



Third Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertstland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 14, 1997

The House met at 10 a.m.

PRAYERS

ROUTINE PROCEEDINGS

ORAL QUESTION PERIOD

Economic Growth All-Party Committee

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is to the First Minister.

This week we have received some good economic news with the announcement of Palliser Furniture, but we have received some negative news with the closure of the Rice operations, with the review and watch that the five operations at Eaton's have in Manitoba being put on notice and nurses being laid off at the St. Boniface Hospital.

The NDP has proposed that we work more in a co-operative way on the economy, on jobs and the economy, and there are many challenges we have right in front of us dealing with jobs and economic operations here in the province of Manitoba.

I would like to ask the Premier, generally, would he agree to the idea of having an all-party committee on the economy, and would he agree specifically to having an all-party group deal with the Repap situation and the proposed sale of Repap to a new corporation with a possible flip to another corporation as anticipated in the financial newspapers.

Hon. Gary Filmon (Premier): I appreciate the question of the member opposite and acknowledge his interest, as all of us have, in a stronger economy and more job creation and more economic growth.

Madam Speaker, quite clearly, that is what this government's main objective is. The job growth has been the strongest that we have seen in probably 25 years in this province. We have opportunities for investment the like of which we have not seen in a long, long time, five straight years of increase in private

capital investment, a sixth expected according to Stats Canada this year. No other province in Canada can say that. I could go through those and I will more.

The objective, of course, is to ensure that we maintain opportunities for people who may be dislocated as a result of some businesses failing for their own reasons, because it is interesting, in the case of Rice Sportswear, and all of us would prefer not to see that happen, but at the same time as they were failing, and for what reasons we do not know, there were others in the garment industry who are looking for several hundred additional employees right now because they are in such a buoyant, expansionary mode.

Similarly, in the retail side, and again we have been involved in contacting Eaton's to assure them of our desire to work with them if there are things that we can or should be doing, you have REVY and you have Home Depot and you have all of these different organizations coming in creating thousands of retail jobs and investment, while at the same time one of our old established firms is failing. So these are things that we have to work very, very diligently on.

There are opportunities here in this House. We will have, for instance, a Committee of Supply beginning very, very shortly, and the Estimates debate is a good area in which we can on an all-party basis get the ideas put forward of members opposite as to how we can do better and what new opportunities might be created as a result of government policy and government direction.

For our part, Madam Speaker, we listen to people in every part of the province, and we certainly listen to members opposite. If there are ideas that will enhance our ability to continue to grow and keep the economy buoyant, we will certainly adopt those. We will be accused of adopting their ideas from time to time, and we have no hesitation in doing that if it is in the best long-term interests of Manitoba.

Mr. Doer: Madam Speaker, I am disappointed the Premier wants to continue to deal with these issues in the old ways rather than moving in a more co-operative way as we propose with Repap.

Madam Speaker, I would further ask the Premier—all of us I am sure are meeting with sugar beet workers at the plant; we are meeting with sugar beet growers; we are meeting with people in communities that are concerned about sugar beet production and value-added jobs; we are meeting with Chambers of Commerce that are concerned about it. We are all doing it perhaps as individual, separate parties or as individual, separate MLAs. We are phoning federal M.P.s; we are phoning people to try to get some activity together.

Does the Premier not think it would make a lot more sense with all of us working together to call on the federal government to have an intelligent domestic sugar policy that we have called on the federal government to have in the past, and to call on Rogers Sugar and other interested groups to look at keeping the plant here in Manitoba and allow us to have sugar beet production in this province and sugar beet value-added jobs here in the province of Manitoba, calling together on a domestic sugar policy for Canada that makes sense? Would it not make more sense for us to do that together rather than always working apart, Madam Speaker?

Mr. Filmon: Madam Speaker, that is precisely what this government has been doing and will continue to do.

The Minister of Agriculture (Mr. Enns) and I have written letters directed at trying to convince Ottawa that we need a national sugar policy. That has been a constant topic of the member for Emerson (Mr. Penner) who is himself a sugar beet producer in this province and knows from the inside what the industry is all about, has spoken out very strongly about it. We do need a national sugar policy. We have had that kind of initiative being taken by our Minister of Agriculture and, as I say, the member for Emerson and others in our caucus.

I have contacted directly by mail Rogers Sugar and asked them not to proceed with the dismantling of the plant and facilities until we can look at other alternatives that might maintain the industry here. I met with former Governor Sinner, who is on the board of American Crystal Sugar and has been a lobbyist for the sugar industry in the United States, to look and see whether or not we can convince the Americans of whether it be policy issues or whether it be practical

issues of being able to work with our sugar beet producers to ensure that we can find a place for this industry to not only be maintained but to be enhanced in the future.

Those things are matters that all of us, obviously, work on because we know that they are important to the future, and we welcome the support of the member opposite for those efforts.

* (1005)

Mr. Doer: What I regret is when we start working together when the decisions are already made. We have had the situation with the Air Command where we got together as an all-party group—I am sure the provincial election had nothing to do with that—to try to save the jobs here in this province.

What we are suggesting is that we start working together earlier and in a much more co-operative way where we can share information, share ideas, share contacts, to work together on behalf of all Manitobans. The Premier (Mr. Filmon) knows that the Question Period format is not necessarily geared to a long-term co-operative way. We should use new methods to take advantage of all of our strengths, Madam Speaker, not just some of our strengths with one party or the other dealing with this.

A further question to the Premier—the Bristol operation, again, we have met with workers; we have talked to company people; we have talked to federal members of Parliament; we have talked to provincial members of Parliament. I know the government has appointed a representative to the committee. I know we had to work hard to get the federal Liberals to appoint somebody to the committee. Would it not make sense again—all the jobs that are in the city of Winnipeg and outside of the city of Winnipeg at Bristol—that we work together in a co-operative way and share information, share ideas, share positive initiatives at an earliest possible moment rather than working in isolation as we are doing now, Madam Speaker?

* (1010)

Mr. Filmon: Our government has worked diligently to ensure that we were doing everything possible to bring

as many ideas and as many elements of the economy together in various groups. We established the Round Table on Environment and Economy which has representation from a wide variety of areas of our provincial economy, including labour, including our environmental organizations, many people, academics. Many people on that round table I would say are not necessarily Conservatives, but they are contributing, very, very active members of Manitoba's economy, Manitoba society. They do a great deal for us in our future planning.

The Economic Innovation and Technology Council similarly is an organization that is meant to represent all of the elements of our economy as we look forward to modernizing and moving from the production-based economy to an information- and knowledge-based economy, taking globalization—I mean, we have a former member of the New Democrats, in fact the brother of the member for Swan River (Ms. Wowchuk), who has been on that Economic Innovation and Technology Council. We have invited representation from labour and had representation at times from labour on that council, and so on, Madam Speaker. These are our ways of reaching out to benefit from the ideas, the expertise and the advice of the vast majority of people that we can.

With respect to the Bristol committee, the Minister of Industry, Trade and Tourism (Mr. Downey), the Deputy Premier, has been involved with that committee and has staff involved with that committee. We have correspondence back and forth. We work with them.

With respect to the Repap operation at The Pas, I have as recently as this week had several phone calls with people who are involved in the process of looking at how best we can assure the maintenance of that operation and the stable ownership and operation of that facility at The Pas for the benefit of the people of The Pas and the surrounding area and, indeed, for the benefit of all Manitobans.

Regrettably, Madam Speaker, when things are brought to this House by members opposite—he talks about sharing information. The way in which that usually is done is that they look for things they can do that will be a club over the government that they will get some political advantage on. We have seen it time

and time and time again. Their ideology, their philosophical blinders—

An Honourable Member: The prince of darkness.

Mr. Filmon: Yes, the prince of darkness, the duke of despair from Crescentwood, they all try and do everything they can. In fact, he went to the Manitoba Chamber of Commerce and berated them for what he said was boosterism because they were feeling positive about their opportunities in this province and the future growth of this province, and he berated them. That is the kind of nonpartisan activity that we see from New Democrats. It does not work, Madam Speaker.

Point of Order

Mr. Dave Chomiak (Kildonan): On a point of order. Madam Speaker, I think the Premier—and if you would refer to Beauchesne's, you would see that the Premier was asked a specific question—ought to deal with the question and not engage in the usual tactic of the Premier, to personally attack members of the Chamber because he is feeling vulnerable about his economic policies.

I would ask you to call the Premier to order, and stop his personal attacks, and deal with the issue raised by the Leader of the Opposition (Mr. Doer), and that is dealing with the economy of Manitoba and working together.

Madam Speaker: On the point of order raised by the honourable member for Kildonan, I would remind the honourable First Minister that indeed our rules state that one should not provoke debate when responding to questions.

Eaton's—Brandon Location Closure

Mr. Leonard Evans (Brandon East): Madam Speaker, among the Eaton's stores being reviewed for possible closure is one in downtown Brandon at the Gallery mall, where it is one of two anchor stores. If the store closes, it will definitely jeopardize the future of that mall and be a serious blow to the downtown area in particular, and of course it will cause a significant loss of jobs. It is a major employer.

My question to the Minister of Industry (Mr. Downey) is to ask exactly what is he and his department prepared to do to assist the community to keep this store open?

Hon. Gary Filmon (Premier): Madam Speaker, I think that the member opposite should know that the Minister of Industry, Trade and Tourism has written directly to Eaton's, that his department has contacted Eaton's, and he has indicated his desire to co-operate and do whatever is necessary to try and assure their presence here.

But, you know, the member opposite is hardly the right person to be raising this issue when in Brandon, when he was a minister of the Crown, his colleague the Minister of Labour made a public spectacle of cutting up his Eaton's credit card over his support for a labour issue there, and he talked against and he argued against and he advocated that people not shop at Eaton's. These are the kinds of fruits of the labour that they put forward. These are the fruits of their efforts in their nonpartisan way how they treat people who invest in this province and create jobs in this province.

Point of Order

Mr. Steve Ashton (Opposition House Leader): On a point of order, just in case the Premier missed the fact, it is 1997.

He was asked, in fact his minister was asked a very positive question, concern on behalf of the constituents that the member for Brandon East (Mr. Leonard Evans) has ably represented for close to 30 years. I do not know what the purpose of that answer was, but it certainly did not contribute towards the betterment of the people of Brandon.

I would like to ask, Madam Speaker, you ask the First Minister, if he is going to answer questions, to at least deal with the matter raised. It is a very serious concern expressed by the member for Brandon East about the future of the Eaton's store in the year 1997 in Brandon.

Madam Speaker: The honourable member for Thompson does not have a point of order. It is a dispute over the facts.

* * *

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

Mr. Leonard Evans: Well, I am still not sure if and what this government is prepared to do, so I would like to ask the Minister of Industry whether he or his department has been in contact with the local committee that is in process of being formed to try to persuade senior executives of Eaton's to keep the store operating, especially noting that the store sales have jumped by 30 percent in the past year and a half. I believe they are preparing to go to Toronto to persuade Eaton's executives. Will his department be involved in this? Will his department help them?

* (1015)

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, the short answer is yes, as I indicated yesterday. What we had in fact done, the department had contacted the Eaton's management to offer any assistance. At that particular time they had not made the announcement yet as to that which they made yesterday, but had offered our services, and Eaton's indicated they would get back to us. I am, as well, sending a communication to the management of Eaton's offering at my level what we can do to help in the overall rearrangements that are taking place. We do not, though, have any money to apply to the situation.

Brandon, Manitoba Retail Opportunities

Mr. Leonard Evans (Brandon East): I thank the minister for the answer, but I am still not sure whether he is prepared to co-operate with this particular committee in going to Toronto on this matter.

A follow-up supplementary: has the minister's department conducted any recent surveys of the retail sector in Brandon, particularly downtown Brandon, as it applies to major stores there such as the large Zellers store, which is another anchor at the Gallery mall, and whether there is any danger of any of these stores closing because, as the minister knows, there have been some difficulties in that particular gallery?

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, we do not, I believe, have any specific retail data as it would relate to any specific store in Brandon, but we do know that in Manitoba over the last two years we have seen a tremendous increase in the retail sales, over 6 percent each of the last two years, I believe.

So, Madam Speaker, in general terms the economy and the retail sector in Manitoba are doing very well. I can assure the member that we as a government are very concerned about the difficulties that Eaton's is having, and we will do what we can to make sure there is retail capability where it has been in the past. However, it does fall to management to make sure that they are making the decisions that are important.

As the Premier (Mr. Filmon) pointed out earlier, we have seen some new activities take place in the retail sector over the past year. I believe there are two Home Depots that have been started in Winnipeg. I know that in Brandon, if one were to observe the activities that are going on, whether it is on 18th Street or whether it is on Rosser Avenue or whether it is the industrial sector, where there are at least two new motels developed, \$233 million in a fertilizer expansion, a lot of things are happening in Brandon of a positive nature.

Emergency Room Closures Impact on Ambulance Services

Ms. Becky Barrett (Wellington): Madam Speaker, last year due directly to government cutbacks, 89 percent of the time at least one city hospital had its emergency room closed to ambulances, a record that is now this year up to 91 percent of the time. More than nine times out of 10 at least one city emergency room is closed to city ambulances.

Does the Minister of Health believe that this is an acceptable level of service for patients in the city of Winnipeg?

* (1020)

Hon. Darren Praznik (Minister of Health): Madam Speaker, if I learned one thing through my first experience in my first month in this particular portfolio, the way we manage our ambulance service and

emergency rooms in the city of Winnipeg certainly requires, I believe, some improvement, and certainly amalgamating our Winnipeg hospitals under the Winnipeg Hospital Authority will give us a tool in which to better co-ordinate the use of our emergency services.

Ms. Barrett: Madam Speaker, the minister should know that that amalgamation has been promised since 1991.

I would like to ask the Minister of Health if he will now acknowledge that the cuts in funding to the health care system have led to conditions in city of Winnipeg hospitals that are incredibly dangerous potentially to patients and that offload additional costs to the city of Winnipeg in their ambulance requirements.

Will he now acknowledge that it is his government's problem here?

Mr. Praznik: Madam Speaker, I would really caution the member for Wellington in taking the position she is because there is obviously a bit of a dispute going on between the city and Manitoba Health currently about the funding of a 10th ambulance. We have asked for the documentation and supporting information on which to make a decision of whether we would continue the funding arrangements that were in place. I think before the member jumps to conclusions she should also ask for those facts as opposed to taking the position that she does.

Madam Speaker, with respect to the funding issue, I have been in this Legislature for many years and each year we continue to put more money into health care. I think the experience right across the system in Canada has demonstrated that money is not necessarily the answer.

Ms. Barrett: Will the Minister of Health pay attention to the city ambulance services representative who said today that this whole problem with emergency rooms being closed, thereby requiring additional ambulance services because there are not enough emergency rooms being open is a political problem, that it is not a lack of money, as we will soon find out in the budget, but it is a lack of political will that is causing potentially dangerous and if not deadly consequences to the

patients of the city of Winnipeg and huge offloading of expenses to the city of Winnipeg?

Mr. Praznik: Madam Speaker, since the member for Wellington insists on being a conduit for the city of Winnipeg in requesting more dollars for their ambulance services rather than providing the data to justify those, I would ask her to convey to her friends there that all of the political rhetoric and public relations is no excuse for the data to support that, and we have asked for that data. We will look at that data. All we ask them to do is provide it.

There is no replacement for that kind of information rather than getting into the political debate that the member for Wellington is now doing.

Employment Creation Full-Time Positions

Ms. Diane McGifford (Osborne): This government crows about its job statistics and about its record on women's equality. Yet a close examination of both the former and the latter reveals that full-time jobs from 1988 to 1997 are down from 412 in January 1988 to 403 this January and that the number of part-time, low-wage jobs in the service sector have increased especially. Why are we not surprised for Manitoba women?

My questions are for the Premier. Given this phenomenal growth in part-time jobs in Manitoba and given that 35 percent of Manitoba women work part time—12 percent of our men do—and given that the national average for part-time jobs for women is 26 percent, I want to ask the minister to account for the discrepancy between Manitoba and national statistics and percentages. I want to know why this government cannot do a better job of providing full-time jobs for women.

Hon. Gary Filmon (Premier): Madam Speaker, may I say a number of things firstly. We see an example of the kind of nonpartisan debate that members opposite want to get into on our economy and how they want to be helpful. We have the member for Osborne going totally against the position taken by her Leader with respect to using statistics to try and paint a more negative picture of Manitoba than is true.

The fact is that this government has been working very, very diligently to bring in more employment to this province. More employment has resulted in our having the highest number of people employed in our history. That has also resulted in our having the highest number of women employed in our history, and it has also resulted in our taking what was a very, very bleak situation with respect to youth unemployment when, under the New Democrats, it was running at 3 percent above the national average. It is now 5 percent below the national average, and there are many young women involved in all of these opportunities that are being created.

We will continue to work as diligently as we can to create employment opportunities and employment opportunities for women. I am very proud of the fact that this government appointed, among others, the first woman as the Chief Provincial Auditor, the first woman as the Provincial Trustee, the first woman as the Chief Provincial Court Judge and so on and so forth. The highest percentages we have ever had in the senior officer category in the history of our province are women. Over 40 percent of all of our appointments to boards and commissions are women, a record that was never, never come close to by the New Democrats when they were in office.

* (1025)

Madam Speaker: The honourable member for Osborne, with a supplementary question.

Ms. McGifford: Madam Speaker, I was merely using StatsCan statistics for the purpose for which they were intended, to paint a picture.

Since 34 percent of women—

Madam Speaker: Order, please. I would remind the honourable member for Osborne that no preamble is required on a supplementary question. Would she please pose her question now.

Ms. McGifford: Thank you, Madam Speaker. Since 34 percent of Manitoba women who work part time want to work full time, I want to ask the First Minister if he will make a serious commitment to rescue Manitoba women from part-time McJobs and assist in

the creation of full-time real positions for Manitoba women.

Mr. Filmon: Madam Speaker, I know that the members opposite will always find a black cloud behind every silver lining. That is, unfortunately, why they are in opposition, because they insist on doing it.

I just want to quote from Statistics Canada's numbers, the analysis provided by the Manitoba Bureau of Statistics, which the member for Crescentwood (Mr. Sale) endorsed just yesterday. Talking about the latest figures that are out—and we are talking about February of 1997—Manitoba added 17,700 jobs over the previous year. They point out that full-time jobs were roughly 14,000, or over two-thirds of all those jobs created were full-time jobs in the past year.

That is exactly what we are working on, and that is precisely why the jobs that have been added in this province during the past year have also increased our average weekly wage. Our average weekly wage went up during that period of time by over 2 percent, a reflection of the fact that those are quality jobs, well-paying jobs.

Employment Benefits Part-Time Employees

Ms. Diane McGifford (Osborne): Madam Speaker, on behalf of the 87,300 women who work part time in Manitoba, I want to ask this minister if his government will, like our sister province Saskatchewan, institute employment benefits for part-time workers and so acknowledge the contribution that these workers make to our economy.

Hon. Gary Filmon (Premier): Madam Speaker, I will say this, that the government of Saskatchewan—and although I admire very strongly many of the things that they do, they also have done some things that have not quite worked out. I invite her to examine some of the issues that have taken place there with respect to some of their legislation, some of which they have had to change, including where they, I believe, had tremendous backlash to the fact that they had brought in an insistence that even babysitters had to be paid minimum wage. That resulted in people losing their jobs because they could not afford to pay babysitters a

minimum wage. That is what they did for women, and these are women. I do not have the time to go through my file with clippings, but I have stories about women who were in good-paying positions as nurses who had to quit because they could not afford to keep their jobs and pay a babysitter a minimum wage as was provided for in some of those legislative changes.

So she ought not to just jump into the water before she knows how deep it is. The kind of experimental things that are being done over there have not exactly worked to women's benefit; in fact, they have worked against women's best interests.

Education System Funding—Property Taxes

Mr. Kevin Lamoureux (Inkster): Madam Speaker, budget after budget, this government has consistently underfunded public education in this province. We have seen with this government a growing reliance on the financing of public education onto the property tax, and we find that shameful and disgusting that this Premier is not addressing the needs of the public education in this province.

My question to the Premier is why is this Premier ignoring the needs of public education in the province of Manitoba?

* (1030)

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, we are not. We are not, and the evidence is all around us in terms of financial figures: \$115 million more this year for public schools than when we took office; \$84 million instead of \$20 million for special needs, the \$20 million being what was there when we came in and \$84 million being what we provide now; \$450,000 being provided by the Health department to provide nurses for schools so that they do not have to take away from their education funding to provide for medically fragile children.

I could go on and on, but I know I am only allowed one minute and I have been cautioned not to take beyond the time allowed. Had I 15 minutes I could continue listing them all and negate his allegation, which is incorrect.

Madam Speaker: The honourable member for Inkster, with a supplementary question.

Mr. Lamoureux: Maybe the Premier or the Minister of Education can tell us then why there has been a growing reliance on funding of public education on property tax. The percentage of general revenue is decreasing in comparison to the property tax. Why?

Mrs. McIntosh: Madam Speaker, three points. Perhaps the member for Inkster could talk to his federal colleagues, get them to give us back some of the hundreds of millions of dollars they have taken away in transfer payments for health, education and family services, which does affect public schools dramatically. I also indicate to the member that back in the mid-'80s school boards were having to raise taxes on their special levy 10, 15 percent. This day, this year, this month they are raising them 3, 4, 5 percent, so they are not having to raise as much of the special levy now than they did in earlier years.

So again I realize my time is up, but I can enlarge more if he wants to ask another question.

Funding—General Revenue

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I would ask the Premier to reflect to the days in which he was in opposition, and I understand when the Premier was in opposition—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I am experiencing great difficulty hearing the honourable member for Inkster.

Mr. Lamoureux: That is why I asked the Premier if he will reflect to the days when he was in opposition when his party believed—and I asked the Premier if in fact this government or his party still believes that the general revenue should be covering closer to 80 percent of the funding of public education, not the continual downward trend this government is going.

Hon. Gary Filmon (Premier): Madam Speaker, yes, we would prefer to be able to have more of our general revenues go towards funding of education and health

care and our social services. That is why it is so preposterous that a Liberal would get up in this House and ask that question when his federal government has cut us by \$220 million annually in transfers for health and education. That is the irony of it all. We cannot spend what we do not have, and we cannot do it if Ottawa keeps cutting us back.

Personal Care Homes Inspections

Mr. Conrad Santos (Broadway): Madam Speaker, the seniors in Manitoba have continually been hit hard by oppressive Conservative government policies in this province such as cuts to increases in Pharmacare deductibles, eye examinations, now even licence fees for fishing. Now they are worried about their security and their integrity even in their personal care home environment.

I would like to ask the Minister of Health, given that he had received a letter from the president of the Manitoba seniors society, Dr. Mary Pankiw, that they support the unannounced inspection visit to enforce standards in care homes, when will he implement this policy?

Hon. Darren Praznik (Minister of Health): Madam Speaker, as I have indicated in the House before and from discussions I know I had with my predecessor, the idea of having unannounced inspections is a good one, and I hope that we are going to be able to do that on a regular basis in the not too distant future.

Mr. Santos: The minister did not say when. I would like to ask when he will start doing this.

Mr. Praznik: Madam Speaker, to date I understand that there have been unannounced inspections in response to complaints about facilities. The request that the member has asked me today is to have just regular unannounced inspections. I can tell him, in doing so, it is very unlikely we will make a great deal of fanfare about that because it certainly undermines the whole principle of unannounced inspections.

Mr. Santos: The press release of the former Minister of Health said “immediately,” and that was two years ago. When is “immediately”?

Mr. Praznik: I gather there was a question about timing. The previous Minister of Health did make that announcement and there were unannounced inspections I understand in response to complaints. The member is asking that that be broadened. I certainly see that as a tool, but the member should be aware that, I just remind him, when he does pursue these matters there is a history of how his party is viewed in raising these particular matters that the editorial folks at the Free Press did pick up, so I would caution them a little bit in how they pursue facts.

Lottery Revenues Trust Fund

Mr. Tim Sale (Crescentwood): Madam Speaker, in last year's budget the government committed itself to treating all lottery revenue as current income and accordingly transferred some \$145 million from a lottery fund, thereby balancing their budget by transferring trust fund revenues.

Can the Premier tell the House whether this was indeed what happened, and were all the funds transferred?

Hon. Gary Filmon (Premier): Madam Speaker, I will take that question as notice on behalf of the Minister of Finance (Mr. Stefanson), but I point out that if \$145 million was transferred and the year-end surplus was \$157 million, then clearly that surplus, there would still have been a surplus even without that transfer, so the premise of the member's question is wrong.

Mr. Sale: Will the Premier, who understands we were talking budget numbers here and not final year-end numbers, explain to Manitobans why his government did not reveal that they had left some \$32 million in that lottery trust fund, thereby understating their revenues again this year by at least \$32 million out of the lottery fund alone? Why did they continue to mislead Manitobans?

Mr. Filmon: Madam Speaker, because the member opposite has been known to put incorrect information on the record on a regular basis as the premise to his questions, I will take that as notice as well and have the Minister responsible for Lotteries (Mr. Stefanson) bring back the full information.

* (1040)

Mr. Sale: Madam Speaker, just so the Premier does not have to spend too much time, he could go to Volume IV of Public Accounts, page 22, Fiscal Funds on Deposit, end of year, \$32 million. That would save you the time of research.

Madam Speaker: Order, please. The honourable member was recognized for a final supplementary.

Mr. Sale: Madam Speaker, why did the Premier announce education funding cuts which result in losses to school divisions, losses to students, losses in purchasing power when he had \$32 million sitting in a lottery slush fund that he could have used to bridge over this last year of federal cuts? Why is he not truthful with Manitobans?

Mr. Filmon: Madam Speaker, of course the number does not indicate the origin or indeed the purpose of the funds and so, as I say, without jumping to conclusions or speculating on that, I think it would be well for him to wait for the response from the Minister responsible for Lotteries.

We had speculation on American reports yesterday from the Leader of the Opposition (Mr. Doer) that proved to be absolutely false, asked in a speculative way, done without full information and proven to be wrong, so I do not think we want to carry on with this kind of speculation. Madam Speaker, we should wait for the Minister responsible for Lotteries to give the accurate information.

Education System Funding

Mr. Steve Ashton (Thompson): I am proud of our public education system in this province and I am proud to be a graduate of that from R.D. Parker Collegiate in Thompson, and that is why when I raise the question about what is happening in my own community in terms of schools I really appeal to the minister to look at the kind of cuts we have been faced with: from 1992 to 1995 cuts of 10 percent; in 1995, 25 teaching positions eliminated; a 14 percent tax increase; and this year in 1997 because of the impact of the freeze, we are faced with a 7.32 percent increase in

the special levy and a shortfall that is going to lead to cuts of \$465,000.

I want to appeal to the minister. Will she look at the impact her funding levels and form is having on public education in communities such as Thompson and reinvest in the most important asset that we have, I believe, in this province, our public education system?

Hon. Linda McIntosh (Minister of Education and Training): Madam Speaker, I, like the member for Thompson, care very deeply about public education. It has been my whole life since the age of four. Except for three Septembers, all I have been concerned about is the opening of school in one capacity or another.

We are always analyzing how money is being spent, how money is flowing. We now put \$746 million into public school education compared to \$631 million, which was the amount they put in the last time they were in. As I indicated to the people yesterday or a couple of days ago, during the time that they were in office and supposedly flowing money sufficient to meet school divisions' needs, at least one school division in Manitoba had to raise an amount equivalent to 28.9 percent out of their special levy to cope.

So, Madam Speaker, perhaps if we did not have to pay close to \$2 million every day in interest on the debt that they gave us as their legacy, we might have more money to increase beyond, but we do care and we will examine.

Madam Speaker: Time for Oral Questions has expired.

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, I see there are about 15 minutes on the clock before the Minister of Finance (Mr. Stefanson) is scheduled to make his budget presentation. I wonder if you would consider, if honourable members would consider, a recess until shortly before that time when Your Honour might cause the buzzer to be sounded just prior to the eleven o'clock time.

Madam Speaker: Is there leave for a 13- or 14-minute recess at which time a one-minute warning buzzer will sound to start the budget? [agreed]

The House recessed at 10:47 a.m.

After Recess

The House resumed at 10:59 a.m.

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I move, seconded by the Minister of Industry, Trade and Tourism (Mr. Downey),

THAT this House approve in general the budgetary policy of the government.

Motion presented.

* (1100)

BUDGET ADDRESS

Hon. Eric Stefanson (Minister of Finance): Today's budget is a milestone for the people of Manitoba and for our government. Our 10th budget caps nine years of careful and consistent stewardship of Manitoba's financial and economic policies. I feel deeply privileged to present this landmark budget to the citizens of our province.

Manitobans are already seeing the benefits of our recharged economy through an abundance of new jobs and entrepreneurial opportunities, and through the securing of vital services to children and families. Madam Speaker, our stable and secure finances also open up new avenues for all Manitobans to take advantage of the opportunities presented to them.

This is a key budget, Madam Speaker, because it signals the beginning of an era of unprecedented opportunity and achievement for the economy and the people of Manitoba. It is key because it says to our children, the leaders of tomorrow, you have a future in Manitoba. A future which does not bring with it the spectre of debt, but a future filled with the promise of prosperity.

Madam Speaker, for the first time since my children were born, indeed for the first time in a generation, we have a budget which projects a surplus for the third consecutive year.

By continuing to put our fiscal house in order, we are guaranteeing a better tomorrow for all Manitobans.

- * Madam Speaker, this budget is truly historic. This budget launches the first sustained attack on the province's debt since the 1950s.
- * This budget continues our government's commitment to protecting and enhancing health care, education and support to children and families.
- * This budget has no new taxes and no tax increases.
- * This budget extends Manitoba's freeze of major tax rates to a full decade, 10 years.
- * This budget provides strategic targeted tax reductions.
- * This budget invests in Manitoba's hospitals, schools, and roads.
- * And, Madam Speaker, this budget continues to spend taxpayers' money wisely.

In short, Madam Speaker, the 1997 Manitoba budget keeps us competitive, supports more job creation, enhances our standard of living and shows our young people they can look forward to a prosperous life with good opportunities for employment right here at home.

In many ways, Madam Speaker, this budget is the result of nine years of innovative and creative effort. It is the result of hard work by many people, not only within our government, but in factories, farms, offices, and construction sites right across our province.

This budget reflects the advice I received from hundreds of Manitobans from all walks of life during the prebudget consultations concluded last month. I am proud to dedicate this budget to all those who worked so hard to make it happen and to all Manitobans who share our vision of a dynamic and prosperous economy.

The 1997 budget deals compassionately and effectively with the challenge presented by the severe cuts in federal contributions to health, education and services to children and families. Despite the added revenue generated by a rapidly growing economy, the federal cuts mean our total revenues actually declined in 1996-97 and will decline again in 1997-98.

The federal cuts made preparing this budget one of the most difficult exercises our government has undertaken so far. I want to thank all of my colleagues, and Premier Filmon in particular, for their support and help in bringing this process to a successful conclusion.

Madam Speaker, in August 1988, we set out our core objectives. Let me quote from our administration's first budget: "Our goal is a competitive and diversified economy which will provide increased investment and job opportunities for our citizens, and pay for quality health, education and social programs."

Madam Speaker, I say to you with pride today, our commitment to those objectives has not wavered. As a result, we have made enormous progress toward meeting the goal we set for ourselves and for the people of Manitoba in 1988.

Madam Speaker, our government understood that balanced budgets are essential to a thriving and dynamic economy. We introduced a focused and disciplined approach to bringing government spending into line with revenue. We placed the highest priority on delivering quality health and education services, on supporting children, and on helping families. We protected services for disabled and other vulnerable people in our society. We immediately began the process of making our tax system more competitive.

We reformed internal processes and dramatically improved the efficiency of government operations. We insisted that taxpayers receive better value for their dollars in every single department of government.

In short, Madam Speaker, we restored responsibility and accountability to provincial government operations. By balancing our budgets and passing the balanced budget legislation, we have restored confidence among the entrepreneurs whose expansion and location decisions create the jobs, income and wealth on which

our future depends. Today, we can point with pride to our progress so far and to the unparalleled prospects for sustained growth and job creation in our province.

**Manitoba's Economy: Generating Prosperity
Now and for the Future**

Madam Speaker, responsible stewardship of our finances is key to Manitoba's economic success. Two simple, common-sense, fiscal objectives remain at the centre of our economic strategy:

- * first, to keep Manitoba's taxes competitive; and
- * second, to balance our books and reduce the burden of debt.

We followed this course consistently. We froze major tax rates, and deliberately and persistently brought the tax burden down through targeted tax cuts and incentives to create jobs. Then, as we put government finances back on a sound footing, entrepreneurs and investors became more confident that government would not suddenly reverse course and tax away the rewards of their efforts. With renewed confidence, businesses are willing to take risks and make long-term investments that create jobs and prosperity throughout our entire province.

* (1110)

Today, Madam Speaker, all Manitobans can be very proud of the performance of Manitoba's economy which outpaced the national average in 1996.

- * Private capital investment grew by more than double the national rate in 1996 and is expected to exceed the national rate again in 1997. Firms, such as Purolator Corporation, Global Fashions Corporation, and Tantalum Mining Corporation are helping to give Manitoba a record of rising private investment that is the envy of most other provinces.

Indeed, Manitoba is the only province to record five consecutive years of rising private investment. The total increase over that time—33 percent—was almost four times greater than the national increase. Statistics Canada expects that record to be extended to six consecutive years in 1997.

Madam Speaker, to build on this momentum, I am pleased to announce that the exemption for small businesses under Manitoba's Corporation Capital Tax will be increased from \$2 million to \$3 million. This measure is expected to take about 700 firms off the capital tax rolls and encourage small firms to undertake new investments and to create more jobs.

- * Manitoba consumers also showed growing confidence as retail sales grew by more than double the national rate for the second year in a row.
- * Building permits in 1996 increased 12.7 percent, double the national average.
- * The growth in housing starts has surpassed the national average in four of the past five years. In 1996, housing starts were up 18 percent, or 50 percent above the national increase.

Madam Speaker, our government has worked hard to create favourable conditions for new home construction and to make quality housing affordable for Manitoba families.

Accordingly, Madam Speaker, I am especially pleased to announce that the sales tax rebate for first-time buyers of a new home in Manitoba will be extended for another 12 months. Our government introduced this measure three years ago to help make new homes affordable to young families buying their very first home. To date, the program has delivered over \$1.9 million to help almost 900 Manitoba families purchase their first home.

- * Madam Speaker, I am proud to say that Manitoba's balance on interprovincial migration improved in each of the seven years since 1989, after deteriorating in each of the previous seven years. This is the longest sustained improvement in over three decades. In 1996, Manitoba had a net gain of population from six other provinces, including Ontario.

Out-migration has declined rapidly because the job and investment opportunities in Manitoba are steadily improving in relation to other provinces. Young people are finding jobs and staying right here in Manitoba.

- * Small- and medium-sized businesses are among the most important generators of jobs, especially for young people in Manitoba. Our government recognizes that reducing payroll taxes encourages job creation, particularly in the small business sector. Since taking office in 1988, our government raised the payroll tax exemption from \$100,000 to \$750,000. Today, more than 90 percent of employers no longer pay this tax.

Madam Speaker, to stimulate more job creation, I am pleased to announce that effective January 1, 1998, the payroll tax exemption will be increased by another \$250,000 to cover all employers with payrolls up to \$1 million. About 600 employers, or about one-quarter of those now paying the tax, will be fully exempted. Employers with payrolls of up to \$2 million will also have reduced payroll tax costs.

- * Madam Speaker, one of the most striking features in our economy is the high level of investment that has taken place in our manufacturing sector in recent years. While manufacturing investment in Canada increased 5 percent from 1991 to 1996, the increase in Manitoba was 94 percent.

Manufacturers are enjoying the Manitoba advantage everywhere in our province, Madam Speaker. Midwest Food Products, for example, completed a \$20 million expansion in Carberry last year. Vansco Electronics is undertaking an \$11 million expansion of its Winnipeg facility that is expected to create over 400 new manufacturing and engineering jobs.

During my consultations, I was frequently told that the Manitoba manufacturing investment tax credit first introduced in 1992 is a key factor in Manitoba's outstanding performance in this sector.

Therefore, Madam Speaker, I am pleased to announce that the credit will be extended for three years to June 30, 2000. Extending that credit for three years will give firms a more predictable environment as they plan expanding their production capacity and creating more jobs for Manitobans.

- * Manufacturing shipments surpassed the national average for the second consecutive year in 1996. In fact, last year's increase was almost three times the

national average. Manufacturing shipments have increased to over \$9 billion, a 47 percent gain since 1991.

- * 1996 was also an outstanding year for Manitoba farmers. Farm cash receipts in Manitoba grew over 13 percent, the largest increase in the country and the biggest increase in Manitoba since 1979. This was the fifth consecutive year in which farm cash receipts have achieved new record levels. Madam Speaker, our farmers have every reason to take pride in their achievements.

- * In 1996, Manitoba's total foreign exports rose 10 percent, more than twice the national increase. From 1990 to 1996, Manitoba exports to the U.S. more than doubled, far above the Canadian increase. A large part of that increase is due to value-added products, such as tractors, buses, computer parts, furniture, aircraft components and food products. Clearly, Manitoba companies and producers are competing successfully in the world's most competitive marketplace.

- * Madam Speaker, this widespread strength in our economy is generating many thousands of jobs. In the first two months of this year, there were 20,800 more jobs than there were a year ago. Most of those jobs are full time and all of them are in the private sector. Our province's 4 percent growth rate is five times greater than Canada's. Most gratifying of all, the unemployment rate fell to 6.7 percent in February, three percentage points below the national rate. Our youth unemployment rate is almost five percentage points below the national rate.

Madam Speaker, Manitoba is working.

Let me be clear that our government is not claiming credit for our impressive economic performance. Manitobans as a whole deserve the credit, because whether we are entrepreneurs, employees, managers, educators, caregivers or public servants, the performance of the economy represents the sum of all our efforts. As a government, our objective is to nourish a climate of confidence that encourages people to buy a new home, to hire more people, or to start a new business.

More evidence of the increasing confidence that Manitobans have in themselves, in their economy and in their future, comes from a national membership survey conducted last fall by the Canadian Federation of Independent Business. The survey showed that Manitoba led the nation in the proportion of business owners who expect the performance of their firm will be stronger in 1997.

By managing our public finances responsibly, our government is achieving two very important objectives:

- * first, to provide quality health, education and services to families by placing these services on a financially sound and sustainable footing; and
- * second, to enable our economy to achieve its full potential and create quality jobs for all Manitobans.

These objectives are mutually reinforcing. If the economy is growing at a strong and sustainable pace, a stable and competitive tax structure will provide the resources needed for high-quality services. If government provides high-quality health care, education and other vital services, the economy will benefit.

* (1120)

Health: Meeting our Needs Now and in the Future

Madam Speaker, there is no service that Manitobans value more than health care. Manitobans have access to one of the finest health care systems anywhere. Along with other Canadians, we have one of the lowest infant mortality rates in the world and among the longest life expectancies at birth. The Estimates I am tabling today show our government is firmly committed to ensuring that Manitobans have access to high-quality health care now and in the future.

In my prebudget consultations, it was apparent that many Manitobans have considered the challenges facing our health care system. They know that changing demographics and many other factors place new demands on the system. They are aware that the federal government has withdrawn funding for health care and that provinces are ever more "on their own" in this area.

Madam Speaker, there is absolutely no doubt that we will sustain our high-quality health care system. For the past nine years, our government has worked hard and creatively to secure health care services, and we are succeeding.

Madam Speaker, we have a plan with a clear focus: quality health care for all Manitobans. We are committed to implementing this strategy so that the highest standards of health care are secured for the future.

- * We are shifting many elements of care from a high-cost institutional setting to more appropriate home care services. This budget provides \$103 million for the Home Care Program in 1997-98, about two and one-half times the resources provided for this program back in 1987-88. Madam Speaker, our unrivalled home care services allow Manitobans to receive appropriate care and stay in their homes.
- * We are consolidating a number of laboratories in order to reduce duplication of tests and equipment, standardize training and procedures, and reinvest those savings to direct patient care.
- * To co-ordinate decision making across Manitoba, we have established 10 regional health authorities and the Brandon Regional Health Authority. In Winnipeg, we are establishing the Winnipeg Hospital Authority, and the Winnipeg Community and Long-Term Care Authority.
- * The process of shifting from high-cost to community-based services is well under way in Manitoba. Nurse-managed care at the Youville Clinic, the Wellness Institute at the Seven Oaks Hospital, and many progressive, community-based mental health services across Manitoba are just a few examples.
- * To be certain that all our reforms are effective and will result in measurable improvements, we are using the Manitoba Centre for Health Policy and Evaluation to monitor the results of each component of the strategy as it is implemented.

Madam Speaker, I am particularly pleased that our government has committed \$1.3 million over three years for the new Aboriginal Health and Wellness

Centre to be opened later this year. Partnerships are being developed with the aboriginal community and the federal and city governments to ensure more effective use of available resources for aboriginal health issues.

Last month, Madam Speaker, we announced that we are using \$150 million of the proceeds from the sale of the Manitoba Telephone System to reduce the debt owed by hospitals and personal care homes. This frees up funds that will be used to improve facilities and deliver better services to Manitobans.

Madam Speaker, the Regional Health Authorities and the Winnipeg Health Authorities will be asked to assess the needs in their communities for acute and long-term care facilities over the foreseeable future. Their recommendations will be prioritized and considered by our government. In the meantime, I am pleased to announce that Manitoba Health will be working with the proponents of the following projects:

- * Health Sciences Centre redevelopment,
- * Brandon Hospital redevelopment,
- * Boundary Trails Regional Health Centre, and
- * Personal care home replacement or expansions for Lions Manor, Betel Home and Sharon Home.

Madam Speaker, my colleague the Minister of Health (Mr. Praznik) will announce a consultation process for these and other projects, along with the details of a community contribution policy.

Madam Speaker, our government has consistently given health care our highest and most urgent priority. In total, the budget for Manitoba Health will be \$1.826 billion for 1997-98. This is 37 percent or \$500 million more than budgeted back in 1987-88.

Thirty-four cents of every dollar in this budget, a higher share than in any other province, is dedicated to meeting Manitobans' health care needs.

Madam Speaker, we will continue to innovate and find the very best ways of delivering health services. By balancing our budget and keeping our economy

competitive, we will have the funds needed to secure Manitoba's health care system now and for the future.

Preparing our Children for a Successful Future

Madam Speaker, our government is committed to a strong and modern education system to prepare the children of Manitoba for the challenges of a rapidly changing world. The knowledge our children and youth possess, and the creative ways in which they apply it, will determine whether Manitoba thrives or stagnates in the decades and century ahead. This is the reality that educators and educational institutions in our province must address.

Madam Speaker, Manitobans told us they wanted higher standards and testing; more parental involvement; greater community participation; increased emphasis on language arts, mathematics and science; better use of technology; and more accountability. In short, they want the system judged not by how much we spend, but by how much our children learn.

Our path to education renewal emphasizes reading, writing, computing, and high-level problem solving. This budget provides an additional \$4.5 million, bringing the total to \$22.3 million for education renewal initiatives in 1997-98.

Madam Speaker, we are setting world-class standards for what students should know and be able to do, and we are introducing province-wide testing. It is critical that students, teachers, parents, trustees, prospective employers and taxpayers all work together to ensure that schools are delivering value in education.

Madam Speaker, all Manitobans recognize how important computers, communication, and information processing are in today's job markets. One of our highest priorities is improving access to computers and advanced technology, and providing distance education where appropriate in classrooms across Manitoba.

Together with school divisions and the federal government, we have provided \$10.7 million through the infrastructure program to assist with distance education from kindergarten through the post-secondary education levels. Increasingly, Madam

Speaker, Manitoba students can stay in their communities and receive a quality education.

Madam Speaker, today I am pleased to announce that we will also provide \$1 million for a new program, Technology Learning Resources for Schools, that will put more computers in classrooms right across Manitoba.

Earlier this month, our government announced \$24 million for school construction. Three new schools will be built and dozens more will be upgraded or repaired, Madam Speaker. In addition to improving Manitoba's public school facilities, 400 jobs will be created as work on these projects proceeds.

In January, Madam Speaker, my colleague the Minister of Education and Training (Mrs. McIntosh) announced stable public school funding for 1997-98 and 1998-99. As federal transfers stabilize and as our economy continues to grow, we intend to make multiyear funding commitments for other organizations which request such arrangements.

Madam Speaker, this budget provides \$57 million for community colleges in 1997-98 and support to universities will total \$214.6 million. Between 1993-94 and 1997-98, total operating grants for our universities have increased 5 percent on a per student basis.

Madam Speaker, to help our universities and colleges co-ordinate programs, avoid duplication and plan for future challenges, we established a Council on Post-Secondary Education.

* (1130)

It has always been a priority of our government to make advanced education a more affordable option for Manitoba families. Madam Speaker, from 1997 on, Manitoba students or their families will pay less Manitoba personal income tax as a result of last month's federal changes to the income tax treatment of tuition fees and the education credit.

Furthermore, Madam Speaker, I am also pleased to announce that we will introduce legislation that ensures the Manitoba learning tax credit, first announced in our 1996 budget, reflects these changes.

For the 1997 tax year, the Manitoba learning tax credit will provide \$17.3 million, or \$5.3 million more than budgeted last year. This is the first and only refundable tax credit in Canada that provides direct support to students and to their families.

Madam Speaker, while tuition fees in Manitoba community colleges and universities are among the lowest in Canada, we are determined that successful students are able to pursue a post-secondary education in Manitoba.

Accordingly, Madam Speaker, the 1997 budget provides for a new \$1 million initiative to encourage our universities and community colleges, along with their supporters in the community, to establish scholarships and bursaries for our accomplished students. Under this initiative, our government will add \$1 to every \$2 raised by universities and colleges.

Madam Speaker, our government recognizes that by 2005, it is estimated that 25 percent of new entrants into Manitoba's labour force will be aboriginal. Preparing all our young people for jobs is an urgent priority for our government.

Accordingly, Madam Speaker, I am pleased to report that our government is working with the Government of Canada to launch a new \$1.4 million initiative, Partners For Careers. The program will help place aboriginal high school, college and university graduates into positions in the private and public sectors. These graduates will provide more role models and lead to sustained improvement in long-term employment opportunities for aboriginal youth.

Our total commitment to education in 1997-98 is \$1.03 billion, almost \$12 million more than allocated last year. I might note that this is \$280 million or almost 38 percent more than the amount allocated in the 1987 budget.

Madam Speaker, the purpose of education is to prepare our children for the challenges and opportunities that emerge as we approach the next century. Together with our community partners, we will accomplish this goal.

Investing in People

Madam Speaker, our government believes that Manitobans want to be self-reliant, to earn an income and make a contribution to their community. I am very pleased that our government has again been able to increase funding to provide services and supports for adults with a mental disability and for families of children with a disability.

This budget provides for an increase of \$4.4 million or 7 percent for Adult Services to help support more adults with a mental disability to live as independently as possible in community residences or apartment settings. The 1997 budget also increases the resources available to provide respite to families and other primary caregivers. Over the last 10 budgets, this government has injected almost \$30 million more into the Adult Services system, which is an increase of more than 60 percent.

In 1996-97, we saw an increase in the need to provide support for families who have children with a disability and we met that need. I am pleased that for 1997-98, our government has increased funding for Children's Special Services by almost \$2 million, or close to 30 percent.

Madam Speaker, we are continuing our work to remove barriers between welfare and employment. We would like to see all Manitobans have good jobs and earn good incomes. We have worked diligently to help more people achieve self-reliance through Making Welfare Work initiatives such as:

- * the Community Services and Rural Jobs Projects;
- * the Manitoba Conservation Corps;
- * Opportunities for Employment;
- * Youth NOW; and
- * Taking Charge!

Madam Speaker, we are continuing our partnerships with community groups and industry to create opportunities and help social assistance recipients to move from social assistance into the workforce.

A good example of what can happen when training and placement programs are developed in partnership with industry, Madam Speaker, is the Transport Driver Training Program. Transportation, and trucking in particular, is one of Manitoba's most important and forward-looking sectors. Our trucking firms are growing and are encountering shortages of trained drivers.

Accordingly, our government will commit over \$500,000 to the Transport Driver Training Program in 1997-98. We expect about 225 participants will be trained to step into the unfilled jobs in this industry. About one-half will be social assistance recipients, and the vast majority of trainees will secure jobs with Manitoba trucking firms.

Madam Speaker, we are encouraged by the success of these programs in helping hundreds of people find jobs. This budget allocates \$8.9 million or \$1.5 million more than budgeted in 1996-97 to Making Welfare Work.

Manitobans also want to ensure all children are given a chance to lead normal and productive lives. This budget supports that priority by committing \$104.4 million to the agencies that are responsible for the care and maintenance of children at risk.

Our government wants all Manitoba children to have a healthy start in life. Manitoba social assistance benefit rates for households with children are among the highest in all of Canada. We have ensured that single parents retain the option of staying home to care for preschool age children.

We have been actively working with other government and private community representatives to enhance the nutrition of children. In 1997-98, we will be announcing initiatives totalling an estimated \$300,000 in this area.

Madam Speaker, this budget continues our support for daycare in Manitoba at \$40.5 million in 1997-98. Single parents who want to work to support their families need access to reliable, quality child care services. Together with child care organizations and providers, the Department of Family Services will develop recommendations for a more flexible and accessible child care system for Manitoba.

Madam Speaker, the best form of social security is a job. Our growing economy is generating sustained investment, and our businesses are creating the jobs people need in order to move into the workforce.

Enhancing Support for Children and Youth

Madam Speaker, all Manitobans shared in the effort to put our financial house in order, and all Manitobans should take pride in our success. As we begin to realize the economic benefits of nine years of sound management of our province's finances, we want all of our citizens, and especially the children and youth of Manitoba, to share in the rewards as they are realized.

By beginning to repay the accumulated debt, we are giving the leaders of tomorrow the opportunity to shape the destiny of Manitoba in the way that they choose.

Madam Speaker, we have introduced measures, such as the Manitoba tax reduction, that provides significant benefits to lower-income Manitobans supporting children. This reduction, which provides up to \$250 of tax relief per child, is one of the few tax benefits in all of Canada that is related to children. We are leaving more money with parents, who know their children's needs the best. The Manitoba tax reduction delivers about \$30 million each year in the most immediate form available—on employees' pay cheques.

Madam Speaker, our government welcomes the National Child Benefit announced in last month's federal budget targeted for implementation next year. The National Child Benefit follows on the initiative of provincial Premiers to work toward a national approach to assistance for children in low-income families. Manitoba, along with other provinces, will redirect any savings in provincial social assistance toward services and benefits for children.

Our government will also consider other measures to ease the ability of parents to enter or re-enter the workforce. We will work with other provinces, territories and the federal government to finalize this initiative this summer. My colleague the Minister of Family Services (Mrs. Mitchelson) is leading Manitoba's contribution to this important initiative to improve the lives of children and their families everywhere in Canada.

Madam Speaker, the nutrition of students in Manitoba schools is one of the many factors being addressed in partnership with social services agencies and schools. Our government recognizes that proper nutrition is vital to learning. With our government's Students at Risk funding, some urban, rural and northern schools are currently providing nutrition programs.

Our government created the Children and Youth Secretariat to help co-ordinate provincial measures and initiatives for the benefit of children. Today, Madam Speaker, I am pleased to announce the creation of a new \$500,000 fund—ChildrenFirst—which will be used to develop new approaches to improve the lives of children and their families within their communities.

* (1140)

Madam Speaker, while youth unemployment remains a significant concern to our government, Manitoba's youth unemployment rate was second lowest in Canada in January and February, and almost five percentage points below the national average.

Madam Speaker, our economy is producing jobs at well above the national rate. There are growing shortages of skilled employees in many sectors of our economy. The challenge is to help our young people turn these opportunities into paying jobs.

The government will continue with its commitment to student and youth employment programs. In 1997-98, it is expected that close to 15,000 students and youth throughout the province will be assisted by our many successful programs. We are developing partnerships with federal departments and with the private sector to ensure that provincial dollars are used effectively to maximize the job opportunities for Manitoba youth.

Making our Communities Safe

Madam Speaker, I am pleased that Manitoba is recognized across Canada as a leader when it comes to improving our justice system and enforcing tougher penalties on criminals. Manitobans have told us that this is one of their high priorities. We want to feel safe on our streets, in our communities and in our homes.

In 1995, we announced that we would provide \$2 million a year for seven years, for a total of \$14 million, for community policing in Winnipeg. This is enough to pay for 40 officers a year to police the streets of Winnipeg. Madam Speaker, our government is encouraged by the public support expressed for this initiative. The 1997 budget funds the program's third year of operation.

I would also like to confirm that funding for two urban sports camps initiatives will be extended. The Central Park Youth Recreation Centre Project, and the Youth Drop In Centre and Athletic Club offer inner-city youth athletic, recreational and cultural activities as alternatives to gang-related activities. These worthwhile projects are funded by the Urban Safety Program under the Winnipeg Development Agreement.

That program, Madam Speaker, also helps fund two educational programs offered by the Winnipeg Police Service: the Alive program which will be delivered in Winnipeg schools to teach students about consequences of breaking the law, legal rights, and responsibilities; and the CounterAction program to help businesses determine ways of reducing the opportunity for crime.

Madam Speaker, this budget maintains funding for Victims Assistance. My colleague the Minister of Justice (Mr. Toews) will shortly provide details on other justice initiatives designed to prevent crime and improve the justice system in Manitoba. This budget provides \$1.5 million for these measures.

In our ongoing efforts to prevent crime in rural areas, this budget commits resources for an improved telecommunications system for the RCMP. Last year, our Premier (Mr. Filmon) and the mayor of Brandon announced a partnership arrangement for the phase-in of the new 911 emergency response communications services to most communities south of the 53rd parallel. I am pleased to report that rural 911 is up and running.

Sharing the Benefits of a Strong Economy

Madam Speaker, I am pleased to announce that provincial support to our local municipal governments will increase in 1997-98. This is in marked contrast to the federal government, which has achieved virtually all of its program expenditure cuts over the past few years

through reductions in transfer payments to the provinces. This budget provides \$48.8 million for the Department of Rural Development, up 1.9 percent; and \$72 million for the Department of Urban Affairs, up 1.8 percent.

Madam Speaker, another example of our strong provincial support for local governments was our recent announcement of payments under the Provincial-Municipal Tax-Sharing Act (PMTS).

Madam Speaker, I am also pleased to announce that our government is prepared to renew the Urban Capital Projects Allocation, a fund worth \$96 million over the next six years. This fund will provide resources for priority capital projects, street renewal, transit and other project improvements to facilities and infrastructure in the city of Winnipeg. My colleague the Minister of Urban Affairs (Mr. Reimer) will provide further details of this program.

Madam Speaker, we are also working together with communities threatened with flooding this spring to develop an effective response plan. The budget doubles the amount allocated to deal with emergencies of this nature to \$20 million from the \$10 million allocated last year.

Creating New Opportunities

In the last session of this Assembly, Madam Speaker, we introduced a wide range of measures to improve the investment climate in our province to enhance job creation and to generate new income and wealth.

Madam Speaker, the Workers Compensation Board has been put on a sound footing. Since 1988, average Workers Compensation rates have already fallen by over 9 percent and will fall by a further 5 percent each year until 1999.

Madam Speaker, over the last nine years, our government has made reducing the burden of excessive red tape and regulations a major priority. Later this session, we will be introducing simplified tax filing and remittance options for small businesses.

Our fiscal and structural reforms encourage firms to expand and locate in our province. Madam Speaker,

this budget also maintains funding available for economic development initiatives.

- * The Manitoba Industrial Opportunities Program, MIOP, provides loans conditional on firms meeting their job creation commitments. This program has been instrumental in helping Manitoba-based firms expand in our province and in bringing others to Manitoba.
- * Madam Speaker, the Pine Falls Paper Company provides an instructive example of how important such support can be. Pine Falls Paper embarked on an ambitious \$65 million capital upgrade project. The province assisted this endeavour with a commitment to provide a repayable loan of up to \$30 million. During the past year, the project was completed on budget and on time. The province was called on to advance only \$5 million of the \$30 million available. This year, Pine Falls Paper intends to fully repay the loan and will then commence its next round of significant capital expenditure.
- * With the support of a repayable loan from MIOP, Isobord Enterprises is constructing a \$142 million plant in Elie to produce environmentally friendly composite board from straw. The project is creating 300 jobs during the construction phase, 100 permanent jobs at the plant, and 100 contract jobs for the straw collection operation each fall. Madam Speaker, there can and will be more such successes. This budget allocates \$11.9 million to MIOP initiatives in 1997-98.
- * The Rural Economic Development Initiative funded infrastructure that helped McCain Foods to expand its potato processing plant in Portage la Prairie, Rea Gold to redevelop a gold mine near Bissett, and CanAgra to build a canola crushing plant near Ste. Agathe. These three projects alone will create some 400 jobs.

Madam Speaker, I am also pleased to announce that we are extending Business Start for another two years. This program has been especially successful in providing funds for women and rural entrepreneurs to start businesses.

When our government set out its Framework for Economic Growth in 1993, we identified capital market development as one of the key strategic areas. As pointed out in the Framework, "capital is the engine of business and employment growth." By developing ways for Manitoba businesses to tap local sources of capital, we can help those businesses reach their full job-creating potential.

One such initiative was launched in 1991, when our government established Manitoba's first Labour-Sponsored Venture Capital Corporation, the Crocus Investment Fund.

Today, Madam Speaker, I am pleased to announce that legislation will be introduced in this session allowing for the formation of other provincial labour-sponsored venture capital corporations.

Madam Speaker, we are also working closely with Manitoba's investment community to expand the role of the Winnipeg Stock Exchange enhancing the ability of local firms to raise equity capital.

Our farmers have shown they are capable of meeting the challenges of global competition. However, like farmers everywhere, their success depends on the co-operation of nature. Assisting farmers to obtain adequate crop insurance protection has always been a priority of our government. Accordingly, we have introduced enhancements in the coverage provided by the Manitoba Crop Insurance Corporation.

* (1200)

The farm community has told us that research is key to achieving and maintaining a competitive edge in farming. By diversifying and investing in new technologies, Manitoba farmers are laying the basis for new industries and revitalized communities in rural Manitoba.

Accordingly, Madam Speaker, I am pleased to announce that we are committing \$3.4 million to support a new Agri-Food Research and Development Initiative.

Madam Speaker, mining is a billion-dollar industry in Manitoba. Directly and indirectly it provides thousands

of jobs in communities from Virden in the southwest to Lynn Lake in the North and Bissett in the east. In just the past year and a half, four mines have come into production and others will open this summer. These mines have created well-paying jobs and assured the continued viability of several Manitoba communities.

To further enhance the competitive position of our mining industry, I am pleased to announce that diesel fuel consumed in off-highway transport of ore from mine sites to processing facilities will be exempt from the motive fuel tax starting October 1, 1997.

During the last election, Madam Speaker, we made a \$1.5 billion commitment to capital spending over this term of our administration. Our basic infrastructure is critical to Manitoba's long-term prospects. Maintaining our highways, bridges and airports is a key element of our future as a major North American transportation hub.

Our government has a strong commitment to Manitoba's highway construction program. This budget commits an additional \$1.3 million of provincial funds to maintain and improve our roads, highways and bridges.

Beginning with the Premiers' Conference last August, Madam Speaker, Manitoba has pushed hard for a renewal of the Canada Infrastructure Works Program. Of the nearly 400 projects announced, close to 250 are now completed. Some 3,400 jobs were created and all areas of Manitoba are benefiting from better roads, better facilities and more opportunities for work and enjoyment. This program is an unqualified success.

The Infrastructure Program supported traditional infrastructure, such as the Sanford Water Treatment Plant, and such innovative projects as Foundations for Health Research Centre, the South Winnipeg Technical Centre and the Manitoba Museum expansions. The Infrastructure Program has helped improve both Manitoba's competitiveness and our long-term job creation prospects.

Madam Speaker, we have allocated \$22 million for the Infrastructure Program for 1997-98. Together with our federal, municipal, and other partners, \$66 million will be made available for projects across Manitoba.

Earlier this year, Madam Speaker, the Winnipeg International Airport was transferred from the federal government to the Winnipeg Airport Authority. Work is also proceeding on Winnipegport, a plan to make the Winnipeg International Airport the hub of a major international transportation network.

Our government is committed to the future of the Winnipeg International Airport. To assist the Airport Authority's efforts in attracting new passenger routes and creating new jobs, Madam Speaker, I am pleased to announce that the tax rate on aviation fuel will be reduced by 1 cent a litre, from 4.2 cents per litre to 3.2 cents per litre, effective October 1, 1997.

Madam Speaker, Manitobans can be proud of the way they support artistic and cultural endeavours in our province. According to Statistics Canada, support for Manitoba's performing arts companies was \$22 per capita, much higher than the national average.

So, Madam Speaker, it is not surprising that one of the most remarkable success stories of the last several years has been the spectacular growth of Manitoba's film and video industries. If the projections for 1997 hold, this industry will have grown fiftyfold just in the last 10 years. Our government has supported the industry through establishing the Manitoba Film and Sound Development Corporation. Manitoba artists and production companies are making their presence felt across the continent and beyond, creating local opportunities for Manitoba's abundant home-grown talent.

Madam Speaker, I am pleased to announce that our government will introduce the Manitoba Film and Video Production Tax Credit. The credit will encourage more Manitoba-based productions and create opportunities and jobs for the abundant talent Manitoba has in this industry. The credit will be in place for three years and will be 35 percent of all eligible payroll costs.

Government: Spending Smarter

Madam Speaker, almost a decade ago, we initiated intensive, ongoing reforms to transform the way our government serves the people of Manitoba. We started eliminating duplication and spending smarter. We

looked closely at all our activities and decided that some could be delivered more effectively by community agencies or by the private sector.

We moved 15 government operations into special operating agencies, where activities can be managed in a more businesslike fashion and provide better and more cost-effective services to the people of Manitoba. This year, the Land Titles Office will become a special operating agency.

Madam Speaker, I would like to take this opportunity to express our government's appreciation to those public servants who are contributing to Service First and its component initiatives, Better Methods and Better Systems. With our Service First initiatives, we are continuously improving service delivery, bringing services closer to people and using technology to enable better service more in tune with the expectations of all Manitobans.

Madam Speaker, Manitoba's cost of government is now the lowest in Canada. And yet we realize that more can and must be done to deliver cost-effective government. Manitoba Measures is another initiative designed to improve both planning and accountability by requiring departments to prepare business plans. These plans will include performance measures which will focus on outcomes rather than on the amount of money spent.

Collective Bargaining

Madam Speaker, our government has decisively and successfully turned the finances of our province around. The road to fiscal stability has not been easy, and we must continue living within our means.

Madam Speaker, when we look for better ways to serve Manitoba citizens, we cannot overlook the fact that employee salaries are the largest single component of our expenditures. We could not have achieved a balanced budget without addressing the issue of public sector compensation. We have tried to do this as fairly and compassionately as possible.

In order to do that, Madam Speaker, we instituted such innovative programs as the Reduced Work Week Program. Necessary restructuring was accompanied by

workforce adjustment programs that have kept the number of permanent layoffs to below 200. The result is that there are 2,500 fewer positions in the Manitoba government than in 1988. The Manitoba government is now smaller than at any time since the mid-1970s.

Madam Speaker, we have offered our employees the stability of a three-year contract, with added flexibility and other improvements consistent with living within our means. I would like, at this time, to recognize the support we have received from civil servants in our province's public sector.

1996-97 Surplus

Madam Speaker, our strong provincial economy provided higher than budgeted own-source revenue in 1996-97. Spending for health care, family services, tax credit payments and emergency measures were also higher than budgeted. I am pleased to report that, as in 1995-96, a balanced budget will be achieved in the fiscal year ending March 31, 1997. As outlined in the Third Quarter Financial Report, the projected surplus for 1996-97 is \$56 million.

Madam Speaker, 1996-97 marks the first time in a quarter century that Manitoba has recorded back-to-back surpluses. In addition to the 1996-97 surplus, the net proceeds from the divestiture of the Manitoba Telephone System generated extraordinary net revenue of \$410 million. We have allocated \$150 million from the MTS sale proceeds to hospitals and personal care homes for debt repayment. The remainder of the extraordinary revenue and projected surplus of \$56 million will be transferred to the Fiscal Stabilization Fund at the end of this fiscal year.

Manitobans can take pride in their savings account. It provides assurance that health, education and social services will be sustained in the years ahead, even if we are confronted by circumstances we cannot foresee now.

1997-98 Budget Plan

Madam Speaker, our 1997 budget decisions were based on the same fundamentals that our government has followed since 1988:

- * to control spending and live within our means;
- * to protect vital services;
- * to achieve a balanced budget; and
- * to hold the line on tax rates.

Madam Speaker, it gives me great pleasure to announce our third consecutive balanced budget. The 1997 budget projects a surplus of \$27 million for 1997-98.

Taxation revenue will increase by \$132 million or 4.3 percent above last year's budget. This reflects our strong and vibrant economy. It is important to note, Madam Speaker, this revenue growth is achieved without any tax rate increases and provides over \$30 million annually in strategic tax reductions.

However, the revenue picture is not complete, Madam Speaker, until the effect of falling federal transfer payments is factored in.

The Canada Health and Social Transfer, the CHST, is forecast at \$499 million or \$100 million less than budgeted in 1996-97, and \$268 million less than the actual federal cash support provided for health, higher education and social assistance in 1995-96.

1997-98 federal transfer revenue also reflects declining equalization revenue. As the Manitoba economy outperforms the Canadian economy, our equalization entitlements also decline. Entitlements are expected to be their lowest since 1993-94.

Madam Speaker, we are using the Fiscal Stabilization Fund as a bridge to support health and education services until growth in our own-source revenue offsets the federal cuts. A transfer of \$100 million from the fund will be made for this purpose.

Madam Speaker, our government would have had a much easier task if we did not have to deal with the significant federal reductions. Not only have we balanced our budget, but along with other provinces, we are also eliminating the federal deficit.

Madam Speaker, our 10th budget is an historic step for our government and the people of Manitoba. I say historic, because in 1997-98 we will make our first

payment toward the total elimination of Manitoba's general purpose debt. The Balanced Budget, Debt Repayment and Taxpayer Protection Act requires a first debt repayment instalment of \$75 million to be made in 1997-98. This budget provides for that payment.

All Manitobans can take pride in this good-news story. To begin lifting the burden of debt from our own and our children's shoulders demonstrates how far Manitoba has come in setting its fiscal situation straight.

Madam Speaker, Manitobans can be assured that by staying on this course we will free up resources we need for the future to protect our most valued services, to lower taxes, or pay down our debt even faster.

Madam Speaker, I am also happy to report that public debt costs are also under control and are beginning to decline. In 1997-98, public debt costs are budgeted at \$520 million, \$55 million less than last year, and \$72 million less than the cost of servicing our debt in 1995-96. Lower debt and lower interest rates both contribute to lower debt costs. Lower interest rates are a direct result of governments across Canada exercising greater financial responsibility.

Madam Speaker, Manitobans can take pride that we were one of the very first governments in Canada to take this course and stick to it. As a direct result, Manitoba enjoys a better borrowing rate than any province except Alberta.

Madam Speaker, our current program expenditure is budgeted at \$4,473 million in 1997-98, about 1 percent more than budgeted last year. Capital expenditure is budgeted at \$317 million for 1997-98.

The effect of our revenue and expenditure decisions result in a budgeted surplus of \$27 million in 1997-98. This surplus will be deposited in the Fiscal Stabilization Fund. We expect there will be about \$470 million available in the fund at the end of 1997-98. Again, Madam Speaker, the fund is Manitoba's savings account. It provides security and stability. It assures Manitobans of consistent, high-quality services in the future.

The Medium-Term Fiscal Plan

Madam Speaker, this budget puts forward a plan for continued financial and economic progress. It supports strong job growth into the 21st Century.

The pillars of our plan for the future are:

- * competitive taxes, including a permanent freeze of major tax rates;
- * high-quality health, education and family support services;
- * balanced budgets; and
- * continued debt repayment.

Economic forecasters are nearly unanimous in predicting that 1997 will be another year of strong economic and job growth. This provides Manitoba a golden opportunity to strengthen our public finances.

Madam Speaker, our medium-term fiscal plan is based on conservative and realistic independent economic forecasts. Our plan also recognizes that by the turn of the century, federal support to health, education and social services is scheduled to decline by a further \$58 million annually. By that time, the reductions to the Canada Health and Social Transfer will have cost Manitobans over \$1.1 billion.

Our plan continues to provide for debt repayment as required by The Balanced Budget, Debt Repayment and Taxpayer Protection Act. Our plan extends to six years the string of consecutive budgetary surpluses which began in 1995-96. For the first time since the 1950s, Madam Speaker, we are launching a sustained attack on our province's debt.

Madam Speaker, I am pleased that we can provide for modest spending increases in the future. With innovative and careful management of Manitoba taxpayers' money, we will have more funds available to protect and enhance vital services delivered to Manitobans.

Conclusion

Madam Speaker, budgets by their very nature are about the future. This budget, because of the historic

signal it sends to our young people, speaks volumes about the promise for Manitoba's future, a future where our economy will continue to create jobs so our young people can look forward to even greater prosperity.

We know today Manitoba is stronger, more vibrant and holds greater promise for our young people than ever before. Manitoba's strong economy, spurred by balanced budgets and a stable tax structure, gives Manitobans the chance to live, work and prosper right here at home.

* (1210)

We are seeing record investment, record exports and record job creation. By keeping our budget balanced and paying down the debt, we will have more funds to meet the needs of Manitobans. We will be free to choose among further tax reductions, enhancing services or paying down our debt even faster.

Madam Speaker, only a vibrant and competitive economy can generate the jobs and the resources we need to deliver the quality health care, education and services to children and families now and in the decades to come.

Madam Speaker, Manitobans are proud and confident. It is this pride and confidence which will greet visitors when Manitoba hosts the 1997 Canada Summer Games in Brandon, and the 1999 Pan Am Games. We already know through our spirit, our innovation and our drive, Manitoba is a world-class location, and we welcome the opportunity to showcase Manitoba to the world.

Our visitors, Madam Speaker, will see a transformed, dynamic and modern economy. Visitors and athletes from all of Canada and from across the hemisphere will see thousands of our volunteers working together. They will enjoy Manitoba hospitality; they will learn of our heritage, self reliance and dedication to hard work.

These are the principles which have resulted in the economic success we see today and of which all Manitobans can take pride. It is only through their hard work and dedication we are seeing a vibrant and competitive economy which allows us to continue to provide high-quality services and ensure that all

Manitobans share in the benefits of our province's success.

As Premier Filmon has repeatedly stressed, we do not desire growth for its own sake, but rather to improve the quality of life for Manitobans. Madam Speaker, this is our pledge to all the people of Manitoba.

Thank you very much.

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

Motion agreed to.

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

Motion agreed to.

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

Motion agreed to.

Messages

Hon. Eric Stefanson (Minister of Finance): Madam Speaker, I have two messages from His Honour the Lieutenant Governor.

Madam Speaker: The Administrator transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the province for capital

expenditures and recommends these Estimates to the Legislative Assembly.

The Administrator transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the province for the fiscal year ending the 31st day of March 1998 and recommends these Estimates to the Legislative Assembly.

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

Motion agreed to.

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, I would like to announce that Tuesday next at ten o'clock in the forenoon the Standing Committee on Public Utilities and Natural Resources will meet in Room 255 to consider the Annual Reports of Manitoba Hydro.

Madam Speaker, I move, seconded by the honourable Minister of Justice (Mr. Toews), that this House do now adjourn.

Madam Speaker: To reinforce the announcement by the government House leader, the Standing Committee on Public Utilities and Natural Resources will meet next Tuesday at 10 a.m. in Room 255 to consider Manitoba Hydro.

It has been moved by the honourable government House leader that this House do now adjourn.

This House is adjourned and stands adjourned until 1:30 p.m. Monday next.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 14, 1997

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