere along the line, because it's going to come to haunt him. It will.

Mr. Speaker, who do they listen to? You know, they say they're listening to the public. Our caucus had occasion to meet with the Farm Bureau. They've been trying to meet with the Minister of Agriculture for a long period of time to discuss the Farmlands Program. Can't get a meeting. I want to refer to people from the Lac du Bonnet area that have been pushing at the Minister of the Environment to have a hearing to come and explain what's going on. No response.

I want to refer to the Premier and to the Minister of Education who have been begged by the people opposing the school in Ile des Chênes; give us an audience; let us present our facts. No response. The best they can do is have an E.A. come up and tell them, we'll talk to you some time, but they can't meet with these people. They say, yes, we listen to people; but when somebody is not agreeing with their thinking, they refuse to meet with them. This is open government. Oh boy!

What it boils down to is when the pressure comes on, when the heat is on, these Ministers and this government haven't got the guts to make decisions, because if it isn't popular then they fudge it, and it shows in this Budget that we just got presented; instead of finally facing it. You would think after 15 months in government they would have the guts to get up there and do what had to be done.

If you cut down on certain expenditures and made some decisions that were cold, hard and realistic, you know what, now they have fudged the issue and now

they're going to have to make these decisions later on. It's not just this is how I feel, but then let's face it and what some of the things that other people have said.

I want to read a little notation into here. "The opposition and, indeed, economists as well as journalists see the Budget as a disaster." In the Winnipeg Free Press, February 26, columnist Frances Russell heads a story, "Cowardly Budget Shows A Failure To Learn." Here are some excerpts, and this is a columnist that by-and-large has been relatively sympathetic towards the position taken by this government and here she calls them, "Cowardly Budget Shows Failure To Learn," and I want to read the balance of some of the comments. It says here, "Last year, Finance Minister Vic Schroeder went to extraordinary lengths to avoid increasing the sales tax. He was told by his caucus such an increase would be simply intolerable. To avoid the sales tax, Schroeder simply imposed an entirely new impost in the form of a payroll levy. But instead of winning the government friends, the tax has become an embarrassing millstone around its neck. It has to be paid by all businesses, profitable or not. This year the government increased the sales tax." And in bigger letters it says, "Manitobans have not seen the last of sales tax increases. The government seems to be a slow learner. Last year's experience taught it nothing." This is by one of the people that feel sympathetic toward the direction that you've gone, and you're trying to tell us that you're listening to the people.

Mr. Speaker, I want to address some of the hardships that this Budget has created to an area like the Constituency of Emerson, to the rural farm area. I looked at the Estimates that were tabled this same night on Thursday, and our major industry in this province is farming. And what do I see? I see a decrease in the farm expenditures by \$7 million. Then I see a decrease in Highways by \$8 million. Then I see the Minister of Natural Resource's Estimates are balanced even.

You know, when you consider the increase that they've given the employees, can you consider the decrease in the services to rural areas? This government, and I've indicated it before, doesn't give a darn about the rural area. They have no support; they never will have, especially after this Budget. They cater to their own. They're concerned about the labour, the MGEA, that's where they make their big settlements, and they decrease the things that are important to the rural area.

Agriculture has been the guts of this province for all its lifetime. What do they do? They turn around and tax it. They turn around and decrease the services, roads, drainage. And what do we have? We have a Minister of Natural Resources that goes to the States and tells the people in North Dakota how to farm. You know, the embarrassment of it, and it is an embarrassment, because I have neighbors across there and when you go and tell them, Mr. Minister, how they should conduct their farming enterprises, I am embarrassed.— (Interjection)— I don't want to get excited, but I do get excited because of what these people are doing to the rural area. The Member for Springfield should hide his head in shame because he's part of the government who's doing it to the rural area. So should the Member for Dauphin and the Member for Swan River. They are rural members. Where have you been? Why are you not fighting for your people?

I am embarrassed because the Minister of Agriculture, the Minister of Highways, the Minister of Natural Resources have not got up in Cabinet during the Estimate procedure and fought for the rural area, but obviously they've been outnumbered or else they don't care. Obviously, they don't care.

Let's just look at some of the activities that have taken place. You know, I'm going to come back. My specialty is agriculture, municipal affairs. Let's see what the Minister of Agriculture has done, or not done. The process that the Minister of Agriculture has had over the past few months in terms of the legislation that he's bringing in, the Farmlands Bill - and I will not debate that at this time, the time will come to debate that - when we look at the change in the Milk Prices Review Commission, and he's got an Act that we'll deal with at that stage of the game, but the total lack of concern about the rural area, it bothers me and it bothers everybody in the rural area. What they've done, Mr. Speaker, they've lost the confidence of the people in rural Manitoba and they're losing it in the city as well.

When you consider that last year they put on this payroll tax and then they increase the sales tax, it was no good, and I distinctly remember the Minister of Finance sitting there chuckling that night, proud as the cat that licked the cream, because he was not increasing the sales tax. Now, you know, a matter of fudging. Now, why are we negative? Why are we upset? The response comes back, don't always be negative. And I want to give a little bit of history on this thing.

When we go back, in 1980, when we were still government and all kinds of releases were sent out - I have all kinds here - the comics that they sent out, will the last man turn off the lights, and the decline in employment, etc. This was related to the Conservative Government at that time and here we have the smiling picture of the present Premier - at that time it was the Leader of the Party - and he has a signature here and he says, "Helping people solve problems. Despite its advantages, Manitoba is going downhill. Sterling Lyon dried up public investment in economic activity. One result has been the failure of many businesses large and small. Able people must leave to find jobs. Fewer people means less business, less jobs, and then even fewer people."

Now, I want to read the next thing, "The Lyon Government has encouraged confrontation. The lack of provincial support means disputes between nurses and hospitals, taxpayers, and school boards, tenants and landlords, teachers and superintendents. The Conservatives prefer to let people sink or swim rather than helping Manitoba solve problems." This is the Premier's signature under here.

**MR. R. NORDMAN:** How could he say something like that?

**MR. A. DRIEDGER:** Mr. Speaker, I want to continue reading some of these things because this kind of politics and this kind of propaganda is what got the government elected. In my mind, to take hypocrisy, fooling of the people in Manitoba and it's going to come back to haunt you and you can't get out of it. It says here "getting your monies worth. Today

Manitobans are paying more and getting less for it. The do-nothing Lyon Government has increased provincial debt to more than 4,000 for every man, woman, and child."

**A MEMBER:** And what is it today? What is it today?

**MR. A. DRIEDGER:** My gosh, when we look at the Budget that the Finance Minister brought down the other day, you should hide your heads in shame and you wonder why people are negative. "The NDP is committed to helping people, not to cut-backs. I want taxpayers to get their money's worth again."

**HON. H. PAWLEY:** Hear, hear.

**MR. A. DRIEDGER:** Well, the Premier is banging the table and I'll tell you something. He should go out there and talk to the people whose taxes have increased as of this last Budget and he says, "Hear, hear". Oh, I'm coming to that, Sir. "Education costs will be shifted to ease unfair burden of high property taxes."

Now I get to one of my favorite subjects which is the issue of the Minister of Municipal Affairs. I've had occasion to spend some time with the Minister of Municipal Affairs and, at the outset, I want to say that the Minister of Municipal Affairs is a relatively nice fellow. Period. Now let's talk about his ability to be Minister of Municipal Affairs. When we had the Weir Report, the MARC Report and we went on the hearings and the municipal people came in droves and made representation. I have files and so does the Minister and everybody else that attended have files this thick in terms of their concerns about the taxation aspect of it. The biggest thing, the Minister says, yes, we are concerned. What has he done to date? At the Brandon seminar the other day, he gets up there and he says, you know what I'll do for you guys, I'll bring in conflict-of-interest legislation for the municipal people. He made that announcement. He says, we'll wait until the whole thing is through here for the MLAs and then I intend to bring it in for the municipal people. You know what the municipal people told me and any of the people that were there, they said, why should we run? If you're going to disclose everything, this Minister doesn't care.

Now, the question they have, why would he want to bring this in? I've asked, has there been problems? The municipalities have an occasion every two or three years to elect councillors and if there has been conflict, whip him out. That's the process. But I'll tell you something, since the time when I was Reeve, many changes have taken place in the municipal aspect of it and government gradually takes over. Government and bureaucracy is like cancer. Would you believe it? It is like cancer. It keeps growing and growing and suffocating the freedom. Every time we pass a bill in this House, we take away more freedoms.

The Minister of Transportation is going to bring in seat belt legislation; the Minister of Municipal Affairs is going to bring in conflict-of-interest law, but in the regulations itself we are suffocating the freedoms of the people in Manitoba.— (Interjection)—

Let's look at the time when they had the occasion to serve. Thank you, Mr. Deputy Speaker.

The thing that has bothered me over a period of time, since the time that I had the fortunate occasion to

serve as Reeve, what has happened, we have taken away the rights of the municipal people. This is why I indicated before, in my opinion, they are still the guts of this country. These are the grassroots people that should know where drainages should go, where roads should be built, where planning should take place, where welfare should be paid. The government has taken over all those things and every occasion that I have to talk to municipal people I say, fight back because every time government passes a regulation you have less control. It's come to the point where these are the people that collect the taxes, basically do some snow plowing, you know, and certain little essential services and government has the big heavy hand of control over the whole system.

I feel very strongly that way and the Minister of Municipal Affairs, when he had the occasion to defend his position at Brandon the other day, fudges, walks around it. Actually, with all due respect, I have to say and as I indicated before I don't want us to get personal, I was embarrassed being part of government because he could not justify the position of what he was doing. He could not justify the increase to the MGEA for the people of the municipalities who indicated to him again that we have accepted 6 and 5. Many of them said, after six months we'll review it and if it is not good enough we'll go down to zero. Here the government turns around and comes up with 27 percent over 30 months. The Minister of Municipal Affairs tried to fudge the figures and talk in circles around it as the Premier has done, as most people have done here. Let's put it on the table. Why don't you tell the people of Manitoba where it's at, because the conception is that you have paid 27 percent over 30 months and if it is not so then correct it, but you fudge it.

I found it interesting the other day when the Minister of Finance and the Premier indicated they had to make hard decisions. You know what? They have never made the hard decisions. Now the one thing that's maybe good about it is because they'll still have to make those decisions a year from now because the recovery is not going to be there. They'll be in deeper trouble and one thing is certain, as of this Budget this year, they have certain the demise of that government. The only thing that we can hope and pray for is that they haven't bankrupt this province before we finally get them out of there.

In the best interest of Manitobans, we should encourage the Premier to call an election soon, anytime, because obviously they are bankrupt of ideas, Mr. Speaker. They are bankrupt of ideas because they are now getting up in their speeches, can't defend the Budget and ask us, give us ideas. They've ignored the Winnipeg Chamber of Commerce; they ignore the municipal people. They ignore everybody in terms of what they - you know, they don't listen to anybody, but they say, give us ideas. The old fudge game.

There are two personal concerns I want to bring in for my area. One is the Winnipeg Bible College, which is a private school, and I just want to draw this to the attention of the Minister of Finance, the Minister of Municipal Affairs, and the Minister of Education who has known about these things.

In 1971 they moved to Otterburne and took over that school at that time. They were taxed \$127.45. That was based on St. Joseph's College at that time. In

1982, the assessment stands and they have to pay \$31,301.12. This is a private school and it has an accreditation that raises all their funds from tuition fees and donations, and they are begging on their knees because they're going down the tubes in these economic hard times. They say, hey, not just us alone, give us the same treatment as St. Boniface College, which is similar; give us the same treatment as schools of this nature get in other provinces where they have to pay - they're totally exempt or a small portion. All they're asking for is equal treatment. You know what the Minister of Education says? There are only three provinces give total exemption, but the others only tax a portion of it. Manitoba is the only province that puts the plug to this kind of a college which has a beautiful curriculum, they're qualified in their education role, who raise beautiful citizens in this province, that go out and do good, do nothing but good, and they fight and raise their own money. And this government says, no, we can't help you.

Then we talk of this government talking about we're going to spend \$200 million in job creation; but less than a year ago they closed down the project in Sprague that was building homes - the Low Housing Income Project. It was there for eight, ten years, something like that, creating Low Housing Project - very nice. People that had difficulties. We kept it open; they shut it down. They shut it down less than a year after they were in power. They shut it down and seek job creation in Sprague, mind you, in the southeast corner where there's virtually no possibility of good job creations. Where we have that lumber plant that it's been up and down all the time, governments have been concerned about creating jobs, we have jobs there, they shut it down. And they're going to spend \$200 million doing what? It's sick. It's sick. It's sick.

Mr. Speaker, when we talk of job creation, I want to have it straight a few things that are - you know, everybody has their own personal opinions and every speaker expresses them to some degree, but we then sort of have to broaden our outlook sometimes and say, well, somebody else has got some views. You've listened to ours; we've listened to yours, very limited as they are, in terms of justifying the Budget.

I want to read part of a letter that was addressed to Premier Howard Pawley. I don't want to read the whole letter, but I'll just read portions of it, and the thing that's interesting, this individual writes, "Very few people wish to be remembered as having put your party in power. Your short-term program to provide jobs to the use of public monies garnered through excessive and unwarranted deficits is a bad joke at best." It says, "The jobs were there, Mr. Pawley - Alcan, Western Power Grid, Potash Mines, etc."

Now, you can say there's probably a Conservative. It continues. He says, "No, I am not a card-carrying Conservative, but it does not take a Rhodes scholar to recognize your government's total lack of logic in negotiating skills of concern for the people of this province."

Like I say, I won't read the whole thing into the record, but I want certain points here that I thought were very interesting. "Your increased taxes and total lack of understanding of the problems of the day will, I suggest, be remembered by the electorate. I only hope it will not be too late." And that is exactly my sentiments.

I hope that the Premier will have the guts, because he cannot deal with these situations, that he will have the guts to . . .

**MR. DEPUTY SPEAKER, Mr. Phil Eyer:** Order. Order please. Order. Does the Minister of Natural Resources have a point of order?

**HON. A. MACKLING:** Yes, Mr. Speaker, it is a policy in the House that if someone is reading from a document, they are prepared to table it. I'm sure that the honourable member will table the document.

**MR. DEPUTY SPEAKER:** The Member for Emerson.

### TABLING OF DOCUMENT

**MR. A. DRIEDGER:** Yes, Mr. Deputy Speaker, I'd be only too pleased to, because I want to make sure that - it's addressed to Howard Pawley, Premier of the Province of Manitoba - and I will table that document right here.

I wonder if the rest of the Cabinet - I feel that the Minister of Natural Resources should have this, as well as all the Ministers of the Cabinet.— (Interjection)— Yeah, probably the Premier is hiding it because he's embarrassed about it.

### BUDGET DEBATE, CONT'D

**MR. A. DRIEDGER:** I want to continue if I can now. It continues, "At least, by Mr. Lyon and his colleagues, there was sincere concern for all Manitobans and an honest desire to protect their province in the proper direction and understanding." I suggest, not unlike Mr. Trudeau, you're not listening to your employer - the people of Manitoba.

These are the kinds of things that are starting to surface now.

**A MEMBER:** The honeymoon's over.

**MR. A. DRIEDGER:** Well, if that's interesting to the Minister of Natural Resources, I have a few more here. The heading is not stupid, and I'm sure that he read it in the paper as well.

"When Blondie tells Dagwood that she has saved him \$100 by buying three dresses on sale, we chuckle. At the same time, we are supposed to believe that Premier Howard Pawley has saved us \$10 million by giving the government workers a 27 percent raise." It continues, "I do not think the ratepayers are that stupid."

If the Minister of Natural Resources wants me to table this, I'll tell him there's lots of papers out there . . .

**MR. DEPUTY SPEAKER:** Order please. Order.

**MR. A. DREIDGER:** . . . and all he has to do is read some of these things.

**MR. DEPUTY SPEAKER:** Order please. Does the Member for Pembina have a point of order?

**MR. D. ORCHARD:** Yes, Mr. Deputy Speaker. I wish the Member for Emerson would table the document that he's reading.

**MR. SPEAKER:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Speaker, there are so many things that as I was making my notes I got very saddened, as I indicated in the beginning. It is not a pleasure to get up here and be that negative because —(Interjection)— Well, the members think it's funny, but I'll tell you something. My parents came here as kids from Russia and they were happy to be here. They started with nothing. They asked for nothing, and many of the Mennonite people of the Mennonite faith came here, they asked for nothing, just for the opportunity to make a living. Now what has happened? They built up this country and governments are starting to destroy it. When we think of the fallacy, the deception that takes place in this House, and I say that because I believe that, because we cannot talk honestly to each other anymore. Government has to fudge every issue and we attack because of it, and that is one of the reasons why for the two weeks before Christmas there was all kinds of contention in this House here, because the Premier of this province has not got the ability and the fortitude to make decisions. The Minister of Finance paints a picture. Coming back to the Premier of Manitoba, as of April some time, the Hydro freeze is off, and I will be forwarding documentation where he spoke to the Carillon News in Steinbach indicating that the freeze was going to stay in place.

**HON. H. PAWLEY:** That is not true.

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

**MR. F. JOHNSTON:** You'll all have a copy of it tomorrow.

**MR. DEPUTY SPEAKER:** I am having trouble hearing the honourable member. I would appreciate it if all members would give him an equal hearing as they would like to be heard themselves.

The Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Deputy Speaker. Obviously, I hit a very raw nerve. I will tell you something, Mr. Speaker. I will table that document. I don't have it here right now. I will table it because it was public information printed in the Carillon News where the Premier himself stated the freeze would not come off and a year before it comes off, they have all kinds of justification. That is what bothers me and that's what is wrong in this House. We cannot be honest anymore. They get up and say, yes, I said we would not lift the freeze but, because of circumstances, we are lifting it, but they deny all these things.

That is where the rancor and the problems start in this House. That is why the people of Manitoba say, what is going on here? Is this a circus? You know why it is a circus? Because the Premier and his Cabinet are creating a circus and some of your backbenchers must be squirming in their seats for the things that you do and most of them, they don't know what it is all about.

Mr. Deputy Speaker, it is with sincere deep regret that I have to say I hope that this Premier will call an election before he breaks this province because we're getting awfully close, and the sooner it happens, the better.

Thank you very much, Mr. Speaker.

**MR. DEPUTY SPEAKER:** The Honourable Member for Springfield.

**MR. A. ANSTETT:** Mr. Speaker, before I commence my remarks on the Budget tonight, I too would like to join members on both sides of the House in congratulating Mr. Binx Remnant on his move from the Northwest Territories table to join our table here in Manitoba.

I have known Mr. Remnant for the best part of 10 years, both as a table officer and a colleague, and I can say that I've always been impressed with both his dedication and his interest in House procedures and in parliament, generally. I think he's a welcome addition to our House staff, but I would also like to point out that we have someone in our Chamber now in the form of Gord Mackintosh, as Clerk's Assistant, who will certainly be probably one of the best Assistant Clerks in the country to break in and teach Binx some of the rules in Manitoba.

**MR. F. JOHNSTON:** He's certainly better than you.

**MR. A. ANSTETT:** The Member for Sturgeon Creek wants to stoop real low right away. If the Member for Sturgeon Creek can't be decent, I would just as soon he leave. Remember when you were a little boy, you saw Disneyworld and they said, if you can't say nuttin' nice, don't say nuttin' at all. If you observed that, your mouth would never be open, Frank.

### HANSARD CORRECTION

**MR. A. ANSTETT:** Mr. Speaker, the other day when I was speaking, I made an interjection during the remarks of the Honourable Member for Arthur, the former Minister of Agriculture. The Member for Sturgeon Creek's developed a twitch. The Member for Arthur was speaking very forcefully, quite aggressively, sounding almost like a demagogue and, as I watched him, I called out from my seat and it appeared in Hansard. I called out that I hadn't seen anything like this since Huey Long, the former Governor of Louisiana. The problem was, despite the diligence of Hansard in picking up interjections, Mr. Speaker, I am afraid I'm going to have to ask them to make a correction, because there is no way I would want the remarks of the Member for Arthur to be compared with the name that showed up on Page 465. Apparently, Hansard thought I said, Louis Riel, instead of Huey Long. I would like to save my respect for Louis Riel and not have him compared to the Member for Arthur. I hope, Mr. Speaker, that Hansard will make note of that correction.

### BUDGET DEBATE CONT'D

**MR. A. ANSTETT:** Talking about previous speakers in this House in the last couple days, I have to also make

a suggestion to someone on this side of the House. I haven't been flying over North Dakota lately, but I have to tell the Minister of Natural Resources that four out of four fields in my constituency are in winter fallow. Only about one in four are fallow during the summertime. I have to also tell him though, I sympathize with his concern.

**HON. R. PENNER:** He's a fallow traveller.

**MR. A. ANSTETT:** Mr. Deputy Speaker, please save me from the Attorney-General. That is what the members on the other side have been saying for a long time. I would now like to join in the call with them. Please save me from the Attorney-General.

Mr. Speaker, there are several thrusts in the Budget proposed by the Minister of Finance.

**MR. D. ORCHARD:** More taxes, more taxes and even more taxes.

**MR. A. ANSTETT:** Probably the single most important thrust is the \$200 million that is dedicated to job creation in this province. The fact that members opposite want to yell more taxes shows where their priorities are. They would rather see taxes lowered than jobs created. Well, you go out. You have that election and you tell the people of Manitoba that's what you want. You want taxes lowered and everybody unemployed. If that is your policy, let's hear it. The Member for Emerson wants to have an election. If your policy is to have an election by lowering taxes and placing the responsibility on the backs of many more Manitobans who will have to be unemployed to pay for that folly, then I welcome that election today or tomorrow. You take your pick.

Mr. Speaker, in fact, that Jobs Fund is much - well not much larger. When you talk 200 million, you're talking a lot of money. But the MGEA agreement, no matter how the opposition tries to deride it, puts another \$10 million into that fund. When you're talking that kind of money, you are talking about a thrust by a small province, by a relatively poor province in terms of its total resources, a have-not province in terms of equalization, that is prepared to put up more money for job creation than any other province in Canada this year.

So, Mr. Speaker, - I'll come to that later for the kissy-face, huggy-bear from Pembina. I'll come to the question in New York of lending money in a moment.

The Province of Ontario shares the sentiments of our Minister of Finance, that epitome of everything that's right and blue in this country, that government that's going to celebrate 40 years next year in power. Okay? That government . . .

**A MEMBER:** It's too bad the province won't celebrate it.

**MR. A. ANSTETT:** . . . has published an "Options for Change" paper on their tax structure which came in with last year's Budget. What did they say? They said they wanted to look - of all things - at collecting their own income tax, opting out of the tax-sharing agreement, and they wanted to look at the introduction of a health care payroll tax and abolishing health care

premiums. Now, they said this was only a study but they wanted to have a look at it. They floated that trial balloon. I almost think our Minister of Finance might have been looking at that Budget when he drafted his Budget, because one of the other things that Frank Miller had to say in his tax discussion paper was, and I quote from Page 8 of that paper, "The option of radically reducing existing levels of essential services in order to reduce pressures on the revenue base is not realistic. There may be reductions in certain areas, but there can be no dismantling of significant programs. At the same time it is not foreseen that there will be a significant expansion of service levels."

Now that's exactly what the Minister of Finance said last Thursday. That's exactly what he said. But Frank Miller, the Minister of Finance in Ontario, said it first last year. Now I have to take my Minister of Finance to task. I don't mind plagiarizing ideas, but I think from now on, he better watch where he gets them.

Mr. Speaker, the other concern, the other thrust that's in the Budget besides jobs and the protecting of essential services and maintaining service levels, is to maintain equity in the tax system and ensure that those revenues which government must have if it is not to reduce services, those revenues that the Ontario Government is going to have to find this year, the Alberta Government with a \$2.5 billion deficit this past year is also going to have to find this year, are going to have to be found in the fairest, most equitable way possible.

The only way that's going to be done is to find those elements of the tax system that will tax those who have the ability to pay now. There are too many people who don't have resources, too many people who are unemployed. Those who have are going to have share of those resources, just as people gathered together and shared during the Depression. Those of you who suggest that we're not in the Dirty Thirties had better look again. We haven't faced the crop failures in recent years; we've had two bumper crops in Manitoba. But certainly the levels of unemployment, the levels of reduction in economic activity are unprecedented since the '30s and we don't know that we'll necessarily be turning around that corner. We don't know that it's not going to continue as long as it did then.

Bearing that in mind, I think it's crucial that all Manitobans decide that they have to share that load equally. They have to share it based on their ability to pay in an equitable fashion. So I think the tax proposals that are in that Budget bear some commendation for the Minister of Finance, because I think, faced with a very difficult decision with regard to deficit size and with regard to not reducing levels of services, he had to find extra money. Not everyone's going to agree that it was found in exactly the right place on every specific tax increase, but I have to say I support it completely. I couldn't have thought of a better way to raise the necessary funds and at the same time distribute the increased tax load fairly.

Government has a very neat euphemism when we talk about Committees of Ways and Means and we talk about raising revenue. When we really get down to it, what we're really doing every time is taking money from the only people who can provide it in this province, and that's the ratepayers and taxpayers out there, whether they're municipal or provincial. There's no

question about that. And when we're in tough times like this, we have to be that much more careful that is done fairly and equitably and that the distribution of that taxation is such that no one bears an unfair load and that those people who are least able to deal with that recession - increasingly this year, a depression - are not taxed to pay that load. So, Mr. Speaker, I think that's been done.

I also have some concerns about the remarks of the Member for Lakeside yesterday. The Member for Lakeside expressed concern about the fiscal capacity of the government to borrow. I think, Mr. Speaker, he raises a legitimate concern. I think he raises it from a perspective that is limited to Manitoba. I would like to caution him, because I think sometimes when we talk about fiscal borrowing capacity, we ignore the fact that those people who lend money want to lend money - that's their business. If they drop our credit rating, they lend us money at a higher rate and that's certainly their business. But one of the interesting things - the Member for Fort Rouge, the Attorney-General, pointed it out tonight - is that they traditionally have been willing to recognize capital assets in a way that members opposite seem wont to do.

The Attorney-General pointed out that Alberta paid a higher rate for a similar term loan just last month, in the same money markets, in dollars. Why, Mr. Speaker? Why would Alberta be paying a different rate? Mr. Speaker, I'd suggest to you that part of the reason is that \$12 billion cash, no matter where you've got it, no matter what form it's in, whether it's in gold in a sock or investments in Newfoundland Water and Sewer Projects - and that's where some of Alberta's Heritage Fund is invested - isn't near as good as, isn't near as secure, isn't anywhere near as protected from dissipation as the hydro dams on the Nelson River. That's our asset, that's our capital and that guarantees an interest rate.

Now, the Honourable Member for Rhineland thinks that's silly. I think he should talk to some people who are in the lending market and I think he should find out whether bond houses, or his seatmate, a man who's had a long banking career, will lend money on cash assets that are unsecured and are not tied to the loan sooner than he will on something on which he can take a real property mortgage. You ask your banker friend that and you're going to get a surprise.

**A MEMBER:** That's right. That's right.

**MR. A. ANSTETT:** You'll have to yell one at a time. I can only hear one at a time.

Mr. Speaker, the other thing that the opposition seems to be having some fun with is that they want to play some games over the debt load that's associated with this fiscal capacity —(Interjection)— Well, I'm suggesting that it is a game because of the statistical game that's being played.

Now we want to talk - there was a real recognition on the other side and I know that they know this, the debt load has increased dramatically this year because the amount of hydro loans and other self-sustaining loans that are coming up and the re-borrowing that's required, as well as the size of last year's deficit - no question that both of those things play a factor - but

what the opposition knows, and doesn't want to recognize here in the House is that that forms the single largest increase in the increase in expenditures this year. The actual expenditures for capital and operating purposes only went up 9.8 percent. I think that's phenomenal. I didn't realize we could hold the line that much. I'm impressed that this government has done that amount of paring without cutting to the bone in essential services. But the opposition has turned that around and said, oh no, it's 17.2. Now I know that they know, because they keep saying it but in a totally different context, that the real problem in going from 9.8 to 17.2 is the increase in the debt load, in the increase of that financing cost. They know that, they keep harping about it, but they refuse to admit it when they start talking about a 17.2 increase in the Estimates. Because we are paying the debt load that they decry, they then find that as an additional justification for decrying our increase in expenditures. Well, Mr. Speaker, I've said it before - you can't have it both ways no matter how hard you try.

So, Mr. Speaker, I have a great deal of confidence in the Budget. I don't have a great deal of confidence in what I'm hearing from the opposition. I'm not hearing a great deal of constructive suggestion about what we should do. I asked the Member for Kirkfield Park and well I drew a complete blank. I asked the Member for Arthur yesterday and he suggested that in addition to selling PetroCan what he wanted to bring in was a mortgage interest income tax deduction program. Well, I don't know how he's going to negotiate that unless he figures he's going to be part of Joe Clark's Cabinet after the next Federal election. But let me tell him the way he's behaving here, and the sense he's making in this Chamber, he's going to have a hard time winning Brandon Souris.

Mr. Speaker, the other problem I have — (Interjection)— oh, I didn't realize he scared off that quickly. I hadn't even told him about that yet.

Mr. Speaker, the other problem I have is the failure on the other side to recognize that there's a substantial difference between the state of the Manitoba economy and the reasons for its current condition today and three years ago. The person who really doesn't understand that, the person who keeps making that point is the Member for Sturgeon Creek. He keeps falling into the trap and every time people on this side, with far more expertise and economic statistical analysis than I have, come back and point it out to him - but three years ago every other province on virtually every other economic indicator was growing but not Manitoba. Most of the international indicators were going up, but not Manitoba. Now we're faced with a situation where every province, and most western democratic economies, are heading down, most of them at rates faster than Manitoba's.

The Member for Sturgeon Creek says well, you're doing worse than we are. Yes, the indicators in Manitoba are worse today than they were in 1980 on many counts. No question about it, I concede it. But, Mr. Speaker, in 1980 the then government said look at the whole world, you have to look at what's happening around the world.

The Member for Sturgeon Creek didn't but his Premier then did. But, Mr. Speaker, when we looked around the world we found relatively stable economies,



not in decline. We looked in Manitoba, we found a recession that was induced by the nonsensical, crass, acute protracted restraint policies of that opposition. We don't have that situation today. If anything, we have a situation where Manitoba's economic decline, and it's real, in real terms this past year we're in the minus side of the column on GNP, and this province is at a slower rate than generally the rest of the country and many indicators; but, more importantly is being arrested by firm, direct handles on the economy through the kind of Budget that was delivered by this Minister.

The Member for Arthur, we'll leave the Member for Sturgeon Creek alone or his hand'll start to shake again. The Member for Arthur, Mr. Speaker, had a problem in trying to urge us yesterday to balance the Budget, decrease most taxes, provide for no sales tax increase, and remove the gas tax increase, and everywhere west of roughly Brandon remove a portion or all of the gas tax so we could phase it into the Province of Saskatchewan. He also wanted us to change the operating loan program for farmers so that we could pour that whole \$100 million that's going to help farmers with input costs this spring in a debt consolidation through MACC. That's what he wanted. Do you know what I call that? I call that advocating we should go further in bailing out the banks.

Mr. Speaker, last year the Minister of Agriculture had the fortitude - which was never demonstrated opposite - to say no more land sales through MACC. No more financing the kind of capitalization that the banks were engaged in, and hamstringing MACC, and reducing the money that was available to help farmers get on with farming instead of capital accretions.

Now we have a former Minister of Agriculture when we specifically designate the money for operating, say we should let it be used for debt consolidation, most of which relates to land. Well, Mr. Speaker, that is nonsense and the former Minister of Finance, the Member for Turtle Mountain knows it and I suggest he draw his colleague aside.

Mr. Speaker, the member opposite I had the most problem with this past week in terms of discussions on the Budget - I'm doing my best to stay on the Budget because of the admonishments from members opposite that some members on this side weren't doing so - relates . . .

**MR. F. JOHNSTON:** There aren't many here, they're not interested.

**MR. A. ANSTETT:** I notice you stayed, Frank. The Member for Roblin-Russell, Mr. Speaker, has a problem. In 1967 . . .

**MR. F. JOHNSTON:** You couldn't carry his shoes.

**MR. A. ANSTETT:** No, I've seen his feet, I wouldn't want to carry his shoes. Earlier this week - if you go one more shade of purple you're going to be in real trouble.

The Member for Roblin-Russell wants the sales tax along the border of Manitoba and Saskatchewan to be reduced to compensate for the fact that there's a lower sales tax across the line, 1 percent lower. He's concerned about the merchants and taxpayers and

electors in all the rural municipalities and small towns along the border, and as he said, particularly in his constituency. Now he's known for getting up in this House and trumpeting the interests of his constituents, and then turning around and making no sense at all by advocating other policies that are completely at odds with those.

**MR. B. RANSON:** Do you think you'll be elected for 17 years, Andy?

**MR. A. ANSTETT:** I didn't say he was unsuccessful, I just said that he was doing something which some of you have described as hypocritical in this House. Some of you have said that you can't have it both ways. I've said it. I'm saying the Member for Roblin-Russell has succeeded in having it both ways for 17 years but I think it's about time a few people started pointing out some of those things.

**MR. F. JOHNSTON:** You'll be lucky if you'll ever be as good a member as he is.

**MR. A. ANSTETT:** The Member for Sturgeon Creek is having a problem tonight. I hope he'll let me try to finish discussing the Member for Roblin-Russell's problem and I'll deal further with him tomorrow.

So the Member for Roblin-Russell feels that a difference of 1 percent in the sales tax between the Manitoba border towns and the Province of Saskatchewan is grossly unfair, is a sign of injustice, is a sign of insensitivity on the behalf of the Minister of Finance.

Well, I couldn't believe that my Minister of Finance would be so insensitive. So, I checked. I looked at the Journals for 1967 and you know they didn't have the guts, the intestinal fortitude to call it sales tax then, and the Member for Roblin-Russell was part of that government. They called it An Act to Provide for the Imposition of a Tax on Purchasers of Tangible Personal Property and Certain Services - didn't want to call it a sales tax. The health and education levy and to boot, because that wasn't enough of a concealment of their real purpose, the Premier of the day, Premier Roblin, said that that sales tax was being raised to pay for education costs. That's what he said.

I want to ask the Member for Roblin-Russell if these four Scots McGregor, McKellar, McKenzie, McLean, if that McKenzie that's in that list of four Scots was him. Because he's on the list of people who voted for Bill 56 in 1967. What was the rate of tax in Saskatchewan then? Mr. Speaker, the rate of tax in Saskatchewan when the Member for Roblin-Russell voted for a 5 percent sales tax on all the border towns in western Manitoba was 4 percent - 1 percent difference.

All I can say for the Member for Roblin-Russell is that either he's not consistent or he's learned a great deal in the last 17 years. I'd like him if he has learned a great deal in the last 17 years to stand up in this House and repudiate this vote and tell us he was wrong. If he isn't, he owes the Minister an apology.

**MR. SPEAKER, Hon. J. Walding:** Order please. When we next meet to debate this motion, the Honourable Member for Springfield would have 15 minutes remaining.

**Thursday, 3 March, 1983**

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The time being 10:00 p.m. the House is adjourned and will stand adjourned until 10:00 a.m. tomorrow (Friday).