



Fifth Session- Thirty-Sixth Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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The Honourable Louise M. Dacquay  
Speaker*



**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CIOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
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DOER, Gary	Concordia	N.D.P.
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DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
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HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
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VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCIUK, Rosann	Swan River	N.D.P.
<i>Vacant</i>	St. Boniface	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 5, 1999

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### MINISTERIAL STATEMENTS

#### Forest Fire Conditions

**Hon. Glen Cummings (Minister of Natural Resources):** Madam Speaker, I have a ministerial statement and copies to distribute.

I am pleased to report today that rainfall throughout the province in the past 12 hours has greatly assisted firefighting. St. Theresa Point is the only area that did not receive precipitation. The latest information includes the fact that we have 61 fires burning, including five new starts overnight, four in the northeast region and one in the eastern region. There has been a total of 171 fires covering an area of more than 33,500 hectares. The general rainfall has allowed us to be much more aggressive in our firefighting efforts, especially on the Manigotagan fire where we have added 40 to 50 additional fighters to deal with the hot spots. The other hot spot, the St. Theresa Point fire, is being held to 120 hectares.

I am sorry to report, however, that we also have an investigator on site reviewing the possible causes of fire, including arson. The rainfall has been very timely, and even with more favourable weather conditions Manitobans are asked to be very cautious and remind everyone that outdoor burning is not permitted except under the authority of a burning permit. Thank you.

**Mr. Eric Robinson (Rupert's Land):** I want to thank the minister for his statement this afternoon and keeping us up to date. I guess the good news would be that we had a change of weather overnight, and as a result rain came down, much-needed rain, in the communities that have been affected by the forest fires.

I am told that people from Seymourville, Manigotagan and Hollow Water will be going home. I hope that comment that was made to me is correct because I had an opportunity to meet with many of the evacuees in Pinawa, in Pine Falls, that were located at the Pine Falls arena yesterday. In spite of bad circumstances, I think we must commend the people who stayed back and assisted with the fire efforts with the Natural Resources personnel. I believe that also we must be fully thankful to the many volunteers. Whenever an evacuation has to occur, it is quite well known that it is not the most comfortable when people have to be moved from their homes. It has been a period of four days since people have been dislodged from their homes and placed into unfamiliar surroundings, and I had an opportunity to speak with several of the elders and the women and the children from the communities that are affected at the facility in Pinawa. I do want to say that we congratulate the volunteers that have been involved in Pinawa and also in Pine Falls and the volunteers in Bissett as well where the evacuees and of course the many located throughout the city of Winnipeg.

We want to commend the volunteers for the efforts that they have made as well as the people that are involved with the Emergency Measures team. I believe that they deserve all the credit in the world. As I said earlier, evacuation at the best of times is not something that we would like to wish upon our fellow Manitobans, but given the circumstances, I believe that everybody concerned has done a tremendous job, especially the people who stayed home and tried to save the homes and did a tremendous job in doing that. Unfortunately, we lost some homes in St. Theresa Point and in days ahead will have to figure out how we can replace those homes because, as we have said repeatedly, houses are a much-needed commodity in many First Nations communities.

I do want to thank the minister for his update today.

\* (1335)

### TABLING OF REPORTS

**Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship):** I am pleased to table some reports this afternoon: the Annual Report 1997-98 of Culture Heritage and Citizenship; the Annual Report 1997-98 of the Centre culturel franco-manitobain; the Manitoba Arts Council Report 1998; and The Freedom of Information Act Annual Report 1997.

### INTRODUCTION OF BILLS

#### Bill 19—The Agricultural Credit Corporation Act

**Hon. Harry Enns (Minister of Agriculture):** I am pleased to move, seconded by the Minister of Education (Mr. McCrae), that leave be given to introduce Bill 19, The Agricultural Credit Corporation Act (Loi sur la Société du crédit agricole), and that the same be now received and read a first time.

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

**Madam Speaker:** The honourable Minister of Agriculture did table his Honour's message.

**Motion agreed to.**

#### Bill 20—The Chiropodists Amendment Act

**Hon. Eric Stefanson (Minister of Health):** I move, seconded by the Minister of Natural Resources (Mr. Cummings), that leave be given to introduce Bill 20, The Chiropodists Amendment Act (Loi modifiant la Loi sur les chiropodistes), and that the same be now received and read a first time.

**Motion agreed to.**

#### Bill 21—The Ophthalmic Dispensers Amendment and Consequential Amendments Act

**Hon. Eric Stefanson (Minister of Health):** Madam Speaker, I move, seconded by the

Minister of Environment (Mrs. McIntosh), that leave be given to introduce Bill 21, The Ophthalmic Dispensers Amendment and Consequential Amendments Act (Loi modifiant la Loi sur les opticiens d'ordonnance et modifications corrélatives), and that the same be now received and read a first time.

**Motion agreed to.**

### Introduction of Guests

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon eight Grade 9 students from St. George School under the direction of Ms. Julie Stewart. This school is located in the constituency of the honourable Minister of Consumer and Corporate Affairs (Mrs. Render).

Also, thirteen Grades 7 to 9 students from Parkland Christian School under the direction of Mr. Raymond Isaac. This school is located in the constituency of the honourable Minister of Rural Development (Mr. Derkach).

We have eighteen Grades 4 and 5 students from Daerwood School under the direction of Ms. Maria Turkitch. This school is located in the constituency of the honourable member for Selkirk (Mr. Dewar).

We also have twenty-six Grade 5 students from St. Alphonsus School under the direction of Ms. Jean Gilbert. This school is located in the constituency of the honourable member for Elmwood (Mr. Maloway).

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

\* (1340)

### ORAL QUESTION PERIOD

#### Federal Farm Aid Program Budget

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, in this year's budget, a sum of \$12 million has been allocated for the income assistance program in Agriculture for a \$62-

million two-year program. I would like to ask the Premier (Mr. Filmon): is this low amount, relative to a two-year program, a reflection of the complexity that producers are facing in accessing this program, or is it a reflection of the need, and what is the impact on next year's expenditures in the budget?

**Hon. Harry Enns (Minister of Agriculture):** Madam Speaker, the \$12 million noted in the budget is the figure that was provided to us in Agriculture by Ottawa as being in the range of \$12 million to \$24 million that may be required in the first year of this two-year program. We have every indication to believe that that will be ample. In fact, I can report to the House, to date, some 40-45 applications have been made. Only three applications have been approved. That explains the figure in the budget.

**Mr. Doer:** Madam Speaker, then it appears that there will be \$50 million required in next year's expenditures, and we note that the expenditures have gone up, unlike this year, over \$300 million in this budget, the nonelection year budget, it has gone up .3 percent in next year's budget. I would like to ask the Premier: what will be the impact of, notwithstanding Agriculture, a decline in expenditures next year on health and education?

**Hon. Gary Filmon (Premier):** Madam Speaker, as has been indicated, there is a variety of different issues of nonrecurring expenditures in this year's Estimates. Some of them include, I believe, about \$55 million worth of capital. There are a number of other areas of decline in the expenditures, and we believe that there will be sufficient funding available to meet our needs and our expectations in government. We believe that the continued growth of the economy which we are committed to, which most economic forecasters are predicting, will provide us with the kind of level of support that we need for all the expenditures contained and projected.

**Mr. Doer:** Well, Madam Speaker, one would assume that the growth numbers were built into the projections for the 2000-2001 budget. When we asked a similar question in 1995 about a freeze in expenditures into the '96 year, the Premier promised and then he further advertised that there would be no cuts in health, either on

the capital side or the operating side. In 1995 he froze the capital; in 1996 he cut \$40 million out of health operating revenues. With the agricultural revenues backended into next year, or the expenditures backended into the second year, where is the government planning on cutting? Why should Manitobans not believe that they are just going to go through the same pattern of cutting after an election campaign, based on expenditures in their own budget?

**Hon. Harold Gilleshammer (Minister of Finance):** Madam Speaker, certainly the Conference Board of Canada's reflections on future year growth is very positive. The economy will continue to grow in Canada and in Manitoba. We have been ahead of the national economy in the last three budgets.

As has been indicated, there are certain one-time expenditures that will fall away, things to do with capital. Much of the spending out of the Stabilization Fund has been one-time funding, and I can assure the member opposite that our commitment to health care and education is very strong and will continue.

#### **Federal Farm Aid Program Government Signing**

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, when the farm aid package was announced, we hoped that farmers would receive much-needed assistance; however, everything has been coming along very slowly and no money has flowed yet and in fact will not for several weeks. I am also told that Manitoba farmers will only get 60 percent of their money when they qualify because Manitoba has not signed a final agreement.

Will the Minister of Agriculture indicate whether he has signed the final agreement in Ottawa and whether Manitoba farmers will get their full amount that they qualify for, or will they only get the Ottawa amount in their first cheque?

\* (1345)

**Hon. Harry Enns (Minister of Agriculture):** Madam Speaker, I can indicate to the honourable

member that it was only this past week that Ottawa finally forwarded the documentation for the signing of the AIDA agreement.

I can also indicate to the honourable member that that agreement was signed today, and it will be fast-couriered back to Ottawa. It would be my hope, certainly expectation, that applicants will receive full funding. My understanding is that only three applications were approved and funding flowed, that we are reduced to that amount that the honourable member refers to because of the lack of the signed agreement. That paperwork has all now been done.

### Coverage Levels

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, I would like to ask the minister: given that when this program was announced it was anticipated it would trigger \$93 million coming from Ottawa and given that this government has only allocated \$12 million in this year, is the government anticipating that there will be a similar reduction in the amount of money that is going to flow to Manitoba farmers, that in fact they will get much less than they anticipated, and they will not receive the assistance that they need for this spring's seeding?

**Hon. Harry Enns (Minister of Agriculture):** Madam Speaker, I hesitate to speculate on any of these amounts. The member knows full well the program is income tax based. The income tax forms are just now—well, they should have been filed a few days ago. But the level of application of this program will not be known for another month or two.

What this government did do and what I am very pleased to acknowledge is, with the support of the government on this side, that the emergency recovery program has been fully subscribed, over \$17 million in actual cash has flowed to farmers in need. I can report to honourable members, in anticipation of favourable response from my colleagues, that Manitoba Agricultural Credit Corporation has indicated that there will likely be an extension of that program to surpass the \$25 million that was announced back in January.

### Agriculture Safety Net Program

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, I would like to ask the minister: given that there is going to be a new farm safety net agreement signed this year and given that we still do not have a long-term disaster assistance program, will he assure this House that he will work with other western provinces, with farm organizations and members of the opposition, in fact, to ensure that we develop a long-term safety net program that will meet the needs of Manitoba farmers better than the AIDA program is meeting those needs right now?

**Hon. Harry Enns (Minister of Agriculture):** Madam Speaker, the honourable member is absolutely correct. We are very concerned about the future of the long-term safety net programs. This will be the major subject of discussion in Prince Albert when ministers of Agriculture meet in July, the first part of July. I have invited representatives from the Manitoba agriculture Keystone organization to help with the position that I believe is necessary for Manitoba to put forward.

I am very concerned, and I can indicate to the House that Saskatchewan shares that concern with Manitoba that we move away from the risk program that currently is in place that enables us to provide the enhanced basic crop insurance to our producers to one that is more favourable to an income-based program. That causes us a lot of concern in Manitoba, and I will be looking for all the support I can get from different jurisdictions. Indeed, I will include the honourable members from the opposition in trying to convince Ottawa that this is a very important matter to the farmers of Manitoba.

\* (1350)

### Leonard Doust Information Tabling Request

**Mr. Gord Mackintosh (St. Johns):** To the Minister of Justice. The minister told the House just last week that his deputy had, to use his words, various conversations with Mr. Doust who is conducting the outside review of allegations of criminal wrongdoing in the

Filmon Conservatives vote-rigging scandal, but the minister failed to mention that there was also correspondence and that his deputy got on a jet and flew to Vancouver to meet with Mr. Doust. Since even the terms of reference acknowledge the importance or the value of—I quote the words—"fully transparent process, and public accountability," my question to the minister is: would he respect these words and now table in this House the full record of all oral and written communications between his department, the Department of Justice, and Mr. Doust?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Well, Madam Speaker, this member is not interested in getting to the bottom of this particular issue. He is attempting to make an issue out of a matter that is a particularly sensitive, legal issue. My practice is not to be involved in any prosecution. I receive briefings on prosecutions, but I do not give directions on prosecutions.

In this particular case, not only did I not give any directions in respect of the prosecution, there was a further step added to remove the decision-making process from our department by the appointment of a special counsel. It is within the prerogative of special counsel to determine the extent to which he feels that information should be released to the public in this very sensitive matter.

### Terms of Reference

**Mr. Gord Mackintosh (St. Johns):** Well, since the minister relies so much on his argument that he cannot be involved and cannot, as he says, give directions, why do the terms of reference cobbled together for last Friday make Mr. Doust's opinion, and I quote from the terms of reference: "subject only to receiving direction from the Attorney General."

Does the minister think that is appropriate?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, the public is not fooled when he fails to quote what in fact it says. It says: "subject only to receiving direction from the Attorney General or the Deputy Attorney General, which direction if given will forthwith be made public."

This is the practice in British Columbia which the counsel felt was appropriate to have in the terms of reference. The other point is the member, as a lawyer, knows that the Attorney General cannot abdicate the legal responsibility that is set out in the Criminal Code. So this indicates that, yes, the Attorney General has the ultimate legal authority, but the practice in this province is that the Attorney General does not give directions on prosecutions.

\* (1355)

**Mr. Mackintosh:** The obvious question to the minister is: why is that in the terms of reference then specifically giving power to the Attorney General to give direction to Mr. Doust? Why is that in here, and will he commit today—

**Madam Speaker:** Order, please. The question has been put.

**Mr. Toews:** Madam Speaker, I understand in British Columbia it is in fact set out in legislation that that always be placed in there. In respect of this particular issue, the member knows that, as the Attorney General, I cannot abdicate my legal or constitutional responsibility and this reflects what he well knows and in so attempting to mislead this House by saying that there is something untoward about this.

### Forest Fires Emergency Assistance

**Mr. Eric Robinson (Rupert's Land):** Madam Speaker, again, my questions refer back to the minister's statement. My questions are for the Premier. The Premier had an opportunity to fly in the area where the forest fires were burning yesterday in southeastern Manitoba and also in the Island Lake area. The fires have caused tremendous damage, not only the physical damage, including the losses of homes and equipment and in some cases livelihoods—people earn a living by trapping in some areas of the province. The Premier will know that there are many secondary victims who are experiencing problems as a result of the fires that Manitobans have experienced, specifically the hydro and phone lines at Berens River, Bloodvein, Poplar River, Paungassi and Little Grand Rapids. All

these communities were without power for a period of time. Given the fact that many of these people live on very low incomes, I would like to ask the Premier if he will commit his government to providing emergency assistance or providing emergency aid to these communities.

**Hon. Gary Filmon (Premier):** Madam Speaker, I would like to know a little bit more about the effects and the circumstances. We did not get up into that area yesterday, as the member may know. We got as far north as Manigotagan, Seymourville, Hollow Water and Bissett. We would like to learn more of the information that he is providing as to what specifically those costs in effect are, and then perhaps I can sit down with the minister responsible for EMO and take a look at guidelines and circumstances. We would like to deal fairly and knowledgeably with the circumstances, and I would have to have more information to do so.

**Mr. Robinson:** When the fires began on Saturday, very simply the power lines burnt as well, therefore causing the land-line system to those communities that I mentioned to go without power since Saturday until late last night. Consequently, people buy food for a period of one month. I am asking the Premier if he will investigate and also make an effort to have EMO officials travel to these communities to make an assessment for themselves.

**Mr. Filmon:** I would be happy to do that, Madam Speaker.

#### **Forest Fires—Island Lake EMO Officials**

**Mr. Eric Robinson (Rupert's Land):** As the Premier pointed out, he did not have an opportunity to go to the Island Lake area yesterday. However, there have been people who have been suffering there due to losses. I would like to ask the Premier if he would also provide EMO officials to be made available to talk with people in the Island Lake area.

**Hon. Gary Filmon (Premier):** I would be happy to do that, Madam Speaker.

#### **Pension Plans Unfunded Liability Totals**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, my question is for the Minister of Finance. The Provincial Auditor has in the past, as we have referred to in the past, expressed concerns with the unfunded pension liability and the accounting practices of this particular government. My question to the Minister of Finance is: can the minister give the House an indication in terms of what sorts of actual numbers we are looking at in terms of that pension liability fund?

**Hon. Harold Gilleshammer (Minister of Finance):** Certainly we will get into that sort of detail once we get into the Estimates process. I can tell the member that certainly we are responsible for those pensions and do account for them within our budget on a regular basis. We have also worked very closely and carefully with the Auditor to narrow some of the scope of the differences that he has cited regarding the way that we report this.

\* (1400)

**Mr. Lamoureux:** Madam Speaker, it is good to see the government actually accept responsibility for the pension liability. One would expect that. The question to the Minister of Finance: can he convey to this House or does he not have any idea in terms of what the accumulated total of that pension liability is?

**Mr. Gilleshammer:** Madam Speaker, that information is in the Public Accounts that I tabled in this House not too many days ago, and we have accounted for these pension liabilities in the same manner as the previous government did. We are working with the Auditor to again narrow the differences in the way we reflect this.

#### **Reporting Process**

**Mr. Kevin Lamoureux (Inkster):** My question to the Minister of Finance: is it the intention of this government at some future time—future being the next budget, whenever it might come—to incorporate the pension liabilities into the budget which would make it compliant with what the Provincial Auditor is recommending?



**Hon. Harold Gilleshammer (Minister of Finance):** Madam Speaker, certainly when I bring the next budget, we will—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Mr. Gilleshammer:** Thank you, Madam Speaker. As I bring future budgets to the House, we will incorporate many of the ideas that the Auditor has discussed with our department. I would refer the member for Inkster to Volume 3 where all of that information is contained.

### **Urban Aboriginal Strategy Expenditures**

**Mr. George Hickes (Point Douglas):** My questions are for the Minister of Northern and Native Affairs. [interjection] Beginning with the 1989 Urban Strategy Report that was presented in this House in 1989—and to the Minister of Agriculture (Mr. Enns), this is a real whale of a tale because that is all there was. Would this minister tell the House: how much has this provincial government spent on consultations, reports, meetings, consultants to develop an Urban Aboriginal Strategy since 1989?

**Hon. David Newman (Minister responsible for Native Affairs):** Madam Speaker, it sounds like the kind of question that could be addressed in Estimates in some detail, and we will of course gather together that kind of information. I am very proud to say that I just left a press conference at the Aboriginal Centre announcing the Urban Aboriginal Strategy.

### **Consultations**

**Mr. George Hickes (Point Douglas):** Madam Speaker, could the same minister explain why, after 11 years, the new pre-election Urban Aboriginal Strategy that he just mentioned is that it will continue consultations, develop an implementation plan and work to establish specific objectives—nothing concrete?

**Hon. David Newman (Minister responsible for Native Affairs):** I am very pleased to address that kind of question that was asked during the press conference by members of the media. I guess that the honourable member for Point Douglas has seen fit to ask the same

question the same way the reporter did. The surprise that I have is the question is asked in that way by the honourable member for Point Douglas.

What we have respected with a great deal of appreciation is the importance of going about putting detailed strategy together on a blank sheet of paper with the members of the aboriginal community and other partners. For us to paternalistically come forward and in effect tell the people of the urban aboriginal community what we are going to do to them or for them or with them would be highly inappropriate, and the approach, the new approach, of which I am very proud and the government has mandated, is an approach which respects the views, the opinions and the aspirations of aboriginal people in the city of Winnipeg and the province of Manitoba.

**Mr. Hickes:** In how many of the previous consultations was this government told that cutting friendship centres, Access, BUNTEP, New Careers, the MMF, Assembly of Manitoba Chiefs funding were real progressive acts and that is the true way of building partnerships? How many people told you that?

**Mr. Newman:** Madam Speaker, again, I am very pleased to respond to that question from the honourable member for Point Douglas because it does distinguish the approach of the members opposite from the New Democratic Party who choose to fund political organizations and therefore believe that they are going to get support, and that is why some of the funding was discontinued for some of those organizations in a core way, like AMC and MMF who are definitely political organizations in the way they operate. With respect to the other bodies, there will be an announcement tomorrow in relation to friendship centres, which is the kind of approach this government takes in relation to that wonderful friendship centre movement which makes immense contributions in nonpolitical ways for aboriginal people in the province of Manitoba.

### **Forest Fires Firefighting Resources**

**Hon. Glen Cummings (Minister of Natural Resources):** Madam Speaker, a couple of questions were taken as notice on my behalf

yesterday, and I would like to return with some information about those questions, particularly the question about whether or not sufficient resources had been available to fight the fire that has been the topic of conversation over the last week.

The situation has been that in the Manigotagan area alone yesterday we had 70 pieces of heavy equipment working, 249 personnel on the ground, nine helicopters, four water bombers and two other spotter aircraft. In total, we have 79 pieces of heavy equipment, 552 personnel on the ground, 24 helicopters, 11 water bombers and four other spotting planes that were in use, along with all of the equipment and labour of the volunteers. The efforts out there were downright heroic, given the devastating weather that we had on the weekend, and I want to point out that the resources have been in place. It took the co-operation of weather to bring us to a more favourable situation today.

#### **Community Colleges Waiting Lists**

**Ms. Jean Friesen (Wolseley):** Every year, Madam Speaker, in this House I have had occasion and cause to raise the issue of waiting lists at community colleges. Today the waiting lists at the largest community college, Red River, are 1,500 students. Last year, when I raised it, there were 800 students. I would like to ask the minister to confirm that this increase in the inability of the community colleges to meet the needs of students is a direct result of those 9 percent cuts of each of the last two years to the post-secondary education area, \$22 million each year gone from post-secondary education. Is there any cause that the minister sees?

**Hon. James McCrae (Minister of Education and Training):** Waiting lists at our community colleges are occasioned by the tremendous growth in our economy here in Manitoba, occasioned by the work of this government in partnership with the marketplace, Madam Speaker. This is good news, not bad news.

Now the other side of that, of course, is do we accept the challenge. The answer is a

resounding yes. There is \$4 million this year alone for the college growth fund in the budget announced recently by the honourable Minister of Finance (Mr. Gilleshammer), and we look forward to the support of the honourable member opposite for that initiative.

**Ms. Friesen:** Madam Speaker, it is not good news to those 1,500 families on the waiting list.

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. The honourable member for Wolseley was recognized for a supplementary question.

\* (1410)

#### **Post-Secondary Education Funding**

**Ms. Jean Friesen (Wolseley):** Can the minister explain why the major government response to the Roblin commission, and now six years ago, to double the number of students and double the programs in community colleges, has been to consistently cut, year after year, 9 percent of the budget of post-secondary education, \$22 million every year?

**Hon. James McCrae (Minister of Education and Training):** Well, the honourable member's statement about the \$22 million is just totally erroneous, Madam Speaker. I remind the honourable member that the colleges and universities have in their budgets the replacement \$22 million for that amount that she refers to.

But again I remind the honourable member that at this particular time of year you have all kinds of people registering. I have a daughter who is in that situation exactly. We do not know yet, and other students across Manitoba do not know whether they are going to qualify for the courses they are applying for, whether they have applied for more than one course and waiting to see which course they might be successful at.

So I think the honourable member is being a little bit misleading with the numbers that she is bringing forward. Of course, this does not help

students out there for the honourable member to come in here and do that.

But it is expected that the \$4-million college growth fund established will indeed put one thousand students at their desks to work in their studies, to help take advantage of the tremendous opportunities that are being made available, thanks to the work of our private sector in partnership with this Filmon administration.

### **Community Colleges Long-Term Development**

**Ms. Jean Friesen (Wolseley):** Madam Speaker, would the minister, who clearly has not spoken to any of the institutions about the impact of those cuts, tell us whether he has any reports or whether he has requested any reports from the Council on Post-Secondary Education of the impact of rising fees, of the loan burden for young graduates, and does he have any plan for the long-term development of programs at community colleges, or are we going to see after the election another 9 percent cut, another \$22 million gone?

**Hon. James McCrae (Minister of Education and Training):** Madam Speaker, the honourable member is wrong again on pretty well every account in the indictment that she has laid before the House today.

I do, indeed, meet with and talk with college and university personnel. I have regular meetings with the chair of the Council on Post-Secondary Education—having one this afternoon as a matter of fact—to discuss the various issues of concern in post-secondary education, the various opportunities that we should be looking at.

Rather than simply react all the time, I think it is a better idea to get ahead of the trends in our marketplace. That is exactly what the Roblin commission suggested should be done with the creation of the Council on Post-Secondary Education. We are doing this with the governance of our colleges, which we are finding are very responsive to market needs out there in our economy.

So, unfortunately, the honourable member just does not get it. We have indeed a very

proactive Council on Post-Secondary Education, working in a very good partnership with the colleges and universities.

### **Neighbourhood Revitalization Heritage Buildings—Conversions**

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, after 11 years in government, the April 6 throne speech said that we know many of our neighbourhoods, particularly in the centre, have unacceptable levels of decay and decline. Even though the throne speech mentioned this, there is nothing in the budget to address this, and there was certainly nothing as part of the so-called aboriginal strategy to address these problems.

I want to ask the Minister of Urban Affairs and Housing if he supports some of the specific proposals outlined by the city, for example, to amend the Manitoba Building Code to make conversions of heritage buildings more affordable?

**Hon. Jack Reimer (Minister of Urban Affairs):** Firstly, I think that it is commendable that the City of Winnipeg and the administration, the council and the mayor, are looking at some innovative ways to regenerate and revitalize the downtown area of the city of Winnipeg. We have always been very supportive of the City of Winnipeg in not only our funding but the directions that they take in wanting to make changes, whether it is a zoning variance or things that we can work with.

We would look forward to working with the City of Winnipeg if they are looking at ways to make things easier for the development of the downtown. It does require legislative change. We are willing to pursue these things as they come forward by the City Council. At this particular time, we have not had this type of proposal, but we would look favourably upon any type of proposal that would help the taxpayers of Winnipeg to lessen the burden.

### **Take Back the Streets Initiative Budget**

**Ms. Marianne Cerilli (Radisson):** I would like to ask the same minister: will there be specific

components of your government's Take Back the Streets program to address housing affordability and renovation? Where is this shown in this year's budget?

**Hon. Jack Reimer (Minister of Urban Affairs):** One of the greatest assets that Winnipeg has is the various community groups and the community organizations that have come forth to look at the revitalization and the regeneration of growth not only in the inner city of Winnipeg but throughout Winnipeg.

Our government has committed, through the Take Back the Streets program, to work with these neighbourhood groups, these organizations to build upon those strengths, to look at the assets of where changes can come about. I am very optimistic that there are these types of resources out there and that our government is willing to sit down and work with them. I think that Winnipeg is coming to a lot of changes, and we will be part of those changes.

**Ms. Cerilli:** Community groups that the member is referring to want to know what is this Take Back the Streets program, and will there be a housing renovation component to it? Where is the budget line for this program?

**Mr. Reimer:** One of the directions of Take Back the Streets is to work within the communities and work with communities to get feedback. The member for Radisson would rather see the government come down with a heavy hand of direction and force the people to have them change.

What we are willing to do is work with these groups, look at the directions, look at the priorities, look at the ways they feel that they would like to take back the communities that they are part of. The member for Radisson would rather have the heavy hand of government take control, be the directive, be an end-all to all decision making. We believe that the best way is to work with these groups. The directions and the emphasis will come about with co-operation and working.

\* (1420)

### **Environmental Levy Pop Cans**

**Mr. Jim Maloway (Elmwood):** I would like to ask a question to the Minister of Environment. For more than six years the Saskatchewan government has been trying to get this province to put deposits on pop cans, something that this government still refuses to do. Since Saskatchewan has been paying roughly \$1.5 million a year for Manitoba cans, I would like to ask the minister why she will not be more responsible.

**Hon. Linda McIntosh (Minister of Environment):** I thank my honourable friend for that question. It has been a long time since that member and I had a chance to exchange questions and answers. It brings back old memories.

**An Honourable Member:** What kinds of memories would those be, Linda?

**Mrs. McIntosh:** Good memories.

**An Honourable Member:** And those would be good memories or bad memories?

**Mrs. McIntosh:** They would be absolutely good memories, yes.

**Madam Speaker:** Order, please. The honourable Minister of Environment, to complete her response.

**Mrs. McIntosh:** Madam Speaker, we do take a look at other provinces' activities. We look at Saskatchewan, we look around Canada, and we also consult very heavily with people here in Manitoba. We put in place programs in Manitoba that give us a very good return on waste products and we have a number of them, better than most provinces in many areas where we have waste products, whether they be beverage containers, pesticide containers, hazardous waste or oil, all of those things that are being disposed of, recycled or re-used in appropriate ways in great abundance in Manitoba, better than in other provinces. We have a broader-based programming, and I will be pleased to answer more questions if the member wishes to ask them.

### **Recycling Manitoba Program**

**Mr. Jim Maloway (Elmwood):** Well, Manitobans are trucking carloads of cans to Saskatchewan right now while this minister does nothing. I would like to ask the minister: does not the sheer number of Manitoba cans turned in to Saskatchewan point out to this minister that Manitobans do want a recycling program?

**Hon. Linda McIntosh (Minister of Environment):** Madam Speaker, and I am not accepting any of the preamble as being totally accurate. I would indicate that, as I said in my first answer, Manitoba's record of reclaiming, recycling, re-using is better than most provinces. If you want to do a straight comparison, Manitoba to Saskatchewan, I would be pleased to bring back statistics on those various articles for him and table them in the House for his information. I think that he would see right across the board in our broader-based programming, for example, 95 percent of Manitobans have access to recycling, which is really much better than other provinces. In some cases, we have programs that are not even available in other provinces at all, so I thank the member for his question, but I do not accept his preamble as totally accurate.

**Madam Speaker:** Time for Oral Questions has expired.

### **MEMBERS' STATEMENTS**

#### **International Midwifery Day**

**Mrs. Myrna Driedger (Charleswood):** Madam Speaker, it was a pleasure earlier today to join midwives in recognizing International Midwifery Day in Manitoba. Throughout history, midwives have been recognized as community experts in providing knowledge, skill, guidance and support to women through pregnancy, labour, and childbirth. In 1994, our government announced its intention to implement regulated midwifery in Manitoba, and since that time we have undertaken a number of initiatives aimed at providing midwifery service as part of Manitoba's health care system.

One of the first initiatives undertaken by our government was the appointment of the Midwifery Implementation Council which was given the task of making recommendations on all aspects of regulated midwifery. Thanks to the work of the council, the Manitoba Legislature was able to pass The Midwifery Act in 1997. Although the act was passed, it was not proclaimed, in order to give Manitoba Health and the Midwifery Implementation Council time to do the necessary preparatory work so that midwives could take on the self-regulatory functions required by the act. Much of that work has now been completed, and our government looks forward to proclaiming the act in the near future.

To ensure that midwifery is practised safely and competently, our government is funding an upgrading program which is being offered to 50 midwives over the next two and a half years. It is hoped that all 50 midwives will be registered with the College of Midwives of Manitoba by the year 2001. One of the key features of a regulated profession is the establishment of a regulatory body to oversee the profession. For midwives, this responsibility will be carried out by the College of Midwives of Manitoba.

To enable the college to function effectively, the Manitoba government has taken two important steps. First, in December of '98, cabinet appointed the Midwifery Implementation Council to serve as a traditional council of the College of Midwives of Manitoba. Secondly, my colleague the Minister of Health (Mr. Stefanson) announced today that the government has granted \$198,000 to the College of Midwives of Manitoba for this current fiscal year; also it has approved \$840,000 for up to 20 midwives to begin practice in Manitoba by March 2000.

With today's commitment of over \$1 million from our government, we have taken an important step forward towards integrating the profession of midwifery into the continuum of health care services. Thank you.

**Ms. Diane McGifford (Osborne):** Madam Speaker, today I was also pleased to attend the International Midwives Picnic and assembly outside the Legislature and to hear the member

for Charleswood on behalf of the Minister of Health announce plans to support midwives and their work in Manitoba.

I understand that the funding will be used to hire midwives and establish their practice as well as to provide start-up costs for the new college. This is one step along the way and an important one. Still I want to point out that since 1991 this government has had a detailed paper from the Health Advisory Network on the full implementation of midwifery in Manitoba. This government's response has been a succession of baby steps, pardon the expression, while other provinces, for example Ontario, have developed full programs which are currently functioning.

Just as Manitoba women, Madam Speaker, had to wait for an election for modern birthing rooms in the women's pavilion at the Health Sciences Centre, so have they had to wait for an election for midwifery, wait until mere days before a provincial election. This announcement is one more in a series of pre-election ploys, and Manitoba women will not be fooled.

In closing, Madam Speaker, all members of the opposition take this opportunity to congratulate midwives on their long struggle to win acceptance in this province and for their work in delivering our children. We hear that this evening midwives will be celebrating International Midwifery Day in the constituency of the member for Wolseley (Ms. Friesen). Our best wishes are with them for a stimulating gathering and a joyful celebration.

#### **Louis Riel Institute**

**Mr. Denis Rocan (Gladstone):** I am proud to stand in the House today and talk about a recent government initiative that will benefit the Metis people of this province and will lead to renewed pride of their heritage and identity. The Manitoba government has provided a hundred thousand dollars to the Louis Riel Institute in Brandon to promote education and training for the Metis people in this province. These funds will also help foster an appreciation and understanding of Metis culture, heritage, and history and help promote education and training in our community.

The Metis people played a hugely important role in the founding and building of Manitoba, and they continue to make important contributions to our provincial and national identity. This latest funding announcement shows a recognition of this fact. This government support of the Louis Riel Institute is an important investment in the Metis population of Manitoba as it will help them attain educational goals and give them increased opportunities to move ahead.

The Louis Riel Institute is a Metis cultural and educational resource centre; however, all Manitobans can make use of the centre to better educate themselves about Manitoba history and the pivotal role the Metis people played in it. I am proud to be a part of a government that supports centres of cultural importance such as this one.

Je suis Métis et j'en suis fier. Les Métis ont joué un rôle décisif pour bâtir cette province. Ça me fait grand plaisir que notre gouvernement a donné son appui au peuple michif pour qu'ils puissent protéger et promouvoir leur propre culture. Cela sert à renforcer leur identité et l'identité du Manitoba. Merci.

#### **[Translation]**

I am Metis and am proud of it. The Metis played a decisive role in building this province. It gives me great pleasure that our government has given its support to the Michif people so that they may protect and promote their own culture. This serves to reinforce their identity and the identity of Manitoba. Thank you.

#### **[English]**

Thank you.

#### **Doug Christianson**

**Mr. Gerard Jennissen (Flin Flon):** Madam Speaker, a few days ago at McIsaac School in Flin Flon, during the Citizenship Award ceremonies, a special Random Act of Kindness Award was presented to seven-year-old Doug Christianson. Doug risked his life to save a friend, Cody Halldorson. Cody had fallen through the ice on the creek near the Aqua

Centre. The current was very strong. Cody was up to his chest in freezing water and could have been swept under the ice. Doug Christianson, who is lighter than his friend Cody, ventured out on the ice and pulled his friend to safety. Fortunately, there was a happy ending to this story.

I am sure that all members of this Legislature are willing to join me in saluting the courage of young Doug Christianson, and equally all of us share the relief felt by parents, teachers, friends and citizens that both boys came through this ordeal safely. Thank you.

### Friendship Centres

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, six years ago the Conservatives decided to cut funding for the friendship centres, removing \$1.3 million from their annual budget. In Manitoba, we have 11 friendship centres, all of which are community-based, service-delivery organizations. The primary objectives of friendship centres include: to assist aboriginal people in adjusting to urban life; to improve the quality of life of aboriginal people in an urban environment; to develop culturally appropriate programs and services; to promote awareness and understanding between aboriginal and nonaboriginal cultures; and to remain nonpolitical, nonpartisan and nonsectarian.

These friendship centres provide a very important service, but when the government decided to cut their funding by a hundred percent, it meant that many of these services would not be provided. The loss of funding caused friendship centres to reduce the number of programs and services offered and to rely heavily on their own fundraising activities. At the same time, the government installed video lottery machines in rural Manitoba and took away the ability of friendship centres to raise their money through bingos, which they always do.

\* (1430)

The removal of this money, \$1.3 million annually over six years, means that \$7.8 million was removed from friendship centres and reduced their ability to provide very important

services. People who run friendship centres, people in rural Manitoba, aboriginal people, are not going to be fooled by this government's pre-election announcement to finally recognize the importance of friendship centres and now are going to announce that they are going to put the funding back in. People will not be fooled, and they will not appreciate this government taking such cynical action when they have taken the funding away for six years and destroyed much of the base work that the friendship centre does in providing very important services to their people. This is a disgrace that a government would try to use people that way.

### ORDERS OF THE DAY

#### BUDGET DEBATE (Fifth Day of Debate)

**Madam Speaker:** To resume adjourned debate on the proposed motion of the honourable Minister of Finance (Mr. Gilleshammer) and the proposed motion of the honourable member for Inkster (Mr. Lamoureux) in amendment thereto, standing in the name of the honourable member for Pembina who has nine minutes remaining.

**Mr. Peter Dyck (Pembina):** Madam Speaker, I will just put on a few concluding remarks. I did not get the opportunity to do that yesterday. I do want to just point out again to members opposite—and I referred to this several times yesterday, but it did come up within the House today again—the fact that in education we are in fact spending more money. I will again affirm the fact that in 1992, we spent \$1,009,379; in 1999, we will be spending \$1,179,000,000. That translates into a 19.8 percent increase.

Consequently, this leads me to the other part that I would like to address, and that is the whole area of standards testing. From what I am hearing from the members opposite, I believe it is imperative that we continue with standards testing so that in fact calculations like this can be confirmed and are real. I just wanted to point that out.

In conclusion, I want to just offer my wholehearted endorsement of this budget. By maintaining a sound financial plan, we are providing the basis for a better tomorrow for all

Manitobans. Fiscal fitness means a debt-free future. Paying off the debts of the past while at the same time preserving our vital social and health services is one of the best things we can do to build a better future for our children. Thank you very much.

**Ms. Marianne Cerilli (Radisson):** I am rising to speak to this budget that the government has put before the House. It is interesting. No matter where you go in the province, people know that there is an election coming in Manitoba. It is interesting. They see members opposite at places, like today at the Aboriginal Centre, with their big platform and stage and the microphones, and they are making all of these announcements. Other places, they are making promises of multimillion dollars.

It was interesting, Madam Speaker, that there were no dollars announced today. What is really becoming apparent is there are very many areas where, after 11 years in government, 11 long years, it is apparent that this government has done nothing. Nada. Today I think the best example of that was to see the minister opposite reading from his notes to a highly expectant audience. Members on this side of the House, we were there. We were anticipating there being an announcement. There was nothing. There was no commitment to dollars. There was no commitment to programs. There was no commitment to services. There was nothing new announced after 11 years but more meetings, more consultations. That in front of, I would say, the population that has been hardest hit by this government, aboriginal people living in the downtown area of Winnipeg.

Just like I asked in Question Period today: where are the specifics? There are words in the throne speech about having a Take Back the Streets Initiative. We have had a budget from a government where in 11 years there is nothing for redeveloping the older neighbourhoods in the Winnipeg area. I think we can look at these two examples and see that what this government is up to in its pre-election budget period is they try to address, finally, some of the areas that they have neglected, after 11 long years.

What we are hearing out there is it is not going to work this time. The fact that the last

pre-election budget made lots of promises and lots of commitments for spending in health care and services in other areas, and right after the election, when the government was re-elected, those programs were cancelled. The spending was eliminated. People are saying they are not going to fall for that again.

**An Honourable Member:** . . . delay the election, Marianne.

**Ms. Cerilli:** Well, if they are going to delay the election, then they are going to be in a very difficult position over the next few months of how they are going to operate, because some people have called this budget a fantasy. Some people have called this budget all sorts of things, but this budget is going to be very, very difficult for the government to actually implement, because in this budget what they are trying to do is—they have said—they are trying to have it all ways.

They know that health care is one of the major concerns of Manitobans, so they have increased the spending in this budget for health care in a way that is very deceptive. They have made all sorts of other promises. We have got the list of the promises that they have been making over the last couple of weeks. But they have also made promises to reduce their own revenues by reducing taxes. They have made promises to put \$75 million against the debt. They have made promises to everyone and everybody.

\* (1440)

We know that when you get additional funds from the federal government that are supposed to go to health care over three years and you spend it in one year that you are setting either yourself up for problems later on or you are trying to set up the government that is going to replace you for problems later on. When you draw down even below their own 5 percent guideline money from the Fiscal Stabilization Fund in order to fill your pre-election goody basket, you know that their polling must be really bad. When they are willing to violate their own balanced budget legislation, which was supposed to be the flagship, which was supposed to be the symbol



of their fiscal prudence, when they go to that extent, you know that their polling numbers must be really bad.

Madam Speaker, the story of this government can be told in the story of the Fiscal Stabilization Fund. Here is a government that when they took office in 1988 they took over from the NDP government in midyear after the budget had been introduced and, lo and behold, what ended up happening at the end of that fiscal year? They had a \$58-million surplus. They had to put their heads together. They came up with this idea, let us create a fund. Let us create a fund and we will list it in this budget as an expense. The slush fund then became known, and that budget, as a way for them to count this \$58-million surplus not against the debt, not as revenue, not as savings, but in that first year it was considered as an expense.

As years went by, they decided, no, the Fiscal Stabilization Fund is a savings account and we are only going to dip into that fund when it is pouring rain, when there is an emergency, when we are in a recession. But now what do we see? The Fiscal Stabilization Fund, oh, it is a revenue line. We can use that money as revenue, we can count that money as revenue that we can spend any time that we see fit, like in a pre-election period.

Madam Speaker, that is one example of how this government is not going to have it all ways. They have not been able to make up their mind on how they are going to use the Fiscal Stabilization Fund, and even members of the Chamber of Commerce, even members of their friends in the tax association were scratching their heads and concerned about the way that this government was dealing with that Fiscal Stabilization Fund and similarly the way that they were dealing with the increase in funds from the federal government for health care.

So on the one hand you have this government trying to run around the province in this pre-election period to try and plug up the holes they have created, to try and deal with their weaknesses, to try and deal with the Manitobans that have been abandoned by them, and on the other hand you have them completely abandoning every what they have called

principles in the past that they have tried to implement in their budgets before them.

Another example is to look at the way that they have exaggerated the growth in their revenues for this budget. In past years they have tried to justify cuts in spending by underestimating growth in revenues. This year there has been a complete reversal of that and they are overestimating even from what many of the financial institutions are saying what we are going to see in the growth in revenues. They are unrealistically high at 6.2 percent. This is a complete reversal of what they have done in the past.

I also have another theory of my own on this, because one of the things that is not accounted for in the budget is the implementation of the increase in gambling and gaming that is going to occur because the \$50-million expansions of the casinos will be on track. I do not know if that is another Pan Am Games plan, but when those expansions do start to generate the gambling revenue, maybe that is one of the areas that this government anticipates generating more revenue that they have not accounted for in the budget, by increased revenue from gambling in the province.

But that is another thing they did not actually want to say in this budget, so what they have done is they have overestimated the revenues by increases in taxation on personal income taxes far beyond what is going to be generated by growth in the economy, but they have not accounted for any increase in revenues from gambling because then, again, they may know by their polling that there are people in the province concerned about the increase in problems occurring from gambling under this government, the increase in VLTs.

I think that maybe that is another thing that they wanted to try and keep quiet in the budget. They did not want to flag that as another way that this government has balanced the books in the past, is by having more than \$200 million more in their budget from gambling. We have talked before about how this budget now gets more revenues from gambling than from corporate taxes in the past, and that is certainly going to continue.

So here we have a budget that is completely exaggerating and completely reversing their trend to underestimate revenue from taxation, especially now at a time when they are reducing the money by approximately \$30 million from people's personal income tax. They have still blown this area of revenue up in the budget.

Time will tell, as it always does when it comes to the government budget, when we get to the year-end next year, and we will actually see what happens. We will see if that revenue line for gambling has increased and how much of that \$50 million of casino money expansion has been recuperated by increased gambling and VLT use in the province.

We have noticed the Club Regent expansion is in the Radisson constituency, and you have to do a double take now when you go down Regent because you cannot believe how long the building is. It is incredible, Madam Speaker, when you see how much they have done to expand it. We realize that there is no line-up at the casino, but there are line-ups in other areas that the government has neglected.

That gets us into talking about health care and the line-ups in health care, in hospitals waiting for tests, waiting for services, waiting to see specialists. But, Madam Speaker, before I start talking about health care, I want to talk a little bit about who this government continues to forget about. One of the things when you look at the budget is you realize that they still have not got it in terms of trying to deal with the inequities that exist in our province. I remember when I was speaking recently on the throne speech debate, I was talking about how in each throne speech there is the flavour of the month or the flavour of the year. It seems like this government discovers a problem that they have previously done their best to ignore, and I think a couple of years ago, they actually mentioned poverty in their throne speech and in their budget. This year there is nothing. There is no mention of poverty. It is not the flavour of the year this year. They are going into an election; they do not want to talk about poverty. We realize that this budget does nothing to address those inequities that have grown in our province.

The poverty that has grown in Manitoba is visible every day, particularly when you visit

schools, particularly when you visit child care centres, particularly when you talk to people who are having a real difficulty in trying to provide for their kids.

We know that under this government Manitoba has continued to have this black cloud of a distinction over it of being the child poverty capital of Canada, and this budget is not going to do anything to address that. This budget is not going to try to address the fact that they have taken the money that was supposed to be in the child tax benefit from the lowest income families in Manitoba. They have clawed back that money. We are not quite sure where it is in the budget. It is not very clear, and I guess that is another one of the tricks that this government likes to play. They have made a number of commitments through the Children and Youth Secretariat of how they are going to provide that money into programs. But, in the research and the looking that we have done, it does not seem—particularly when I read the annual report about these programs that are supposed to be province wide and when you look at these programs—that they are meeting the needs out there, certainly. They are not even up to the extent that the minister has promised in a number of her announcements and news releases.

\* (1450)

So we have seen a government that has clawed back a minor or a small and modest increase that would have gone to some of the poorest families in the province. They have not even been clear and really up front about exactly how much of that money has been invested and about where it has been invested, and how those programs are actually measuring up to the great need that exists out there in the gulf that has grown in Manitoba. It is almost as if there are two Manitobas. There are those of us that are quite comfortable. We are healthy and we are secure in our well-being because we have the means. Then there are those growing, growing numbers of Manitobans that unfortunately live in families that are not so fortunate, that go to work or go to school every day without adequate food. They live in substandard housing. They do not have the recreational or other opportunities that other children enjoy. This government has paid lip service to the fact that they are starting to, at

least in their rhetoric, realize that that is eventually having an impact on the entire province, but they actually have not translated that into any policy, any kind of budget changes that will really make a difference.

Madam Speaker, I recently got a book from the library—actually, the member for Thompson (Mr. Ashton) had taken it out, and I borrowed it from him. It is called *Enter at Your Own Risk: Canadian Youth and the Labour Market*. It has some startling statistics, and it paints a fairly grim picture of how the economy in the world for young people has changed, particularly under the 10 or 11 years or so of this government's mandate. What we have seen happen in our province is that we have had this growth of the no-growth economic sector. We have had this growth of the low-wage economy. It talks about, Richard Marquardt talks about, how this is affecting young people as they try and move into the economy and into the workforce from school.

We know that under this government there has been no real growth in the wages or the take-home pay. We see headlines like City's poor are among the poorest of the land, referring to studies for three areas of Manitoba; The rich-poor gap means we are no longer No. 1, referring to Canada. Here is the article. It says: Manitoba workers confront 20 years of stagnant wages.

Now this book that I was referring to talks about how a low-wage economy has been a strategic policy direction that has been taken by a few OECD countries, when confronted with the whole move to globalization. Part of that low-wage economy seeks to keep wages down to try to deal with unemployment by creating more low-wage jobs, by trying to change education as well. It is all in keeping with what this government has done, reducing time for things like arts and history and physical education in school and trying to put the emphasis on this notion that there should be more time spent on what I would say are the basics of yesterday—reading, writing and arithmetic. The Minister of Culture says that the basics of yesterday are, I think, reading, writing and arithmetic. The basics of today, I would say, Madam Speaker,

would include far more than just reading, writing and arithmetic. The minister—

### Point of Order

**Madam Speaker:** The honourable Minister of Culture, Heritage and Citizenship, on a point of order.

**Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship):** Madam Speaker, I would not want the member across the way to put any words in my mouth. Those were her words when the member across the way, the member for Radisson, reflecting the ideas of the NDP party, called reading, writing and arithmetic the foundation of yesterday.

**Some Honourable Members:** Shame, shame.

**Mrs. Vodrey:** Unbelievable.

**Madam Speaker:** The honourable member for Radisson, on the same point of order.

**Ms. Cerilli:** No, no comment on the point of order. I know it is not a point of order. She was just making a comment—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. The honourable Minister of Culture, Heritage and Citizenship did not have a point of order. It was clearly a dispute over the facts.

\* \* \*

**Ms. Cerilli:** Thank you, Madam Speaker, and I was trying to explain that the basics for students in our day and age dealing with our economy include far more than what was considered the basics for when the member was in school. The basics for children today, I think, deal with some of the issues that kids face today when they try and enter the workforce. We have to deal with technology, the fact that young people need to address concerns about their health—another area that this government has seen fit to cut back—the fact that children in Manitoba in our curriculum no longer have a required course in health education. There is nothing more basic than

health, and I would say that directly to the member opposite, the Minister of Culture and Heritage.

So the fact that this government has tried to narrow the curriculum is in keeping with the strategy for a low-wage economy that is outlined in this book that talks about the kind of McJobs that young people are confronted with when they go to find work. While the ministers and the government opposite may talk about the unemployment rate in this province, when you talk to students who are trying to put themselves through school when they are faced with 169 percent increase in tuition fees in this province since this government took office, you know that students are facing a different world.

Even when I went through university, you could be guaranteed that you could work for a job in the summer and you could earn at least enough money to cover your tuition. Now with tuition fees going up, as they have under this government, young people are having to work a number of part-time jobs in order to try and save enough money. What we see is that young people are having to extend the number of hours that they actually take to complete a university or college degree because they are forced to become part-time students and part-time or even full-time workers.

Interesting, Madam Speaker, this book also has something to say about the number of young people who are working in high school and the way that different families are forced to deal with that student income. I think many of us thought that the days were behind us when students working in high school had to contribute that income to the family income in order to feed and clothe and house a family, but I know when I visit schools in Manitoba that there are a number of students who are again in this situation. Some of them are not even able to put all the money that they earn at a part-time job into a college or a university fund. Some of them are having to spend that money in a family income.

What that does I think, as well, is cause us to question the hours that a number of students in high school are working. The studies under-

taken as part of this book that I was referring to, Enter at Your Own Risk, talk about the risks of students who work more than 20 hours a week at a job when they are in their high school years. Their research has shown that once students are working more than that amount of time that there is a serious effect on their academic studies and on their retention in high school.

It is interesting to note and I want to make mention of the fact that they also found that students who had no part-time job at all also had a higher risk of dropping out of school before graduating from high school and that this was in fact the highest risk for girls. That, I think, has to tell us something about the kind of future that young women still, in the end of this century, at the end of the 1990s, see for themselves.

I think that there has to be more effort by governments to address all the issues around young people making the transition from school to work as they enter into this what I would call a very inequitable economy where we have seen a huge growth in those that are at the high end. They are earning more money, there are more millionaires being created, but there is also this huge gap and this huge low-wage sector of the economy. What young people have to do in order to not get caught in that gap and in order to have the kind of future that we all want for our kids.

\* (1500)

Madam Speaker, I also want to talk a little bit more about the way that this government has balanced the books over the last number of years and the fact that now they are, rather than trying to reinvest into the cuts that they have made in education and health care and social services, the areas that have been really hit over the years by this government in the Department of Natural Resources and the Department of Environment, now, rather than trying to reinvest in some of those areas and recognize that they have created a social deficit and that they really have created winners and losers in their effort to balance the books—I have mentioned already the fact that they have cut back the National Child Benefit—but if we also look at the incomes for the lowest income people in Manitoba under this government, we can see that they removed the infant

formula allowance from the City of Winnipeg rates through their standardization process in the province in 1992.

This cost families with infants \$130 a month. That is a lot of money when you are on social allowance. They cut the food and clothing budgets in 1996, which averaged a cost of \$100 per month. They terminated the special needs allowance for things like winter boots and bedding and other special needs in 1996, and that cost \$150 a year. These families are no longer to keep their tax refunds, which is really their own money. They increased the limitations on medicines, on eyeglasses and dental work, and they rode the rates due to inflation by 13 percent in 1992. Also, we cannot forget that there were 1,600 high school students that were cut off from having some support to complete their education by this government in 1993.

We could compare those people to who were, I guess, under this government, the winners in this government's effort to make their budget's reductions. Corporate income tax was reduced in 1988, exemptions under the payroll tax were extended, the ceiling increased several times on payrolls from \$100,000 in 1988 to payrolls of \$1 million in 1998, which was a benefit of \$320 million to some of the largest corporations in the province.

The Manufacturing Investment Tax Credit was a 10 percent nonrefundable tax credit on purchases of new manufacturing equipment. It was temporary in 1992; it was extended each year until '97. It was a total of \$50 million, which has been—it would be interesting, Madam Speaker, if you could draw some comparisons then from the way that they have transferred wealth from the lowest income people in Manitoba to these higher income people.

Similar on the sale of the Manitoba Telephone System—1,000 workers were laid off; residential phone rates were raised by 18 percent. Further residential rates were raised by 40 percent. Regional offices were closed for MTS, and there has been reduced services to rural users. Those are the people who have lost under this government, the average ratepayers, people in rural and northern Manitoba, and who won? Who won on the sale of MTS?

Well, it is not hard to figure out under this government. The three largest stockbroker firms in the province received \$35 million to \$40 million in fees. Sideline business phone rates were cut by 19 percent. Tom Stefanson, the brother of the Minister of Health (Mr. Stefanson) who was then the Minister of Finance, received a \$1-million stock option when he was the chair of the MTS board. For the initial purchasers of the undervalued shares, the market rate doubled from \$13 to \$26. I would sure bet that the people who I was talking about earlier who are the lowest income earners in Manitoba, who had the lowest incomes in Manitoba, were not some of the people who were buying those undervalued shares for MTS.

Some of the other losers under this government have been injured workers who have had their benefits reduced sharply by changing the formula of 90 percent net versus 75 percent gross pay in Workers Compensation benefits. They severely reduced the permanent impaired awards to Workers Compensation claimants, and the permanent impaired awards converted from a percentage of previous income to a lump sum which has had a major impact on young workers.

**An Honourable Member:** Tens of thousands of dollars.

**Ms. Cerilli:** Tens of thousands of dollars, the member for Transcona (Mr. Reid) says, and he should well know because I know the amount of time that he spends working on behalf of claimants under Workers Compensation. We have these people phoning our constituency office on a daily basis, Madam Speaker, and we know the people who have had to pay for the budgets of this government over the last 11 years.

**An Honourable Member:** \$70 million back to employers.

**Ms. Cerilli:** On the other hand, as the member for Transcona comments, the companies in this province have been the winners under this government's Workers Compensation changes. The rebate on assessments in 1996 was \$8.6 million. They reduced the assessment rates by 5 percent in 1997. They reduced the assessment

rates by a further 8 percent in 1998, and they reduced assessment rates by a further 20 percent in this budget for \$40 million, a total reduction of 33 percent, and the member for Transcona (Mr. Reid) says it is \$70 million or more that has gone to the companies in Manitoba.

On the other hand, the workers have had to pay dearly for those, not only with injuries and illness but also with losing their homes, with losing their security, with impacts on loss of their family unit through divorce, not to mention the stress and strain. As I have said, Madam Speaker, this is one of the areas that we get the most phone calls on from distressed people in our constituencies who have faced this government, and the ways, the ruthless ways that Workers Compensation has pursued people under this government is really reprehensible.

Similarly, Madam Speaker, and finally in the area of health care, this is I think the area where people are not going to be fooled. When we talk about the winners and losers under this government and the way they have dealt with budgets over the last number of years, there are more and more Manitobans—and I would dare say most everyone knows someone who has been affected by the current health care crisis that has been created by this government. Most everyone has a family member or a friend or knows someone whose family has been affected by the cuts in health care.

Manitoba has cut \$225 million from health care spending since 1992. These are provincial cuts only and do not include the further \$109-million cuts by the federal government. Now, when this government goes along and tries to claim that in the past the cuts have been federal cuts, they have had that information before they have brought in their budget. Manitobans, I think, are getting much more astute at seeing through the kinds of games this government plays with their budgets.

Home care clients who now have to pay for crutches, walkers and bandages, the increases in the deductible and the lower coverage under Pharmacare, this is an area in the increase in user fees that every family is facing in Manitoba.

When I say that this government now cannot be as cynical and crass, as they are trying to be, in their pre-election period, people are not going to be fooled by a government who has cut over 1,100 nursing jobs since 1988, to now have them come forward and claim that in one budget year they are going to hire 600 nurses. Madam Speaker, the nurses have left. I, myself, know personally people who have left this province under this government—the way that they have treated nurses, the conditions that they are forced to work in, the kind of stress that they face.

I know that when I was in the hospital last year giving birth to our daughter, the nurses told me that when they are on the maternity ward, they are supposed to only have four mothers and babies to take care of and that the nurses on the maternity ward at that time had five and six mothers and babies to take care of. Now, you do not have to be a rocket scientist, Madam Speaker, to know that the quality of care, the time, the attention, the thoroughness is going to have to decline when people are dealing with more of a patient load than they are recommended to care for and that they can care for. When this government tries to claim that their changes in health care and their reductions have not impacted on patients' care, people are not going to believe them because they see it first-hand. We know from talking to people. We know based on our own experience.

There are now 35,700 problem or pathological gamblers in Manitoba. This is a cost to society for each of between \$18,000 and \$56,000. I was talking earlier about the social costs in the province left to us under this government. I was talking earlier about the fact that they have underestimated the revenues in their budget from the expansion of VLTs, but we know, again, from listening to people in our communities that there is tremendous concern out there about the increase in gambling and how this is actually going to be a long-term health cost. It is going to be a long-term cost in many areas of public finance because of the problems that have occurred.

Madam Speaker, those are some of the ways that the budget cuts in health care and the ways that this government has dealt with health care have created losers in the population of

Manitoba, but they have also created winners in their health empire building, I would call it. Connie Curran, the consultant who received \$4 million, plus expenses, to recommend to the Manitoba government how to downsize their hospital workforce by 1,100, I would say that she is one of the winners under this government.

\* (1510)

Airmart Canada, a for-profit subsidiary of an American multinational, given a contract to rethermalize hospital food, that is now a project endeavour, a failed experiment by this government that has cost more than \$20 million and is now still costing all the hospitals, as they have to pay for food that they are not getting, as they have to try and sort out the maze and the complaints that the food travels through.

The SmartHealth experiment is also another \$100-million bonus for the Royal Bank and other American firms that have benefited.

Madam Speaker, I also want to talk about some of the community organizations that we deal with in this province, that we rely on in this province to provide services in our community. I just want to conclude with this because it is one of the things that even the Minister of Housing (Mr. Reimer) in Question Period today tried to do, and that is to suggest that we can transfer services provided by government into voluntary organizations without giving them the necessary budgetary support.

I think all of the community nonprofit organizations in Manitoba have been affected by the government freezes and cutbacks in this area. I would think that all of those people have seen that they are not going to fall for another budget under this government where their promise is pre-election. After the election of this government again, I dare say it would be a very different story, when they would once again not live up to their budget promises. Thank you very much.

**Mr. Marcel Laurendeau (St. Norbert):** Madam Speaker, I am very proud to speak today in response to my government's budget that shows such a strong commitment to Manitobans. I commend the honourable Minister of Finance

(Mr. Gilleshammer) and his staff for a job well done. Thanks in large part to the hard work of my colleague and his staff, we are poised to build on the already phenomenal success that we have attained.

My constituents, Madam Speaker, are concerned, as are all Manitobans, about the issues that affect their daily lives. The St. Norbert residents have indicated to me, as Manitobans everywhere have indicated to our government, that they realize the best way to ensure that there are sufficient resources for our programs and institutions is through a strong commitment to fiscal responsibility. That is why the people of St. Norbert feel confident that this government is the one that will lead our great province into the next millennium. They have faith in our ability to manage the province's resources, and they should, given our impressive record in this regard.

Fiscal responsibility, Madam Speaker, is something that this government has a powerful commitment to, because it is important to each and every Manitoban that we manage their tax dollars appropriately. Living within our means benefits all Manitobans. This has not been an easy task, but this government continues to administer in such ways that Manitobans have seen tremendous improvements to the programs which affect them every day.

Every journey has a first step, Madam Speaker. As such, in 1995, this government set itself on a path of rebuilding our ravaged finances. It has not always been easy. We have had to make sacrifices, but it was what we had to do. The concept of living within our means is only common sense, and therefore this government took it upon itself to do exactly that: live within our means. By implementing balanced budget legislation, this government, in partnership with all Manitobans, has ensured a commitment to a bright future for Manitoba.

Our combined efforts have paid off. Thanks to our vision and perseverance, Manitoba will enter the next century, and indeed the next millennium, with a prosperous economy that provides for the people of Manitoba. With this government's guidance, the economy of

Manitoba will continue to give our citizens opportunities for success and fulfilment.

A strong Manitoba means strong Manitobans. That is why, Madam Speaker, this government is so proud of our fiscal responsibility which has helped this province become a great place to live. Not only is Manitoba a great place to live, but it is a great place to plan a future. This is the fifth straight year that the Manitoba government has balanced the budget. The first time in 25 years this has happened. Not only have we balanced the budget once again, but 1999 projects a \$21-million surplus.

Madam Speaker, only by avoiding deficit budgets can the people and the province of Manitoba continue to prosper and grow. Thanks to our responsible government, we are on track to pay off the province's massive debt within 27 years. As debt decreases, fewer Manitoban tax dollars will be needed to pay off the interest costs. As such, the earnings of hardworking Manitobans will remain in their pockets rather than being needed to pay off an accumulated debt caused by a string of deficit budgets.

I am proud to say, Madam Speaker, that this year interest costs on the debt will be \$116 million lower than they were five years ago. This government's balanced budgets, which allow for debt repayment, have reduced debt-servicing costs. Interest costs are expected to drop again this year to \$481 million from \$515 million last year. This is a \$34-million savings, all of which can be reinvested in Manitoba to benefit all Manitobans. The reason we have placed such a strong priority on fiscal management is for our children. Providing a debt-free economy in which they can prosper and grow is one of the best ways I know to give them an exciting opportunity in their adult lives.

I take comfort in the knowledge, Madam Speaker, that my children, indeed all the children of Manitoba, will have to pay fewer taxes in the future thanks to this fiscally responsible government. This is the greatest legacy we can leave them.

Madam Speaker, this government's commitment to balanced budget legislation and

fiscal responsibility is allowing this province to move ahead with confidence into the next millennium. Consumer confidence is high, as are the levels of investment. This is a direct result of the strong economy which this government helped create when we restored economic stability through our commitment to repaying the debt.

Tax cuts are part of this government's plan for growth and stability, Madam Speaker. Because they encourage competitiveness and investments, Manitobans will enjoy a 3 percent cut to their personal income tax rates over the next eight months, which will save Manitobans a total of \$182 million. Not only will Manitobans benefit from this tax break, but Manitobans with small businesses will also have the opportunity to expand and create more jobs thanks to a 4 percent cut to the small business income tax rate by the year 2002 for small businesses.

The incentives to invest in Manitoba companies and create jobs will be increased as a result of the Manitoba equity tax credit, Madam Speaker. At the same time, the extension of both the manufacturing investment tax credit and the Manitoba film and video production tax credit to this year, 2003 and 2002 respectively, will help create 10,000 jobs and increase wages for Manitobans.

The impact of this government's tax cuts for Manitobans is significant, Madam Speaker. For a single senior earning \$15,000 per year, there has been a 100 percent reduction in Manitoba taxes between 1997 and 2000. For a single parent, with one child, earning roughly \$40,000 per year, there has been an 11.5 percent reduction in Manitoba taxes over the same period of time.

These are just some of the examples of how this government is committed to helping Manitobans, all thanks to our ability to manage Manitoban's tax dollars efficiently.

Thanks to this government's strong economic management, Madam Speaker, we are able to make important investments in the people of this province. Our plan for health care in Manitoba is on track thanks to our foresight and vision. We realized several years ago that if the



integrity of the system was to be upheld, we would have to make investments in strategic areas.

This budget reflects our commitment to strategic spending for health. Not only does this government devote over 35 percent of its budget to health care, Madam Speaker, but we are unparalleled in Canada as the only province to do so while maintaining a balanced budget.

Additional funds will be allocated for home care, personal care home and long-term care beds. This budget will see funds for home care increased by \$20.5 million, bringing our total funding commitment to \$147 million. This will provide services to 32,000 Manitobans this year. Personal care homes will receive \$15 million in additional funds. Spending money in these areas will help us provide services and care to Manitobans in logical and appropriate settings. This will help us to reserve hospital beds for those who truly need them.

\* (1520)

This budget also directs \$62 million for the expansion of hospitals surgical capacity, and this will reduce waiting lists for important procedures. Further to this end, we are allocating \$5 million for the purchase of diagnostic equipment like CT scanners. This type of equipment is being increasingly important in the health care system. Although these machines are costly, our prudent financial management is allowing us to purchase more and more units. Reducing waiting lists is important to Manitobans and therefore also important to this government, and we will continue to achieve results to this end.

Madam Speaker, after health care, education and training remains this government's second-highest spending priority. This year we will allocate \$779 million to this area. In education, like health care, we will continue to make strategic investments to get maximum returns on our investment. We will continue to emphasize the basics like mathematics, science and English. These are fundamental areas and it is vital that our children know them. To ensure that our young people are grasping these important skills, we will continue to test our children's progress to

ensure that they are getting the education they deserve.

Our commitment to education does not end once students have graduated Grade 12, Madam Speaker. We recognize that post-secondary education offers exceptional opportunities for students to excel in the workforce. I am proud that Manitoba's post-secondary institutions are amongst the lowest for tuition fees in Canada.

Not only are our post-secondary institutions affordable to begin with, Madam Speaker, but we are the only province to give \$15 million back to the individual students in the form of a Manitoba Learning Tax Credit. These are just some of the commitments we have made to ensure that post-secondary education in Manitoba is among the most accessible and affordable in Canada.

Madam Speaker, this government has an unequalled devotion to the people of Manitoba, and our budget is indicative of this. Thanks to our responsible government, this province now has a bright future. Paying down the debt through balancing the budgets is the best way that we can ensure our children will not be financially burdened. Irresponsible deficit budgets caused the debt to rise, ultimately wasting the tax dollars of hardworking Manitobans.

This government is committed to making every penny count. Not only does our fiscal responsibility result in future benefits, but Manitobans are benefiting right now as well. Our commitment to health care, education, job creation, business, indeed, every aspect of Manitoba is and will remain unwavering. The next century will be Manitoba's century. Thank you, Madam Speaker.

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, last weekend when I went home to talk to constituents about this budget, I have to say the people in the constituency were quite cynical about it and said: Well, it is just a piece of paper. Can you really believe what they are saying? Given everything that this government has said and done over the past eleven years, can you really believe that they are going to make these kinds of commitments, and that they are

going to follow through on this budget? If after the election, heaven forbid, they should become government again, will they once again say: Oh, well, we made a little bit of a mistake here and we cannot deliver? Just like they did in 1995, because none of us will forget the promises that were made in 1995 by this government. The promise to spend \$678 million on health care capital and then to have all of that health care cancelled.

So, when we hear the government talk about making commitments to health care, we really wonder. I have to say that these are comments that were made to me by people that I spoke to, saying: Do you really believe that they are going to deliver on this, or is this just another pre-election promise, as they did in 1995, to try to convince people that they finally saw the light of day and recognized the importance of health care in this province and that they were going to finally put some money in?

Madam Speaker, I have to give a lot more credit to the people of Manitoba than that to recognize this. I have to say that I really appreciate the fact that the government is finally recognizing the error of their ways, and they are going to start making improvements to the health care system. I have to question, though, why they did not recognize how important nurses were in the health care system, why they laid off 1,100 nurses since 1995, and now on the eve of an election start to recognize that they are important people. Hopefully, we can attract some of these people back to the province because many of them have left. Now they are going to hire back 650 nurses. I think that is a good promise. We should be hiring back nurses, but why did we wait this long? Why were those nurses not hired? Why were they fired or let go in the first place?

I have to say let go, because I am not aware of firings, but there certainly were cutbacks in the area that I live in. In the Swan River area, we notice the number of nurses that we see in the facility as a result of the cutbacks of this government, Madam Speaker.

Madam Speaker, we know the government would like us to believe that they are committed to home care and that they are putting more

money into home care. We know that this government also tried to privatize home care in 1995, and then they recognized the concerns of the public and then backed off on that decision.

So I have to say that, Madam Speaker, we are pleased about this decision because we have been calling for the hiring of nurses and for the reopening of beds for some time now, for the restoration and expansion of home care and community care. Certainly we have been calling for the construction of personal care homes to free up hospital beds.

But, you know, in the fall and over the winter months when there was real problem and we had all these waiting lists in the hospitals, people in hallways, I know that some people said that their relatives liked to be out in the hallways, but for my part I know that people, when they are not well, would rather have a bed. We called on the government many times to restore that funding. We called on them to return to the Legislature here to address that issue, but the government said there was no issue there. There was nothing to address. They did not have to look at the Fiscal Stabilization plan because there were those people who liked to be in the hallways. All of a sudden the government has seen the light of day, and they are going to put money into health care. But, as I say, Madam Speaker, for people out in the province and outside of this building, they are questioning why the government would have waited this long. The money in the Fiscal Stabilization plan was there last year. It was there the year before, and the government did not think there was any reason to spend. In 1999, finally they recognize that there is a problem and that they are going to be spending some money.

Madam Speaker, in the Swan River constituency, one of the major issues on people's minds, particularly in the Swan River area and the area that is served by the Swan River community, is the whole issue of the future of the Swan River Valley Hospital. That facility is on the verge of being closed, condemned because of a mould problem in the building. We are really not sure what the future of our services is. I just talked to people in the hospital facility, and there has been no decision made whether

trailers are going to be set up or how we are going to have service provided.

I want to remind the government of a decision that they made in 1992. There was an announcement that there were going to be huge renovations to the Swan River Hospital. The then Minister of Health, the member for Brandon West (Mr. McCrae), was in Swan River. The personal care home had opened and he was talking about this huge renovation. There were pictures on the walls of the hospital about the renovations. You know, after the '95 election, those pictures disappeared. No renovations.

**An Honourable Member:** Where are they?

**Ms. Wowchuk:** I have tried to find them. I have tried to find those pictures, and I will, just to remind the government of their commitment and the money that was spent on architects back in '93-94 for renovations. They chose not to make those renovations, and in 1999 we found—it has been discovered—that the '96 part of the hospital where the major renovations were supposed to take place is the one that is most seriously damaged by mould. We hear about leaking problems and all of the things that have been neglected because the government was saving money so that they could balance their budgets. There is a saying: a penny wise and a pound foolish. This is one of those situations that, had the renovations been done earlier, we would not be nearly facing the situation that we are now.

\* (1530)

But, Madam Speaker, we are in that situation, and the government has put money in this budget to address the feasibility study of how the situation is going to be addressed, but there is no money to rebuild the hospital, no commitment to that, so that tells me that this government has no intention of starting the work in 1999. People who are in need of health care services are going to be in a temporary facility for some time. I would hope that the government would make a commitment—I should say—that money would have been allocated in this budget for more than the feasibility study.

Madam Speaker, our concern, and I speak for the people of the Swan River Valley, is that the government will use this need for a new facility as an opportunity to downgrade services in the Swan River Valley. If that is the case, it is completely unacceptable. We cannot afford to lose any services in the area. Swan River is a regional hospital, serves a very large area, and we must ensure that this government treats it as a regional hospital. In fact, this will be an opportunity to enhance, not reduce, services.

I feel very strongly, as do the people of the area, that we, the people of the Swan River area, should not have to be paid a 20 percent fee that is required when a new facility is being constructed. The people of Swan River did not request a new facility. The people of the area were satisfied with what we had. It is through neglect of this government that there is a need for a new facility, and we should not be paying double taxes to get a new facility in the Swan River area. Again, it is an issue that has not been addressed in this budget and one that the government must consider.

There is one other facility in the Swan River constituency, and that is the Winnipegosis Hospital. There it is a shortage of rural doctors to provide services and, again, no commitment, I do believe, to enhance or encourage doctors to stay in rural Manitoba or in northern Manitoba for that matter, Madam Speaker, in this budget.

I had the opportunity yesterday to visit with some people in the constituency. One of the major concerns that was raised was the fact that this government has made a decision to move toward regional health authorities. What people told me is something that we have heard many times in this Chamber, that the regional health authorities are developing another layer of bureaucracy, and it gives the Minister of Health the ability to distance him or herself away from the public. When the government cuts back funding to health care, in fact, the Minister of Health can then blame the regional health authority for any cutbacks, but in actual fact it is the government that controls the purse strings, and they are the ones that make the decisions.

One of the areas that is not being properly addressed in rural Manitoba, and I am not sure

how that compares to services in Winnipeg, is the whole area of mental health services. They are not being properly addressed, and we are having children falling through the cracks in this whole area. Over the last few years in the Swan River constituency, we have had on average one suicide a year of a young person. These young people have been crying out for supports.

I know in particular of one case where in fact parents were looking for help for their child to help him through his difficulties. Those services are not being provided in rural Manitoba. It is something that has to be addressed. We cannot create this system of regionalization and in the system lose the fact that there are very serious services that are lacking and have to be addressed. I point that out to the government. It is something that all of us have to think about, how we can provide better services and ensure that when young people and adults as well get into difficulties that there are the supports there in the mental health area.

One of the ways that the government could have addressed this, which they did not in this throne speech, was the whole area of the rural stress line that we have been calling for many times. Now, if that service was in place, it would be another tool that would be available for young people, older people, farmers who are in crisis right now, to access services. Those members who are from rural communities will recognize that.

So, Madam Speaker, with respect to the health care issues, I can say that I appreciate that finally we are going to have money going into health care, as we have called for many times. We have called on this, but I have to say that when I talk to people out in the constituency, the question that is really asked is are they going to really deliver, or are we just going to see signs like we saw in Oakbank? [interjection] The Minister of Agriculture (Mr. Enns) says we have his word on it. Well, we had this government's word in 1995, and we had sod turnings about three or four times for one facility, particularly the sign at Oakbank and several facilities here in Winnipeg. [interjection]

Madam Speaker, the Minister of Agriculture sounds very enthusiastic about all the things that his government is proposing in this budget, but I would encourage the Minister of Agriculture to look back at the record of his government and the number of sod turnings that they had and the number of signs they put up and the number of pictures they hung on the walls, just like they did in the Swan River Hospital where they hung a picture of what the facility was going to look like, where they spent thousands of dollars on an architect to design the facility and then shelved it.

So, Madam Speaker, you cannot blame the people of rural Manitoba for being a little cynical about this government in their commitments. I hope that this money will be spent, but you have to question how the government could at one stage say, oh, we cannot spend the fiscal stabilization plan and all of a sudden the purse strings are opened up and we have all of this money available to be spent.

Madam Speaker, one of the announcements that the government made was a reduction in income tax. Of course, whenever you hear about a tax reduction, everybody thinks about their own personal pay cheque, their own income, and we like to keep as much money as we can. But as I look at this income tax reduction, I have to think about the people whom I represent, and there are many people who will not be able to take advantage of this tax break. It is the seniors in the area, fishermen who are on low income, many farmers who are in a negative position now rather than having an income to show who will not be able to take advantage of this.

But these people, even though they cannot collect on this tax credit on income tax, they still have to pay sales tax, and they still have to pay property tax, and they still have to clothe their children, and we have to think about what other options the government had, and had they looked at property taxes and looked at that area, those people—farmers, fishermen—who are in a low-income position would have benefited much greater from a reduction in property tax than they will from a decrease in personal income tax.

\* (1540)

If you look at the child tax credit that this government pulled back, Madam Speaker, many people would have benefited much more by having that child tax credit reinstated instead of a reduction in personal income tax. But, certainly, as I say, there are some people who will benefit from this and appreciate the extra money in their pockets, but as a society we have to think about the broadest group of people and how we can help those on lower incomes who are struggling to make ends meet and to feed their families.

Policies brought forward by this government do not address that. By broadening the sales tax base a couple of years ago, the government drained money out of poor people's pockets who could least afford it. By taking away the child tax credit, the government took money out of the people's pockets who could least afford it. Had the government looked at property taxes as a way to reduce taxes, it would have reached a much broader group of people and would have helped a lot more people.

I look at my constituency when I say this, and I know that there are low-income people in the city of Winnipeg and in southern Manitoba who would have benefited far more if it would have been a property tax reduction, not a reduction in income tax, and I think the government, when they were making this decision, were targeting the wrong group of people with this because, as I say, many people will not be able to take advantage of it.

Madam Speaker, one of the issues that caused a lot of debate in this House over the last couple of years was the sale of MTS. We are seeing the impacts of that sale and the effects it is having on people on their telephone bills, but we have to wonder. Look at how the government spent that money.

*Mr. Marcel Laurendeau, Deputy Speaker, in the Chair*

The money that they got from MTS went into the Fiscal Stabilization Fund and then was used there and fed back into general revenue. You would think that since they sold MTS three years ago and money went into the Fiscal

Stabilization Fund and now the money from the sale of MTS is basically gone.

Now, this is a government that talks about being good managers. They know all about how to manage funds. What they have done is sold off an asset, and in three years it is gone. Well, the cookie jar is empty, Mr. Deputy Speaker. They have laundered the money through the Fiscal Stabilization Fund. The money is gone. The Fiscal Stabilization Fund has been reduced to a lower level than their own legislation says it should be. You wonder where the government plans to get the money again. We really have to question whether the next question is to sell Manitoba Hydro so they can replenish the money in the Fiscal Stabilization Fund and then have more funds to run on, because if you look at this budget and you start to compare some and look carefully at it, this indeed is not a balanced budget, as the government would have you believe.

An economist from the University of Manitoba says, and correctly so, that this budget is really a deficit budget of \$83 million, but the deficit has been masked by drawing money from the Fiscal Stabilization Fund. The economist's name is Norm Cameron, for those members who are asking, and certainly this economist, Mr. Cameron, questions this Tory government's commitment to prudent budgeting and giving their willingness to draw from the fund at the top of the business cycle. If you are drawing out of that fund now, what are you going to do in years when the economy is going downhill?

This government would have us believe that they are the good fiscal managers and they know all about how to balance the books, but when you really look at their bookkeeping there has been some fancy work that has been done. If it was not for the sale of MTS there would be a very huge deficit in this budget.

I want to talk a little bit about education, because that is another issue that is very important to the people of my constituency and to all parents, parents who want the best for their children and parents who hope that their children will end up going on to post-secondary and getting the tools, skills that they need to compete in the workforce and take a valuable role. But

when we talk to young people, I can tell you that there are many young people who do not have very much hope and are not feeling very hopeful by the actions of this government, young people who are saying: what is the use of going to school, what is the use of running up a high debt?

Mr. Deputy Speaker, there are many young people who cannot—

**Some Honourable Members:** Oh, oh.

**Mr. Deputy Speaker:** Order, please. Could I ask the honourable members wanting to carry on this conversation to do so much more quietly? The honourable member for Swan River has the floor at this time.

**Ms. Wowchuk:** You know, when the Minister of Agriculture (Mr. Enns) was talking about the hope, I think he is thinking about some of the people that he visited on his holiday because our young people are worried about their future, with the high increases to university costs and how they are going to pay off those debts and where they are going to find employment, especially if they are training to be a nurse or doctor. It certainly does not look like there is going to be opportunity in this province because this government under their stewardship many people have left, many nurses have left this province. The real issue is the rocketing tuition fees and user fees to parents and has resulted in a low rate of enrollment at our colleges.

This government would have you believe that they have done so much for education. When you look at the actual facts, Mr. Deputy Speaker, this government has reduced the funding to education by well over \$400 per student, and that has caused serious difficulties in schools and resulted in teachers photocopying piles and piles of paper because they cannot afford to buy books, children selling chocolates and parents buying chocolates in order to keep the school open, keep supplies in the school. Certainly, on the whole, it has resulted in an increase in property taxes for Manitoba homeowners as a result of the changes that this government has.

Now, in this budget, Mr. Deputy Speaker, the government has announced a 2.3 percent increase for schools. To have an increase,

finally, after the cutbacks is a good move—finally, to recognize that we do need more funding for public schools, but this comes on the heels of a series of cuts and freezes and this will not prevent school divisions across the province from raising their property taxes this spring. Those increases will be arriving in the mail boxes in the next few weeks with assessment notices. The overall average property tax increase for Manitoba homeowners is almost 60 percent for over the Filmon years. In total, it is about \$169 million in a tax increase, equivalent to an eight point increase in personal taxes.

Along with this, Mr. Deputy Speaker, we have seen cutbacks of \$6 million of funding to Access over six years. The one I want to talk about is an announcement that we are hearing today. The Minister of Northern Affairs (Mr. Newman) talked about tomorrow's announcement about restoring the funding to friendship centres. Imagine that. Since 1993, they have indicated that they cannot support friendship centres, friendship centres that provide a very important service in the city of Winnipeg and rural Manitoba and in the North. Over six years, they have eliminated \$7.3 million of funding to friendship centres, and now they are going to reannounce the funding days before an election and they expect the public to believe them that they have finally seen the light of day. They finally recognize the important role that friendship centres play in our communities, and they are going to reinstate the funding. Well, alleluia.

\* (1550)

Can you believe this, Mr. Deputy Speaker? I can tell you that people at the friendship centre that I go to will find this to be a very, very cynical move, and they will be asking the questions about how long will the Conservative government keep this funding in place. After an election, are they going to say, oh, friendship centres do not play an important role anymore; they are a political body, so we are going to take the money away? That is the kind of trust that people have in this government now. They do not believe that this government will deliver on these things. They may deliver it for a short while, but then they are going to go back to their old path of reducing services and cutting back on funding.

Mr. Deputy Speaker, one of the areas that I have a lot of interest in is in the whole area of agriculture, which, I think, is a very important industry and a base industry in this province. Without agriculture, many other things fail, and we have seen that happening. The farming community has been through real difficulties. Just the other day there was an article in the paper and a story in the news about how farm machinery dealers were feeling the impact of the loss of income for the farm community. All rural communities are feeling that impact, and certainly it is not something we can address completely in this Chamber.

We know that it is very much a federal issue. It is an international issue. The supports that other countries are giving their producers are much different than the supports we are getting in this country. If you look back at a little bit of history, Mr. Deputy Speaker, you will see there have been changes that have been made by the federal government, and many times applauded by the Conservative government, that have resulted in huge amounts of money being drained out of western Canada.

We think back to the elimination of the two-price wheat system back in, I believe, 1988. When that was eliminated, that took over \$250 million annually out of western Canada. The elimination of the Crow benefit in 1995, which this government said was going to help the growth of rural Manitoba, and we were going to get all the value-added jobs out of it. That amounts to \$320 million annually coming out of western Canada.

When you look at the reduction in the federal budgets over the past few years, the elimination of the branchline protection, many branchlines being abandoned resulting in increased costs for farmers and a shift of costs to municipalities and again increased taxes. All of these things drain money. We limit the amount of money that is coming into our rural communities, and that puts more burden on the farming community.

The Estey report, which we have not seen this government take a very strong position on, if implemented, would see the role of the Wheat Board reduced and would see freight caps

eliminated. That freight rate cap elimination could result in as high as \$20-a-tonne increase in freight rates. Again, more money being drained out of the farmers' pockets.

Mr. Deputy Speaker, we hear the discussion on the farm aid package, and we talked about it here during Question Period. Certainly, the farm aid package, which was announced with a lot of fanfare, is not—when we look at the farm aid package and the amount of money that the provincial government announced, said they were committing to the program and the amount of money they have actually allocated to the program, it is quite different. The amount is supposed to be \$62 million over two years in funding, but you would assume, even if you were not going to divide it up half and half, take less than the amount that is \$32 million—even if it were in the range of \$25 million, as the minister has indicated—for the government to put only \$12 million into the program seems to tell me that the government realizes that this is a very flawed program and the farmers will not access nearly the money that they should have out of this program. Work has to be done to ensure that there is a better program put in place, and to ensure the money that is announced in farm aid programs actually does get into the hands of those people who need it the most, not into the hands of accountants, as it appears in this case, who will be making a good portion of the money in accounting fees.

When we look at the budget as well, the government has reduced their funding into the area of research. The one area that they have given support for the farming community is the area where they have given a tax break for manure slurry tanks and lagoon liners. When I look at this, Mr. Deputy Speaker, I question why the government would focus so much on giving support to the hog industry and ignoring the other parts of the livestock industry by giving a tax break on items that relate to the hog industry but not recognizing that there are other areas in livestock that can be supported.

The Minister of Agriculture (Mr. Enns) two years ago said that it was the hog industry that was going to be the most important industry in Manitoba. Certainly the hog industry will be important in Manitoba, but we have always said

that this has to grow slowly, and we cannot put all our eggs into one basket, so to speak. We saw the impact of that last year when the prices of hogs fell. Many, many people who invested in that industry are now facing serious financial challenges. So I think the government has to look a little broader than that and offer supports in other areas as well.

But the concern with the reduction in research is one that I would question. As I said earlier today, we really have to work together as western provinces and with farm organizations across the west to ensure that the federal government does not continue to reduce its support to western Canada and eliminate, as they have in the past, many programs and financial support. By working together with other western provinces we have to ensure that we develop a safety net program that better meets the needs of producers than the program that we have right now.

The minister talked about my encouraging him to sign the program. Certainly we all wanted to get some kind of support in place for our farming community, but I was disappointed to learn that as provinces were committing 40 percent of the money to the program that there was not more input from the provinces in designing the program. I had anticipated with that kind of commitment that there would be some input from the provinces.

I hope that the government will hold true to their word on this \$62 million, but I worry about how the numbers are working out, where that money is going to come from if there is a downturn in the economy and next year we have to put all of that money into the program when only \$12 million of the \$62 million is budgeted for this year.

So as I say, there are some good points in this budget. Finally the government is recognizing the importance of funding our health care system properly. The government is recognizing the need to put funds back into education. Things that they have cut they are finally recognizing as important, things that they should have recognized over the last couple of years. They should never have allowed our health care system to deteriorate to the point

where we have the kind of waiting lists that we do. We should never have allowed our health care system to deteriorate to the point where people are going to Grafton, North Dakota, to get tests done. We should never have allowed our health care system to deteriorate to the point where people are waiting for various kinds of testing that there are not enough staff in place to allow the system to function properly.

\* (1600)

So with those few words, I want to say that there are things that the government has finally recognized that they should be changing, but I have to say that when I talk to people in the constituency, their comments are: why are they doing this now? Why did they not listen for the past four years? Why did they announce projects in 1995 and not deliver on them and now all of a sudden find the money to do it?

I think those are the things that the government is going to have to be held accountable for. I have to say, Mr. Deputy Speaker, that they are also attempting to once again spin the story that the NDP are the ones who are the big spenders, but I think they have blown that now. They are certainly trying to spin the story that the NDP left them—there was a deficit there when they took over in government, but they should look back at the record in 1988 and look at the Auditor's report where it said, in fact, that it was the NDP that left a surplus, and, as a result, that was the money that the government used to start the first fiscal stabilization plan.

So they have to look back at their record, and they are going to have to defend the decisions they have made over these past 11 years to cut back on health care and education funding at the expense of the people of Manitoba. Thank you, Mr. Deputy Speaker.

**Mr. Glen Findlay (Springfield):** Mr. Deputy Speaker, it is indeed a pleasure for me to have a chance to say a few words today, albeit it may be the last time I stand up in this House, depending on events that may or may not unfold. These events, we all know, will unfold sooner or later; whether it is sooner or later depends.



It is my first chance in this Fifth Session to say hello to my colleagues in the House, as there are 57 of us who have the unique opportunity to represent our constituents. It has been a privilege for me over 13 years now to be in this House. It is my 12th budget on the government side, and I saw three budgets from the opposition side, albeit two of them passed, and the third budget, the member sitting right back here in this seat, Mr. Jim Walding, chose to correct the path that Manitoba was on. [interjection] Chose to correct the path, that is right. [interjection]

Well, Mr. Deputy Speaker, it is interesting to hear the members opposite starting to chirp, but I wonder as I have listened to the debate here in recent days whether for the first time in my history in this House the opposition is not going to vote against the budget. Silence gives me some degree of belief that maybe—they may even vote for it. Now, that would be the leap of faith.

**An Honourable Member:** Remember 1989?

**Mr. Findlay:** Yes, I remember 1989. We voted against it, and the member back here voted— [interjection] I am sorry, '88. Sorry, '89, okay.

**An Honourable Member:** What happened in '89?

**Mr. Findlay:** I cannot remember. It is too long ago. The white hair, everything is fading. I have heard a lot of criticism and seen a lot of votes against it in the last 10 years. Anyway, I look forward to it. The members opposite, to their credit, if they do not vote against the budget, it will be interesting.

But we have gone through a long process in the last few years to try to put the province on a positive track because—I heard the member for Crescentwood (Mr. Sale) mention the other day that deficit funding and governments running up deficits and big debt is wrong. It is wrong-headed.

Clearly, if I was to say why I got into politics, it was because through the early '80s and the Pawley government, it was widely recognized, particularly in rural Manitoba, that we were on the wrong path of deficit financing, particularly in the years when the growth of the

economy in Manitoba was very robust, 15 to 17 percent growth per year, and yet the government with the growth of tax revenue finances increased, they were still deficit financing. Crown corporations were losing large amounts of money. It was a badly, badly managed government, Mr. Deputy Speaker.

Before I go any further, I would like to say hello to the pages. Every session, there is a different group of pages who come into this House. Hopefully, you go away from here with some positive thinking about how democracy functions and how this House functions, but sometimes, like the old saying, you may enjoy sausage, but you should never see how it is made, and that kind of reflects what goes on in this House. The outcomes are usually fairly good, but the process is kind of messy.

I would like to also welcome the new Sergeant-At-Arms, Mr. Mac Allen, who is here for the first time and gaining similar experience on how the sausage is made in this particular location.

As I said earlier, I came into this House along with 10 other members on our side, and the member for Concordia (Mr. Doer) on that side in '86. A chain of events happened thereafter that put us into government in 1988. When we came into government, we saw that the debt of the province through the six and a half years of the Pawley government had grown from \$1.3 billion to some \$5 billion. As I said earlier, those were in good growth years in terms of the Manitoba economy, but it took a lot of years to turn the ship around in this province. It took from '88 really through until 1995, because there were fires, there were droughts, there was recession and there were global trade wars. All these factors interfered with the ability of us in government to get the ship corrected. Clearly, as we formed government and brought in budgets in the late '80s and early '90s, the issue of cost control was fundamental to us. First you had to decrease the cost of operating government, had to make government more efficient, and clearly we had to meet the emergency needs that were out there, as I mentioned earlier, whether it was droughts or whether it was low commodity prices, and had to support the farm community

with the GRIP and NISA programs, or whether it was dealing with the urgencies in health and the urgencies in education.

We brought a first balanced budget in, in 1995, and this is the fifth balanced budget we have brought in. I feel very proud that we as a province have been part of that. We have also brought in legislation to maintain a balanced budget as the law, otherwise the cabinet ministers lose 20 or 40 percent of their salary depending how many years that they do not bring in a balanced budget. I think that is pretty good policing, pretty good incentive. [interjection] This year has a \$21-million surplus. It also requires a referendum for increasing any major taxes. It requires a minimum mandatory \$75-million debt repayment each year, and it requires the setting up of the Fiscal Stabilization Fund.

Now I know members opposite laugh at that, but I want to ask them one simple question: where do you think the money came from to deal with the flood of '97, if it was not from the Fiscal Stabilization Fund? Where do you deal with emergencies like fires? Where do you deal with emergencies like a farm income program? That is how you deal with it. It is responsible management of government finances. The member may laugh over there, but right across this country, every province and even the federal government realize that deficit financing is not something that can be maintained. Everybody has either achieved a balanced budget or is moving towards it because they realize you must live within your means. You must not spend more than you take in, and you must balance the demands of government.

**An Honourable Member:** What are you doing this year?

**Mr. Findlay:** Mr. Deputy Speaker, the member for Thompson (Mr. Ashton) is having a problem back there in the upper benches, and I know when the next election comes around, he will still be over there. He will be able to carry it on, his rhetoric from the other side, very successfully. He will be 20 years in the upper rows. Good luck to him.

**An Honourable Member:** Where will you be?

**Mr. Findlay:** I will be enjoying retirement, yes.

Mr. Deputy Speaker, throughout the course of being in government, I have had the good fortune to be the Minister of Agriculture, the Minister of Highways and Transportation and the Minister responsible for telecommunications, but as a constituency representative there is no question that we all face demands for more spending, demands for tax relief. Everybody feels that they are special somehow, that they should have tax relief, and also in more recent years as people came to understand the burden of debt and the difference between the annual deficit and an accumulated debt—it took years to get the public to really appreciate that a deficit one year did not disappear at the end of the year and it got collectively added to the debt load of the province. In recent years, there has been continuous demand for reducing that overall debt. We have achieved that.

\* (1610)

The member for Crescentwood (Mr. Sale) the other day mentioned that we are now spending 8.3 percent of our income as a province on interest payments. That is commendably said because it was 11 percent. That is what we inherited from the Pawley government. He said, well, they are still okay to have some deficit financing, because every home has a mortgage. Let me tell you, the way I look at life—and I am maybe a little older than some of you over there—you reach a point in life where you should have your debt paid off, because you have lower income years coming, just like in government. Things happen. There may be lower income years, and every dollar you spend on interest takes a dollar away from health, it takes another dollar away from education. There is no question. There has been a growth in health spending this year of some \$194 million, a 10 percent increase. That could be more if there was less interest having to be paid. Now granted the amount of interest being paid is down to \$481 million. It was up over \$600 million a year. It is down substantially. That is at least \$120 million more for the essential services government must deliver. My experience on this side would indicate that the demands in health care will never subside. Every year, if it is not a

5 percent or 10 percent increase, there are going to be demands that it is not enough.

Where is that money coming from? It has got to come from less interest payments because, if we are going to have a competitive economy, which we all believe must happen, we cannot put a burden of taxes on our citizens or our companies that come and invest in this province.

Clearly, in the education area we have had significant increases in expenditure. I believe strongly in education. Some of you know I had a bit of history in terms of being involved in the educational institutions at the university level. I saw at university students coming in who were maybe not on equal footing, particularly in the English language, not on equal footing in terms of what they graduated with in different schools in the province, and I have been a strong advocate that testing must be part of the school system because, whether you are tested in school, I will tell you, you are tested in sport, you are tested on the street, you are tested in the job market throughout life. Life is about testing. If you do not pass some tests, life is not as good as it could be.

Clearly this year we have got an additional 5 percent increase in post-secondary education. We have an extension of Manitoba scholarship and bursary initiatives. Some \$40 million in assistance will be generated over the next four years. With \$2.4 million more in in-school apprenticeships, school divisions get \$17.7 million more, or a 2.3 percent increase in funding, and \$8 million more to be added to new learning technology, and \$46 million will be spent on school renovations and construction.

Now, I know it does not meet all the needs, but in terms of trying to manage in a common-sense way the finances of the province, this is a significant contribution.

Now, in health care, I have heard members opposite say we are never spending enough. I do not often hear the members opposite talk about what the federal government has done to every province in this country in terms of reductions of transfers for health and education. It has been a serious issue. If you look at the budget book and you see the reduction since

1980 from about 25 percent down to 12 percent of funding, it was brought in initially as a 50-50 sharing project.

This province has dealt with the issue. It has increased funding in health care from \$1.3 billion a year up to \$2.1 billion this year. That is an increase of \$800 million or 60 percent, but it only scratches the surface in terms of need. If there is anybody to blame, it is the federal approach of balancing their budget on the backs of the provinces and on the backs particularly of health transfers not only to Manitoba but Saskatchewan and every other province across the country.

I entered politics in 1985, I guess really because that was my nomination year, and then entered the Legislature in 1986. My idea was that I wanted to make a contribution to try to put the province on the right track and, because of help I had received, particularly from Manitoba citizens, in getting an education, I felt I had something I wanted to contribute back.

*Mr. Gerry McAlpine, Acting Speaker, in the Chair*

I grew up thinking of Manitoba as a proud province, a province that because of its pioneer spirit and development because of pioneers, that we had a can-do attitude, that we could take on anybody, compete with anybody, buckle down and do the work necessary to have a good standard of living. I am sure we achieved that through the late '80s and in the first 70 years of this particular century. But clearly when Trudeau came into power in the federal government and the social experiment was started, it was followed up, particularly by NDP governments across this country, the socialist experiment that government could do everything and you just have to put in public money, and they take away the pride and the incentive of people, that this great system would work.

As I look around the world, Russia failed, communism failed, and the social experiment in this country has failed. The social experiment certainly was tried in Manitoba. It was tried in Ontario. It was tried in B.C., and it is failing now miserably. I have not mentioned Saskatchewan or Alberta in this because, even

though Saskatchewan is an NDP government, my relationship with Saskatchewan is that the members of that government are fairly pragmatic, fiscally conservative members who are trying to manage the economy of Saskatchewan in about as responsible a way as they can. Alberta, although it has never had an NDP government, clearly did try some social experiments with deficit financing, with subsidies in the late '80s—

**An Honourable Member:** Treasury Branches.

**Mr. Findlay:** —and the Treasury Branches. But they corrected their ways without losing power in that particular province because they listened to the people. As I mentioned earlier the last time I spoke in this House, the one difference I see between us on this side of the House and members opposite, who are the loyal opposition, who play a significant role in the democratic system of Canada and the British Empire, is that we on this side preach independence, independence of our citizens. Governments should not do everything, but a person should make his best effort to do it for himself or with people of like mind. From members opposite, and I hear it constantly, it is a "we cannot do, we cannot perform"; it is an attitude of creating dependence for people, which, I think, is destructive because it has been the independence and the forward thinking of people that came before us, whether it was 20 years ago or 50 years ago or a 120 years ago, that made this province the strong province it is with a lot of pride and a lot of contribution to the country of Canada.

As events have unfolded over the last, say, 10 to 15 years, and if you believe the projections where knowledge doubles every 16 months or less now and in 10 years it will double in every six or eight months, it is a fast-evolving world that we live in. Probably the most significant change that I can relate to is—you know, listening, watching what was happening through the 1960s and the 1970s in Russia, the Berlin Wall, but when the Berlin Wall fell in 1989, that, to me, was a very significant historical event. Communism failed soon afterwards; border controls started to come down around the world; European union, 15 countries came together to form a strong economic union that made it very

difficult for North America and Asia to compete. Clearly the issue of freer trade with those reduced border restrictions came in. There was a lot of gnashing of teeth a little over 10 years ago in Canada as the CUSTA agreement was negotiated, discussed and signed on to. I remember the Liberals, in opposition in Ottawa at that time, John Turner: it was a terrible thing; we are going to tear it up. As soon as the Liberals got into power, boy, they endorsed it. Just threw their arms around it, and then they rushed into the NAFTA agreement because they saw the wisdom of reduced border restrictions, of freer trade and the ability of Canada as a trading nation to export to all parts of the world.

Clearly, if you are not competitive today, if you do not understand the global economy and respond to it, you are not going to survive. If you want to say, where is there somebody that has isolated themselves, well, I say Cuba is a good example of a country that isolated itself. It is an example of significant poverty with lots of prosperity in the countries around it. It is rather interesting to see Cuba now reaching out a little bit more to the world, realizing that maybe it missed the window of opportunity throughout the last 40 or 50 years. [interjection] The member talks—there is a lot of history out there.

Now I want to tell the members that my wife and I, on our own initiative, this year took the Panama Canal cruise. Now going through the Panama Canal—to see the significant role it plays in international trade and movement of ships between the Pacific and the Atlantic and the history of that canal which goes from U.S. protectorate over to Panama in the year 2000—I mean the economy of Panama has been incredibly boosted by that because there are 7,500 jobs in that canal that functions every hour of every day ever year without a hitch. It is a marvellous bit of engineering to see and to see how it functions. There is also a further story to that. Winnipeg was becoming a significant transportation centre in the late 1800s, early 1900s, and the Panama Canal undermined the transportation capability of Canada because a lot of goods that went across North America, through Canada, could now go more cheaply through the Panama Canal by ship to get from the east coast to the west coast of North America.

\* (1620)

Now, when you look at how we performed under freer trade or fewer border restrictions, the statistics are very, very encouraging. In Manitoba, we have increased our trade with the United States at least 20 percent a year over the last few years, whereas nationally we have increased trade by 10 percent. We have done twice as good as the national average. Our U.S. sales in agricultural products have gone up substantially to the U.S., and overall trade to the U.S. has gone from \$2 billion to \$7 billion through the 1990s.

That has created thousands and thousands of jobs. Yes, I know there has been change in where those jobs are. The old economy kinds of jobs have disappeared, and new economy jobs have come on stream, and some have been created because we export. You take wheat as an example. We export over 80 percent of it to the world. Take beef, where 50 percent of it is exported to the U.S. Without those export markets, we would not have the economy or the economic activity or the standard of living that we currently experience in Canada. There is no question that our investment in Manitoba has grown significantly over the last few years, double digits each year for the last five years. Those are all good news items.

*Madam Speaker in the Chair*

Now, every once in a while members on both sides of the House here talk about the horrible U.S. elephant, that sometimes that big elephant rolls over on you and causes trade harassments. There have been trade harassments in pork, in lumber, in wheat and, more recently, in livestock, in cattle. There have been some rumblings that maybe the U.S. would decide to put a countervail against cattle going into the U.S., but as I mentioned earlier over 50 percent of our cattle, our fat cattle in Manitoba have to go south. The Minister of Agriculture (Mr. Enns) got a fax here two days ago on the inquiry that was happening by the Department of Commerce, and I will read directly from the fax: The U.S. Department of Commerce has ruled that there is insufficient evidence to justify the imposition of a countervailing duty on imports of Canadian cattle.

Now, that was on May 3. It is a most significant ruling because it rejects the claim of a group of farmers called the R-CALF group in the western U.S. trying to keep Canadian cattle out of the U.S. market. In the ruling, they rejected the main claims that the Wheat Board practice was to keep feed barley prices low and the NISA is a countervailing subsidy. They rejected those claims made by the U.S. advocates of the countervail duty.

We go through these processes of having a place to argue our case under NAFTA, under CUSTA, and without those opportunities of the five-member panel discussion, we would be in a free-for-all and we would not have the opportunity to negotiate a settlement on issues like this. That is why I believe the freer trade agreements we have signed in recent years are very, very important to us.

I say as a citizen of Manitoba, and I have lived most of my life here, that we are a proud province. I am a very proud citizen of Manitoba and consistent with our forefathers, we have an attitude, particularly in rural Manitoba, a we can do it, we are a have province, we can compete and we believe in ourselves as people, that we will take on all the challenges that will come in the future, that we have a strong economy in the province of Manitoba.

I would like to read from the budget brief very particularly some of the items that indicate that we are a strong economy: Manitoba's economic growth outpaced the national economy in '96, '97, '98, and certainly projections are that the same will happen in 1999. More people are working in our province than ever before. Manitoba has gained almost 22,000 new jobs in the private sector in the last two years.

Now, government does not create those jobs, but government creates the environment where people have the freedom and the comfort to invest, to try new ideas, to produce products that are exported. That is where the jobs come from, the confidence of the private sector.

Manitoba has the lowest unemployment rate in Canada. I know members opposite used to whine and cry every Friday when the statistics would come in. Now we do not hear a word.

We have the lowest unemployment rate in Canada. Recent statistics show that family incomes in Manitoba experienced the largest increase in Canada, the largest increase in Canada, more than four times the national average. That is very good news.

Our province continues to set new records for manufacturing shipments, exports and consumer spending. Madam Speaker, those are numbers and statistics that are very good news for the performance of the government of Manitoba over the last 11 years to set the table, create the environment where the private sector does its thing.

It does not mean that there are not challenges out there. It does not mean that there are not adjustments that sometimes are very difficult for people, but, overall, that is the way the world is going and you cannot push water uphill.

I want to at this time thank most particularly the people of Virden who elected me in 1986 and 1988. I want to thank all the people that worked hard on my behalf in those four years as I represented them. Then in 1990 I ran in Springfield, again in '95. So I had two elections in Virden and two elections in Springfield. I had exceptionally good executive people, workers and constituents to represent.

I had the good occasion to be Minister of Agriculture from '88 to '93, Highways and Transportation from '93 to '99, the minister responsible for telecommunications throughout. I had loyal and dedicated staff, political staff, people like Jason, Darryl, Jeff, Monica and Barb, all of whom have moved up their careers and been contributing citizens in Manitoba.

I want to thank all the professional staff in the departments that I was minister of, because they all performed their job exceptionally well, worked hard, carried out the agenda of the government, and were sensitive to what the citizens of Manitoba wanted to have happen.

I had very dedicated office staff, particularly one Rosemary Robinson who was with me for the entire 11 years that I was in government as a government minister. I want to thank all the

people I worked with in industry, in industry associations, and there were many, many. Particularly in Agriculture, as the current Minister of Agriculture (Mr. Enns) knows, there are probably about 20 different associations that would deal with that office, good outstanding citizens who work on a volunteer basis to improve their particular sector of the industry.

In Highways there were less associations, but there were larger associations all with the same objective. The biggest thing that I have had experience to do and understand is work with people. People throughout have been phenomenal to work with. Yes, sometimes he disagreed but he would sit down and talk about the facts. There was be a degree of understanding. We would learn on this side what the real problems were, and they would learn the limitations we had in terms of dealing with their particular situations. I have enjoyed working with people, and I hope that they have enjoyed working with me over the course of time.

Now the one most important person to me throughout all this—these are always the hard times—was my wife, Kay, who, some 14 years ago, we decided we would spend 10 years in this particular profession. It has now become 13 years, and we have decided definitely it is time for us to move on.

It has been an enjoyable opportunity, and our four children have done their thing. They are all married. They are all working, and all have children. We have eight grandchildren. So we have very, very important things to do in life. As I have mentioned to members opposite and members on this side of the House, clearly our intention is not to disappear from life but to have a little less stress in life and retire back to the farm where we hope to spend a number of more years. It is a farm of importance to us, because it was homesteaded 120 years ago in 1879. I am fourth generation. We have grandchildren, and they are sixth generation.

Sometimes fortuitous things or strange things happen, and today I had a phone call from outside of the province, in fact outside the country. Somebody had heard that I was retiring—we went through a number of questions

and discussions back and forth—and asked me: what did I think was the most significant thing that I have been able to do in my life? That is a bit of a challenging question. Is it politics? Was it university? Is it the farm? It comes right down to, I think it was family, I know it was family. It has been the success we have had in terms of having good children and super grandchildren.

Madam Speaker, it is what we worked hard for. I have enjoyed the opportunity here to contribute to make their lives better down the road, so thank you very much.

\* (1630)

**Ms. MaryAnn Mihychuk (St. James):** Madam Speaker, I rise today to put a few comments on the record on the budget presented by the Conservative government in this year 1999, basically an election preparation budget, one where they seem to have forgotten past promises and past commitments and fiscal prudence, and all of the other rhetoric that this government has been so apt to pronounce.

Madam Speaker, this is a budget that has been termed a phoney budget and has been termed a budget that is basically an election ploy. That is unfortunate, because if the one legacy that this government is going to be remembered for, that I know for sure is the unfortunate situation of the '95 broken promises and then subsequently the vote-rigging scheme which showed how despicable and how low the Conservative Party got in that period of time and how a government of long-term members went to extremes to get their way and how party people in the Conservative Party went to any measures, any measures to win and to beat the NDP.

That is a legacy that is one where we hold our head low, because there are members in this House of integrity and honesty. I am proud to work with a team that holds those values and those morals high and stands for that type of policy and ethics in everyday operations in the House here and in elections and in the election to come.

The record of the Conservative government in terms of what they did in '95 in the Monnin inquiry and the whole vote-rigging scheme is

truly one that we will remember. We will have to repair the damage that that campaign did to all political people, to all public figures who are now running for public offices to serve our communities. What they did was smear all politicians, unfortunately, and we are going to have to work to build credibility with the people of Manitoba.

Where does this budget fit into it and where do previous budgets fit into this cynicism? In 1995, this is the same party, the same government that presented an election budget that announced \$678 million for health in 1995. These are health capital projects that were promised. Many times there was ribbon cutting, lots of photo opportunities, and then suddenly after that there was no money to build these projects. Imagine that. They could not believe it. How could that happen? Madam Speaker, \$700 million. No, oops, we will have to kind of retract some of our promises. We will have to break our promises. We will have to go back on our word on our promises.

Now, here we are facing an election. Perhaps Tuesday, Madam Speaker, if they have any guts they will go to the people of Manitoba. Tuesday would be a good day, a good day. I think there are some of us revved up and ready to take on the challenge. Now, finally, as the nominated candidate for the new riding of Minto, we are quite ready to go to the people of Manitoba and perhaps remind them of this government's record—\$700 million promised in '95, broken promise, broken promise, broken promise; 1999, promises, promises, promises.

Well, Manitobans are not going to fall for that. We know. We remember. So I do not know, can sense that they are a little bit anxious, but I say: have the confidence to go out to the people of Manitoba. You owe it to them to put your record out. It is time to see what the Manitoba people are going to say.

It was like the other day in Question Period. We had to just point out—

#### Point of Order

**Mr. Clif Evans (Interlake):** On a point of order, Madam Speaker, I would just like to say

that I want to confirm my colleague's confirmation of the broken promises.

**Madam Speaker:** Order, please. The honourable member does not have a point of order.

\* \* \*

**Ms. Mihychuk:** But he did have a good point, Madam Speaker. What we are trying to say is that Tory promises are broken promises, and that has been their consistent record. That is about the only thing that Manitobans believe from the Conservative Party, from the Filmon team and from the Filmon legacy: broken promises, more cynicism, and a record of deceit to the people of Manitoba.

Madam Speaker, how many years is this government going to use lottery revenues to balance the budget? How many years are we going to look at other methods to try to say that we are balancing the budget? We all know that there are serious consequences to gambling, and we are relying more and more on lottery revenues. In fact, there seems to be no limit. The casinos, these mansions in the sky, have been built with, we thought, \$50 million. That was not a promise; that was hard, cold cash to build the casinos.

The Minister of Finance pulled into his pocket and out came two grand casinos, slightly over budget. It was first \$50 million; then it became \$66 million. They did not happen to mention the cost of the renovations. Of course, heck, you have to renovate the newly built casinos so that they can match the rest of the opulence of the new casinos: the waterfalls, the Caribbean right in Transcona. You know, these are grand estates with no limits. We now hear estimates of over \$20 million for renovations.

What is the price tag of these casino renovations? Some estimates reach \$100 million, double the price tag. Is that financial prudence? That is an enormous amount of money for a project overexpended to the point of obscenity because no matter what project we do, no matter which government it is, there is an onus to be honest, up front, stay within limits, to try to fiscally manage the public funds in a manner that is publicly accountable.

I am very disappointed in the new Minister responsible for Lotteries (Mr. Praznik), the past Health minister, who refused to provide this House with the information as to what the cost of those renovations was going to be. That is an important number to know. We would like to know how much the renovations of those casinos cost because that is an important factor. That was one of the reasons that this government gave, that they could renovate those two casinos for less money than building a new one. Well, let us see the numbers. We say to the Minister responsible for Lotteries: let us see the numbers with the overruns and the renovations. Put it on the table so that there are no more questions, so that we know the cost of that expansion.

Madam Speaker, in 1998, we saw the 1998 budget boast of \$100 million in new health spending. Really, based after warrants from previous years taken into account, we have to wonder about how this government actually presents their budgets. Sometimes they dip into the rainy day fund; sometimes they dip into other savings; sometimes they sack away money trying to hide a surplus. That is not going to build credibility with Manitobans. You have to be up front. Not only do Manitobans have questions about the ethics and the presentation of the Conservative Finance minister's record on budgets, whether they are up front and open. Not only do Manitobans have questions but the Auditor has questions, and so I think that it was unfortunate that in this budget we see again the manipulation of funds so that the government can present this as an election good-news budget.

\*(1640)

There is an overall pattern. They used the Fiscal Stabilization Fund back in 1988-89 to hide surpluses which the NDP government left in that year. They create Tory surpluses and say that that was a Tory surplus when really it was from the NDP government. They underestimated revenues between elections to justify cuts, and we have seen deep cuts in every sector, particularly when it deals with children, when it deals with our education system, when it dealt with our health care system. Then miraculously, this is a government that finds money in election



years. No wonder the people of Manitoba are cynical. No wonder.

We have to wonder, after the 1995 scenario, why should Tories be believed by anybody in Manitoba when they make election year promises and why, after laying off 1,100 nurses, are they repenting now in an election year? They say they now want to hire back 650. That is a good idea. You know, just in the month of March my daughter had to go into the hospital to have her tonsils removed, and during that episode it became very clear just how short staffed the hospitals were. In fact, it was almost necessary to sleep over at the hospital as a parent. It was not basically an option. It was almost a requirement for one of us, my husband or I, to spend the night in the hospital to care for our daughter.

Now, Madam Speaker, that was not the world as it was when I was 16 and I had my tonsils out. That was not the reality, but it was this time. Do you know what the nurse said to me when we were getting ready to sort of set up for bed? Did I bring a sleeping bag, because they did not have enough bedding to provide the parents who were required to be there to look after the children. That is a situation where the nurses were overworked, the ward was understaffed and were relying on families. We all have those examples. I was glad that I had the flexibility to be able to stay with Sarah in the hospital and look after her. I was glad to be able to go and get the juice and the Popsicles as every child—that is what they survive on after they have their tonsils out. But what if we were a family where the parent was not able to spend the night or bring their blankets?

Is that the type of health care system that we have provided? Apparently they thought that that was sufficient until this year where they now decided that there needs to be more money into the health care system. Well, they are the ones that fired the nurses. They are the ones that laid them off, and those nurses are now gone, 1,100 nurses gone from our system.

**An Honourable Member:** No way they can hire them back in one year.

**Ms. Mihychuk:** That is not easy now to repair. Madam Speaker, the reliance on families to feed, to nurse, to provide the basic comforts for families has got to stop, because some of those families cannot do it. It is not fair, and it is not what we expect for a universal comprehensive health care system. I say shame to the Tories for what they have done to our health care system.

I had a neighbour who had a health concern and ended up in the Grace Hospital in the hallway by the nursing station for days, days and days. That woman could not get any rest, had a hard time getting attention and had absolutely no privacy. We say an end to hallway medicine, and we have been calling on the government to look at the crisis in the health care system before an election year. We called for it last year. We called for it the year before, and we said, hey, it is raining in Manitoba; our health care system needs help. And you turned your back on those people; you turned your back on my daughter; you turned you back on my neighbour; you turned you back on all of those people who have had to access a health care system which is inadequate.

Now that the election is coming, suddenly you have found money to try and repair a health care system which should have been done earlier. Now much of the damage is done, and those who are prudent managers understand that sometimes when you make deep cuts, it takes even more repair to fix those deep cuts, like bringing back the nurses. Many of those nurses are no longer in Manitoba or have given up nursing or are no longer going to come back to a system which has really made it very difficult to stay in that profession.

Madam Speaker, this is the same government which tried to privatize home care. This is the same government which underfunded home care. I want to tell you about a day that I was visiting people on Spruce Street in my riding. I met a senior citizen about 70 years old, unfortunately sprawled out on his living room floor in pyjamas, mismatched, obviously in distress, having been released from the Misericordia Hospital a couple of days earlier to take care of himself. He was receiving VON care to provide eye drops because it was eye surgery, but no other supports were provided for

that individual. He had no family. He had no children here in the city to look after him. He could not get up off of the floor. It was a good thing that I was there and happened to find him because I do not know what would have happened to that gentleman if we had not been there.

Numerous calls to the previous Health minister, receiving voice mail and messages that the home care office was busy and maybe try back tomorrow—well, it is not satisfactory, Madam Speaker. So I did phone the Minister of Health and insisted that we get action. If it was not me, I wonder what that family would have received. He had not eaten for two days because he was not in a program with Meals on Wheels or with Harman's that delivers food for seniors and for people who need it. He was not registered. He had not eaten for two days, and there was nobody in the health care system who was available. The supports were not provided, and, apparently, the government did not care.

That is deplorable and I am glad I could help that citizen in my riding, but that should not have happened. That man should have been cared for, should have been provided the supports and should have been, Madam Speaker, many people would say, in the hospital. He did not have the supports at home. He was single. His wife had died a long time before that. His daughters no longer lived in Winnipeg.

Madam Speaker, the system should respond to the needs of families, and when we talk about community health and reforms and looking for other options, we are talking about a system that is caring. Providing home care is a much more economical system, if you just want to talk financially, than maintaining people in hospitals. But when you kick a person out onto the street and refuse to provide home care, you are betraying the principles of a universal quality health care system, and that is why I condemn the Conservative government. That is why I condemn the Filmon team, and that is why the people of Manitoba deserve a chance to put their voice on record, and that is why we need an election as soon as possible.

How many broken capital promises did we see in 1995? Our Leader, Gary Doer, indicated

the Oakbank personal care home was promised. Fisher Branch, the Betel care home in my own riding in the west end—ribbons cut, photo opportunities, pamphlets made, tea served, Tories smiling, no buildings, no service, no care. In fact, the sign at Oakbank went through year after year after year. It weathered so bad, they had to remove the sign. The only thing left is an empty field. Madam Speaker, that is the only thing left.

Madam Speaker, we have called for more funding to fix the crisis in health care, and we needed to do that. We would do that, and we have to end hallway medicine. We have to end the long waiting lists for diagnostic tests.

I had a case in my own riding where a woman had just recently given birth to a young daughter and had, unfortunately, just after that, injured her back and was unable to lift her own child. She required surgery. To get the surgery, the surgeon informed her she needed an MRI, some test that you get, a fairly simple procedure. In fact, we have the machines in our own hospitals. Was she able to access that? Did the government listen to this family? This is a woman who is looking after her own baby, could not lift her baby. No. Nine months you have to wait, ma'am, before you can get a test. That child would be walking around by the time that woman got to the test to then get the surgery so that she could lift her baby.

\* (1650)

Do you know what that family did? They packed up and went to Grafton, North Dakota. This is a private medical clinic that is more than willing to provide you with a test. Guess who was operating the MRI. A technician from Winnipeg who could not find work here in Manitoba. The machines were shut down; the technicians had to go elsewhere; and our families had to pay to go to the United States for the test. She got the test, the surgeon operated, and she was fine.

Madam Speaker, that is a case where the government turned its back on that woman, on that family, and has caused our system undue hardship. We would have had to, perhaps,

provide home care to that family, to that woman. It does not make any sense.

Now, I am glad that the new Minister of Health (Mr. Stefanson) has suddenly seen the light. We have a crisis in health care. We are going to provide more money. We are going to reduce the line-ups for diagnostic testing. We applaud that. Very good. It should have been done last year. It should have been done the year before. Actually, perhaps what Manitobans needed from '95 to '99 was an election every year so that they could be sure to have decent services because it seems like we only get heart and compassion and reason when an election is on the eve.

Madam Speaker, I do want to mention specifically one of the areas that I was very disappointed with the government's comments on, and that was in the whole sector of mining. As a person who lived in the field as a geologist for many years and lived in many northern communities and in many mining communities, I know how important that economic sector is to Manitoba, to any economy.

Madam Speaker, this is a government that did not mention mining in the throne speech, not once, even though you have the layoff of miners in Lynn Lake right at the present time, even though Thompson has laid off over 300 workers, metal prices are in the toilet and are not expected to recover for quite a while. We have a crisis in the mineral sector, and this government does not think it worthy to mention minerals or the mining industry, not one word in the throne speech.

Gee, and what did the government do in the budget? Did they look at the Saskatchewan plan that Roy Romanow presented? No, you did not. Another sector where you really did not listen to the industry at a time of economic crisis.

Madam Speaker, they announced a tax reduction in the mining tax from 20 to 18 percent. What does that amount to?

**An Honourable Member:** Forty thousand dollars a year. That is all it amounts to. Nothing.

**Ms. Mihychuk:** Madam Speaker, \$40,000 a year.

**An Honourable Member:** A billion-dollar industry.

**Ms. Mihychuk:** That is not very much for a billion-dollar industry.

Madam Speaker, what was the tax impact or the saving for pig farmers for their waste tanks and their waste management, right? How much was that worth, just for that one sector in agriculture? One million dollars. Does that tell you that this government does not understand mining? Does that tell you that this government does not have a commitment to mining? Does that tell you that you have no concept about the importance of being comparable to other jurisdictions? Roy Romanow presented a plan that is going to make a difference, and the member for Flin Flon (Mr. Jennissen) is going to be the first one to realize it, as Hudson Bay Smelting will be moving a lot of their operations from the Manitoba side to the Saskatchewan side.

Many, many times, I know that the Mining Association has made appeal after appeal to this government. Unfortunately, for very little attention by this government. We still do not have one provincial geologist in the mining belt. Lead Rapids-Lynn Lake, not one person. Did they go up there last year? No, Madam Speaker. Did they go up the year before? Is this all news to the government that there is a crisis in mining, that the reserves in Lynn Lake and Leaf Rapids are dwindling?

Madam Speaker, it took the opposition two years with the Chamber of Commerce to push this government into providing a small opportunity called the mining community watch, which allows for a small provision of tax benefit incentive for that belt. But it took too long and, quite frankly, too late. Workers are being laid off. The program that the government had developed was one to provide incentives for the Superior Province.

Quite an unusual approach, since most of the mines, the roads, the hospitals, the schools, the infrastructure, which this government built and

the NDP built, all Manitobans built for the last hundred years, are in specific areas. The government decides, no, we do not need to explore in the areas where there is infrastructure. We are going to go into the Superior project on the far northeastern side of Manitoba, a high-risk area with no infrastructure.

Now you could argue that it is important to provide exploration monies and incentives in all parts of Manitoba, but I think it is much more logical when you are in a mining crisis and where you have infrastructure, homes, hospitals, schools, roads, railways, et cetera, to ensure that those communities are going to be strong and healthy and be maintained. No, Madam Speaker, they finally saw the light in a small way this year by providing the incentive to the Lynn Lake-Leaf Rapids community. Again, election year. We have been raising this year after year after year, and the government has done nothing.

Madam Speaker, mining is an important sector and deserves better. Mining is a sector that deserves somebody's attention on the Conservative side, since they are the government and it is the second-largest industry in Manitoba.

Now, let us look at the Minister of Agriculture (Mr. Enns). This is a person who has obviously got a heck of a lot more influence in cabinet, Madam Speaker. He has given tax credits. He can give a million dollars for pig farmers—a million dollars. The minister of mines gets 40,000 bucks. You figure it out.

Do you think that the mining industry should be a little bit upset? I would probably think they will be. They know that this side has made a concerted effort to concentrate on mining and provided time and attention and focused on mining, and we have seen the same commitment from the NDP government in Saskatchewan who understands the importance of mining. Unfortunately, the Filmon government does not, so we are going to see another tough year in mining.

\* (1700)

Madam Speaker, let us look at the small business tax. I applaud you. It is about time. It

is about time we looked at reducing the small business tax, something again they could have looked right next door to the Saskatchewan government, NDP government, which reduced small business tax before this, long before this.

### Point of Order

**Hon. Harry Enns (Minister of Agriculture):** Madam Speaker, in this day and age where we are concerned for the disabled or something like that, is there any way that perhaps Hansard could record the signals that the speaker was giving on that last question?

**Madam Speaker:** The honourable Minister of Agriculture does not have a point of order.

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**Ms. Mihychuk:** Madam Speaker, the Minister of Agriculture was trying to heckle me into giving our position. Now, I would not want the government to be deprived of that type of anticipation. We all like anticipation, and the minister will find out soon enough how the vote will fall and how the election will fall, which will be, I am sure, a fairly resounding message to the Conservative Party of Manitoba.

Madam Speaker, the small business tax credit is something that we applaud. Manitobans are overtaxed. Manitobans are specifically overtaxed in the sector of property taxes. Unfortunately, the Minister of Finance (Mr. Gilleshammer) does not seem to feel that that is a sector that deserves any attention, similar to mining. In fact, mining, I think, got a bit more—\$40,000. Property tax reduction got zero, not a penny. This is in a time where, obviously, property taxes are not the most equitable form of taxation.

We have seen significant downloading by this government by underfunding public education year after year after year, school divisions being forced to raise property taxes to cover basic services—pay for teachers, open their classrooms, have somebody sweep the floors. How do we know that that is actually the case? I am sure that everybody in this Chamber has been approached by some child doing fundraising for basics in the schools.

Madam Speaker, we have eaten more chocolates than we should. I call for an end to almonds. I cannot believe I can say that because I really do like chocolate-covered almonds, but I mean, honestly, are we going to fund our public education system on having our children become streetwalkers selling almonds? Almonds, coupons, what else?

Madam Speaker, they are out there raising money for what I would call the basics. Now, the Minister of Education argues, what are the basics? Are the basics electrical plugs? Some fundraising has been for electrical outlets. Are textbooks a basic need in schools? Many, many parent councils are raising money for textbooks and other types of resource materials. Are chairs and tables a basic? In my books, they are, but I guess the government does not feel that is a necessary requirement because they are arguing that the basics are covered. There is enough money to cover everything and parents should stop fundraising.

Well, that is a deplorable condition for our public school system, and, Manitoba Speaker, you know that over and over again—

### Point of Order

**Hon. Linda McIntosh (Minister of Environment):** I just wonder if the member would be willing to entertain a question as to which schools are raising funds for chairs and desks. I was on a point of order if the member is willing to entertain a question, that they can, or perhaps she would like to clarify that in her remarks if she does not wish to answer the question.

**Madam Speaker:** The honourable Minister of Environment does not have a point of order.

\* \* \*

**Ms. Mihychuk:** Madam Speaker, the Minister of Environment (Mrs. McIntosh) has a habit of interrupting opposition members when they are in speeches and uses it as a technique. I think that there is a certain amount of respect that the Minister of Environment should have for others when they are speaking. [interjection]

Madam Speaker, she continues to speak while I am trying to put a few words on the record. If she wishes to say something, I am sure that she can get up when I am done, and we would be glad to listen to her with a great deal more respect than she does for virtually anybody in this House. So, if the Minister of Environment wishes to say something, let her have her turn like the rest of us.

The public education system is in a crisis where every parent council is forced to raise money for the basics. If you do not know it, then perhaps it is time that you went to visit, or you think that perhaps our children enjoy selling almonds on the streets to do that. It is clear from the record, just as we know how many patients, how many parents, how many of our siblings, how many of our children have been treated poorly by the health care system, we know that there is in the public education system, by looking at what our children are forced to do, an enormous amount of fundraising that shows clearly that there has been a serious underfunding to public education over the years, and schools are forced to do fundraising, and school boards are forced to levy horrendous property taxes.

It is unfortunate that this government did not see the necessity of dealing with the enormous tax burden on property. Thank you, Madam Speaker.

**Mr. Edward Helwer (Gimli):** It is certainly my pleasure to rise today to show my support for our government's budget. When our government first came into office, we faced several challenges in bringing Manitoba to a healthy and viable fiscal state. We inherited a legacy of debt and deficit spending that was threatening our ability to sustain our social programs. However, today our province's fiscal situation is radically different.

Our government now has introduced its fifth consecutive balanced budget. In doing so, we have reduced some of our debt servicing costs from about 11.5 percent of revenue in 1994-95 to only 8 percent this year. That relates in dollars something from close to \$600 million down to about \$480 million. So this leaves us extra money to spend on our most important

departments of the government such as health, education, and services to families.

In comparison to other provinces, Manitoba now has the third lowest debt servicing costs as a percentage of total expenditure. Just as an example of how this can relate in savings, last year alone we went from a total cost of about \$515 million that we paid out on debt servicing to an estimate of \$480 million this year, which is a reduction of about \$35 million. That goes a long way to building personal care beds and servicing our ever increasing demand for health services. So lowering debt servicing costs has allowed our government to commit greater resources to programs that directly benefit Manitobans.

\* (1710)

Over the past 11 years, we have been able to put 90 percent of that additional spending into health care, education, and family services programs. Our success in balancing the budget and implementing our tough balanced budget legislation has contributed to both Moody's Investors Service and Standard and Poor's upgrading of Manitoba's credit rating to AA this past year. Madam Speaker, I remind the members of the official opposition that these are the same agencies that downgraded Manitoba's credit rating in the mid-1980s when they were the government of Manitoba.

So like our fiscal situation, our economy in Manitoba is very strong. Today we lead the country in employment levels, and our unemployment rate is expected to continue to fall in the coming year. In 1998, we experienced the highest growth in manufacturing employment in all of Canada at 6.8 percent, or 4,100 new jobs. Along with this growth in jobs, our manufacturing sector has shown significant gains. Manufacturing shipments from Manitoba rose 7 percent this past year, which was the highest gain among the provinces. This in turn is supporting the expansion of our transportation sector.

Manitoba is also finding success in the tourism sector, particularly in attracting visitors from abroad. Visitors from outside of Canada and the U.S. increased by 18.7 percent in 1998.

Last year Manitoba also had the highest hotel accommodation occupancy rate in Canada at 74.1 percent. With the Pan-Am Games coming this summer, which will be one of the largest sport and cultural events ever held in Canada, Manitoba's profile abroad will continue to grow.

What this economic growth means for Manitobans is opportunity. It means that our young people can look forward to finding challenging and rewarding employment right here in Manitoba, right here at home. Our decision to lower personal income taxes by 3 percent in this budget will also help ensure that Manitoba continues to be a leader in economic growth and a leader also in job creation in this country. By lowering taxes, we are staying competitive with other provinces and keeping Manitoba attractive to investors and to the skilled workers who are essential to the continuing growth and diversification of our economy. By cutting personal income taxes, we are also making this province more attractive to all Manitobans as a better place to work, to live and to raise a family, and lowering taxes gives families more money in their pockets to spend on their children, on building homes and investing in their future.

While large corporations often get the headlines, our government realizes that small businesses are responsible for the large portion of our job creation. This is especially true in rural communities, and by cutting the small business income tax rates from 9 percent to 5 percent over the next three and a half years, we are encouraging new business development and expansion and the creation of new jobs throughout this whole province.

As a member from rural Manitoba, I am pleased to see that this budget also continues to support many initiatives that are aimed at strengthening the rural economy and the rural communities. The Rural Economic Development Initiative Program has proven very successful in encouraging infrastructure and business developments and communities throughout Manitoba. For example, in our constituency of Gimli, REDI grants have supported study for the expansion of the Stony Mountain ski area, an important business for local recreation and the tourism industry. The commitment of some \$21 million

to the REDI program in this budget will support even more initiatives that strengthen and diversify our rural economy.

In rural areas, municipal governments play a very significant role in infrastructure and business development. This budget includes a 10 percent increase in provincial-municipal tax-sharing payments which will contribute to the enhancement of services in rural communities and the continuing growth of the rural economy.

While we are talking about cost-sharing with the federal, provincial and municipal governments, just in last Friday's Winnipeg Free Press there was a story about the good fortune docks at Gimli. They talk about the expansion of the harbour there which there will be \$1.8 million spent in funding there to expand the harbour development that will open the new lakefront areas there. At the present time they can hold about 240 boats, and this improvement will increase about 50 new boat slips and the new breakwater and new lakeside tourist centre there. A new public promenade will allow tourists to walk south along the lake from the current public pier. This is a good development for the community of Gimli.

They have been working on it all winter. The renovations will be complete before Gimli hosts the sailing events during the Pan Am Games which will be another event that will certainly bring tourism and more business to the Gimli area. This is only the first phase of a long-term plan for the harbour there that could see more than another hundred more slips being built and a waterfront band shell and additional parkland. Eventually the town's trademark, the Viking statue, will be moved which will be closer to the piers.

Some other developments that are going on in the Gimli area, or that will be, there are a number of new developments there, new construction. There will be an expansion of the hotel. There is a plan for a new Days Inn there at Gimli. The Viking Inn, which was the former Viking Hotel, is the new Viking Inn, which was destroyed by fire last fall, was rebuilt and is open again now. We just had the opening there last week. It certainly is a benefit and an asset to the community that will service the public of

Gimli for many years to come. I want to congratulate the owners there, Rick Kalyn and John Strutynski for the job they have done in rebuilding that hotel after the fire in record time. The contractors and everyone should be commended for the job they have done there to rebuild that.

Some of the other things that are going on in the Gimli area, the expansion plan for the Betel nursing home. There will be a new seniors apartment being built right next to the Betel Personal Care Home, which will certainly be an asset for that community. Also there will be a major overhaul and expansion of the Johnson Memorial Hospital in Gimli. This will be completely redeveloped at an estimated cost of between \$9 million and \$10 million. Certainly that will bring the health care facilities at Gimli up to date and certainly make them good for many, many years to come.

\* (1720)

Also, just in today's paper, there is a story by Bill Redekop about some of the things that are going on in St. Andrews. This is going to be the new part of the Gimli constituency actually. It is now a part of the Selkirk constituency. Last year the province built the highway Red River Road which is Highway 238, Provincial Road 238, but it is called River Road actually. It goes right from Larter at St. Andrews right down to Lockport. We rebuilt that at a total cost of about \$4.5 million. This certainly is a great asset to the people of south St. Andrews, because we have a number of tourist attractions along there that use that road. This will certainly improve their access to those tourist attractions such as the old church and a number of businesses between Lockport and River Road in St. Andrews. That area is very heavily populated and certainly needs that road. So I am glad that they recognize what benefit that River Road can be to those residents of St. Andrews.

Madam Speaker, the agricultural industry in Manitoba also benefits from this budget. Livestock producers have received a tax break with the provincial tax exemption on manure slurry tanks and lagoon liners, which will save these producers some \$1 million a year.

Farmers know that diversification is essential to the future prosperity of the Manitoba agriculture industry. Perhaps more than ever before, this past year demonstrated the importance of crop diversification, as revenues from wheat have dropped but cash receipts from canola have jumped by an amazing 37.9 percent. Our government certainly made it a priority to assist farmers in their efforts to diversify with the expansion and extension of the Diversification Loan Guarantee Program.

In the constituency of Gimli, you will see expansion in other crops that are grown such as timothy hay, more alfalfa, potatoes, more emphasis put on oilseeds, beans, sunflowers, canola, all these things. Hemp is another crop, a new crop that will be grown. All these things have taken away from the traditional wheat/barley/oats because the prices on these particular products have decreased in the last number of years. So farmers certainly are showing an entrepreneurial spirit to diversify and come up with new ways in order that they can meet their financial obligations and expand their farming operations.

In addition, we are investing in research and development that creates new opportunities for diversification with a \$2.6-million contribution to the Agri-Food Research and Development Initiative, and this joint federal-provincial program supports projects that focus on diversification, development of Manitoba value-added industry, agricultural sustainability, biotechnology and advancements in machinery and equipment.

With the problems we have had, that farmers have had the last number of years throughout Manitoba, but especially in the Interlake area it has been especially prominent, is the fusarium or vomitoxin. Many farmers have lost a good portion of their crops to that disease. Also, there are many leaf diseases now that we did not have years ago, so I think the research and development is certainly very important to our agricultural industry today, and I am glad that our Minister of Agriculture (Mr. Enns) could see fit to expanding our contribution to the agri-food research because this will certainly be something that will provide benefits in the future.

Infrastructure development is one of these components that is necessary for encouraging and accommodating the growth of industry in Manitoba. As I mentioned earlier, Madam Speaker, our province has seen substantial growth in manufacturing shipments which in combination with the declining use of railways is placing increasing demands on our roads and our highways. The ongoing development of our midcontinent trade corridor running from Mexico to Winnipeg has also made our highway networks very important to our economic goals. One thing I should mention, one major improvement that was made to our highways in the past year in my constituency has been increasing the weight to the ARTAC levels on Highway 7 from Winnipeg to Arborg, and this will certainly make our industries in that area, the grain in the elevators and the fertilizer dealers, the farm supply companies, more competitive by allowing the bigger trucks to come in with their products. So that is certainly a move in the right direction.

The other major improvement, of course, is the twinning of Route 90 inside the Perimeter Highway, and that makes that area so much safer and so much better for trucks because there are a lot of trucks coming along that route. That will certainly make that a lot safer.

Also, Madam Speaker, when we talk about industry and manufacturing, the R.M. of Gimli has appointed a committee to look after the Gimli Industrial Park, and they have been very successful in bringing some new industries into the park. As a matter of fact, just this Saturday they will be holding an open house to introduce people to the area and show people what is available there in the Gimli Industrial Park and to outline some of the improvements that have been made there. So this is certainly a step in the right direction and will encourage development and also provide employment in the Gimli area. We have some excellent industries there which have expanded the last number of years, and they certainly deserve a lot of credit for the work that they have done there.

Also, in a new part of my constituency in St. Andrews, the Rural Municipality of St. Andrews has developed an industrial park at the St. Andrews airport. They had subdivided a number



of lots for industrial development there, and they just sold quickly, these lots did. Pretty near almost every one now has a building on it, a company on it providing either services to the airport there at St. Andrews or some new manufacturing jobs or service companies that are servicing equipment and one thing and another, but certainly providing a lot of jobs in that area. One commends the R.M. of St. Andrews for taking the initiative of expanding this industrial park there because it is certainly a much needed area, providing a service to many, many companies there, so that is just great.

Our investment of an additional \$10 million in highway construction in this budget, which brings our total highway construction budget to about \$110 million, will help ensure that our road infrastructure can adequately meet these demands. As a part of our investment in highways, the Gimli constituency will see the direct benefit of some \$4.4 million in reconstruction work on Highway 9, completing the upgrade of this road between the town of Gimli and the town of Winnipeg Beach, or Sandy Hook area. These road improvements will be welcomed not only by local residents and businesses but also by the thousands of tourists and cottage owners who travel this area every summer.

Madam Speaker, each of these initiatives that I have discussed reflect our government's efforts to encourage a strong, vibrant provincial economy. When our economy is strong it allows us to invest in health care, social programs, without having to raise taxes or resort to deficit spending. This year the strength of the provincial economy from our own source revenue is up by 6.4 percent, which has contributed to our government being able to make substantial investments in programs that are important to Manitoba.

\* (1730)

People in all parts of this province have made it clear that health care is the top priority and should continue to be our top priority as well. In our budget we have increased spending in health care by 10 percent over last year. This is a tremendous increase in expenditure. We now spend the second highest percentage of our

budget on health care among all the provinces, second only to British Columbia. However, while Manitoba has a balanced budget, under the NDP government in B.C., their increase in health care spending has come at a cost of a \$900-million deficit for this year, where in Manitoba we have a balanced budget and we maintain that balanced budget.

So our health care system is facing new demands with the aging of Manitoba's population. This increase in funding for health will certainly ensure that we can move forward with efforts to adapt Manitoba's health care system to meet all the demands that are out there. Our government's health capital investment projects will be adding over 850 more personal care beds than were available in Manitoba in April of '97. This budget allocates an additional \$15 million for personal care home services.

While it is important to ensure adequate numbers of personal care beds, our government has also recognized that home care services are the best way to meet the needs of many elderly Manitobans. We have increased home care spending by 16 percent, the home care budget, which will allow services to be provided to some 32,000 people in the comfort of their own homes and in the coming year.

Just recently, when I was visiting some of the senior homes in my area, they are very happy with the services provided by home care. We certainly see an improvement over the last 10 years whereby it used to be a problem. Every time we went into a senior's home they would complain about the services provided by home care. Not anymore, Madam Speaker. These home care people are doing an excellent job and serving the people very well.

Our government is also working to ensure that the health infrastructure needs of our communities and regions are addressed with this year's \$123-million commitment to health care, health capital projects. This funding includes projects such as I mentioned, the renovation there at the Gimli hospital. All these are designed to meet the long-term health care needs of this area.

Some of the other capital projects going on in my area, just last year we had the privilege of opening a new 30-bed personal care home in Stonewall. This was in addition to the personal care home there already. Just recently Fisher Branch opened their personal care home, and that community is being serviced by a new personal care home.

Other improvements, capital projects at Arborg and Eriksdale, a new dialysis treatment at Ashern—all these things will make the health care services in the Interlake so much better. I am really pleased our government could provide these type of services to the people of the Interlake area.

As we work to prepare the health care system to meet the future demands, our government has also taken steps in this budget to address the immediate issues on health care. One of the major challenges that we are facing right now is ensuring that we can attract and retain an adequate number of health care professionals, particularly nurses. Our government has allocated some \$7 million for the nursing recruitment and retention fund to support aggressive efforts to recruit and retain nurses, as well as supporting nursing education programs in Manitoba to increase the number of nursing graduates.

In this budget, spending on education is second only to our investments in health care. Manitobans have told us that they want a strong and competitive education system for their children, and our government recognizes that we cannot continue to prosper in the province without giving our young people the knowledge, the skills and the training that they need to succeed in today's workplace. So our budget provides support for education at all levels. Public school funding has been increased by 2.3 percent, with a commitment of at least another 2 percent in the 2000-2001 budget.

Giving our students the opportunity to learn about technology and to develop computer skills through the public school system has been a goal of our government. This budget increases the information technology grants from \$10 to \$40 per pupil, an increase in overall funding for technology in schools by some \$8 million. This

will help students around the province learn the computer skills that are now needed for employment in almost every sector of the economy.

Just recently, as I was visiting schools with the Minister of Education (Mr. McCrae), we visited one of the schools at the Hutterite colonies. Even there, they want to increase the availability of education of their students so that their students can learn all the technology and computer technology and they wanted to get a higher education. It is so important because with today's equipment, even today's farm equipment, you have to know how to understand computers; you have to know how to understand the new technology on all the tractors and air seeders and combines. They are all being computerized, so education is so very important to all sectors of our economy.

Madam Speaker, our government also wants to ensure that, when our young people finish high school, they have a wide range of accessible options for post-secondary education and training right here in Manitoba. To support this goal, our government has increased funding for post-secondary education by nearly 5 percent in this budget. Our government is also targeting some of this funding to programs that respond to current labour market demands, which will help graduates find jobs quickly and also support economic growth. This new \$4-million Colleges Growth Plan will create some 1,000 new spaces in our colleges in programs teaching those skills that are in high demand today.

We know that for Manitoba students the cost of tuition is a very, very important factor in choosing to pursue post-secondary education. This year our government has continued to offer the Manitoba Learning Tax Credit, the only one of its kind in Canada, which will save our students some \$15 million this year. Our efforts to keep tuition affordable through initiatives like the learning tax credits and the strong support for post-secondary institutions are proving successful, Madam Speaker. Today Manitoba has the lowest college tuition fees and the third-lowest university fees in Canada.

Madam Speaker, our children are the future of this province. In order for our children to be

able to take advantage of all the opportunities available to them in Manitoba, we must ensure that they are provided with a healthy start in life. To help families with infants at risk or abused, our government implemented the BabyFirst program last year in Winnipeg and several communities around Manitoba. In this budget, an additional \$1.1 million had been added to further expand this program, which works with parents who need support and instruction to learn how to give proper care to an infant.

Our government is also giving strong support for children with special needs and disabilities in this budget. For example, \$2 million of new funding is being directed to our schools to provide support for children with emotional and behaviour disorders, and \$1 million dollars has been allocated to enhance speech, language and audiology services in rural and northern Manitoba.

\* (1740)

Madam Speaker, these funding commitments, along with many others made in our budget, are ensuring that all children in all areas of Manitoba have access to the services that they need to have the best possible start in life.

As the honourable Minister of Finance (Mr. Gilleshammer) has said in his speech last week, our province is at a strategic turning point. We have experienced significant economic growth in recent years. Our fiscal house is in order. We have been able to make significant new investments in health care, education, and programs for families and children. At the same time, we must not sit back and admire our past accomplishments. We must continue to look for ways to stay competitive in today's global economy and to ensure that we can continue to build the priorities of health care, education and our children.

This is a budget that addresses those issues and is a budget that will keep Manitoba strong, both economically and socially, well into the future. Thank you, Madam Speaker.

**Mr. Gerard Jennissen (Flin Flon):** I am very happy today, Madam Speaker, to be able to put a few words on record regarding this 1999-2000

budget, and also a few words regarding the proposed motion by the member for Inkster (Mr. Lamoureux) as an amendment to the budget.

Now the member for Inkster said that he believed the budget was an election platform for the Tory party, that it was not really just a straight budget, and he is probably quite correct. I think we know this explicitly, and we state this explicitly, on this side of the House. I think the other side of the House is probably trying to hide that a little bit, but implicitly I think they are fully aware that this is an election budget as well.

It is an election budget that puts, I guess, the government in a rather uncomfortable position of trying to ride two horses at once. One of them is a tax-cut horse, and the other one is an "and I will put more money into health" horse. Those two horses are hard to ride at the same time. We have also seen this movie before. We have seen the massive promises before the election, and after the election, oops, things change. Somehow or other it is somebody's fault why we cannot go on as promised, and we are left holding the bag, so to speak.

**An Honourable Member:** Promise breakers.

**Mr. Jennissen:** Yes, instead of promise keepers, they become promise breakers. It is difficult to believe that this Tory government can actually carry out what it says it will do, given their track record of being promise breakers, given their track record of being quite adept at blaming others for it. I heard today they were blaming Pierre Elliott Trudeau again, and they normally blame us in 1988 and before that, going back decades and decades. But at some point, though, we have to grow up and take responsibility. You have been in office 11 years; 11 very, very long years. You cannot continue to blame it on the federal government or the New Democratic Party.

When we talk about deficit reduction and we get the standard lecture over there of how irresponsible we were incurring deficits when we were in power, they always forget to mention '92, '93, when they were forced into a \$766-million deficit position, the highest in the history

of Manitoba. So they have nothing to crow about.

Some of the stuff that the government is trying to sell to the people of Manitoba will not wash anymore, Madam Speaker. The people of Manitoba are demanding honesty, not recycled promises. Also, I find it interesting that in this budget, it is almost like they slipped a little pink into the old blue because it does not strike me as a typically Tory budget. Has there been an ideological shift while I was not watching, or are suddenly the Tories opposite becoming red Tories? There is a lot more Grant Devine than Mr. Klein in this budget, so I guess the people of Manitoba along with the people on this side are somewhat suspicious.

The real reason, of course, Madam Speaker, is that this is an election budget and the figures are somewhat suspect. Even if the members opposite argue that the figures are not suspect, it still becomes a question of trust. Who will the people of Manitoba actually believe, and will the Tories actually deliver given their track record? I mean, we are still waiting for a personal care home in Flin Flon. That was promised before 1995. They not only did not build the personal care home; they decided for good measure to also close down the Flin Flon/Creighton Crisis Centre.

There were other places. The Oakbank-Springfield personal care home that our Leader mentioned the other day was announced, I believe, what, four times. In Brandon, some of the capital projects in health care I believe were promised up to seven times. We are now waiting for the eighth announcement, I believe. That is hardly a record to be proud of, and it certainly does not inspire confidence, I believe, in the people of Manitoba to vote once again for this government because, you know, we have been taken to the cleaners several times, and I think we have just about had enough of it.

So we are not holding our breath, Madam Speaker, about the overall promises in this budget, although some of them appear quite good. They are still promises and we have seen what happened to Tory promises before. We believe that it could well be that this is merely a good news budget to slide them past the election,

and after the election, they will fall into their usually tried-and-true blue Tory ways, and that generally means hard times for Manitobans and particularly super hard times for people in the North.

As I said before, Madam Speaker, the Tories are trying to ride two horses, health care and tax relief. I see this as a Hail Mary budget—that is what some people have dubbed it—to get them past the election, to do a little progressive side step here to get by the election. I do not think it is going to work. They are trying to campaign, I suppose, as Liberals, and they do this frequently, or even as NDPs, but once they are elected, they usually govern as Tories.

We are very cognizant of the litany of broken promises. We are also well aware of the most obvious feature of this budget, health care increases, but doing that they had to raid \$185 million out of the Fiscal Stabilization Fund and also take all of Paul Martin's \$131 million all in one chunk, rather than a gradual draw-down over three years. So, in other words, you are raiding the cookie jar all at once. There ain't going to be too many cookies left tomorrow. I guess the gamble, if it works for you, will pay off, but I think that Manitobans are too cynical to buy it one more time.

It also disturbs me, Madam Speaker, that the government actually broke their own target or guideline of keeping the Fiscal Stabilization Fund at 5 percent of expenditures, down to 3.9 percent, so what do their guidelines or their targets mean anyway? They talk about balanced budgets. They talk about targets. They talk about numbers, but they regularly break their numbers even in a pre-election budget. It looks like a major flip-flop to me. Again, it is more Devine than Klein.

Madam Speaker, I do not believe this government has any credibility in health care. It never had very much to start with. It has almost none now, and this heroic attempt to backfill years and years of neglect is pretty hard to take by the public. If you are trying to buy the election, I do not think the public is going to let you buy the election. I know it may have worked for you before. It is not going to work for you this time. Last-minute damage control

mode, we can see this is probably where it is at, but last-minute damage control mode is not going to erase memories that people have, unpleasant memories of the shortages and the cutbacks and the pain that we have suffered for 11 years.

**An Honourable Member:** Time for a change.

**Mr. Jennissen:** As the honourable member said, it is time for a change. Boy, there has never been a greater need for a change, a breath of fresh air.

Madam Speaker, talking about health care, I was particularly, I guess, intrigued by the fact that this government is willing to put more money into the hiring and the retention of nurses. I found this really interesting, because nurses have been overworked for the last eleven years. Their morale is super low. The Filmon Tories have laid off a thousand or more nurses in their tenure, and now all of a sudden they seem to be waking up and saying: Hey, there is a nursing shortage. There is a problem with health care. It seems a little bit like a deathbed conversion here, or I suppose sheer desperation might be a better term.

**An Honourable Member:** Tell them to lay off the Tories.

**Mr. Jennissen:** Yes, instead of laying off nurses, we should have been laying off Tories, as the honourable member suggests.

\* (1750)

I do not blame nurses for being militant right across this country because they have had a horrible decade. What with layoffs. What with working conditions and so on. The Tories certainly have not been terribly helpful. That is why I find this \$7-million fund for enticing former nurses to come back to the profession, the \$7 million for retention and recruitment, a little bit crass. I am glad that the nurses are actually going to the airwaves. I was watching an ad last night where the nurses are simply saying: We are not buying this. You may put out your \$500,000 ad telling us health care is wonderful, that we are living in Eden, but we are not buying that fairy tale myth anymore.

There are serious problems in the nursing profession, and you helped create them. Those problems are not going to be wished away, and they are certainly not going to be bought away overnight. So \$7 million is an interesting figure, but, as I said before, the nurses that have left this country, that are working in the United States, the nurses that have retired, the nurses that have found other jobs, they are not going to be easy to get back into the profession again. Besides that, they are super suspicious of this government.

Now \$32.5 million has been allocated in this budget for the hiring of those 650 nurses. That in itself is rather a dramatic statement, that you are admitting that we are short hundreds and hundreds of nurses. I guess you could go the next step and do the mea culpa and admit that you were the ones that laid them off in the first place. You were the ones that undermined health care to start with, and that is something that the government, of course, is not about to do.

Now, when we talk about nurses, Madam Speaker, I am also particularly concerned about northern Manitoba and the nursing shortage there, and indeed the physician shortage there. I am continually amazed when I walk into Flin Flon Hospital at the amount of work nurses do, the stress they are under, the morale. I am amazed that they even survive the job. They have extremely long shifts. They work themselves to the bone, and they had to do this with continual cutbacks and reassignments hanging over their heads.

I go to Pukatawagan, and I see nurses struggling on a daily basis with: Do we send this patient by medivac, or do we not send this patient out by medivac? They have to make life-and-death decisions, and it is extremely difficult and hard on those nurses. Usually there are not enough nurses to do the job. There does not appear to be a coherent strategy by this government or in this budget to address that problem other than throwing some quick-fix money at it just before the election.

Now do not get me wrong. I think we do need nurses. We do have to put money into it. We do need to backfill health care, but we should not be doing this at the last minute. We

should have been doing that years ago, years ago.

**An Honourable Member:** It is an election year.

**Mr. Jennissen:** But it is an election year, as the honourable member says. Similarly, Madam Speaker, there is no coherent strategy for the physician shortage we have in this province, and this is particularly acute in some places in northern Manitoba. I know there is \$55 million earmarked in the budget for expanding medical services, such as cardiac care, obstetrics, intensive care and additional physician resources. I saw Dr. George Skelly [phonetic] on TV the other day, and he was suggesting rather strongly—Dr. George Skelly [phonetic], by the way, is representing Manitoba doctors—that we have a larger problem. We have to start doing some homegrown physician creating in this province—

**An Honourable Member:** Especially women.

**Mr. Jennissen:** —and especially women physicians. That is missing. Importing physicians from outside is only a temporary solution. Raiding other countries for their physicians is only a temporary solution, and I am glad that Dr. Skelly [phonetic] pointed this out clearly in his statement to the press the other day.

On a personal note, I might point out that Dr. Skelly [phonetic] was my own doctor a number of years ago. I am glad to see him in the full swing of things, and I am glad to see his is not afraid to speak up to this government or to any government.

I find it odd that this government suddenly seems to be growing a heart, as other speakers have pointed out, growing a heart just at the very last minute when we have had 11 years of cutbacks and pain, suddenly saying we take health care seriously.

The other horse that I would like to talk about briefly is taxes, the other horse that the Tories are riding. It is a motherhood issue. Everyone wants taxes lower, and I am glad you did lower the taxes, but there might be more

progressive ways of doing it, having said that. Lowering the sales tax, as Saskatchewan did, might be one such method. Reinstating the property tax credit, the \$75 property tax credit, might be another such method that might be in many ways more progressive.

We have also in the past supported the reduction of small business income tax. It is now being reduced from 9 percent to 5 percent over the next three years. We certainly support that, Madam Speaker. There has, however, been no offsetting reduction in business grants, and, as I said before, nor has this government reinstated the \$75 property tax credit. That would have been a progressive move.

The point to make with regard to taxation is that property taxes in this province have doubled under the Tory regime from \$200 million to \$400 million. The sales tax remains higher than it is in Saskatchewan. In fact, the income tax at this point is higher in this province than it is in Saskatchewan.

This poses particular difficulties for the region that I represent, Madam Speaker, particularly in the Flin Flon region. It is a concern for Flin Flon because Flin Flon is next door to Creighton, Saskatchewan. If you have a more favourable tax regime in Saskatchewan than you have in Manitoba, then it is not difficult for Hudson Bay Mining & Smelting to move its emphasis or rather to focus itself a little bit more on the Saskatchewan side. Because you are right on the border, it is pretty difficult to say where that ore came from. When you construct new buildings, it is much simpler to construct them 10 yards over on the Saskatchewan side, because there the write-offs are much better. In fact, you can write off 150 percent on the Saskatchewan side for the opening of new mines for mining expenditures. We do not have that same favourable incentive here. We did reduce the tax from 20 percent to 18 percent, but Saskatchewan reduced their royalties from, I believe, 12 percent to 5 percent and then phased in depending on the amount of revenue.

So in a nutshell, Madam Speaker, the tax regime in Saskatchewan for mining is much, much more favourable. This could create a problem for us, particularly in the Flin Flon

region, a problem in the sense that the business activity, the mining activity could suddenly swing to the Saskatchewan side, not all of it, but a lot of it.

As the mining critic pointed out, mining is a \$1-billion industry. It is an extremely important industry in Manitoba, and reducing the mining tax rate from 20 percent to 18 percent only means \$40,000 annually to the industry, providing the same commodity or metal prices hold.

That is hardly earth shattering, \$40,000 on a \$1-billion mining industry. The \$9 million that was announced in the budget for mining investment and exploration is basically the MEAP that has been phased in over three years and was announced earlier. So that was not a big deal for us, useful, but it was announced earlier.

The mining critic had pointed out earlier that this government needs to take mining a lot more seriously, particularly--

**An Honourable Member:** Oh, come on.

**Mr. Jennissen:** --in the Lynn Lake-Leaf Rapids area. Well, the member does not accept what I am saying, but I would like to point out, there are a thousand fewer miners working in northern Manitoba now than there were a few years ago. That is a fact. We lost 300 miners in Thompson not too long ago. We are laying off gold miners in Lynn Lake as I speak, Madam Speaker.

Not enough emphasis is being put on the mining industry, particularly in a region at risk, Lynn Lake-Leaf Rapids. In fact, Madam Speaker, of the 30 geologists that the department hires, not one is dedicated to this region. The provincial government Geological Services branch only dedicates one-half of 1 percent of its field activities to that at-risk region. I find this not acceptable. If you really care for the mining industry, well, at least treat them equally with pig slurries and lagoon liners, you know, because they are worth \$1 million in your budget. You have not done that.

I would also like to point out, when you ignore a whole region like Leaf Rapids and Lynn Lake, when you have put a lot of your effort in

the northern Superior belt rather than in a region where there are existing infrastructures, it is not just Leaf Rapids and Lynn Lake that you are hurting, but all the communities surrounding those two towns. That means Tadoule Lake and Lac Brochet and Brochet and South Indian Lake, Pukatwagan and Granville Lake and a whole region is at risk. A domino effect will take place.

If those regions go down the tubes economically totally and the government does not help us out, then the domino effect will go like this, because if Rattan Mine cannot export ore to Lynn Lake and put it on the railroad to Flin Flon to the Flin Flon smelter, HBM&S smelter, then the railroad will fold, the towns are much smaller. How much money is this government going to put into 391? So we go from bad to worse.

This region needs a hand up, and I am really surprised that the government did not put more emphasis on helping the mining industry and helping that region particularly. They were not even forthcoming when banking was at risk in Lynn Lake. They could have easily helped us there and they refused to do so, but they are ignoring the whole region. They are ignoring the North generally, but that region particularly.

Madam Speaker, the budget also briefly mentions transportation. It uses rather, what I think, interesting hyperbole, I suppose you could say, interesting language: "Manitoba enjoys unsurpassed transportation links."

Unsurpassed, Madam Speaker. Now, I find that hard to believe. Where are these links that are supposed to be unsurpassed?

I go to other countries on a regular basis, and I do not think that we are unsurpassed when it comes to--

**Madam Speaker:** Order, please. When this matter is again before the House, the honourable member for Flin Flon will have 21 minutes remaining.

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

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 5, 1999

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