



Sixth Session - Thirty-Fifth Legislature

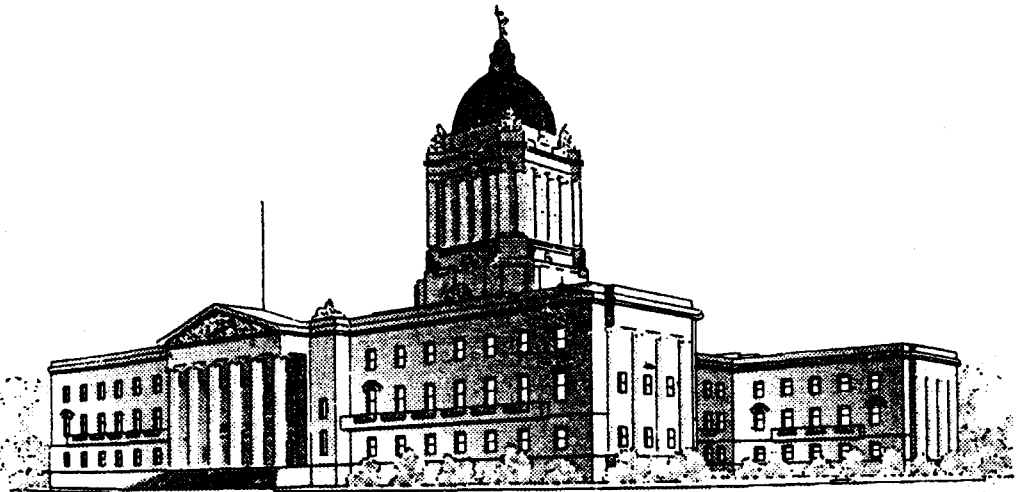
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

(Hansard)

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 9, 1995

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Physical Education in Schools

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I beg to present the petition of Jay Sullivan, Mark Matyra and Connie Zolondek and others requesting the Legislative Assembly urge the Minister responsible for Education (Mr. Manness) to consider reinstating physical education as a compulsory core subject area.

READING AND RECEIVING PETITIONS

Physical Education in Schools

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

An Honourable Member: No.

Mr. Speaker: Dispense.

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

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

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

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

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

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

Improvement of Highway 391

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

An Honourable Member: Read it.

Mr. Speaker: The Clerk will read.

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

WHEREAS the state of Highway 391 is becoming increasingly unsafe; and

WHEREAS due to the poor condition of the road there have been numerous accidents; and

WHEREAS the condition of the road between Thompson and Nelson House is not only making travel dangerous but costly due to frequent damage to vehicles; and

WHEREAS this road is of vital importance to residents who must use the road.

WHEREFORE your petitioners humbly pray that the Legislature of the Province of Manitoba may be pleased to request that the government of Manitoba consider reviewing the state of Highway 391 with a view towards improving the condition and safety of the road.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Standing Committee on Public Utilities and Natural Resources First Report

Mr. Marcel Laurendeau (Chairperson of the Standing Committee on Public Utilities and Natural Resources): Mr. Speaker, I beg to present the First Report of the Standing Committee on Public Utilities and Natural Resources.

Mr. Clerk (William Remnant): Your Standing Committee on Public Utilities and Natural Resources presents the following as its First Report.

Mr. Speaker: Dispense.

Your committee met on Thursday, January 5, 1995, at 10 a.m. in Room 255 of the Legislative Building to consider the annual report of the Manitoba Hydro-Electric Board for the year ended March 31, 1994.

On the morning of January 5, 1995, your committee accepted resignations of Mr. Ashton and Mr. Pallister as members of the committee and elected Mr. Robinson and Mrs. Dacquay to replace them. During the afternoon of January 5, 1995, your committee accepted resignations of Mr. Hickes and Mr. Robinson as members of the committee and elected Mr. Martindale and Mr. Schellenberg to replace them.

On January 5, 1995, your committee passed the following motion:

"THAT this Committee recommend that at the conclusion of these hearings, it vote consecutively on both the 1992/93 Annual Report of the Manitoba Hydro-Electric Board, and the 1993/94 Annual Report of the Manitoba Hydro Electric Board, voting first on the 1992/93 Report."

As well, on January 5, 1995, your committee passed the following motion:

"THAT this Committee strongly support the residents of Gillam in their battle with the Federal Government over retroactive taxation of housing benefits for the years from 1991 to 1993."

Mr. John McCallum, Chairperson, and Mr. Robert Brennan, President and Chief Executive Officer, provided such information as was requested with respect to the annual report and business of the Manitoba Hydro-Electric Board.

Prior to passing the annual report of the Manitoba Hydro-Electric Board for the year ended March 31, 1994, your committee agreed, by leave, to also pass the annual report of the Manitoba Hydro-Electric Board for the year ended March 31, 1993. The annual report for 1993 had been considered at a previous meeting of your committee on Tuesday, June 21, 1994, at 10 a.m. in Room 255 of the Legislative Building, but had not passed at that time.

Your committee has considered the annual reports of the Manitoba Hydro-Electric Board for the year ended March 31, 1993, and for the year ended March 31, 1994, and has adopted the same as presented.

All of which is respectfully submitted.

Mr. Laurendeau: Mr. Speaker, I move, seconded by the honourable member for Turtle Mountain (Mr. Rose), that the report of the committee be received.

Motion agreed to.

**Standing Committee on Public Utilities
and Natural Resources
Second Report**

Mr. Marcel Laurendeau (Chairperson of the Standing Committee on Public Utilities and Natural Resources): I beg to present the Second Report of the Standing Committee on Public Utilities and Natural Resources.

Mr. Clerk (William Remnant): Your Standing Committee on Public Utilities and Natural Resources presents the following as its Second Report.

Mr. Speaker: Dispense.

Your committee met on Thursday, January 12, 1995, at 10 a.m. in Room 255 of the Legislative Building to consider the Annual Report of the Workers Compensation Board for the year ended December 31, 1993.

At that meeting, your committee accepted the resignations of Hon. Mr. Orchard, Mr. Lamoureux, Mr. Schellenberg, Mr. Martindale, Mr. Edwards, Mr. Helwer, and Ms. Barrett as members of the committee. Your committee elected Hon. Mr. Praznik, Ms. McCormick, Ms. Barrett, Mr. Reid, Mr. Gaudry, Mr. Penner and Mr. Ashton to replace them.

Your committee also agreed by leave to consider the 1994 Five Year Operating Plan of the Workers Compensation Board.

Mr. Wally Fox-Decent, Chairperson, Mr. Alex Wilde, Chief Executive Officer, Mr. Terry Edgeworth, Executive Director of Assessments, Mr. Sid Rogers, Senior Director of Claims, Ms. Karn Sandy, Executive Director, Corporate Services and Research, and Mr. Don Paul, Senior Director of Claims, provided such information as was requested with respect to the Annual Report of and the business pertaining to the Workers Compensation Board.

Your committee reports that it has considered the December 31, 1993, Annual Report of the Workers Compensation Board and the 1994 Five Year Operating Plan of the Workers Compensation Board and has adopted the same as presented.

Mr. Laurendeau: Mr. Speaker, I move, seconded by the honourable member for Turtle Mountain (Mr. Rose), that the report of the committee be received.

Motion agreed to.

**Standing Committee on Public Utilities
and Natural Resources
Third Report**

Mr. Marcel Laurendeau (Chairperson of the Standing Committee on Public Utilities and Natural Resources): Mr. Speaker, I beg to present the Third Report of the Standing Committee on Public Utilities and Natural Resources.

Mr. Speaker: Dispense.

Your Standing Committee on Public Utilities and Natural Resources presents the following as its Third Report.

Your committee met on Tuesday, January 24, 1995, at 10 a.m. in Room 255 of the Legislative Building to consider the Annual Report of the Manitoba Public Insurance Corporation for the year ended October 31, 1993. Your committee had previously met on Tuesday, May 24, 1994, at 10 a.m. in Room 255 of the Legislative Building to consider the same Annual Report of the Manitoba Public Insurance Corporation.

At the January 24, 1995, meeting, your committee accepted the resignations of Mr. Gaudry, Hon. Mr. Praznik, Mr. Reimer, Mr. Rose, Mr. Penner and Mr. Ashton as members of the committee. Your committee elected Mr. Lamoureux, Hon. Mr. Cummings, Mr. McAlpine, Hon. Mr. Ernst, Mr. Sveinson and Mr. Evans

(Brandon East) to replace them.

Mr. Jack Zacharias, president and general manager, provided such information as was requested with respect to the annual report and business of the Manitoba Public Insurance Corporation at the January 24, 1995, meeting.

Mr. Walter Bardua, the then-president and general manager, provided such information as was requested with respect to the Annual Report and business of the Manitoba Public Insurance Corporation at the May 24, 1994, meeting.

Your committee reports that it has considered the October 31, 1993, Annual Report of the Manitoba Public Insurance Corporation and has adopted the same as presented.

Mr. Laurendeau: Mr. Speaker, I move, seconded by the honourable member for Turtle Mountain (Mr. Rose), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Leonard Derkach (Minister of Rural Development): Mr. Speaker, I would like to table the Annual Report 1993-94 for the Manitoba Water Services Board and the Annual Report 1994 for the Municipal Board.

Hon. Jim Ernst (Minister charged with the administration of The Manitoba Lotteries Foundation Act): Mr. Speaker, I am pleased to table the Third Quarter Report of the Manitoba Lotteries Corporation.

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, I would like to table the First Annual Report of the Children's Advocate, ending March 1994.

Hon. Darren Praznik (Minister of Labour): I would like to table today the 1993-94 Annual Report of the Department of Labour, as well as

the 1993-94 Annual Report of the Department of Northern Affairs.

* (1335)

ORAL QUESTION PERIOD

Manitoba Lotteries Corporation Revenues

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, last fall the provincial government had public consultation meetings about the budget, where they released material indicating that there was \$180 million in projected revenue in the Manitoba Lotteries Corporation. Of course, in 1988 the revenues to that corporation or the net profits were \$53 million. In 1990, the net profits were \$52 million, and since 1992 it has gone from \$71 million to almost three times that, to \$210 million.

Mr. Speaker, given the fact that the government did not call the Lotteries Corporation before the committee of the Legislature, I would like to ask the Premier whether the \$210-million figure is on, or is the number higher as we have seen with changing estimates in the past on Lotteries Corporation revenue?

Hon. Gary Filmon (Premier): Mr. Speaker, given that the Leader of the Opposition has promised that he would have an additional casino and perhaps more given to First Nations' bands such as The Pas, I know he is very concerned with increasing lotteries revenues and gaming revenues in this province, but I can tell him that the information he has is as up to date as the information I have. Therefore, I would say to him that, as information is available, we will continue to make it available.

The third-quarter statement was released earlier this week by the Minister responsible for Lotteries (Mr. Ernst), and I believe the most up-to-date information was contained within that statement.

Accountability

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the NDP proposed private members' legislation in this session called The Lotteries Accountability Act, where it required the government to break down by community how much revenue was being gained by the provincial government from the gambling activity, the massive expansion of gambling that has been entered into by the Filmon government.

Since the legislation was introduced, communities in Brandon, Selkirk, Flin Flon, Portage la Prairie, Treherne, Gimli have all supported this legislation. In fact, the mayor of Brandon goes on to say that they have been frustrated over the possessive and reluctant attitude of the provincial government in releasing any information on the amount of revenue being earned from video lottery terminals throughout Manitoba.

Will this provincial Premier agree to the NDP legislation and make public the information by community, so all the people of Manitoba can know the actual facts on lottery revenues here in the province of Manitoba?

Hon. Gary Filmon (Premier): Mr. Speaker, I know that the mayor of Brandon was enjoying hearing his words repeated.

I just say to the Leader of the Opposition, firstly let us remind ourselves that the first lotteries in Manitoba began under the New Democrats 25 years ago. Let us remind ourselves that the New Democrats took over the bingos in this province and set up the first two major bingo emporiums. Let us remind ourselves that the New Democrats set up the Manitoba Lotteries Corporation and in fact expanded and started the first casino in this province. Let us also remind ourselves that this Leader of the Opposition has made a commitment to First Nations' bands in Manitoba to give them casinos. With all of those things, I find his criticisms more than a little hollow.

Mr. Speaker, despite accusations from members opposite, the Provincial Auditor has indicated that all of the money that comes in is properly accounted for. She is satisfied with the accountability, and he will have an opportunity ultimately, through the vehicle of this Legislature, when the Lotteries Corporation comes before committee--[interjection]

* (1340)

Mr. Speaker: Order, please.

Mr. Filmon: Mr. Speaker, I just ask the members opposite to bear with me.

He will eventually have an opportunity to ask those questions directly and to have whatever information he seeks provided for him by the Lotteries Corporation.

Mr. Doer: Mr. Speaker, I am disappointed. The Premier did not answer the question. I am disappointed again the Premier would turn his back on all the communities in Manitoba. All they want to know is the facts about how much money this government is gaining from these communities.

Report Release

Mr. Gary Doer (Leader of the Opposition):

The government released the Volberg criterion report the other day. When we go through it, the pages are whited out in very many of the sections--the demographics on gambling, the type of population using gambling, the favourite type of gaming activity, the characteristics of gamblers, how much money they are spending, the amount of money by community, blank page here, distribution of expenditures by game.

Would the Premier please tell us why they are censoring this report, Mr. Speaker, and will he give us the full and complete report which has been paid for by the Lotteries Corporation and the people of Manitoba?

Why are we having this kind of censorship?

Hon. Gary Filmon (Premier): Mr. Speaker, I just want to say that we have made a commitment to assemble the information that has been asked for vis-à-vis the revenues on a community basis for the VLTs, as they have been asked for, and the expenditures in the communities that the Lotteries Corporation is engaged in.

I would also say that the information that has been released has been released in accordance with The Freedom of Information Act, that was drafted and passed by the New Democrats, Mr. Speaker. In accordance with that act, we have given out the information as The Freedom of Information Act provides for.

Health Sciences Centre Pediatric Cardiac Centre

Mr. Dave Chomiak (Kildonan): Mr. Speaker, my question is for the Minister of Health.

Over the past few weeks, a controversy has raged over the deaths at the Health Sciences Centre, questions about how parents were given information regarding the deaths, the autopsy reports, the role of the medical examiner, why doctors have left the province, the facilities at Health Sciences Centre, the role of government and the effect of cutbacks on all of this.

My question to the Minister of Health is: Why is the government not listening to the parents and to the doctors from that facility who have asked for it? Why has the minister not called a public inquiry into this entire affair?

Hon. James McCrae (Minister of Health): Mr. Speaker, as the honourable member has referred to the families of the children involved, I think it is appropriate that we do everything we can in as timely a fashion as we can to get to the bottom of all matters related to the pediatric cardiac program at Health Sciences Centre.

The system of inquiry set out under The Fatality Inquiries Act allows an independent judicial person to preside over a hearing in the form of an inquest which has the capacity and scope and breadth to answer all issues the honourable member might raise, including the role of all the players, including the hospital, the doctors, the Chief Medical Examiner's office and the government itself, Mr. Speaker.

Mr. Chomiak: Mr. Speaker, will the minister or the Premier (Mr. Filmon), who is responsible for federal-provincial relations, table in this House the documents that the Deputy Minister of Health said were missing from departmental files referring to Dr. John Wade's recommendation back in 1990 to perhaps consolidate the surgery somewhere else? Will he table those missing documents, according to the Deputy Minister of Health?

Mr. McCrae: The hearing officer, Mr. Speaker, at an inquest, who is a judge, is empowered with the ability to subpoena witnesses, documents, to allow standing for people who come before the inquest, to allow for examination and cross-examination of witnesses.

There is no question but that any document that is relevant to all of these matters will form part of such an inquiry. Indeed, any documents that might exist pursuant to the operation of the program back in 1983, Mr. Speaker, might also be relevant to this. Those documents too would be subject to review by the hearing officer.

* (1345)

Mr. Chomiak: Mr. Speaker, my final supplementary: Can the minister tell the House today when his department first learned of the difficulties at Children's Hospital, in light of the fact that they have letters on file from doctors at the hospital dated December 1991 and December 1992 outlining difficulties?

Can he tell the House today when his department first heard and found out about the

difficulties at Children's Hospital concerning the deaths of these children?

Mr. McCrae: Mr. Speaker, the Department of Health, whether it was presided over by the Honourable Larry Desjardins as he then was or the Honourable Willy Parasiuk as he then was or my predecessor or myself, the department has worked with all of the players throughout.

With respect to documents and information, I cannot really answer so much for 1983, when the New Democrats were in power, but certainly, back in 1991, when the doctors raised issues with the hospital and copied the department, the department and the hospital administration met with the physicians involved and a number of the issues that were raised in the letter back in 1991 were addressed.

Again, though, I say that the quantity and the quality of actions taken over the years and whether they were the right ones and whether they were the wrong ones will all be the subject, Mr. Speaker, of a very independent and a very thorough review.

My wish is that that review be very thorough too, because I have had conversations with family members and other Manitobans who simply want what I want, and that is to get to the truth so that we can make decisions about how best to look after the children of this province in the future.

Manitoba Lotteries Corporation Gambling Policy Review

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, regardless of what the final numbers are on Lotteries revenues for the '94-95 year, it is clear that they are increasingly significant in this government's budget plans and fiscal planning. We expect they will come in at approximately \$220 million, as was predicted two days ago.

Mr. Speaker, two days ago the government

also announced a long-awaited review, stepping back and looking at the role of Lotteries, which we and I know the other opposition party has been calling for for some time.

Conspicuous by its absence was any commitment to public hearings. There is a commitment that the group headed up by Mr. Desjardins will gather information from a broad cross-section of society.

Is there in fact to be read into that a guarantee of public hearings as part of this process?

Hon. Jim Ernst (Minister charged with the administration of The Manitoba Lotteries Foundation Act): Mr. Speaker, there are no restrictions or limitations with respect to that working group. If they think public hearings are appropriate, they will have public hearings. If they think some other forms of consultation are necessary, they will do that as well. We gave them some general guidelines to say we want the entire package reviewed, and that is their mandate.

Mr. Edwards: Mr. Speaker, in fact, in various other reviews that have been commissioned by this government, public hearings have consistently been a part of the mandate, in fact, insisted upon as part of it.

My question for the minister, again: Given that back when he was the critic in 1986, he cited with approval the statement, and he was talking about the Lotteries Corporation, that the responsibility of government is to make sure that it is done fairly, nobody is ripped off and that the process is open to public scrutiny, will he now as the minister ensure, not just prefer, but ensure that this is indeed open to public scrutiny and that there is a guarantee of public hearings?

Mr. Ernst: Mr. Speaker, the intent of the review committee is to look at all aspects of gaming and consult with whomever they think it is appropriate. If they wish to consult with the public through public meetings and written

information, if they want only written information, they have all kinds of latitude with respect to this. I suspect that, given the quality of the people that will form this working group, they will have ample opportunity to consult with everyone in the province of Manitoba to ensure that their findings represent truly the mood of the people of Manitoba.

Audit

Mr. Paul Edwards (Leader of the Second Opposition): You will pardon if we are a little dubious about the credibility, Mr. Speaker, of this minister on this issue, given that the last time this corporation was before a committee of this House was June 17, '93, with the '91-92 annual report, which was not even passed.

My final question for the Premier. He indicates that the Auditor has in fact done a full review. Given that on May 5 of 1994, in committee, Ms. Bellringer, who is the Provincial Auditor, indicated: the Manitoba Lotteries Foundation last year was an overview; we did not conduct a test audit on financial statements, will he now guarantee that that test audit is in fact done, given that he thought it had already been done?

Hon. Gary Filmon (Premier): The Lotteries Corporation is audited by an independent auditing firm, Mr. Speaker. Their professional integrity, in fact, their very ability to remain in business as a professional, is based on the integrity of the audit work that they do.

The Provincial Auditor has further given it an overview audit to ensure that all of the relevant information she would like to have to ensure the integrity and the credibility of the work is available to her, and she has verified that, Mr. Speaker. That, it seems to me, is more than has been done in the past--in fact, more than was done when previous governments were in place.

* (1350)

Crow Benefit Phaseout

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, over the past several years there have been many discussions about the Crow benefit and whether it should be paid to the railway or to the producers. We in the New Democratic Party have always supported paying the railways because it brought fairness to farmers, and Conservatives have always lobbied to have the payment made to producers, but no one in their wildest dreams believed that the federal government would eliminate the Crow benefit. The federal government has abandoned their responsibility to farmers.

I want to ask this Minister of Agriculture what steps he will be taking with the federal government, asking them why they have eliminated the Crow benefit. We are asking him what he will do to ensure that there is fairness to western Canadian producers, that they are not abandoned by the federal Liberal government as they have been.

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, there is no question, absolutely no question, that prairie farmers face a very difficult adjustment period, but my department and this government will do all they can to ensure that we look at it in a positive way. We look at this post-WGTA era as what we can do in Manitoba that will bring prosperity to our farms and to our province.

Having said that--and I do appreciate that the honourable member for Swan River (Ms. Wowchuk) did acknowledge by whose hand this action was taken. It was, of course, the federal government.

We had been led to believe, up until a few weeks before the final announcement, before the budget speech, that prairie farmers would have been given a reasonable phaseout period of five to seven years. Failing that, we had thought, along with farm leaders, that if it were to be a

lump settlement, the figure should be much larger, in the order of several billions of dollars, Mr. Speaker.

The responsibility of the action that the honourable member for Swan River describes clearly lies in the hands of the federal government, the federal minister. My job is to try to ensure that the \$300-million adjustment fund that was also contained in the budget, most of it, the majority of it, accrues to Manitoba farmers, because we are in fact suffering most of the hurt.

Ms. Wowchuk: Mr. Speaker, I want to tell the minister that I am disappointed to hear that he is saying he is accepting this. This is not acceptable. This is an abandonment of western Canada. This is going to put farmers out of business, and this is going to create serious hardship for people in western Canada. I am asking the Minister of Agriculture whether he is prepared to lobby the federal government to ensure that there is money for a phaseout, more than the \$1.6 billion that is in there right now, which is very small in comparison to the costs that farmers are going to have to pick up. This is going to put farmers out of business--

* (1355)

Mr. Speaker: Order, please. The honourable member has put her question.

Mr. Enns: Mr. Speaker, allow me to say that I have been privileged over these past six or seven years to have been part of a government that has experienced and has accepted the fiscal responsibilities of the day. It has not been a particularly easy challenge. It is my hope that later on this afternoon all Manitobans and I will be rewarded by hearing the kind of progress we have made in terms of the fiscal management of the province of Manitoba.

I am prepared to extend that same understanding to the federal Minister of Finance

and the federal government in dealing with the difficult, serious problems that this nation faces, and do you know what? Most farmers understand that. What they seek is fairness, and they are not getting fairness from this Liberal government. The Alberta grain farmer faces a rate of 17 percent. The Manitoba farmer faces a rate increase of 300 percent. That is not fair, and that is what I will fight for on behalf of the Manitoba--[interjection]

Ms. Wowchuk: If the Minister of Agriculture says he is prepared to fight for fairness, I want to ask him: Since it is the producers that are going to be paying the increased cost of transportation, not the landowners, will he fight the federal government to ensure that the \$1.6 billion is paid to the producers? Very simple to do through the Wheat Board. Put the money to the producers, not the landowners.

Mr. Enns: Mr. Speaker, I can perhaps impart some relatively new information on this subject. Minister Goodale was in Winnipeg today. I regrettably did not have the opportunity to hear him speak, but I am extremely disappointed. What he did was throw the ball back at the province by saying that if we want to do that, we would have to pass legislation in this Legislature and in all provincial legislatures.

I want to tell the federal government and Mr. Goodale, the one thing that prairie farmers have not got time for is political games. This is a federal program. He can do it exactly the way the member for Swan River has outlined, and it is his responsibility to do that.

New Careers Funding Reduction Justification

Mr. George Hicketts (Point Douglas): My question is for the Minister of Education.

Previous studies have shown that the New Careers program has had a 92 percent success rate in the percentage of graduates getting and keeping jobs.

What studies has this government used to justify cutting New Careers three years in a row?

Hon. Clayton Manness (Minister of Education and Training): Mr. Speaker, I think the member opposite is taking some speculation and trying to run with it as if it is fact. The question presupposes some announcement that may or may not be made in the budget that will be read very shortly. I think the member would be wise to hold his question until after that.

Mr. Hickes: The staff at New Careers have already received their lay-off notices effective April, so how can this minister justify cutting a program that has worked so well while keeping Workforce 2000 which, even this minister admits, has no accountability?

Mr. Manness: Again I would ask the member to pose the question after tomorrow, after he has had a chance to see the full totality of the training decisions that have been made with respect to the Education department.

We are well aware of the contributions that have been made by certain numbers of programs over the year. But what the member seems to be suggesting is that government should not evaluate, governments should not assess programs over a period in time, to see whether or not they are producing in the same fashion as they may have in the past.

We have prided ourselves as a government over the years of assessing our programs, trying to determine whether or not--and where they rank in priority terms, within the whole portfolio of training. We have done that again through the budgetary process. I would ask the member to wait until greater detail comes forward, at which time I am sure he will have more questions.

* (1400)

Mr. Hickes: When the minister says about assessing a program, I would like to ask the minister why he thinks it is more important to

hand over tax dollars to wealthy firms, like Kentucky Fried Chicken, IBM, Holt Renfrew, rather than supporting a training program that has 92 percent success rate and that gets people trained and off social assistance.

Mr. Manness: Mr. Speaker, I know the NDP party is against government supporting training for those particularly in the business area. I know the members opposite are totally opposed to the program that has worked so well in this province, which has been mirrored for the most part in the province of Ontario, which trains those who are presently in the employ to move to a new generation, to be ready for the new technology that exists.

Mr. Speaker, the member's question does not surprise me. It is in keeping again with the criticism that the members opposite have had. It is a disappointing question, I might add, given that tens of thousands of Manitobans have been trained in that program over the years.

So, Mr. Speaker, again, my final comment is that the member may want to again put his questions another day once he has seen the totality of the budgeting with respect to Education.

Metropolitan Kiwanis Courts Renovations

Ms. Avis Gray (Crescentwood): My question is for the Minister of Health.

Mr. Speaker, the ongoing saga of Kiwanis Courts, the Metropolitan Kiwanis Courts, continues to go on because we continue to get calls from people who are involved, concerned citizens in Kiwanis Courts and some of the family members who have individuals in the Kiwanis Courts.

We understand that the government staff and Kiwanis Courts have met and outlined some of the processes of what would occur in regard to the Kiwanis Courts issue.

The concerned citizens at that last meeting had asked for details of the construction and remodelling plans and timetable. Now, those details were not available at the meeting, but I would ask the minister, can he tell us when those details of the remodelling and the timetable will be available for the concerned citizens and the families and the individuals who are still in the Kiwanis Courts?

Hon. James McCrae (Minister of Health): Mr. Speaker, thanks to the good work done by the honourable member for Sturgeon Creek (Mr. McAlpine), the concerned citizens in the neighbourhood, the board of the Kiwanis Courts, the government, and thanks also to the work of Mr. McIntosh, who assisted all of us in bringing parties together. That is the one thing that I can say about my honourable colleague for Sturgeon Creek--it is extremely positive--that he has been able to bring all of these various and divergent interests together to bring about what we believe will be a satisfactory solution to all of the issues that were raised.

Mr. Speaker, while it may be true that actual drawings and details are not yet available, at the earliest opportunity, we will continue to take the concerned citizens of St. James into our confidence and work with them, as well as the board of Metropolitan Kiwanis Courts.

Ms. Gray: With a supplementary to the Minister of Health, will the minister indicate if he will get back to the concerned citizens and at least let them know when the timetable will be available and what it would be? Mr. Speaker, the concerned citizens and the families involved have had some assistance from all three parties, and they prefer to see this as a nonpartisan issue. So we are simply asking for the information for them.

Mr. McCrae: Mr. Speaker, again, as recently as a week ago, the honourable member for Sturgeon Creek met with the concerned citizens. At that meeting, everybody was brought up to date on the most recent developments, and it is

that kind of approach, I believe, that will satisfactorily resolve all of the issues.

As I say to the honourable member, just as soon as further information is available, I will be working with the honourable member for Sturgeon Creek (Mr. McAlpine) and the concerned citizens of the neighbourhood to make sure that everyone is brought up to date.

I was pleased that the concerned citizens gave an indication of endorsement of the work that has been done to this point, and we expect to continue in that vein.

Education System Reform Curriculum Changes

Ms. Jean Friesen (Wolseley): Mr. Speaker, the Minister of Education's so-called action plan on education has meant that junior high schools across the province are suddenly faced with impossible choices in timetabling and staffing. Industrial arts, music, choral music, home economics and French must either be compressed or eliminated under the minister's plan. The minister has been aware of this for at least a month, and he is aware of the confusion and anger that have resulted for families and schools.

I want to ask the minister today to freeze this curriculum plan until after the election so that stability can be returned to Manitoba's education system.

Hon. Clayton Manness (Minister of Education and Training): Mr. Speaker, I would like to quote something that I happened to come across the other day. It says: The problem is not money, the solution is not more cash; the problem is focused standards in the capacity of the system to evolve and change and show adaptability in that change.

An Honourable Member: Who said that?

Mr. Manness: That was one Premier Bob Rae.

Mr. Speaker, I have been listening over the course of many months to the NDP approach on education reform. The silence is deafening. I have not heard one reaction from the NDP party with respect to how it is that they would initiate reform.

When the member comes up and asks me a question specific to implementation and how it is that we are going to try to change around some of the course offerings within our public school system, I say to the members opposite, then obviously they want the status quo totally supported and I would leave that statement at their door.

There is not chaos. Obviously schools are going to have to make decisions because the government is asking them to focus in a much greater fashion on the literary skills that are needed in our students as we move into the next century.

Ms. Friesen: Mr. Speaker, that is an utterly irresponsible answer, because every school in this province is being asked to reduce by half industrial arts, music and basic French. They do not have a curriculum to reduce by half those courses. That is an utterly irresponsible answer from the Minister of Education.

I want to ask the minister to explain why neither he, his deputy minister nor his staff were aware of the impact that the damage that these curriculum changes would do on schools right now. It is a relatively simple question. Why is there such a gap between what goes on in the department, or at least what passes for planning in the department and what is happening on the ground in our schools?

Mr. Manness: Mr. Speaker, the members obviously reject everything that Bob Rae says, the way they call me down, but maybe I will try something that Allen Bacon said. Allen Bacon, of course, is the Canadian Teachers' Federation president. He said that Canadian schools need to focus on core subjects and move away from the

vast array of program choices now on offer in high schools.

Mr. Speaker, there seem to be two poles of vision with respect to how it is we should try and reform the system.

Our action plan is clearly stated. We know where we want to take the public education system.

The NDP obviously does not want to do anything but to criticize, and I say to the members opposite, stand for something, tell the public where they stand on these important issues.

Ms. Friesen: Mr. Speaker, the minister puts me in mind of the best teacher I ever had. She was a geography teacher. Her name was Miss Wycliffe. She said, answer the question, what was the question, look at the question.

Mr. Speaker: Order, please. The honourable member, with your supplementary question.

Ms. Friesen: Mr. Speaker, could the minister explain why, before the blueprint, before the action plan, before the householder, before the video, before the television advertising which this government has paid for, could it at least have simply sat down with teachers, with parents, with principals and said, what is going to be the impact of these curriculum changes now?

Mr. Manness: Mr. Speaker, I am remiss. I did not bring the chronology of all those meetings, of sit-downs, as the member asked me to do, that I have had with the Teachers' Society, indeed with the trustees and all of the partners within the education enterprise.

Mr. Speaker, we have taken the document out, as the member knows, as the members opposite know. It has had wide distribution. It has had wide opportunity for reaction and, most importantly, it has had wide acceptance.

So we stand by the document. We fully understand that there is going to be some pressure associated with the timetabling this fall. We are trying to give guidance to those schools that sense they need it, but a large number of principals tell us they are going to be able to cope with the plan that is being laid down.

Again, I ask the members whether they support reform or whether they reject it.

I gather, from the tone of their questions, they totally reject it.

* (1410)

Child Care System Government Strategy

Mr. Doug Martindale (Burrows): Mr. Speaker, the Minister of Family Services will be aware of the prairie preschool study, a study which followed children to adulthood and which showed that as the result of good quality child care they had higher levels of education, higher levels of income, higher rates of employment, higher rates of intact marriages, lower rates of incarceration, utilization of welfare and lower rates of teen pregnancy.

Since child care is shown to be effective and cost-effective, since for every dollar that is invested in child care there is a saving of \$7, will the Minister of Family Services work to restore the child care system in Manitoba, since the result of their policy has been children withdrawn from centres, wage rollbacks for early childhood educators? Will the minister--

Mr. Speaker: Order, please. The member has put his question. We are trying to move along here.

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, I thank my honourable friend for that question, because it does give me the opportunity to explain to Manitobans once again the increases and the impact that those

increases have had on our child care system in the province of Manitoba.

Mr. Speaker, he wants us to go back to the \$27 million that was in place under the former NDP government and reduce child care by \$20 million. We have increased our funding to child care in the province of Manitoba since we have been government by \$20 million. That is not a reduction. That is an increase.

We have increased the number of subsidized spaces. We have doubled the number of subsidized spaces since the NDP were in government. That is not a cutback. That is an increase in child care. We have increased the number of licensed spaces in the province of Manitoba. We are up to 19,000 licensed spaces in our province today. That is an increase, not a decrease.

We have made a commitment as a government to child care, unlike what our neighbours in Saskatchewan are doing when they spend \$14 million for the same population on child care that we spend \$47 million on. Is that the NDP policy, Mr. Speaker?

Mr. Martindale: Mr. Speaker, I would like to ask the Minister of Family Services what is she and what is her government going to do to remedy the current problems that fill up the spaces so the child care centres are not laying off staff and rolling back wages for early childhood educators, and some centres are considering closing because of their policies.

What is this minister going to do?

Mrs. Mitchelson: Mr. Speaker, I guess I have to repeat for my honourable friend, because he does not seem to understand, that there is \$20 million more in child care today than there was when the NDP government was in power. There are twice as many subsidized spaces in our child care system today than were there under the NDP administration. There are more licensed spaces in the system today than were there when

the NDP government was in power. So there has not been a reduction. There has been an increase to services for children in child care in Manitoba.

We will continue to maintain our commitment, unlike the Liberal red book promise that was broken in this budget. There was not a mention of child care and child care support. I am extremely disappointed in a Liberal government that makes a promise and backs out on it within a year of making that commitment.

Federal Funding

Mr. Doug Martindale (Burrows): Could the Minister of Family Services tell the House if she has had any communication from the federal Minister of Human Resources, Mr. Axworthy, and whether there still is a promise of 150,000 child care spaces in Canada, whether there is any money available for Manitoba, and if there is, whether her government is going to match that money and create more child care spaces in Manitoba?

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, indeed, I have met with the Manitoba Child Care Association and we have discussed those issues. I wrote to Mr. Axworthy on January 18 and asked for a commitment from him on what Manitobans could expect from the federal red book commitment to child care in Manitoba, and I have not heard back from Mr. Axworthy.

That has been a month and a half ago now, and there has been no commitment from Mr. Axworthy on whether the federal government would live up to their commitment. But the budget was silent on the issue of any more funding for child care.

As a matter of fact, there will be major reductions to Manitoba in transfer payments for child care, for services to the mentally disabled and for services to women. They will not be providing the same support as they have in the

past, and it will be very difficult for any province to determine what their next steps will be.

Mr. Speaker: The time for Oral Questions has expired.

Introduction of Guests

Mr. Speaker: Order, please. I would like to draw the attention of all members to the loge to my right, where we have with us this afternoon Mr. J. Frank Johnston, the former MLA for Sturgeon Creek, and also Mr. Sam Uskiw, the former MLA for Lac du Bonnet.

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

Also with us this afternoon, I would like to draw the attention of all members to the gallery to my left, where we have with us this afternoon His Worship Mayor Rick Borotsik for the City of Brandon, and his Clerk, Earl Backman. On behalf of all members, I would like to welcome you gentlemen here this afternoon.

House Business

Hon. Jim Ernst (Government House Leader): Mr. Speaker, it is my understanding that the Minister of Finance (Mr. Stefanson) will deliver his Budget Address today at 2:30 p.m. In accordance with the traditions of this House, might I suggest we recess for a period of 12 minutes or so until 2:30 p.m., at which time the Minister of Finance would address the Assembly.

Mr. Speaker: Is it the pleasure of the House to recess until 2:30? [agreed]

At 2:30 you will get a one-minute warning bell. That will also give the gallery attendants an opportunity to clear out the galleries. Only individuals with a gallery pass stamped "budget" will have an opportunity to come back into the Chamber. This House is now recessed until 2:30 p.m.

The House recessed at 2:17 p.m.

After Recess

The House resumed at 2:32 p.m.

Hon. Eric Stefanson (Minister of Finance):

Mr. Speaker, I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Downey), that this House approve in general the budgetary policy of the government.

Motion presented.

BUDGET ADDRESS

Hon. Eric Stefanson (Minister of Finance):

Mr. Speaker, I am pleased to present our government's eighth budget to the Legislature and the people of Manitoba.

Manitoba is poised on the threshold of a period of unparalleled prosperity and opportunity. These are very exciting times for our province. We have a dynamic and growing economy, with abundant investment and job opportunities which ensure our children can grow, learn and fulfill their dreams right here at home.

Mr. Speaker, there is a positive momentum building in Manitoba. Our province is bursting with good ideas, alive with vital energy and ready to take on the world. As I talk with people from all parts of the province, I am impressed with their growing enthusiasm and sense of optimism.

You can feel it on every main street from Emerson to Churchill, from Gimli to Melita, from Swan River to Pine Falls—Manitobans are ready to open a new chapter in an already impressive history. They are ready to record their achievements in capital letters from coast to coast to coast in Canada and around the world.

Mr. Speaker, my colleagues and I share that

enthusiasm because we recognize the tremendous wealth of knowledge and ability Manitobans put into action every day. We recognize the dedication and strong work ethic that sets Manitobans ahead of the rest, and we recognize how fortunate we are to live in Manitoba—a province with an impressive and valuable array of natural resources.

Most of all, we are proud of Manitobans' ability to work together to achieve a common goal. The challenges facing Manitoba have been among the most significant ever encountered. Those obstacles were met head on by communities, by families and by individual Manitobans standing strong for a better way of life.

We salute their hard work and determination. We celebrate their achievements. And we look forward with pride, confidence and eager anticipation.

Balanced Budget

Mr. Speaker, I am very pleased to present Manitobans with a very important reward for all their dedication and determination—the first balanced budget in Manitoba in over 20 years. In addition, this budget contains the largest budgeted surplus in Manitoba's history.

Our province is finally living within our means, paying for our own programs and services without borrowing from our children's future and mortgaging their dreams. This is an outstanding achievement and the best present Manitobans can give to the next generation on this our 125th provincial birthday.

Under the leadership of Premier Filmon and my predecessor in this portfolio, the member for Morris (Mr. Manness), Manitoba was the first senior government to recognize that to protect our vital social programs and revitalize our economy, we had to get spending under control and not increase taxes. By acting earlier and with a multiyear plan, we now have the lowest-

cost government in Canada and the highest commitment to health care.

Today, there is not a government in Canada—of any political stripe—that does not know what needs to be done.

Mr. Speaker, Manitobans have known for some time that overspending, big deficits and rising interest costs had to be stopped. Over 97 percent of the people who participated in prebudget consultations told me that eliminating the deficit is important. At the annual convention of the Union of Manitoba Municipalities, an overwhelming majority said the same thing.

I would like to thank our employees for their dedication and commitment to deficit and expenditure control. With their support, Manitoba has led the nation in working toward this day.

I would also like to thank Manitobans for their understanding and for their support.

In 1993, we promised we would achieve a balanced budget by 1996-97, and we would do it without placing a greater burden on Manitoba taxpayers. We are delivering on that promise one full year ahead of schedule.

Balanced Budget Legislation

Mr. Speaker, to ensure that future generations of Manitobans continue to benefit from the advantages and opportunities made possible by deficit-free government, we will bring forward the strongest balanced budget legislation in the nation.

The balanced budget, debt repayment and taxpayer protection legislation will strongly bind the province to continue achieving balanced budgets, and will also impose a realistic and sustainable plan to repay the debt without increasing taxes.

The legislation requires the province to keep its financial house in order by achieving balanced budgets commencing with the 1995-96 fiscal year. Unlike some other jurisdictions which do not count capital spending in balancing their budgets, the Manitoba legislation takes all spending into account. Unlike some U.S. legislation which simply requires that balanced budgets be presented, our legislation requires that balanced budgets actually be achieved.

The legislation includes important provisions to keep the lid on taxes in Manitoba. The legislation expressly prohibits any increases in income taxes, sales taxes, and payroll taxes unless Manitobans give their approval in a province-wide referendum. We believe, as do most Manitobans, that these taxes need not and should not be increased.

The legislation contains a manageable plan to pay down the province's \$7 billion debt within 30 years. The plan imposes on government a requirement to make annual instalments. Manitoba's debt can be retired even more quickly with additional discretionary payments.

Mr. Speaker, when the debt is retired, the benefits are exciting indeed. Eliminating Manitoba's debt would release the \$648 million currently needed to pay interest costs. Our children could realistically consider removing the provincial sales tax or cutting personal income taxes in half.

* (1440)

The balanced budget legislation includes significant provisions to ensure compliance. First, in the event a deficit is incurred, the legislation requires a fully offsetting surplus in the ensuing fiscal year. Secondly, all ministers and the Premier will be subject to a penalty of 20 percent of their ministerial compensation. Should a second deficit be incurred, the penalty will increase to 40 percent. My hope and our intention is that the penalties will never be applied.

There are carefully defined exceptions to the balanced budget requirement, including natural disasters, the threat of war, or a revenue decline of more than 5 percent.

In all other circumstances, budgets must be balanced.

Full details of the balanced budget and debt repayment and taxpayer protection requirements, including draft legislation, are included in a special budget paper appended to this address. The actual legislation will be presented to the Legislature next week.

The Manitoba Advantage

Mr. Speaker, many Manitobans already enjoy the direct benefits of a significant tax advantage.

Since 1987, Manitoba's income tax rates have moved from among the highest in Canada to among the lowest.

Manitoba senior citizens enjoy the most favourable income tax treatment in Canada. For a single senior citizen with \$15,000 in income, Manitoba's income taxes after tax credits are \$297 lower today than in 1987. For a family of four earning \$40,000, Manitoba's income taxes after tax credits are \$425 lower today than in 1987. Today, that same Manitoba family enjoys the lowest overall personal costs and taxes in the country.

Lower personal taxes mean more disposable income for Manitobans. Personal disposable income per capita in Manitoba increased at twice the national rate, and is second best in the country in 1994. For 1995, the Conference Board of Canada predicts that personal disposable income will rise a further \$637 per person, again bettering the national growth rate.

1995 Tax Measures

Mr. Speaker, our tax measures for 1995 are continuing to build on the best record of any

province in Canada.

There is no increase in personal income taxes.

There is no increase in sales tax.

There is no increase in business taxes.

There is no increase in gasoline tax.

We are extending our freeze on major tax rates for an unprecedented eighth straight budget.

For the upcoming year, we will provide some strategic tax reductions to help bolster investment and job creation and to help improve the overall fairness of our tax system.

New housing starts increased 32 percent last year, the first year of Manitoba's sales tax rebate for first-time homebuyers. This important initiative will be extended to December 31, 1995, to continue helping young families acquire their first homes.

The Home Renovation Program, introduced in last year's budget, has helped families undertake needed renovations in older homes. The program has helped sustain Manitoba's booming home renovation sector. Older homes across the province are being upgraded, adding value to Manitoba's housing stock, creating jobs and incomes at the same time. To date, the program has triggered \$25 million in home renovation work. Therefore, the Home Renovation Program will also be extended to the end of December 1995.

Small business has asked that they not be required to remit sales tax on sales to customers who subsequently do not or cannot pay their bills. Our government agrees. Amendments will be introduced to remove sales tax on accounts that prove uncollectible.

Manitoba is a mining province. The growth in mining depends on aggressive exploration.

Our policies, under the leadership of my colleague, the Minister of Energy and Mines (Mr. Orchard), have been very successful, with Manitoba's mineral exploration claims jumping 500 percent in the last two years alone.

To further enhance the success of our mining industry, Manitoba's sales tax will also be aligned with other jurisdictions, by eliminating tax on drill bits and explosives used in mining exploration.

Manitoba's highly successful manufacturing investment tax credit is an important factor in Manitoba's outstanding record of investment in manufacturing plant and equipment. Since this program was introduced in 1992, it has triggered over \$300 million in new manufacturing investment. I am pleased to announce that the program will be extended for an additional year. New investment in plant and equipment prior to June 30, 1996, will qualify for this innovative credit.

Winnipeg Airport Authority

Cargo movement between North America and Asia and Europe, and the associated distribution and packaging activities, have the potential to create thousands of new jobs, and hundreds of millions of dollars in economic activity. We are, therefore, actively supporting efforts to establish Winnipeg as an international intermodal air cargo centre. This budget expands the aviation fuel tax exemption for cargo flights to the cargo component of intercontinental passenger flights. We are also supporting the creation of a local airport authority to manage the Winnipeg International Airport for the benefit of all Manitobans. Local control will help ensure that the full potential of this valuable asset is achieved.

Supporting Local Governments

Our government recognizes the very important role local governments fulfill in the province. We are pleased to be able to provide

increased support again this year. Unconditional grants have been increased \$2 million. In addition, provincial-municipal tax-sharing payments are up 6 percent. Winnipeg will receive \$30.5 million, with a further \$21.8 million allocated to other local governments. Since 1987-88, our government has increased provincial support to local governments by \$70 million or 56 percent.

Jobs and Economic Development

Since 1989, economic growth in Manitoba has exceeded the nation. We are now leading the country in key areas such as investment, housing starts and exports. And while employment declined during the recession, 15,000 jobs have been created in the last year alone. Employment stands well above the level when we first assumed office, and Mr. Speaker, Manitoba is one of only four provinces to have a lower unemployment rate today than in April 1988.

The significant improvements in Manitoba's business environment are a major factor in these increases. Our advantages are being recognized increasingly both at home and internationally. This means more investment, more incomes and more jobs for Manitoba.

For example, a typical small manufacturing firm pays almost a third less provincial tax as a result of changes introduced since 1987. That is part of the reason why there are so many more manufacturing operations in Manitoba today.

The Canadian Federation of Independent Business recently stated that Manitoba is "one of the most small business friendly governments in Canada."

For a second consecutive year, Winnipeg has been recognized by The Globe and Mail's Report on Business as one of the best cities in Canada to do business.

The Boyd Co. of New Jersey ranked

Winnipeg as the second least-expensive city in North America for manufacturing activity.

* (1450)

Building a Stronger Manitoba

Our focus on jobs and enhanced economic activity has been especially evident in specific initiatives led by the Minister of Industry Trade and Tourism and the Minister of Rural Development.

Moving from grants to loan-based programs for assisting business development and job creation has reduced costs to the taxpayer and maximized benefits for our province.

Over 4,000 new jobs have been generated, and another 2,000 are guaranteed under existing contractual commitments. I would like to cite a few examples of businesses assisted under these loan-based programs.

A \$30 million loan to the Pine Falls Paper Company helped management and employees purchase the former Abitibi Price mill at Pine Falls.

As a result, Manitobans have achieved: local ownership of a multimillion dollar company where profits remain in Manitoba; continuation of some 1,100 full-time and seasonal jobs; and capital expenditure in excess of \$60 million to occur in the Pine Falls area over the next two years.

We applaud the initiative and foresight of the employees and management of the company. Their determination underscores the success Manitobans can achieve in a highly competitive business climate. And now it appears that the full loan will not be required and taxpayers will be repaid much faster than anticipated.

In July 1991, the province entered into an agreement with Motor Coach Industries Ltd. to design and establish a Product Development

Centre in Winnipeg. Since the inception of this program, Motor Coach has consolidated all of its North American engineering and manufacturing capabilities in Winnipeg. Total company employment has increased more than 300, or 25 percent, to over 1,500.

Loewen Windows in Steinbach, the largest manufacturer of windows and doors in Western Canada, is undertaking a major expansion to supply export markets and create 236 jobs.

D.W. Friesen & Sons Ltd. in Altona, one of the largest book printers in Canada, has undertaken a \$5.2 million expansion which will create 50 new jobs.

Palliser Furniture is undertaking a major expansion and consolidation of its Winnipeg facilities in order to meet demands of U.S. and international export markets. This expansion will lead to the creation of more than 400 additional jobs. Palliser currently has a workforce of approximately 1,600 employees in Winnipeg.

In further recognition of the importance of trade to Manitoba, additional resources are allocated to trade promotion and development.

Grow Bonds, introduced in 1992, are helping direct capital raised from rural Manitobans back into local enterprises. This innovative program has helped local entrepreneurs and community investors create 430 new jobs. More than \$6 million has been raised through Grow Bonds, generating total investment of \$20 million.

Business Start has assisted 400 Manitoba entrepreneurs create over 1,100 new jobs. The program provides advice and loan guarantees of up to \$10,000 to launch new ventures. Over \$3.4 million in loan guarantees has leveraged more than \$7 million in total investment.

Our government is actively pursuing a number of recommendations of the Manitoba Task Force on Capital Markets, working in

partnership with industry to provide additional capital for small business in Manitoba, to expand their operations and create jobs. The task force indicated that there is approximately \$5 billion in public pension fund assets and billions more in private pension funds in the province. While recognizing that fiscal prudence must be the main objective of all pension funds, the task force recommended that local pension funds be encouraged to invest a larger portion of their assets in Manitoba.

The Rural Economic Development Initiative (REDI) has brought new investments and new jobs to rural Manitoba. To date, REDI has helped over 165 rural business projects with \$19.6 million in lottery funds, triggering \$160 million in new capital investment, and creating over 1,000 jobs.

The youth components of REDI have generated 2,100 part-time positions for rural youth since 1992-93, and a further 1,100 are planned for 1995.

Information and Telecommunications

In 1993, the information and telecommunications industry was targeted as an area of emerging opportunity in Manitoba in The Framework for Economic Growth. Since the establishment of the Manitoba Call Centre Team, Manitoba has experienced significant growth in this sector. The establishment and expansion of call centres in Manitoba resulted in the creation of 1,253 new jobs in 1994, with an additional 1,600 projected in coming years. For the second year in a row, Manitoba recorded the second-highest growth in this industry of any Canadian province.

Agriculture

Manitoba grain farmers were dealt a heavy blow in the federal budget. While we cannot compensate for the federal withdrawals, we will, under the leadership of my colleague, the Minister of Agriculture (Mr. Enns), continue to

work with Manitoba's agri-food industry.

As part of the "whole farm" approach to farm income stabilization, coverage under the Net Income Stabilization Account (NISA) will be broadened. We are working to meet the needs of Manitoba producers while maintaining our obligations under international trade agreements. The NISA budget is up \$3 million to \$16 million.

We are also reinforcing efforts to help the agri-food sector capitalize on value-added and diversification opportunities and export markets. An innovative Agri-Ventures initiative will assist producers, processors and rural entrepreneurs considering the establishment of new, unique or value-added production ventures. The Agri-Ventures initiative will also help position Manitobans to take advantage of the opportunities identified in the livestock industry.

Welcoming the World

Thanks to the hard work of many community leaders, including our Premier (Mr. Filmon), Winnipeg and Manitoba are hosting the Pan-Am Games in 1999. The economic spin-offs are estimated at \$200 million, and include 2,000 person-years of employment. The government has committed \$23 million over the next five years to help cover facility development and operating costs.

In April of this year, Brandon will host the men's and women's World Curling Championships. These events will draw thousands of curling enthusiasts and, hence, millions of dollars of economic activity to Brandon. Our government was pleased to provide support for this event.

In 1997, Brandon will also host Canada's Summer Games. In addition to major benefits from tourism during the games, Brandon will be left with a legacy of improved and expanded facilities. Our government has committed over \$3 million to this major sporting event. The

estimated economic impact is \$60 million.

Mr. Speaker, this is just a sample of the building momentum and growing energy sweeping the province. Manitobans are building their communities, their regions and their province. They are creating jobs for today, and developing opportunities for a strong tomorrow.

* (1500)

The Manitoba Economy is Moving Ahead

The Manitoba economy is clearly moving ahead.

Economic growth in 1994 was the strongest in a decade.

Retail sales growth hit a nine-year high.

Foreign exports surged 29 percent last year—the best performance in the country.

Housing starts increased 32 percent and exceeded the national increase for the third consecutive year.

Some 15,000 jobs were created in the last 12 months, including more than 10,000 full-time jobs.

The number of unemployed in Manitoba dropped 28 percent.

At 7.7 percent, Manitoba has the second-lowest unemployment rate among the provinces.

Manitoba farmers recorded another excellent year.

And this growth is continuing into 1995.

Capital investment is forecast to rise 11.8 percent in 1995—almost four times the national increase, and the best record among the provinces.

Manufacturing investment is expected to rise 48 percent to a record high in 1995. This impressive growth comes on top of a very strong performance in the last six years. After discounting for inflation, since 1989, manufacturing investment averaged 63 percent higher than the preceding six years.

As the Investment Dealers Association of Canada said of Manitoba just last week, "Stepped-up capital formation reflects a competitive and growing manufacturing sector, open access to booming export markets in the United States and a high level of business confidence in the province."

Improving Manitoba's Infrastructure

Mr. Speaker, to ensure Manitobans continue to have a solid foundation to build on, this budget dedicates a record \$342.8 million to capital investments designed to improve our basic infrastructure and provide jobs for Manitobans.

I would like to draw members' attention to some of the more important projects.

The Canada-Manitoba Infrastructure Works Program has been a major success. More than 3,320 jobs are being created by projects announced during the first year. Over \$188 million in agreement funding has been allocated to 370 projects—ranging from road, sewer and water projects to several initiatives aimed at renewing the province's social and cultural infrastructure.

Recently, I was pleased to join my colleague, the Minister of Urban Affairs, in approving the new Winnipeg Development Agreement (WDA). Under the new five-year agreement, Canada, Manitoba and Winnipeg will each contribute \$25 million toward the economic, physical and social renewal of our capital city.

We have allocated \$4.5 million in 1994-95, and a further \$7.1 million in lottery funding this

year, to support the construction of the new downtown education and health research centre.

In addition, \$2 million has been earmarked to expand the sewer and water program in rural Manitoba. A further \$1 million has been allocated to the Community Places Program to fund additional projects.

On the recommendation of my colleague, the Minister of Highways and Transportation (Mr. Findlay), I am pleased to announce that Manitoba will increase its capital investment in highways construction and upgrading to \$96.9 million, an increase of \$3 million. However, due to a \$9 million decline in federal funding under the Strategic Highway Initiative Program, the overall total is down \$6 million.

My colleague, the Minister of Education and Training (Mr. Manness), will soon be outlining details of a \$23.7 million capital program for public schools—an increase of \$5.4 million from 1994-95. This program features the construction of two new schools, Greenway and Oak Bluff, as well as several major renovation projects.

Next week, the Minister of Health (Mr. McCrae) will be announcing a \$679 million capital program in support of Manitoba hospitals and personal care homes. The program includes redevelopment of the Riverview Health Centre in Winnipeg, the Westman Regional Laboratory in Brandon, and personal care home projects in Fisher Branch, The Pas and Donwood Manor in Winnipeg. This program demonstrates our commitment to maintaining and improving the health care system.

In addition, Crown corporations and other entities will spend a further \$680 million in capital works in 1995-96. This includes Manitoba Hydro's capital investments for construction of the North Central Transmission Line, and the major upgrading of the Brandon and Selkirk Thermal Generating Stations.

In total, this represents an impressive commitment toward capital investment, particularly when it appears that other jurisdictions are cutting back. Our government believes that a strong capital program is important, not only for the jobs created during planning or construction phases, but also for the long-term benefit to the economy.

Therefore, we are hopeful that the federal government will agree to a renewal of the Southern Development Initiative, which has meant so much to rural communities in southern Manitoba, and a new Northern Development Agreement, as well as a partnership approach to following up the recommendations of the Churchill Task Force.

Entrepreneurship at Work

Over the past seven years, we have sold a number of government operations that do not belong in the public sector. We have saved taxpayers a substantial sum of money, while creating additional productive private sector jobs not dependent on government subsidy.

We have pioneered the use of Special Operating Agencies to reshape government operations and reduce costs. These entrepreneurial organizations are expected to be self-sustaining and to embrace a management culture dedicated to service, quality, innovation and results.

For example, the Fleet Vehicle Special Operating Agency is currently meeting the government's transportation needs with 729 fewer vehicles than in 1987.

Four new agencies will be established in this budget, including the Manitoba Educational Research and Learning Information Networks (MERLIN) in the Department of Education and Training. MERLIN will use the "information highway" to improve Manitobans' access to employment-oriented education right in their own communities.

Other governments are now following Manitoba's lead and introducing the Special Operating Agency approach to their operations.

Renewing and rethinking the way government does its business is of concern to all Manitobans. In this connection, I am pleased to report that our Service and Management Improvement Initiative remains on course in its efforts to develop cost-effective, customer-oriented public services.

Federal Funding Reductions: Health, Education and Family Services

Over the years, the historical federal-provincial partnership played a crucial role in assuring quality social services throughout Canada. Since 1981, however, federal transfers to Manitoba for health and higher education have fallen from 52 percent of program costs in 1980 to approximately 35 percent today. That has made it more difficult for provinces to maintain these services.

The difficulty was increased with the plan in last year's federal budget to freeze transfers for higher education and family services for 1995-96, and to cut \$1.5 billion in 1996-97 by rolling back the federal support to 1993-94 levels. The decisions we have taken over the past year and in this budget reflect reductions in federal support of \$24 million in 1995-96 and \$60 million annually thereafter.

The 1995 federal budget outlines further major cuts in its funding—to \$2 billion below the 1993-94 level in 1996-97, and an additional \$1.8 billion cut in 1997-98. Thus, by 1997-98, their intention is to withdraw \$5.3 billion nationally from federal support to health, education and social assistance programs.

The combined effect of these two budgets on federal funding for Manitoba programs in these vital areas is a reduction of \$24 million in 1995-96, \$147 million in 1996-97, and \$220 million in 1997-98.

We had hoped that in setting its priorities the federal government would recognize the importance Canadians attach to health, education and family services. The federal budget provides little evidence of any priority emphasis on these vital services.

* (1510)

In Manitoba, by contrast, we have increased the share of each program dollar devoted to health care, education and family services from 66 cents in 1987 to 72 cents today. We are continuing to build on that record.

Meanwhile, under the proposals in the 1994 and 1995 federal budgets, the share of federal program spending allocated to these nationally important provincial services will decline from 14 percent to 10 percent by 1997-98. That is not what Manitobans envisioned as the fulfillment of the red book promise—to provide greater predictability and stability in the federal support for these programs.

We will wait with interest to hear the federal government's specific views as to how the reductions can be accommodated, without impairing what Canadians consider to be the most critical public services. We want to hear what the federal government has in mind for dealing with these crucial programs.

We are prepared to work with the federal government, but we will also stand strong for Manitoba.

Investing in Manitobans

Mr. Speaker, I am proud of this government's strong record of investing directly in the people of Manitoba.

In 1988, we stated that Health, Education and Family Services were our top priority programs. Since then we have increased funding for these services by \$1.036 billion or 41.8 percent. Over 90 percent of the entire increase in the budget

has been directed to these services. All other programs have been held to a total increase of 8.5 percent over the last eight years.

We are moving the focus of our social programs, from institutions toward the people.

In Education, the focus is on providing students with training that leads to productive employment. In Family Services, the emphasis is on encouraging individual independence. In Health, the focus is on providing care closer to home through community-based care.

We are confident that providing people with a hand up when they need it, and not just a handout, is the best approach.

Developing Skills to Succeed

The key priorities of education renewal are to ensure students have the fundamental skills necessary to succeed; to increase parental involvement; and to make schools secure, productive centres for learning.

Teaching our children to read, write, compute and problem-solve at a high level is the first priority in our public schools. At the post-secondary level, increased emphasis is directed toward partnerships to link education more closely with labour force demand, and the skills required in our rapidly changing world.

Therefore, in this budget:

Community colleges will be supported with a \$2.6 million, or 6.4 percent grant increase, to enhance training opportunities in areas of higher labour demand, in line with the recommendations of the University Education Review Commission chaired by The Honourable Duff Roblin. We are working to focus funding in the areas with the greatest job opportunities.

At a time when many jurisdictions are reducing funding, our overall operating

funding to public schools and universities remains essentially unchanged from last year.

Twenty-five new technology and science centres will be established to support the newly revised Senior 4 (Grade 12) curriculum for Industrial Arts.

A new \$1 million Universities Incentive Fund is being created to foster change and renewal at Manitoba's universities. Consistent with the thrust of the Roblin Commission, incentive grants will be provided to encourage institutions to pay greater attention to marketable skills in their activities.

The renovation and upgrading of Riddell Hall at the University of Winnipeg will begin in 1995-96.

Finally, I am pleased to announce that a firm cap has been imposed on universities and colleges to limit tuition increases to a maximum of 5 percent this year.

Law and Order

Our government remains strongly committed to ensuring our streets and neighbourhoods are safe for all.

As recommended by my colleague, the Minister of Justice, we are significantly strengthening the Royal Canadian Mounted Police presence in Manitoba through this budget. In addition to funding 16 more officers in the field, the government has committed to invest \$3.6 million to equip the force with a state-of-the-art communications system, which will complement a province-wide 911 emergency service.

The Minister of Justice has stepped to the national forefront with innovative no-nonsense measures including:

overhauling the youth corrections system through the introduction of boot camps;

introducing rigorous confinement for adult offenders; and

pioneering legislation to allow the naming of dangerous sex offenders.

In addition, during this session of the Legislature, the Minister of Justice will introduce strong new maintenance enforcement measures to ensure single parents receive the financial support to which they are entitled.

Encouraging Independence

The continued commitment of our government to services for Manitobans in need is reflected in the \$668 million commitment through Family Services. Funding for child care in Manitoba will continue at one of the highest levels nationally. Family services and protection remain key priorities, and important strategic initiatives are funded to encourage greater independence.

The government has dedicated a total of \$9.9 million through the Departments of Education and Training and Family Services to "Making Welfare Work." The program aims to reduce social assistance costs and dependency by enhancing employment opportunities for social assistance recipients. "Making Welfare Work" supports innovative strategies that will be introduced as pilot projects. These pilot projects will focus on placing those social assistance recipients who are job-ready into permanent jobs.

"Making Welfare Work" pilots include:

Taking Charge!—a program that will assist single parents who are facing barriers to full participation in the workforce. The cornerstone of this project is the belief that the key to reducing the cycle of social dependency is through increased attachment to the labour force, through focusing on and fostering self-reliance.

Manitoba Youth Works—a program which will provide employment and training opportunities for youth social allowance recipients, directly addressing the growing detachment of large numbers of youth from the provincial labour force.

Community Service Programs will provide employment opportunities for municipal assistance recipients through a Community Home Services Program that assists low-income senior citizens and disabled persons in maintaining their homes; and the Community Services Worker Program that provides services to community clubs.

Rural Jobs Project will help rural municipal assistance recipients enter the workforce by helping to pay salaries for new jobs that provide at least eight weeks of full-time work.

Increased emphasis is placed on creation of community residences and supports for adults with mental disabilities, with a \$2 million increase, bringing the overall increase under our government to 65 percent.

The recently announced Manitoba Children and Youth Secretariat will provide a co-ordinated and integrated approach to services for youth and their families. The secretariat will offer a single focal point for services provided through four government departments, thereby reducing duplication and fragmentation.

* (1520)

Improving Health Services

Mr. Speaker, Manitoba dedicated a greater percentage of its budget to health care than any other province in Canada last year. That leadership position will be maintained again this year. The health component of the budget reflects our firm commitment to improve the health of Manitobans, by doing the right things and doing them right.

Of the total health budget, over \$1.2 billion was committed to hospitals, personal care homes and community health centres last year. We are pleased to be able to maintain this commitment—including reinvestment in priority health care projects—in 1995-96.

On behalf of my colleague, the Minister of Health (Mr. McCrae), I would like to highlight some of the more important initiatives:

Our commitment to community-based services is reflected in the substantial shift of resources toward long-term care and community health alternatives.

Community health centres will be strengthened to provide 24 hours per day, seven days per week service in key areas.

Increased funding—shifted from the hospital sector—will be provided for community-based mental health services. For example, Interlake and Eastman Regions will receive an additional \$2.2 million in grants. This will result in 50 full- and part-time jobs in the region. The benefits of this ongoing improvement to mental health services include crisis intervention services and expanded community-based programs.

Nursing Resource Centres will be established to increase opportunities to work with families and the community to prevent disease, promote health and postpone disabilities. The first centre will open in Winnipeg next month, with others to follow in Thompson, and in the Norman and Parkland health regions.

The results of the successful Hospital-based Home Care Trial Project at Seven Oaks General Hospital will lead to more community-based alternatives to hospital care. Patients like the program, and physicians have identified overall benefits to patient care.

We will be taking aggressive action to expand services and reduce waiting lists for certain surgical procedures, including cardiovascular surgery and joint replacement surgery. We will be enhancing the Lung Transplant Program, which was introduced in 1993.

Members may notice that the overall budget for Health is down slightly this year. However, that is due to the savings realized under the agreement with the Manitoba Medical Association. This budget maintains our strong commitment to health care.

The Fiscal Plan

Mr. Speaker, our strategy has been to maintain public services by spending more wisely rather than simply spending more. Manitobans are now reaping the rewards of that strategy.

1994-95 Fiscal Update

Due to a stronger economy, consistent expenditure management and revisions to federal transfer payments, Manitoba's 1994-95 deficit is projected to be \$218 million, or just one-half the level of the previous year.

Total expenditure for 1994-95 is right on target, as increased public debt and emergency expenditure have been accommodated by other reductions.

Revenue has shown solid growth as the economy has improved. Through February, retail sales tax revenue is up 7 percent over the comparable period last year, with greater increases occurring in recent months. Mining tax revenue has begun to rebound in line with improved metal prices and increased production. Tobacco tax revenue has remained firmly on target. That is a compliment to the honesty and integrity of Manitobans.

1995-96 Fiscal Projections

Mr. Speaker, the 1995-96 budget represents the culmination of our efforts since taking office in 1988, and opens the door to an era of fiscal stability, deficit-free budgets, growth and prosperity.

As promised, we have worked side by side with Manitobans to put provincial finances in order. The achievement of that important goal will result in Manitoba's first budget surplus since 1972-73. For 1995-96, the surplus will be \$48 million.

Most importantly, we have reached our goal without any increase in major taxes. By comparison, if Manitoba had increased its sales tax rate to 9 percent, as was done in Saskatchewan, we could have balanced the budget in 1994-95. Increasing the Manitoba sales tax to the 11 percent rate charged in New Brunswick would have yielded a substantial surplus.

However, we chose not to follow the tax increase path. We believe increasing taxes jeopardizes economic growth and investment, damages the capacity of our economy to create jobs and incomes for Manitobans, and threatens vital public services.

Our solution is Canada's longest running tax freeze coupled with affordable government.

For 1995-96, overall program expenditure remains flat at \$4,465 million. Public debt costs are projected to increase by \$80 million, primarily due to increased interest rates and a lower Canadian dollar since October 1993. Mr. Speaker, were it not for the legacy of inherited debt, Manitoba would have had balanced budgets in each of the past seven years.

Manitobans have consistently told us that eliminating the deficit and stopping the growth of debt is a top priority.

Mr. Speaker, throughout the budget consultations, Manitobans told us that the bleeding must stop, and they also told us to use lotteries revenues to accomplish that very important goal.

Therefore, this year we will make a special lotteries transfer of \$145 million.

This special transfer allows us to end the accumulation of debt by balancing the budget in 1995-96, a year ahead of schedule, and to produce a \$48 million surplus.

In the future, all lotteries funds will be drawn into revenue, to continue to fund programs, help to sustain balanced budgets and start paying down debt.

* (1530)

Medium-term Fiscal Plan

Mr. Speaker, the achievement of a balanced budget, one year ahead of schedule, is an accomplishment on which we will continue to build.

Our commitment to Manitobans is to protect vital services, keep the books in the black and pay down the debt.

The medium-term fiscal plan shows how this commitment will be put into action.

Our plan incorporates modest revenue growth from a growing Manitoba economy. Manitobans have told us to live within a fiscal framework which is affordable to them. We will continue to do that.

The medium-term plan projects that approximately \$220 million will be available annually from lotteries operations. In 1996-97, those revenues will provide an important contribution toward a balanced budget, as well as financing a wide variety of services and programs for Manitobans.

Our medium-term fiscal plan maintains program expenditure at existing levels.

Throughout the medium term, public debt costs are expected to be slightly lower than in 1995-96.

These plans generate a balanced budget in 1996-97, and surpluses of \$201 million and \$348 million in 1997-98 and 1998-99, respectively.

The surpluses will allow us to rebuild the Fiscal Stabilization Fund, and to begin the process of paying down the debt.

Mr. Speaker, the medium-term fiscal plan incorporates the revenue and expenditure adjustments we have had to make arising from the 1994 federal budget. We have not yet had an opportunity to address the full implications of the massive withdrawal of support for health care, education and family services, proposed ten days ago in the 1995 federal budget. However, Mr. Speaker, we are determined to protect these vital services for Manitobans.

I intend to further explore Manitoba's options in a meeting with my federal counterpart in the near future. If acceptable alternatives are not forthcoming, I will urge the use of the \$3 billion contingency reserve included in federal fiscal planning, to protect our most important services.

Manitoba's Strong Performance

Manitoba's considerable fiscal and economic progress is being noticed by key players in the financial markets.

Standard and Poor's credited our improving fiscal situation to "stronger economic growth and the government's ambitious expenditure restraint program."

Salomon Brothers referred to our "impressive fiscal performance despite the recent recession," in citing Manitoba as one of only two Canadian provinces likely to have its credit rating

increased.

Just last week, the Investment Dealers Association of Canada (IDA) issued a report which praised Manitoba for doing "a good job of controlling its finances." The IDA noted that "Manitoba was one of the first governments to rein in spending, focusing on controlling public wage costs, streamlined government operations and increased efficiencies in the delivery of public services."

Manitoba's solid performance is also winning awards in financial markets, with sharp cuts in the premiums charged on Manitoba bonds. During 1994, Manitoba enjoyed the third-best provincial borrowing rates in the country.

Mr. Speaker, I am confident this budget will build on Manitoba's growing and widely envied reputation for sound financial management. The achievement of a balanced budget and the introduction of meaningful, accountable balanced budget legislation is bound to put Manitoba in the world spotlight once again.

Conclusion

Mr. Speaker, Manitoba's prospects are bright.

We have the opportunity, with leadership and the right decisions, to make this one of the most exceptional times of progress in our province's history.

What better time to embark on this new era than Manitoba's 125th birthday.

The reasons for optimism are legion, Mr. Speaker.

We will not increase major taxes.

We will protect vital public services for Manitobans.

We will ensure our economy creates more jobs for Manitobans.

We will continue to balance the budget.

We will pay down the province's debt.

We will develop an education system where success is determined, not by how much we spend, but by how much our children learn.

We will work to ensure Manitoba is a place where all feel safe and secure.

We will provide a climate for investment and economic growth that is the best in Canada.

We will provide a stable and competitive environment in which Manitobans can dream their dreams and pursue their excellence with pride.

Mr. Speaker, this budget continues our efforts to make Manitoba the best place in Canada to live, to work and to raise a family. Together we are achieving that goal.

We have opened the door to a promising and exciting future.

Mr. Speaker, we will stand shoulder to shoulder with Manitobans as we cross the threshold to a new prosperity and a stronger Manitoba.

Thank you, Mr. Speaker.

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, I move, seconded by the member for Wolseley (Ms. Friesen), that debate be now adjourned.

Motion agreed to.

Mr. Stefanson: Mr. Speaker, I move, seconded by the Minister of Environment (Mr. Cummings), that this House at its next sitting will resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to.

Mr. Stefanson: Mr. Speaker, I move, seconded by the Minister of Justice (Mrs. Vodrey), that this House at its next sitting will resolve itself into a committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

Motion agreed to.

Messages

Mr. Stefanson: Mr. Speaker, I have two messages from His Honour the Lieutenant-Governor.

Mr. Speaker: All rise.

The Lieutenant-Governor transmits, to the Legislative Assembly of Manitoba, Estimates of sums required for the services of the province for the fiscal year ending the 31st day of March 1996, and recommends these Estimates to the Legislative Assembly, signed here in Winnipeg.

Also, the Lieutenant-Governor transmits, to the Legislative Assembly of Manitoba, Estimates of sums required for the services of the province for capital expenditures and recommends these Estimates to the Legislative Assembly, signed here in Winnipeg.

Mr. Stefanson: Mr. Speaker, I move, seconded by the Minister of Education (Mr. Manness), that the messages together with the Estimates accompanying the same be referred to the Committee of Supply.

Motion agreed to.

Hon. Jim Ernst (Government House Leader): Mr. Speaker, I move, seconded by the Minister of Family Services (Mrs. Mitchelson), that the House do now adjourn.

Motion agreed to.

Mr. Speaker: This House now adjourns and stands adjourned until 10 a.m. tomorrow (Friday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 9, 1995

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