



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             | Rupert's Land       | 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

Monday, March 13, 1995

The House met at 8 p.m.

**ORDERS OF THE DAY**

(continued)

**BUDGET DEBATE**  
**(Third Day of Debate)**

**Mr. Speaker:** The hour being 8 p.m., resuming debate on the subamendment.

**Hon. Linda McIntosh (Minister of Urban Affairs):** I am pleased to continue on with the remarks that I began before the break, and at that point, Mr. Speaker, I was talking about where the various parties stand and what their records are in terms of their handling of budgetary concerns.

The Leader of the Liberal Party rails on theatrically against gambling, has a great deal to say about gambling, as if he could, God-like, keep the steady stream of busloads heading down to the United States for gambling purposes here in Manitoba, could keep them from going down to the Shooting Star Casino, he could keep them here with their money, in Manitoba, without having to use gambling to compete with gambling sources outside of Manitoba.

I would not bet on it. He rails against gambling, but he wants the people of Manitoba to take a gamble on him and his five colleagues here in the Legislative Assembly.

**An Honourable Member:** What is wrong with that?

**Mrs. McIntosh:** That is a gamble, because there is no track record from those people, none at all. They have never sat on the government benches. Some of them have never even sat on the official opposition benches. Some of them have not even sat here as long as two years on the third party benches. Yet they want the people of Manitoba to gamble on them, and they

have sent out mixed messages while they are asking for the people to take that gamble on them.

The runner-up for the leadership potential has said he will build new casinos. The leader has said he will study casinos and tries to appease both sides of the issue in a way that is quite typical of him. He will say one thing here, another thing there, depending on his audience, and he should remember, if you do not stand for something, you will fall for anything. Where does he stand on the issue he rails against? No one knows. I wonder even if he knows, because as I said earlier, he does not know yet what he does not know. He does not know enough yet to know what it is that he does not know.

So the provincial Liberals are forced into borrowing a record since they have no record of their own, and whose record have they borrowed? Need I ask whose record they have borrowed? Borrowing is a risky thing, Mr. Speaker. One should be very, very careful before one borrows. The obligation can become a millstone around the neck very quickly if the borrower does not carefully analyze the risks before signing on the dotted line. But what record did the provincial Liberals borrow? They borrowed a record from the federal Liberals. The red book promises.

**An Honourable Member:** Oh, yes, tell me about the red book.

**Mrs. McIntosh:** There is not much to tell anymore. The red book promises have all the substance of dreams and cloudless skies, and the provincial Liberals believe they can float into power on gossamer wings because they have the Liberal red book promises.

They believe, when they first decided to borrow the federal Liberals' record, that the GST would be a thing long gone by the time the provincial election was called. You remember

the GST. The GST did in fact disappear within 12 months of the federal Liberals taking office as promised. It disappeared from all their public statements, it disappeared from all their measures on tax reform, it disappeared from any mention in the federal budget. The GST was going to be gone in 12 months; the GST is still being paid everywhere it was first imposed. But that is the record the provincial Liberals are running on. The provincial Liberals are running on a broken record, a record that said it would eliminate the GST in 12 months and has not done so.

You know, it is interesting, because we look at what the federal Liberals have said. An M.P., Mr. Gauthier, said the following in May 1993--and these comments are very, very interesting on the GST, the federal Liberal record, the one the provincial Liberals have borrowed because they have no record of their own--said this about the GST before they had an opportunity to actually address the thing they said they would address. It criticized the New Democrats.

Mr. Gauthier said: The New Democratic Party is telling Canadians they would phase out the GST in five years, in other words, beyond the usual traditional life of a parliament. If the GST is as bad as the NDP claims and as we believe it is in the Liberal Party, they why should it take the NDP five years? Imagine a patient with cancer and one that says that it is a serious disease, but it will take me five years to get the treatment processes straightened out. That is not the way to treat a malignant and serious problem. That is not the way to treat a malignant and serious public policy issue in the country.

The Liberal Party, in contrast, is committed to changing and abolishing the GST completely within 12 months. Now, what do I mean by that, he says. I mean we are committed to maintaining funding appropriately for health care, education and employment strategy.

Broken promises, Mr. Speaker, the record the provincial Liberals have borrowed as their own. He also says the GST is absolutely no good, it is

inefficient and heavy. In one simple word, it is bad.

Ray Pagtakhan, a Winnipeg M.P., said in 1993: The GST has not enhanced at all federal-provincial relations. At the same time the GST has not helped reduce the national financial debt. No wonder this tax has been the most hated one in the country. And that is what Ray Pagtakhan said. That is the record, the broken record that the provincial Liberals have adopted as their own.

**An Honourable Member:** Where is Gauthier?

**Mrs. McIntosh:** This I have no idea.

Since it has been more than 12 months since those promises were made, I ask the provincial Liberals, since they have borrowed that record as their own, why is the GST still here? Is it to help reduce the national financial deficit? I do not think so. Not according to what M.P. Pagtakhan has said. The federal Liberal record that the provincial Liberals thought they borrowed and obligated themselves to had fine print on it that they did not read.

Remember the lofty commitments to fairness and equality across the regions of Canada. How is this part of the Liberal Party record played out in reality? Let us take a look at armed forces reductions, and I am going to go into this again because it is a terribly distressing issue for Manitobans and particularly for Manitobans who live in my constituency and those constituencies around me, and should, I would have thought, be a very serious issue for the member for St. James (Mr. Edwards) since the Air Command base is in St. James-Assiniboia.

He feels that move to take Air Command out of Winnipeg, out of St. James-Assiniboia, and place it in Ottawa is fair and good, and he is proud to defend it. Proud Paul, proud to defend the removal of close to 1,300 jobs from Winnipeg--1,300 jobs from Winnipeg. That is not taking into account the 185 jobs in Shilo or

the 314 civilian jobs that go on top of the Shilo or what is happening in the Kapyong area. Paul is proud to have those jobs leave Manitoba. [interjection] When you add in all the others. I am just talking about the Winnipeg ones.

The Liberal Leader (Mr. Edwards) here is more concerned about being Lloyd's lackey than he is about the people of this province and this capital city. There is no doubt about it. What did he say about the fact that 721 Air Command positions are being transferred from Manitoba to Ontario as well as 25 percent of 17 Wing--hundreds of positions from 17 Wing--as well as 70 positions in Kapyong which are already on their way out, 185 military positions from Shilo, and the possible loss of 314 civilian jobs at Shilo as well, which also puts our 10-year agreement with Germany at risk since Germany has a one-year cancellation clause? These are jobs that are leaving Manitoba, even though on February 27 Lloyd Axworthy, upon whose role model the Leader of the Liberal Party--I should say the follower of the Liberal Party because he is not a leader. He is a follower. Lloyd Axworthy said on the 27th of February, 17 Wing remains, Kapyong remains, Southport remains and Shilo remains. Two days later they are all taken away.

What does the Leader of the Liberal Party here in Manitoba say about these job losses? What does he say? Does he say, I want the federal government to prove the economic case for moving these jobs? Does he say, I want the federal government to prove that operationally and strategically these jobs are better placed outside of Manitoba? Does he ask those questions? No, he does not ask those questions. Analysts feel that moving those positions out of Winnipeg and out of Manitoba will cost Canada money. It will not save money. It will cost money. Merely moving people from one place to another is not downsizing.

\* (2010)

Downsizing has been done in the armed forces, and that is good, but these particular

moves are not necessitated by downsizing. These moves are designed for one purpose, and one purpose only, to boost the economies of the regions to which they are going with no evidence of cost savings, and the federal government will not provide the figures, will not show the economic case, will simply move to appease Ottawa-Hull, Ontario-Quebec.

The boy who would be premier says this about it on CKDM Radio, Dauphin, on February 28, the Leader of the provincial Liberal Party (Mr. Edwards) said, Manitobans have been treated very fairly by all of this in that Quebec has lost Land Command and Nova Scotia has lost Sea Command.

The provincial Leader says Manitobans have been treated very fairly by this move, but what does he mean by very fairly? He mentions Quebec losing Air Command and Nova Scotia losing Sea Command, but look at the figures. Manitoba, with a relatively small population, loses--if we calculate the 25 percent of Winnipeg's 17 Wing, at about 400 jobs, which it should come in about--around 1,690 military jobs, most of them which operationally need to be in our climate, with our terrain and our strategic central location. The province of Quebec, on the other hand, with a much larger population than Manitoba and with a sizeable percentage of that population wanting to be separate and done with all things Canadian, loses 430 people. Nova Scotia--what does Nova Scotia lose? A grand total of 270 people. Those comparisons do not appear to be very fair, as the provincial Liberal Leader has said.

It was said by the federal Liberals that we have to share equally in the pain, and I do not mind sharing equally in the pain, but we are not sharing equally in the pain. We are bearing the brunt of the pain, and even that I could withstand and handle if I thought it made good economic sense for Canada, but it does not, if I thought it made good operational sense for Canada, even if it cost more, but it does not make good operational sense.

I want to read a little quote that Peter Warren said on February 20: let it be recorded today that last week quietly before the by-election, so nobody would rock the boat, Ottawa made a deal with the Parizeau government after originally announcing they would close the Royal Military College of Saint-Jean, the feds have agreed to appease everyone in Quebec. They are now going to lease the facilities for one single dollar a year back to the province and then put up \$25 million to convert the military college into a civilian facility. Thus the place gets saved on the backs of your money and my money.

Let us remember this as Winnipeg battles to save Air Command and Portage la Prairie battles to save the Southport Aerospace Centre. We trust that Winnipeg 2000, the save-the-base groups in Portage la Prairie have made note of this latest sop to the money grubbers in Quebec.

The very next day, my M.P., John Harvard, said he did not see the Defence downsizing as a regional issue at all. It is a regional issue.

Paul needs to hear what another gentleman said about this issue. The member for Inkster (Mr. Lamoureux) might like to hear this so he can pass it onto his Leader when he next sees him. The very next day another gentleman spoke on CJOB radio. It was Mr. Loren Reynolds, whom many of you may know. Loren Reynolds, amongst other things, is the former base commander at Air Command. If you get a chance to get his transcript from CJOB for the 21st, read what he said, because his comments were very, very revealing.

Mr. Reynolds, in a very long interview, amongst other things, said, what we have to look at is an amalgamation of the air combat groups. There is no better location than Winnipeg. That is not our backyard interest. It is the interest of the air force as well as the country. If you look at the downsizing you have got to look at savings, reducing layers of management, but also amalgamating operational groups, the four groups that are spread across the country. The

Billy Bishop Building would suit them very well. It is an ideal building in terms of office spaces, et cetera, but a few years ago it underwent an upgrade of communication command and control. Therefore, as an operational centre it would be very difficult to replace, and there is not another one like it.

He goes on to explain the costs involved in moving that facility. He said this is more than just an office building. The most important thing about it is that it is command control and its communications abilities have secure aspects to them.

He goes on to explain the unique qualities of the communications centre at the Bishop Building and why they are difficult to duplicate and why they should be housing the combined groups here in Winnipeg.

This is a man who is a former commander, has some knowledge of what is going on at the base.

**An Honourable Member:** Is that John Harvard who said he was going to resign?

**Mrs. McIntosh:** Over the issue of CF-18, yes, indeed he did say he would resign.

**An Honourable Member:** Sheila Copps's resignation came in today, you know.

**Mrs. McIntosh:** Did Sheila Copps's resignation come in today? I understand she was going to resign if the GST--[interjection] Oh, it came today. Wonderful, wonderful. She has kept her promise.

Listen to some of the things that were said by Liberal members about the GST, aside from what Mr. Pagtakhan has said. I cannot stand here and not offer some kind of alternative to the GST. The GST is not working. It is cruel, and Canadians want it to go. This is a pledge that I made, and I think I can speak very fairly on behalf of everybody on this side. We know the

tax system is not fair. It must be overhauled. By golly, we are committed to it. That was John Harvard on the removal of the GST which is still in place.

Here we have Lloyd Axworthy saying all of these bases are remaining. Kapyong, 17 Wing, Southport, Shilo--all gone. He said they were staying.

Here is a comment again made by my own M.P. who, in talking about the CF-18 and talking about how the federal Liberal government would handle issues of this nature, said this would be their approach. The people of St. James have a strong belief in fairness, a strong belief of what is right. They are willing to place their trust in others. However, when that trust is betrayed, when that trust is violated, when that trust is left in tatters, they do not forget. While they may not show anger, they will get even.

He goes on to explain how the theft of the CF-18 contract was a gross injustice, an attack on the integrity of the voters.

He goes on again to say: The people of Winnipeg-St. James can rest assured that I shall never betray their trust as this government has done in respect to the CF-18 maintenance contract. I shall never betray their trust in matters of this nature.

**An Honourable Member:** Who said that?

**Mrs. McIntosh:** My M.P., John Harvard.

But of course, they are not saying anything now, and neither are the provincial Liberals who have borrowed their record. [interjection]

I did not hear the member for Crescentwood (Ms. Gray). Would you like to say that again? Would you like to say that for the microphone? No?

We have had a lot of concern expressed about the removal of Air Command and about the lack

of ability the federal government is showing to explain why they are doing it. We have never been given an explanation that makes sense, and we will not be given one, because there is no reason that makes sense other than to appease another part of the country that has more votes than we have here.

\* (2020)

We know that the Liberal government chopped \$237 million from my housing programs over the next three years. We talked about that earlier today. We know the devastating effect that will have on the working poor. We know that they are going to slash provincial transfers by another \$3.7 billion in the next two years, and yet we have an M.P. in Ottawa spending \$2,900 to cover his armchair.

In 1988 the Winnipeg Free Press quoted Liberal Party president Morris Kaufman. Morris Kaufman, my dear friend Morris, at that time said a very interesting quote: Our M.P.s tended--talking about the Manitoba M.P.s, who at that time were Tory--to view themselves as apologists for Mulroney and Manitoba, not advocates for Manitoba. That is what Lloyd Axworthy said. Morris Kaufman then said he was amazed at the Tory's attitude as displayed by St. Boniface M.P. Leo Duguay, who called Manitobans whiners for complaining about the province being shortchanged by Ottawa. Leo Duguay calling us whiners, just about did me in, he said. That was a terrible thing, such a big thing that the Liberal Party of the day in Manitoba had to go to the paper and complain that a federal M.P. had called Manitobans whiners. That was a disgusting, demoralizing, terrible thing. The more things change, the more they say the same.

You can see the headline on this brochure, this newspaper headline: Stop your budget whining, Axworthy tells province. So we have Lloyd Axworthy in 1988, along with Morris Kaufman, saying the most disgusting, terrible, horrible thing about the Manitoba M.P.s was that

Leo Duguay called Manitobans whiners for complaining about the budget, and within one year and a half of their being elected, he is in the paper calling us whiners for complaining that we have had 1,690 jobs taken out of Manitoba for no reason that they can justify. We are being forced to be told that it is fair because 200 jobs went out of Nova Scotia and a pittance more went out of Quebec.

It is not fair, but the provincial Liberals say it is fair because they have taken that as their record because they have no record of their own. They borrowed that record.

We know the NDP record. They like to spend. We know our record. We like to balance budgets. We know the provincial Liberals' stand, and their stand is to do just what the federal Liberals do.

Lloyd Axworthy said another thing that was so offensive that it has had people right across the province holding their noses and groaning when he got on the radio and he said, and this is what Lloyd Axworthy said on February 28. He said this: Look, he said in his very patronizing way, there is going to be a lot of bleating from provincial politicians, particularly with an election in Manitoba. We can expect that kind of grandstanding. That is the traditional Canadian sport.

Well, the provincial Liberals have borrowed the track record that reduces the intense, legitimate concerns of Manitobans to a game, a mere sporting event, and they can play their game.

Meanwhile, while they are playing their game and trying to decide what they are going to be when they grow up, the rest of us here on this side of the House are proud to defend the provincial budget and to support the balanced-budget legislation that is being brought forward by our Finance minister, one of the finest Finance ministers, a man of integrity who has been insulted.

Clayton Manness set the foundation. Eric Stefanson built the walls. We vote at the end of this week. We are going to put the roof on that baby, and it is going to come home for the people of Manitoba. The rest of you are welcome to enter the building when it is complete. It is there for all of you, even if you made no contributions to the building of it.

Mr. Speaker, I am proud to speak to this budget in support of our Finance minister and this government, and I hope that the rest of the House will see fit to support it as well.

**Mr. Conrad Santos (Broadway):** Jack Benny was once invited into the White House, and so he came with a briefcase under his arm. The guard said, what is that, Mr. Benny? He said, it is a machine gun. He was joking, of course. Then, realizing that he was dealing with a comedian, said, oh, I thought it was your violin. Go on, Mr. Jack Benny.

I am not going to talk about gun control, of which many Canadians are, of course, angry about. I want to talk about why Canadians are angry and frustrated, especially on this 125th anniversary of our provincehood in Manitoba. This is the anniversary of the founding of this province, and yet, when you go from door to door and ask people how they feel, they say they are frustrated. They say they are fed up with politicians and with government. Some of them would not even attempt to vote at all, and I was surprised at this kind of reaction of some people.

I ask myself, why are people so negative? Why are they angry? What are they frustrated about? Is it not the case that Canada had been voted as the best place all across the world to live in insofar as the quality of life is concerned? Why are these people who are so fortunate to have this country Canada and this province Manitoba, why are they so frustrated and angry?

We are angry and frustrated because unemployment rates remain high. Many people have been laid off of work. They are worried



about their personal family life. They are worried about their house being foreclosed. We cannot blame them about that. Some people are worried they cannot go to the hospitals because of cuts in our hospital care. Some people have their bills piling up, and they have no job. Their unemployment insurance coverage is being restricted and being tightened, and that is supposed to help them in time of unemployment. They say, I have contributed through all my working life. Why is it that when I need help, the government is not there to help me?

Also, constitutionally, we are angry and fed up with constitutional confrontation. We perceive that Quebec has been getting the most that it could get out of this confederacy, and yet they still want to desert us and separate and pursue their independent destiny. Aboriginal people also want self-government. They have been battling for the ability to determine their own destiny and to make their own decisions affecting their own lives.

Environmentally, we Canadians are witnessing the degradation of our rivers. I saw the Minister of Agriculture when he tried to swim the Red River, and he did. What did you find, Mr. Minister? Did you not find that there was so much pollution in the Red River?

So there is this threat to our drinking water supply. Do you know that our city of Winnipeg is most vulnerable to any crooked person who would ever go to Shoal Lake and put some arsenic in the social water supply? This is the only province where the source of its fresh water is beyond and outside its jurisdiction. This is a very risky situation and a very dangerous one.

What about our policy making inside the city also? When I came here in 1965, I saw so many electric buses, and electricity is the best source of energy. It is a renewable form of resource. As long as the snow is falling and as long as the snow is melting, our river will run, and as long as our river runs, we will have electric power and more than enough for us that we can even

export this to the United States. How come the decision makers in City Hall and perhaps some other places of decision making, how come they dismantled this kind of infrastructure? What kind of decision making is that? These are all problems. So we have troubles now sniffing the exhaust and fumes of gasoline in the buses and in the cars which we allow inside the city.

Well, there are some cities in Europe, I believe, that they prohibited the cars inside the core area, and I think it might be a good idea inside the core area that we allow only bicycles. The buses will be around the periphery, and the bicycles will be provided freely by the government. Nobody will steal the bicycle because all you need to do is take one bike and go to the place where you are going and leave it there, and since it is public property, no one will be interested in stealing this bicycle. Everybody will be healthy. They will be breathing good air.

\* (2030)

**An Honourable Member:** Now you have got me coming. Now how can we handle the blizzards on bicycles?

**Mr. Santos:** Well, we walk, and walking is the best form of exercise there is, and it is not too bad to walk across the city.

We Canadians are frustrated also because we elected people to positions of decision-making power, people who ignore our wishes as population, people who will decide and then pretend that they are hearing and making consultation with us and then make the decision. Is that not the case with the GST? There are many decisions that we as a people and as a province decided are no good, and yet they still pass it and adopted it in the national decision-making forum. Take the NAFTA agreement, for example. Many people are opposed to it, and yet parliament adopted it.

Take the abolition of capital punishment. It is universally acknowledged that the national

polls in those days were in favour of capital punishment and, yet, Parliament did exactly the opposite.

So the politicians are doing and making decisions contrary to the wishes of the people. What is the reaction? The people now would like to take their own choices into account, so they are demanding referendums.

Would you like to pay taxes if you think your wishes are being ignored? So what can we do about these things?

May I humbly make some suggestions. Let us reform our governmental system and processes so that we make public consultations really meaningful, not passing on and abdicating our responsibilities. You have to consult with your constituency, but you do not give them the direct power, because that will mean the abolition of your own position as representative of the people. They will not need you anymore if they can decide directly everything that they want to decide. That will be the end of parliamentary institutions; that will be the end of representative government. Do you want that?

We can also revamp our educational system, because we want a workforce that can read, that can write, that can do mathematics, that can apply their skill. We want people and workers who can think, who make decisions in the workplace, who can solve problems. We want them to work as a team, people who will be relied upon to make decisions in the front line, and they will be happy as employers as working as employees, and they will be happy to participate in our political system.

Most important of all, we should train and select our leaders. Our leaders should have moral integrity and courage to be fair and honest in their dealings with others, who mean what they say and say what they mean.

No government can be any better than the people who run the government, because no

spring can rise higher than its source. If we do not develop such kind of leadership in our institution and we introduce ideas that will mean the decadence of our cherished integrity of our institution, then we are writing the death knell of our democratic society.

Decadence--that brings me to the conception of gambling. The question is: Is gambling an ethically justifiable basis for making governmental programs and for financing public services? Is this ethically and morally justifiable? To me, it is not, because when the government adopts this age-old vice in society and makes it the core basis of decision making, particularly in fiscal policy, they are extolling the virtue of gambling as a way of life. [interjection] The government--it is a bad example for our youth, a bad example for our people, a bad example for everyone that witnesses--

**An Honourable Member:** Okay, Conrad, level with me. Have you ever played the VLTs?

**Mr. Santos:** Never.

**An Honourable Member:** Why not?

**Mr. Santos:** Because I do not believe. Besides, it is a very unpredictable, uncertain method of raising money. [interjection] I could understand what the member is saying because it has been-- if you look at the history of gambling, gambling has been associated with cheating, dishonesty, swindling, and all kinds of nefarious practices.

That is what we are extolling now in our society by institutionalizing gambling as a basis of making our financial and fiscal policy. I have a right to be morally angry because this is wrong and this degenerates the integrity of our social and political institutions.

**An Honourable Member:** You are being self-righteous, Conrad.

**Mr. Santos:** I am not being self-righteous; I am just making an observation, an observation as an

outsider and as a participant in our political system.

Gambling is basically a kind of betting, you know. You bet something of value with a consciousness of risk and a hope of gain, that the outcome, what is essentially a very uncertain event, would be in your favour. We try to build upon the false hope of people that they can strike it rich someday by participating in these kinds of games of chance and games of skill, that they will achieve their dreams.

\* (2040)

Do you know what casino means? Casino is a term that derives from the Spanish word "casa," which means house. [interjection] Oh, it has been there in history. Perhaps the most well-known, universally known casino in the world is Monte Carlo. How many have not heard of Monte Carlo? [interjection] Yes, it is also the name of a car. Monte Carlo is the best-known gambling place and the best-known casino in the world. [interjection] Maybe Las Vegas in North America--yes, Las Vegas. In Las Vegas, though, they do not play the roulette; what they play is what they call the one-armed bandit. It is a good term for that. It is a bandit. It is stealing all your money and giving you no chance. This is the slot machine that we have instituted. I have gone into places in the city where I have seen such a machine. I go to the hotel, there is a slot machine; I go to the church, there is bingo; I go to any place--I go to the veterans, there is still the slot machine. Everywhere this gambling business is penetrating all our social, political and community institutions. They are hoping someday that they will hit the jackpot.

Do you know that those slot machines can be programmed? They can program the slot machines to adjust them to achieve the desired level of profit. You can adjust the machines 10 percent or 25 percent or higher percent for the proprietor, called the banker, a good name for the one who undertakes the gambling. He is called the banker. The bankers as a business are

the most insidious people who can steal your money without your knowing it. Lottery, then, is a form of gambling, but there is a large number of people who will purchase these chances represented by the lottery ticket that someday they will be able to hit it. The ticket will be drawn on the pool consisting of all the tickets sold. The value of the prize is set after they deduct the cost of the promoter, the cost of the promotion, all other expenses incurred. The rest will be the profit of the enterprise. It is always a winning case for the one who runs the gambling joint, the one who manages the gambling house, for the proprietor, and if the government does it, it is a sure thing for the government to be winning, but at whose expense? At whose expense?

Who is going to the casinos? Are they the rich and the people who have a surplus of money? No. They are the poor people who want to be rich someday. They are the ones who will take a little bit of savings intended for their children so that they can gamble it in the casinos. They are the ones who will probably steal and rob in order to get some money because they are already addicted to this habit. This is a demoralizing, a corrupting, insidiously undesirable influence in our society nowadays, and it should be decried.

And who is--[interjection] I heard somebody mention alcohol. Alcohol also is another problem, and who is promoting the sale of alcohol? Why do we have the Manitoba Liquor Control Commission who has a monopoly of this spirit, of this power that people would like to spend their money on. What would be the causes of people drinking too much alcohol? You know what it will do to your physical body. The more you drink alcohol, your liver will be under stress. You will have hepatitis A, B, whatever, because it is no longer functioning.

So you have to do everything in moderation. I am not saying do not drink. It is sometimes needed, especially in a very cold temperature. They say that in France, where people do not

drink water, they have their dinner with wine. They say they live longer. Yes, a good wine is longer life, according to some findings and studies. Why? Because they drink it with the fruits and vegetables that they eat in their dinner. We are a meat-eating society here. We want to eat the cows, and they are injected with all the steroids. Because we want to increase the cow's milk, we want to inject something into the cows. These are wrong.

Lotteries all over the world--it is admitted it is prevalent in Europe, in North America, consider Nevada, but the queen of all the countries in terms of lotteries is Australia. Every state in Australia, except the case of West Australia, runs a state lottery. You know, there is an historical connection; who first settled in Australia and why this is so now. We know who first settled Australia. These are the convicts and the rejects in England. They went there and founded a new country.

But North America is different. The founding of North America has its own tradition of the Puritan tradition, Puritan heritage. The work ethic that we have is still in us. This we have to preserve, but to adopt public policy on the basis of gambling is wrong. It is morally and ethically wrong. We are seeing the short-run benefit and the short-run advantages, but we are ignoring the long-run adverse effect in terms of our political and social institutions, in terms of the health and sanity of our people.

I always believed that the essence of politics is the ability to recognize what is morally right and wrong. If the decision makers do not recognize that it is morally wrong to base their own fiscal policy on age-old gambling habits of people, then I say, this is the beginning of problems and trouble in our society.

I decry sometimes people's cynicism about our public servants, whether elected or appointed. You can always ask your students. You tell them, let us play some association between words. If I say to you politics, what do

you think about? And you know what they will answer. They will say, dealing, corruption, deals under the table. That is what they will say when you talk about politics.

We try to bolster that by making promises we cannot keep simply because we want to get re-elected. So they will consider lying and dishonesty as cricket in politics, as acceptable. It is not so. The true meaning of politics, the highest level of decision making that determines the fate of men and nations, is the choice of preferences, what is good for everybody, not what is good for me or for my family or for my group, but what is good for everyone in society.

People are making decisions that affect everyone, so it is all the more essential, I think, that we should introduce the notion of right and wrong in our school system right from the first grade as they grow up the different levels of education.

When these kids, no matter how smart they are in terms of skills and computers and things like that, if they do not know the difference between what is morally right and what is morally wrong, they are the most dangerous decision makers you will ever get in the future, because they have no scruples, they have no conscience. They are based only and mostly on what is good for them.

Let us analyze all politicians. I am not talking about us--us included of course--but let us analyze the kinds of politicians all across the world, all across our country. If you are to classify people who seek public life, what would be the classification that we will come up with?

\* (2050)

Perhaps the first classification we can fill up is what we call the political idealogue. That is the person who is motivated by a firm belief in a set of beliefs and ignores all other contrary facts. The idealogue has a consuming ideological passion to reform the structure of society

according to his preferences. So the more people we have in that category, the more you will see some kind of confrontation and agitation in the social structure.

The second type is the pragmatic politician. He really has no set of beliefs or ideology one way or the other. He has no clear idea how society is run. He might enjoy the privileges of power and prestige, and he might, because of that reason, find a career in public life as personally pleasing. This person will be very responsive to the desires of his constituents, but because of such responsiveness, there is an inherent bias in him, in the pragmatic politician, to accede to whatever the constituent demands. As you know and as you experience, many of the segments of the population would like services from government, but they do not want to pay the cost of the services. It is a very real thing in the world. They do not see any inconsistency in demanding more government services but no payment of taxes. They do not see any inconsistency in that.

So this pragmatic politician will have a record of approving a spending program to government, and they will, at the same time, say and agree in order to please their constituents, yes, we do not have to have taxes.

But that is simply illogical and impossible. The more services the government renders, the more it costs. The more it costs, the money must come from somewhere. What will these politicians do, who do not want to contradict the wishes of the constituents not to pay taxes? They will borrow. That is what happened, and that is the cause of our debts and deficits in this day and age.

Then, finally, the third type is what we call the profiteer. He seeks political office mainly for monetary benefit because he knew and he smelled that in political decisions there would be kickbacks, there would be payoffs, there would be contributions, some way to get some money.

(Mr. Bob Rose, Acting Speaker, in the Chair)

Therefore, he will tend to ask for larger and more expensive programs, because the larger the program, the more money allocated to the program, the more possibility of getting back some of it to his own pocket.

So these are the three types who make decisions in our society, three types of decision makers. They are the ideological, the pragmatic, and the profiteer.

Now, what kinds of skills in decision making should each of them know, regardless of their type, if they are to come up with a better outcome in their decision making? You cannot get rid of them, because they will be there. Most of us are a combination of these types. All of us are combinations of these types. It is just a question of which one predominates.

When confronted with a situation then that requires decision making, as good decision makers, regardless of their types, what should they achieve, what should they do as decision makers? First, they should ask the preliminary question, what is the real problem? They have to understand the problem first before they can even propose a solution. Second, they should get the facts. What are the facts? Get as much information available as possible, because with incomplete information you can make the wrong choice, you can make the wrong decision. So you have to understand the nature of the problem itself as well as all the factual circumstances attending to that problem.

Then you present and categorize various alternative solutions, the various ways of dealing with the problem. You have to come up with various alternatives, possible alternatives to deal with the problem. Then you study each of these alternatives. Then when you have itemized all those things, you pick out the alternative that you can come up with and adopt that as your choice for making a decision.

I have a feeling that most of our problems in government relate to money. Is this the case or not? Is our problem financial or not? I think it is. Because of the deficit, I have already explained how, partly at least, it came about.

Another cause of this problem is this so-called doctrine of cabinet confidentiality or secrecy in government. I want to reason out why. If decision at the highest level is secret and the people affected do not know anything about it, then you can come up with a very expensive project, a very high kind of indebtedness and nobody will know about it until it is done.

Do you think, if all the facts and figures and information are available to the general public in making all decisions, we will ever come up to this position where we have billions and billions of deficit? No, because then the decision-maker, knowing that the people are aware of this, will desist from incurring tremendous amounts of debt that will be paid for by the people and by all the generations to come.

Sometimes we find ourselves in a real dilemma. We hope for the best, we expect the worst, because life is like that. We are not rehearsed or ready for whatever comes.

**An Honourable Member:** We only go this way once, Conrad.

\* (2100)

**Mr. Santos:** We only pass through this world but once, according to my friend here Jimmy, and the secret to life is the understanding and to appreciate the pressure of being terribly deceived. People have been terribly deceived by some decision-makers, and so they are frustrated and angry and that is why they want to change this government. Thank you.

**Mr. Gerry McAlpine (Sturgeon Creek):** Mr. Acting Speaker, I am pleased to address this House today to discuss the best budget Manitobans have seen in recent memory. It is the budget that has followed the deficit input of

the people of Manitoba in putting an end to growing government debt and the beginning of the process to turn this deficit around.

This budget tackles the tough issues head-on and with courage, and I am pleased that my colleagues on this side of the House, led by our Premier and the honourable Minister of Finance (Mr. Stefanson), have been able to deliver welcome news to the people of Manitoba. Unlike the members opposite, this government has had the courage to stand up for the people of Manitoba. We have not caved in to the special-interest groups.

The group we are interested in protecting in this province is the taxpayers of Manitoba, and we have always stood up for them, and we have delivered a balanced budget. We have also delivered that balanced budget one year ahead of the schedule, and it is also the first balanced budget in Manitoba in over 20 years.

This, I believe, is a real birthday present for the youth of this province. I think we have to recognize this day and this year with that in mind and to look forward to the future. Not only have we delivered on this promise, but we will ensure that future governments are bound to serve the taxpayers by continuing to produce balanced budgets.

This is a great achievement in the history of our province. As the honourable Minister of Finance (Mr. Stefanson) said in his budget speech, it is indeed fitting that we have turned the corner on this the 125th anniversary of our great province. How do we protect our children from future governments that have little regard for fiscal management? We do that by following the course our Premier has charted to make government spend smarter, not to spend more. We also will achieve that protection and guarantee by bringing forward strong balanced-budget legislation.

This legislation does more than pay lip service to the concept of good financial

management. It has teeth to ensure that future governments protect those taxpayers who deserve a voice in saying how their money is to be spent. Future governments will not be able to raise taxes to achieve a balanced budget unless they go to the people in the form of a referendum.

I firmly believe that it is the right of all Manitobans to be asked for their permission before any government tries to reach into their pockets. This government not only understands that concept, but we have practised what we preached, and we have done it over the past eight budgets. I remind all honourable members of this government's unique place in North America.

This government has delivered eight consecutive budgets without an increase in major taxes. We have delivered on the promise made by our Premier (Mr. Filmon), unlike honourable members opposite who resorted to deceitful tax grabs every time the coffers ran short. Even in the times of significant double-digit revenue growth they ran the deficit up to unsurmountable and unprecedented levels that we as the taxpayers today are carrying as a heavy burden.

This government has been consistent, Mr. Acting Speaker, in our approach to dealing with the budgets and dealing with this balanced budget of today. We are here to serve the taxpayers of Manitoba. Taxpayers have often been considered the silent majority, but we have heard their message loud and clear as we have travelled the province on many issues. Our Finance ministers have travelled and talked to the people in forums across this province, and we have listened to the people as this budget and this legislation is coming forward.

In addition to asking taxpayers for their permission to raise taxes, members of the government will have a direct stake in whether they allow the government to run a deficit. The Premier (Mr. Filmon) and all the ministers will lose 20 percent of their ministerial salaries in the

first year and 40 percent with the second occurrence of a deficit. That is welcome protection for the taxpayers of this province. I think the taxpayers know that we are serious in what we say and what we plan to do, just as we have done over the past eight budgets.

With the elimination of deficits, there is still the monumental task of addressing the province's accumulated debt. The NDP know all about that. They were the party that tripled the size of that debt in only a few short years; I think it was six to be exact. This government has put forward a plan that will pay down that \$7-billion debt over the next 30 years. The NDP mortgaged Manitoba's future. We have taken the responsibility of paying off that mortgage.

Mr. Acting Speaker, this is how the Manitoba government approaches the tough issues by making sure that we protect vital programs while looking for ways to improve the delivery of service. The budget process used by the federal Liberal government could use a few lessons.

In my own constituency of Sturgeon Creek we have seen decisions not based on sound economics. We have seen the announced transfer of jobs from Air Command to satisfy Ottawa and Liberal governments across this country.

It was interesting to read the comments of a B.C. member of Parliament who suggested a closed base in his province could be turned into a boot camp. I wonder if that is what Lloyd Axworthy, along with his Liberal puppets here in the Legislature in Manitoba, want to do with the state-of-the-art multimillion-dollar Air Command headquarters that they plan to mothball here in Winnipeg.

The Liberal members opposite have praised their federal counterparts and the actions taken in the budget. Even when those actions had an unfair effect on Manitoba, they have failed to stand up for their constituents and for Manitobans. They do not care about the farmers

in Manitoba who are being hurt. They do not care about the thousand jobs that are being lost because of defence cuts.

The member for St. James (Mr. Edwards) said nothing about the draconian measures imposed by his federal cousins, and he is one who should be standing up for the people of Manitoba with his constituency bordering the Air Command headquarters. He has failed to stand up to his constituents who will be unemployed because of their federal party's decision to favour regions other than Manitoba.

When we talk about budget decisions and fairness, we understand the need to create efficiencies in government. We have done that. Our Fleet Vehicles Agency is merely one example of that. The federal government believes that taking the wrecking ball to established infrastructures and uprooting people's lives and families to move to Ottawa and to other points in other regions in this country is creating efficiencies. How do you take hundreds of jobs and transfer these people at a cost of approximately \$25,000 per member each to Ottawa and create efficiencies? How does that save taxpayers any money?

We must remember that the taxpayers have already paid the price tag on that already. They paid that many years ago in 1986 when the infrastructure with the Billy Bishop Building was built, the state-of-the-art infrastructure. The salaries will still have to be paid regardless of where they are, and the federal Liberals will not say how much it will cost to establish the high-tech equipment in Ottawa or Trenton or wherever it may be and that already exists here in Winnipeg. As I said, the taxpayers already paid the price on that.

\* (2110)

That is the type of decision making the provincial Liberal Party supports. Those are the decisions made by our friend who stands up for Manitoba, or he indicates or suggests that he

does, Mr. Axworthy, and who is followed and supported by his Liberal counterparts in this Legislature, and they do not; they fail to stand up. They support what he is doing. Instead of maintaining services where they are running efficiently and are well located, they move it to appease the politicians and bureaucrats in Ottawa. That is no way to run a government, that is no way to show leadership and it is no way to run a country.

Mr. Acting Speaker, we have striven to achieve fairness in this Manitoba budget, and I believe we have succeeded. If we look at the taxation policies of this government, you will understand the word fairness. In fact, Manitoba's income tax rate moved from the second highest in Canada under the NDP in 1987 to among the lowest under our Premier (Mr. Filmon) today.

Our Finance minister (Mr. Stefanson) mentioned some of these comparisons in his budget, but they are certainly worth repeating. A senior citizen with \$15,000 in income pays \$297 less in taxes after credits than they did in 1987, and a family of four with \$40,000 in family income pays \$425 less. They are not only better off than they were in 1987, but they are also enjoying the lowest overall personal costs in taxes in Canada.

The bottom line is that these families have more disposable income in their pockets because they live here in Manitoba. Certainly I do not know of anyone who does not want to have more disposable income, but the reality is that we are better off here in Manitoba than in any other province in Canada. On top of that, the Conference Board of Canada is predicting that our personal income in Manitoba will rise by more than \$600 this year, better than the national average. One of the key reasons that disposable income is rising is because this Manitoba government is keeping its hands out of the pockets of the Manitoba taxpayers.

This budget continues the freeze on personal income taxes, the provincial sales tax, business



tax and the gasoline tax, unlike our federal members in Ottawa who failed to stand up and are supported by our Liberal friends here across the way who look to the federal budget with fairness. Unlike the federal government, which increased taxes in its latest budget, despite promises not to do so, we have lived up to our commitment to keep taxes low.

Keeping those taxes low is one of the reasons why Manitoba is enjoying solid economic growth and job creation. Our job figures for Manitoba are rebounding well from the recession of the 1980s. We are already above the prerecession job numbers in the manufacturing sector. Some 15,000 jobs have been created in our province in the last year, and our employment rate is lower than it was in 1988.

That record is recognized by those who control the interest charges on our debt. Bond-rating agencies understand that solid fiscal management means stability. In turn, that stability means we still pay lower interest costs on the accumulated debt.

As for this budget, I can tell you that it has been well received in Sturgeon Creek. People are telling me that this government is on the right path and that they appreciate our commitment to eliminating the deficit and keeping taxes down and no increase in taxes after eight budgets.

Others have praised this budget as well. Lynn Raskin-Levine of KPMG Peat Marwick consulting summed up the feelings of many people when she made the following comment to the Winnipeg Free Press, and I quote: Taxes kill jobs. Budgets like this create the economic climate that grows jobs.

Those words are true.

**An Honourable Member:** Who said that?

**Mr. McAlpine:** I will repeat that. The person who said that was Lynn Raskin-Levine of KPMG Peat Marwick consulting: Taxes kill

jobs. Budgets, she said, like this create the economic climate that grows jobs.

Those words are true and come from a very credible source.

I also want to tell you what Winnipeg Chamber of Commerce President John Granelli said about the budget in the same article: This is an excellent budget. The provincial government heard the voice of Manitoba. We are very pleased to see the government stayed the course and saw no tax increases and no major tax reductions either. We are very, very pleased to see the first balanced budget in a long time.

We have also received praise from seniors and others who are pleased with this government's honest and straightforward approach to keeping those taxes in check and maintaining key programs at the same time.

Peter Houle of the Manitoba taxpayers association said: It is a historic budget for the taxpayers of Manitoba and the taxpayers of Canada. It sets a fabulous precedent or standard for other governments.

I had the pleasure of speaking at the Manitoba Taxpayers' Association forum about a month ago at the community club in Crescentwood. I was there on behalf of the honourable Minister of Finance (Mr. Stefanson). A number of people were very appreciative of the no tax increase after seven budgets. I was applauded when I raised that issue. I am sure those 300 or something in the area of 400 people who were at that would probably support the same budget that has been presented here by our honourable member the Minister of Finance.

I am also pleased that we have seen a move away from the grant-based programs to loan-based programs to assist businesses as they develop and create jobs. Small business represents 80 percent of the job market in our province, and I think that all members of this House would agree that the small business is the

backbone of any economy, creating the vast majority of the jobs.

By following loan-based programs the businesses are getting the assistance they need, but we are not burdening taxpayers. Also, the loan-based programs maximize the benefits to Manitoba. The loan based-programs have created more than 4,000 new jobs, and we expect to see another 2,000 created under contractual commitments from businesses.

I am hopeful that we will continue to see success in the aerospace industry in Manitoba, where companies have achieved world-renowned reputations in spite of what the federal Liberals have done in their proposed move with their budget to transfer Air Command Headquarters and many, many people from the 17 Wing base at St. James. In spite of that, I would say that we look forward to improved success in the aerospace industry.

Manitoba is the centre of excellence when it comes to the industry of aerospace and stands to capitalize on continued growth in the next century.

\* (2120)

The telecommunications and information-based sector is also growing rapidly in Manitoba. We welcome their confidence in our province and encourage these companies to take advantage of what Manitoba has to offer.

More than 1,200 new jobs in 1994 are the direct result of the establishment and expansion of call centres. Some 1,600 additional jobs will also be created in the sector in coming years.

It is no secret, Mr. Acting Speaker, that Manitobans will be asked to choose a new government in the very near future. I know that Manitobans will take a clear look at the choices that they have.

I recently noticed the NDP's latest election campaign material. Well, it is actually the

March edition of the magazine put out by the UFCW. It proudly lists the union candidates under the Leader of the Opposition (Mr. Doer).

What Manitobans do not need is a special-interest political party pretending to want to represent all Manitobans. Manitobans want more than a party that only listens to union bosses like the MGEU and the Manitoba teachers' union bosses.

As for the Liberals, who want to put their wealth of experience to the test, I am reminded of the former Liberal Leader's comments in reference to her caucus when she was leader. Her reference, if you remember, was that her caucus was like maintaining and managing a daycare.

Manitobans want to ensure that they have credible leadership, and they want leaders who can be trusted with difficulties of governing this province, not what the opposition across the way and what our Liberal friends have to offer. The people of Manitoba also want to know that their Premier will have the guts to stand up to the federal government and to stand up for Manitobans, and I believe they know they will not find that from the members in the third party who sit in this Legislature.

Our government is confident that the people will look at our budget and all of the accomplishments this government has made in education, in justice, and in building a strong economy when they decide who should lead this province into the next century.

I am honoured to serve the people of Sturgeon Creek in this government and in this Legislature. It is an honour not to be taken lightly. It is also an honour to be associated with colleagues who project a vision that is outlined in this budget. This government has remained focused on the direction we must take in budgetary decisions. I too have remained focused since being elected to serve the people of Sturgeon Creek.

This has been especially true with the challenge that we have had to face with finding a solution to resolve the concerns of the Kiwanis Courts. As many of you know, the Metropolitan Kiwanis Courts board proposed a plan in phasing out the personal care component of the facility to build 31 life-lease condos. My focus was always consistent in addressing this issue, working with the Kiwanis board, and the later months with the concerned citizens of St. James-Assiniboia. This became a very contentious issue. There has been a great deal of hard work, dedication and commitment from many people, including over 1,100 who signed a petition to present to my colleague, the honourable Minister of Health (Mr. McCrae).

In that petition they voiced their opposition to the condo development plan. I would just like to mention a few of the hard-working souls who put in a tremendous effort on behalf of our community of Sturgeon Creek: Terri Houde, who served as chair, along with Bob McLeod, and other members like Joan Ostrom, Verle and Bill Reid, Mona Watson, Margaret Purdy and Janice Malloy. I want to thank these dedicated people publicly for their help and the determination resolving this very contentious issue.

Although I may have lost some friends from as far as the board was concerned at the Metropolitan Kiwanis Courts, I know my position was shared by the residents and in the best interests of Sturgeon Creek with the final outcome being proposed by myself and other concerned citizens.

I would like to recognize and thank the board members of the Metropolitan Kiwanis Courts as well, Mr. Acting Speaker, most of which are volunteers in the community serving the Kiwanis Clubs in the various communities throughout Winnipeg and neighbouring communities. I want to thank them for their hard work and the hard work that they will put forth to complete the Kiwanis project in the months ahead. It was not an easy task for them to spend as much time as

they did on developing this condo project, only to find that this was not the direction that the community wanted to go. But they wanted to listen to the community finally and took the direction that the community was directing them to.

Like those at the Kiwanis Courts, this government believes in building a stronger community and a stronger province for all Manitobans, not just for a few. This budget is clear evidence of that, and I know it will be supported by Manitobans. I am proud to go out and present this budget to the people of Sturgeon Creek, and I firmly believe that with this government's commitment and track record that I will be here to represent the people of Sturgeon Creek for four more years after the next election.

Mr. Acting Speaker, in closing I would just like to make my position known, and I am proud to be able to do that on behalf of the people of Sturgeon Creek in saying that I will be supporting this budget. Thank you.

**Ms. Norma McCormick (Osborne):** Mr. Acting Speaker, it is my privilege to stand and respond to the 1995 provincial blue book--yes, not the red book.

**An Honourable Member:** Are you going to support it?

**Ms. McCormick:** No. This budget is truly a cynical document. It shows all Manitobans that this government is bankrupt. It is a bankruptcy of ideas and a bankruptcy of hope. The salvation of Manitoba's economy is to be found in gambling profits, and its balancing act hangs on lottery revenue, an annualized basis reported at \$200 billion. To make matters worse, we find that they have been squirrelling away money in a lottery fund and amassed the sum of \$145 million over three years.

So how is this budget selling in Steinbach and in Winkler? It is selling. We were interested to hear from the Minister of Natural

Resources (Mr. Driedger) that there are no VLTs in his riding. Those communities should be lauded for their stand and congratulated for having the good sense to avoid the opportunity to contribute to this government's deficit reduction strategy. We need to begin to think about how we are going to get them out of all Manitoba communities.

(Mr. Speaker in the Chair)

Today the Minister of Family Services was crowing about having a social allowance budget of \$356 million, half of which is recovered from Canada, which she says is better than the NDP spent. Is it not amazing that they are now funding more of their contribution to income maintenance programs on their annual gambling revenues? I really wonder if when they set up the bingo palaces on Regent and McPhillips, advertising the club concept to the poor people in the neighbourhoods surrounding them, whether they purposefully set out to recapture their income security budgets.

\* (2130)

What is of primary concern to Manitobans is not that they balanced the budget but how they balanced it. Do they really believe that Manitobans wanted a budget balanced on lottery revenues? Is this to become Manitoba's best industry?

The gambling industry does not produce anything. It does not build anything. It does not create anything. That is, it creates nothing but disappointment, hardship, crime, failure, suicide and misery. We need to be concerned that the money which comes into families to support and nurture children is in many instances not reaching them.

As the money is sucked out of families it is also sucked out of communities. The government may have addressed the fiscal deficit, but they have created an enormous human deficit. They have failed to meet in any

positive way the fiscal and economic challenges we face as Manitoba enters a new century and a new age.

There is a new reality. The federal government was elected on a promise to reduce Canada's deficit to 3 percent of GDP within three years of taking office. The Mulroney era of fiscal obscenity ended completely and abruptly with unprecedented support from Canadians for a government which was committed to ending the insanity and to turn the country around. The red book promise was to set realistic targets and to work steadfastly toward achieving them.

What does this mean for Manitoba? Well, it means that as Canada changes, Manitoba must change too. It means that we must reform and renew our health and social systems. We must keep the concepts of equity and justice as firm priorities. It means that we must examine both sides of the ledger: what we take in and from whom, and what we spend and on whom.

It is contrary to the spirit and the history of our province to erode the support intended to preserve the dignity of Manitobans in times of need as a way of preserving and protecting the accumulation of wealth. It is now politically correct to be heartless, as though fiscal necessity has now made it all right to speak out against the poor and the disenfranchised. This is the motivation which underlines the welfare snitch line.

We are now coming out of the longest and deepest recession in Manitoba's memory. The lives of many Manitobans have been thrown into turmoil and uncertainty as we have been hit by the biggest job losses since the depression of the 1930s. The hardest hit have been women, children and young people, who are the most economically unprotected in our society.

Children are our future citizens and the next generation of taxpayers, productive workers and parents. Raising children is a vital contribution, which parents make to the general community.

The care and nurturing of Manitoba's children must be a responsibility more fairly divided among parents, the community and government. More, not less, must be invested in maximizing the life chances of our children.

As I listened to the debate earlier today, I heard many accusations that the federal government has abandoned its commitment to expanding child care in Canada. This is completely wrong. The February budget allocated the money.

I would like to read into the record the relevant sections from the red book with respect to the child care initiative. Quote: A Liberal government, working with provinces, will implement a realistic and financially responsible program to increase the number of child care spaces in Canada. In each year following a year of 3 percent economic growth, a Liberal government will create 50,000 new child care spaces, to a total of 150,000.

A Liberal government—and here is the quote—if it can obtain the agreement of the provinces, will propose to continue an equal funding arrangement with the provinces. The federal government will assume an equal share of the costs with matching funding from provincial governments. Parental fees, determined by a sliding scale based on income, will make up the remaining 20 percent. In the year 1995-96, the federal government's share is \$120 million.

We estimate Manitoba's share of the total, \$70 million over three years, and that its year one share is about \$23 million. This amount does not show up in the provincial Estimates. In fact, Manitoba underspent its child care budget in 1994-95 and has appropriated less money than it did last year to child care. Does this mean that the government has no intention of claiming Manitoba's share of the money? What are you giving up on behalf of the children of Manitoba?

I believe that the issues and concerns of children are not well represented by this

government in this province. Why is there not more consideration for the needs of children? Well, if we are to take a cynical view of politicians and the political process, there would be a simple answer. Children do not vote. The people who care for and about children do vote: parents, teachers, child care workers, nurses.

The problem is, of course, that when politicians court support they always find a more direct and efficient way to do it. It is my belief that this is what has prompted the withdrawal of funding in the 1994 budget to the voluntary and advocacy organizations as an attempt to silence the voices of those who advocate on behalf of children, young people and their families.

The Foster Family Association, the Family Day Care Association, the Manitoba Child Care Association, the Manitoba Anti-Poverty Organization, all those who spoke for the poor, the disadvantaged, the vulnerable and those who have challenged this government to act with wisdom and humanity, have been denied funding support.

As well, we must examine this government's past record on child care to gain a full understanding of their disinterest. The child care debate led in Manitoba by the Manitoba Child Care Association has been very critical about the funding to child care services in Manitoba. As funding to child care is reduced, the only effective way is to hold the line on staff salaries. Child care providers continue to be one of the worst paid of all professional groups.

I worked in that system for 14 years from 1969 to 1982 during which time we fought hard to achieve a service that provided for the meeting of the developmental needs of children and one which did not ghettoize the children of the poor and one which did not exploit the women who provided the care. When I left the system in 1982, there were many child care providers who could not afford to have their own kids cared for in the programs they worked in. This situation continues.

As the MCCA challenges this government to adequately fund the child care system, the government has argued that to do otherwise would only increase the cost to parents. This has already been the case, as there is now a minimum \$2.40 per diem for each child, regardless of the income of parents. This has created a financial barrier to low-income parents using the child care system and they have left in droves.

To stem this exodus and to try and keep the programs viable, many centres are forgoing all or part of the parent fee so as to keep children in care. The access of low-income parents to child care services has been further reduced by capping of the number of subsidy-eligible child care spaces at 9,600 when the economic conditions have put families at greater need for subsidized care.

So you see the problem. The voices speaking for children are the voices of the child care provider who has both a personal and a professional interest in the outcome. This government has made every attempt to dismiss child care advocates as self-serving, as often they are perceived to be making political gains for themselves as much as for the children.

As elected members, we have an obligation to work to eliminate the deficit, but we must work to eliminate the life long consequences of child poverty, abuse and neglect.

In 1991, 72,000 Manitoba children were living in poverty. More than one in five children in Manitoba are poor. For Winnipeg the rate is more than one in four, and poverty rates are even higher on the reserves. Research specifically to aboriginal communities estimate that the rate of poverty for Manitoba families is more than three times that of nonaboriginal families.

Up until last year when Ralph Klein took over the distinction in Alberta, Manitoba had the highest child poverty rate of all Canadian provinces. We also have the highest teen

pregnancy rate, the highest single-parent family rate, the highest rate of child welfare apprehensions. These are damning statistical realities.

\* (2140)

The recently released report of the Manitoba Child Advocate tells us how bad things really are. More important than the general trends are the figures which reveal the types of families which are at greatest risk of being in poverty.

There was a time when the experience of income poverty was expected to be temporary or cyclical with the families changing income circumstance changing with the changing economy. Now a minority of families face continuing circumstances which will be difficult for them to earn an adequate income over a long term. This is the human deficit.

Knowing this, what can we do to mitigate the effects of poverty on children? There is not one simple solution available to this or any government, but what we do know is this: it is a lot cheaper to prevent problems than to address them once they have manifested. So what is stopping us from moving into prevention?

We have heard this government in past criticize the federal government for putting strings on what they would cost-share. The province carped about not being able to share prevention programs with the federal government. Therefore, they could not do more unless the feds came in on a voluntary basis.

Well, as the political pressure comes on governments trying to cut back on responsive services, they must be preserved at their peril. The only way to keep us from spending this and more money is to put money into preventive services, but the payoff is usually long term, certainly beyond the four- or five-year mandate of a government. Public pressure has never focused on the absence of preventive services as it has on the erosion of responsive services.

We all know that there is only one taxpayer, and she is both a Manitoban and a Canadian. How foolish it is to continue to blame Ottawa for Manitoba's problems. The exchange today between the member for Radisson (Ms. Cerilli) and the Minister of Housing (Mrs. McIntosh) was laughable in both its content and tone. They joined together to criticize the alleged move by the federal government for an intention to move \$200 million out of Health and Education.

The net effect of this exchange was to hammer on the federal government for its move to block funding. To be truthful, I guess I feel this depends on who is in power and who is making the decisions for priority expenditure. [interjections] Sitting here is like being in Jurassic Park. You never know from which side the dinosaurs are going to begin to rear their heads and begin to bray.

I would like to offer some additional comment on other aspects of the budget. The proposal to require referenda on taxation is patent political trickery. If this lunacy is implemented, it will trap us for all time in a mire of regressive taxation which continues to hurt our lower- and middle-income citizens the hardest.

In 1991, the richest one-fifth of Canadians earned 54.3 times more than the bottom fifth. After the redistribution impact of Canada's social programs and taxation, the ratio narrowed to 7.3 to 1.

Between 1982 and 1991, the growth portion of national wealth held by the richest 20 percent of Canadians climbed by almost 3 percentage points, from 46.3 to 48.9. During this same period, the poorest fifth saw their share shrink from 1.1 to 0.9.

The biggest hit was sustained by the middle class, the 40 percent of Canadians whose earnings place them in second and third highest income groups. Their piece of the national pie plunged from 53.4 in 1975 to only 42.6 in 1991.

When social programs are factored in, the net share of national wealth enjoyed by the poorest fifth rises from 0.9 to 5.6. Meanwhile, the middle 40 percent, which is encouraged to believe that government hurts it most, sees its slice drop only marginally, from 42.6 to 41.9. The top fifth, its portion is whittled down from 48.9 to 41.1.

If we are ever to smarten up to the punitive and deadening effect of consumption taxes, such as sales taxes, and want to move to the more progressive approach of a fairer income tax system, then we will rue the day that we allowed ourselves to be constrained in this way.

The referendum approach is akin to me holding a vote in my household as to how the money should come in and how it should be spent. Who votes for mom working two jobs? Who votes for making the mortgage and utility payments our top priority? Who votes for eating out every night, and who votes for careful spending on the family food budget?

The other terrible consequence of this will be the transfer of responsibility without resources to the municipal taxpayer in property taxes, again punishing low-income people, elderly people, single parents and one-income families who are trying to stay in their homes. This approach makes very little sense to me because it relieves people of choices and gives them few ways to protect their income from erosion.

**An Honourable Member:** By the way, how is the GST removal coming along?

**Ms. McCormick:** With the co-operation of the provinces. Have you--the Deputy Premier (Mr. Downey) asks how the GST is coming along. Is he on track for co-operating? No, I do not think so.

On this subject, let us just look at the fiasco created by this government with the environmental levies. Revenues from this source are proposed to be--

**Mr. Speaker:** Order, please.

**Point of Order**

**Hon. Glen Cummings (Minister of Environment):** Mr. Speaker, I wonder if the member would entertain a question at the end of her presentation on that particular point.

**Mr. Speaker:** I will have to see if there is leave to allow the honourable member to entertain a question.

\* \* \*

**Ms. McCormick:** So before the Minister of Environment has the opportunity to ask me a question, we will aim a few comments at him.

Let us look at the fiasco created by the government and its environmental levies. Revenue from this source is proposed to be transferred to offset government expenditures formerly covered out of general revenue.

**An Honourable Member:** No.

**Ms. McCormick:** Yes. This is truly taxation without representation.

**An Honourable Member:** No.

**Ms. McCormick:** Yes. We are tired of hearing this government chanting its mantra of no new taxes and no increase in major taxes. This is a fairly serious distortion.

Take the case of the environmental levy, which is expected to generate \$400,000 a month, upon which this government is collecting retail sales tax. None of us were surprised when the announcements were made to fund 11 rural recycling programs, all in ridings currently held by government members.

These members are running around Manitoba with big smiles and big cheques, giving out money claimed from the consumer, most of whom are paying at the check stand and then, in many instances, are paying again for the

privilege of recycling the products on which they have paid the levy.

If this pays them off in support in the rural community, I will be very surprised and it is likely to end any of the support they may have had from environmentally concerned citizens in Winnipeg. [interjection]

**An Honourable Member:** I think you hit a nerve.

**Ms. McCormick:** I think I did. What will I do next?

Further erosion can be expected as this government increasingly tries to divest itself of its responsibility for social services. This is somewhat shortsighted. If we allow the status quo to continue unchallenged, we are creating a permanent underclass of Manitobans.

We cannot afford this threat to our productivity, our social stability, our personal security or to our environment. There is never going to be enough money to throw at the problems in the old way. If we keep trying, our problems will get worse instead of better.

\* (2150)

I believe that government's role must be redefined, away from being the sole priority setter, decision maker and resource controller into the resource securer and facilitator. I see the solution in the communitarianism movement where communities reclaim from governments the responsibility for securing the quality of life and meeting human needs.

How does the government secure resources? Of course, through taxes on income production and consumption. With this in mind, however, I think it is important to think about the way we are treating the next generation of taxpayers, productive workers and parents. This will require changes on several public policy fronts: the income security system, employment policy,



education, social services, environmental and natural resources policies. The list should probably be expanded to include economic policy including fiscal and monetary policy, industrial policy, environmental stewardship initiatives and community economic development.

Each of these policy areas is complex and diverse in itself. We as political representatives must be willing to work co-operatively with our citizens and with other levels of government on programs designed to achieve our intended objectives.

I would like to spend some time on some of the initiatives that this government indicated it would be bringing forward.

I know from personal experience that many divorced women and minor children in their households experience a substantial decline in their standard of living when they become single parents. There are many women in Manitoba who are raising children in poverty because of failures of the maintenance enforcement system.

The average amount awarded by Canadian courts constitutes about 20 percent of the net income of fathers. The inadequacy and noncompliance of court orders for child support by noncustodial parents plays a significant role in the poverty of mothers and children. Three out of four court-ordered maintenance awards are not paid in full, not paid on time or not paid at all.

I wonder why it took the government until the last months of its last term to address the problems of maintenance enforcement. I wonder if the promised amendments to the maintenance enforcement act will in fact materialize prior--

**Hon. James Downey (Deputy Premier):** Will you support it?

**Ms. McCormick:** Let us see the amendments, and we can determine whether we will support

them. I am being asked by the Deputy Premier if I will support the amendments.

My comments following the press conference by the Minister of Justice (Mrs. Vodrey) in which she announced her intention to introduce these amendments in this session of the Legislature was that if, in fact, the amendments reflected the political posturing that the minister laid out in the press conference then in fact we would not have a difficulty supporting them. We did, however, say that they are inadequate and that we, in our term as government, would endeavour to improve on them.

I also wonder why it took this government until the last days of the last term to address the problems of Manitoba's minimum wage, when it had fallen by comparison to other provinces to the second lowest in the country. A single mother of one child would have to work 73 hours a week at that level to bring her family to the poverty line.

We must make the case that the prevalence of family and child poverty is a gender issue, the structural causes of which can be found in assigning women the primary responsibility for the care of children without giving them the economic support to do so. After a family breakup, a mother's earning capacity is the single most important factor in determining her and her children's economic status.

Unfortunately, women's pay is still about two-thirds that of men. The low earning capability of mothers on their own and women's poverty in general is a reflection of the limited availability of well-paying jobs for women and the financial difficulties that result when women must rely on their own earning potential within a hierarchical, ghettoized labour market.

Women tend to concentrate still in the types of jobs that are particularly vulnerable to boom-and-bust cycles and are overrepresented in part-time and low-skill occupations. Women's economic vulnerability is only exacerbated by

motherhood. In 1991, the average income of a poor, single-parent mother was 40.4 percent below the poverty line, while the average income of poor, two-parent families was 30.5 percent below the poverty line.

We have known for a long time through research in child development that child poverty damages children's physical and mental health, shortens their life expectancy, impairs their learning ability and educational success and erodes self-esteem, which is a key factor in developing the social skills necessary to foster a smooth transition to healthy and productive adult lives.

To fail children in this way is to waste their future, to deprive them of the potential to grow up to enjoy healthy and productive lives and to make a full contribution to society, and children are not the only victims.

We must also recognize the price paid by parents who use all of their resources, not just financial but personal, to support and meet the day-to-day needs of their children. The consequence of this is that many women who raise their families alone cannot save for retirement and continue to live out their last years in poverty, even after their children have left home.

We as citizens and taxpayers are ill-served by costly and questionable curative programs in which no amount of money expended can reasonably be expected to remediate the damage done.

We are being asked to believe that these programs, which are a source of pride to Manitobans, as they have distinguished us from less equitable and compassionate provinces, are too rich, too badly administered and wasteful.

Spending cuts in areas are proposed and contemplated with little consideration as to who will be seriously and directly impacted. Universal access to education and health care

independent of ability to pay has been the cornerstone of our social progress as we recognize that to do otherwise further disadvantages the poorest and the weakest members of our community.

I am going to hold off until tomorrow to talk about some environmental concerns as I want to talk about some absences in the budget for commitments to the new provincial parks.

We have had an announcement prior to the election of the four new provincial parks, but there is no evidence in the budget that there are any resources assigned to developing the co-management agreements.

There are other issues which I will leave until tomorrow. [interjection] He forgot the question. Okay. Is that it? I am ready for the question.

**Mr. Speaker:** This is on the honourable member for Osborne's time.

**Mr. Cummings:** Mr. Speaker, I would be interested to know if the member for Osborne (Ms. McCormick) is unalterably opposed to the improvement of recycling in this province or if in fact she would appreciate the fact that any revenue the government receives from PST does also go to recycling in this province.

### Point of Order

**Mr. Kevin Lamoureux (Second Opposition House Leader):** On a point of order, Mr. Speaker, the member for Osborne (Ms. McCormick) does not have any problem answering the question. She has not completed her speech yet. She still wants to be able to continue. She never sat down to indicate--

**Mr. Speaker:** Nobody said that her time has expired. I just said this was on her time. At ten o'clock she will have nine minutes remaining for tomorrow.

\* \* \*

**Mr. Speaker:** The honourable member, unfortunately, you ran out of time now to answer the question because the hour is 10 p.m. When this matter is again before the House, the

honourable member for Osborne will have nine minutes remaining.

This House now adjourns and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, March 13, 1995

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