

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 18 February, 1988.

Time — 1:30 p.m.

## OPENING PRAYER by Madam Speaker.

**MADAM SPEAKER, Hon. M. Phillips:** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . .

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. R. PENNER:** Madam Speaker, I do have a ministerial statement, but it will be a few minutes late. I would ask leave of the House to be able to introduce that ministerial statement, either at the end of routine proceedings or at the end of question period.

**MADAM SPEAKER:** Does the Honourable Minister have leave? (Agreed)  
Notices of Motion . . . Introduction of Bills . . .

## INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before moving to Oral Questions, may I direct the attention of honourable members to the loge to my right, where we have the former Member for the constituency of St. Boniface, Mr. Larry Desjardins, with us.

On behalf of all the members, we welcome you to the Legislature this afternoon.

## ORAL QUESTIONS

### MTS - proposed rate increase

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker. My question is to the Minister responsible for the Manitoba Telephone System.

I wonder if he could indicate: Will the Manitoba Telephone System be applying to the Public Utilities Board for another rate increase this year?

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. G. DOER:** Madam Speaker, I'm pleased to say that, for the year ending 1987, the Telephone System does have a surplus. We haven't completed the financial and audited statements yet for purposes of tabling in this House.

We are now working, Madam Speaker, on a number of proposals that we received from 21 meetings around Manitoba, the Minister of Municipal Affairs and myself, some 21 meetings where we heard from Manitobans about the need for single-party lines, the need for larger

calling areas, and for the need of the commutershed. We are looking at a long-term plan, Madam Speaker, and as part of that long-term plan will be the costing of that long-term plan, and we haven't yet made those final decisions.

**MR. G. FILMON:** Madam Speaker, the Minister indicated, I think he is indicating that, in the last fiscal year just recently completed, the Telephone System made a profit or a surplus, as he calls it.

On the other hand, in the preceding two years, the Telephone System lost some \$48 million: \$28 million on the MTX fiasco; \$19 million on foreign exchange losses, and its reserves are depleted. Is the Minister indicating that he doesn't know whether or not the Telephone System is increasing its rates, or is he instead suggesting that he wants to find a justification for increasing the rate?

**HON. G. DOER:** Madam Speaker, we publicly displayed numbers that would show how much it would cost to provide single-party lines for the 50,000 Manitobans who do not have them in Manitoba, how much it would cost to decrease the number of calling areas in Manitoba, and how much it would cost to accelerate digitalization or modernization of the Telephone System, some \$0.5 billion in this province so we can improve services.

Madam Speaker, the member opposite talks about the losses in Manitoba. He doesn't mention that, in the Telephone System, we have also put aside \$65 million to deal with the change in pensions. So if one is to look at apples and apples, the financial situation is equal, if not better, to when the member opposite was in government.

Madam Speaker, I want to be perfectly honest - and I believe the Leader of the Opposition should be honest on this issue - you cannot spend \$102 million on eliminating multi-party lines; you cannot spend \$0.5 billion on modernizing the phone system without rate implications. Madam Speaker, we shouldn't try to play it both ways. We shouldn't try to demand the improved services in one day in the communities of Manitoba and try to come back here, Madam Speaker, and state it has no implications for rate increases. That's very dishonest, Madam Speaker, and I reject it totally.

**MR. G. FILMON:** Well, Madam Speaker, firstly I am shocked that the Minister doesn't know whether or not his corporation is going to be applying for a rate increase this year. Secondly, I am shocked that he should suggest to the public, who know full well about the \$28 million . . .

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. G. FILMON:** . . . lost in MTX and the \$19 million lost in foreign exchange, that had nothing to do with their financial situation.

But my question to the Minister is: Has the strategy which he is employing of talking about the reasons for the rate increases and the improvement in the system got anything to do with the polling that was done on behalf of Manitoba's Crown corporations, in which the following questions were asked: "Would it be fair to increase telephone and hydro rates and boost Autopac fees 20 percent"; and secondly, "Should Crown corporations be allowed to increase charges to create a surplus to cover costs and to allow modernization?" Is that the basis of the strategy that he is employing for increasing the rates? Is this just all a smoke screen to cover up for the losses in Saudi Arabia?

**HON. G. DOER:** Madam Speaker, if the member opposite can read the retained earnings account of the Manitoba Telephone System, the net surplus in the phone system, that is where the previous losses were taken. Madam Speaker, if the member opposite can read a financial statement, they will also show a decrease in the unfunded liability of some \$62 million on the pension side of the Manitoba Telephone System.

Madam Speaker, the member opposite has not yet made a whimper about the \$22 million tax grab for Michael Wilson, hasn't even raised his voice. We have said publicly, Madam Speaker — (Interjection) — Madam Speaker, we have stated publicly that we would get rid of our \$1.7 million tomorrow if Michael Wilson will take away that \$22 million a year grab from Manitobans for long distance calling, particularly in rural Manitoba. Where is the Leader of the Opposition on that point?

Madam Speaker, we have admitted that MTX was wrong. I have never yet heard that Project Ida was wrong, Project FAST was wrong. Last year at committee, I asked the Leader of the Opposition, where is he at in terms of deregulation that will cause consumers 40 percent increases? Where is he at with deregulation or competition in the communications area? He didn't have an answer, Madam Speaker. Maybe we could hear his answer today.

**MR. G. FILMON:** Madam Speaker, this government is the last government to be able to complain about tax increases to Manitobans. The largest tax increase in the history of our province was perpetrated upon Manitobans last year, and Autopac increases of 44 percent to 109 percent.

**MADAM SPEAKER:** Order please, order please. Order please.

May I remind Honourable members that question period is not a time for debate.

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

**MADAM SPEAKER:** Order please, order please.

Long questions provoke long answers. Order please. The question should consist of one brief preamble, and answers to questions should be brief and not provoke debate. Now if we can follow those two basic rules on both sides, then we could have question period instead of debate.

The Honourable Leader of the Opposition, with a question.

**MR. G. FILMON:** Madam Speaker, if the Minister will refrain from the bafflebag, will he tell us whether or not his corporation that he's responsible for, the Telephone System, is intending to apply to the PUB for a rate increase this year? Cut out the bafflebag.

**HON. G. DOER:** Madam Speaker, again the member opposite does not have a position on deregulation which will cost all consumers 40 percent. He doesn't have a position.

Madam Speaker, the revenue requirements as projected for the next five years of the Manitoba Telephone System are in and around the rate of inflation over the next five years. Madam Speaker, the revenue requirements are offset by decreases in long-distance revenue, by potential increases in the local consumer rate. Those are fairly straightforward models: inflation, decrease in long-distance revenue and maintaining the existing telephone system.

Madam Speaker, if we were to go and modernize the system and provide individual lines, which members opposite have been demanding - or maybe you have two different positions, one in rural Manitoba and one in urban Winnipeg. If we were to do the modernization, Madam Speaker, and if we were to do those kinds of things, it will cost hundreds of millions of dollars, and I've said that publicly.

Secondly, Madam Speaker, the member opposite talks about a poll. We made public a poll to all Manitobans with respect to the Manitoba Telephone System. It's public, and I . . .

**MADAM SPEAKER:** Order please, order please. Order please.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, clearly the Minister refuses to answer the question. However, he has given us some other answers.

Let me ask him then: Is he committing to the people of Manitoba that the rate increase to be applied for by the Manitoba Telephone System this year will not be above the level of inflation?

**HON. G. DOER:** Madam Speaker, we could very easily have a rate proposal in and around the inflation level if we did not want to accelerate and eliminate 50,000 single-party lines. It's very simple. Madam Speaker, if we eliminate single-party lines, it will cost \$0.5 billion to modernize the system. We've made it public. It will cost \$102 million for the construction and the implementation of single-party lines. If we are to move on expanded areas - and these figures are public - the expanded areas will cost, if we were to go for example from 160 areas in this province down to 30 areas in this province, the revenue lost would be \$15 million a year.

Madam Speaker, the other thing to keep in mind is that the long distance out-of-province rates are at zero and went down last year. So when we talk about revenue, the revenue requirements are in place.

**MADAM SPEAKER:** Order, order please. I've asked the Minister three times to keep his answers short.

## Autopac - rates - taxis and trucks

**MADAM SPEAKER:** The Honourable Member for Ste. Rose.

**MR. G. CUMMINGS:** Thank you, Madam Speaker.

My question is to the Minister responsible for MPIC, affectionately known in the province now as, "Back-Door Billie."

**MADAM SPEAKER:** Order please. May I remind the honourable member that we only refer in the House to members by their proper names.

**MR. G. CUMMINGS:** Madam Speaker, I would like to give the Minister an opportunity to clarify the actions of his office in using blackmail tactics to silence the protest of the cabbies of this province.

**MADAM SPEAKER:** The Honourable Minister of Municipal Affairs.

**HON. B. URUSKI:** Madam Speaker, I wish the honourable member would check his information instead of making his stories from the Free Press.

I would ask and I would say very clearly, Madam Speaker, that my office - neither myself nor any of my staff - in fact the staff person that was accused has been in the Civil Service for some 17 years. I feel very strongly that the member opposite should apologize to my secretary for making that kind of an allegation. Neither ever was there ever any kind of a suggestion that anyone come and meet clandestinely.

Madam Speaker, we have met with seniors, we have met with the truckers. We are going to meet with the taxicab owners; we are meeting with all Manitobans, and we will continue to meet and speak about this issue, notwithstanding what honourable members may want to say that they want to privatize this corporation. We want to communicate with Manitobans in the broadest sense. I'm pleased now, Madam Speaker, that the critic has now agreed to debate this issue publicly with me. At least we will get the issues on the table, Madam Speaker. But I ask the honourable member to apologize to my secretary for that kind of innuendo.

**MR. G. CUMMINGS:** My question to the Minister then is: Is he considering making retroactive changes to the Autopac rates for cab drivers in this province and for cabs themselves?

**HON. B. URUSKI:** Madam Speaker, the honourable member should be aware that the changes and the increases that we've put in for cab drivers in Manitoba which move their rates in Brandon to approximately from \$714 to \$840 and in Winnipeg from \$2,000 to \$2,700.00.

The increase was half of what in fact the loss ratio calls for. In fact, Madam Speaker, the loss ratio for taxicabs is, basically, we're paying out \$2 for every \$1 that we take in.

Madam Speaker, the honourable member should be aware that in any rate comparison anywhere in the country that rates for taxicabs go anywhere from \$3,000 to \$4,000 to \$5,000 for a city comparable to the size

of Winnipeg. The honourable member should know that. There will be a meeting with cab drivers, Madam Speaker, and I intend to meet with them, but I ask the honourable member to withdraw the insinuation that he's made about my secretary.

**MR. G. CUMMINGS:** Madam Speaker, the comments of the member opposite should have been withdrawn yesterday.

My question to the same Minister will be, the rate increase that is presently being imposed on interprovincial truckers registered in this province, does he have any idea how many trucks that is driving out of this province, with their 1988 registration?

**HON. B. URUSKI:** Madam Speaker, I said that we have, and will continue to be meeting with the truckers of Manitoba, both the in-provincial and extra-provincial trucking industry, and we expect to have ongoing meetings to look at the rate structure and make sure that the policies that we have within the corporation do in fact maintain the trucking industry in a competitive basis in Manitoba, Madam Speaker.

We are meeting not only with the truckers, we are meeting with seniors, with all kind of groups, and we intend to continue meeting and speaking about this issue, Madam Speaker.

I ask the honourable member again to either make that apology in this House or go outside this Chamber and make the accusation that he just made in this Chamber, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Ste. Rose, with a final supplementary.

**MR. G. CUMMINGS:** Thank you, Madam Speaker. As I said before, the Minister did not withdraw his comments yesterday.

Madam Speaker, the question I would like him to answer, is he considering a retroactive reduction of insurance rates to the interprovincial truckers? In other words, is he considering the reinstatement of fleet discounts?

**HON. B. URUSKI:** Madam Speaker, I have nothing to withdraw about my statement yesterday. I want the honourable member to know that his own leader in this House said, and I quote from yesterday's Hansard, "I said we would introduce competition into auto insurance." Madam Speaker, what is the hidden agenda? Either the Leader of the Opposition is very stupid on this issue, or he is very smart in terms of how he intends to lead the public down the path to get rid of that corporation, Madam Speaker. That's the hidden agenda.

And we will continue to meet with Manitobans to improve the system, to improve insurance, whether it's with the truckers or any segment of the industry to make sure that the automobile insurance system in this province is the best in the country, Madam Speaker. That's our task.

## Psychiatry - future status

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Minister of Health.

I believe that many Manitobans, certainly those with knowledge in the health care field, were delighted with the announcement yesterday of the reinstatement of the residency in cardiology, thereby guaranteeing cardiologists for the province for some years to come.

Can the Minister tell the House what plans he has to ensure that senior psychiatrists are brought into our hospitals, into our teaching hospitals primarily, in order that we do not lose, through accreditation problems, the residency in psychiatry?

**MADAM SPEAKER:** The Honourable Minister of Health.

**HON. W. PARASIUK:** Yes, Madam Speaker, I thank the member for that question. We indeed recognize that there is a problem with respect to a shortage of psychiatrists right across Canada. We have a fee structure that is set by the MMA in terms of how much specialists are paid for, and we want to work on that aspect. We recognize that it's important to beef up the program at the University of Manitoba, and we also recognize that it's important to ensure that we have more psychiatrists providing service in the hospitals.

We have a new Chief Psychiatrist, who has been apprised of those issues and has brought some of them to my attention himself, and we want to work with the various providers of health care to ensure that we improve the situation. We won't be able to do it quickly. I believe it will require work over a six-month to one-year period to put it in place. Hopefully, that would happen sooner rather than later, but we recognize that there is a big task ahead of us in this respect.

## Psychiatry - McEwen Centre emergency plans

**MRS. S. CARSTAIRS:** Madam Speaker, with a supplementary question to the same Minister, the McEwen Centre of Psychiatry at St. Boniface has announced that it will be closed for three months this summer to undergo repair. What emergency plans does the Minister have to find 55 replacement beds in acute hospitals for psychiatry in that, unlike elective surgery, psychiatry cannot be postponed?

**HON. W. PARASIUK:** Madam Speaker, there is a committee consisting of the Chief Psychiatrist and the head of the psychiatric units of the various institutions who are working together, recognizing that this modification to the McEwen Centre will be taking place. They are working on contingency plans. They will probably be using some other beds in hospitals. I don't have those plans at my fingertips, but I can bring that information back to the House.

**MRS. S. CARSTAIRS:** With a final question to the same Minister, when the McEwen Centre reopens, it is forecast

that it will actually open with fewer than the 55 beds it presently has. What expanded services in our acute bed hospitals will be made available this year in psychiatry?

**HON. W. PARASIUK:** When the McEwen Centre opens, it will be open with beds that are actually in a better milieu in terms of air ventilation and in terms of the quality of the patients who will be in those beds. There will have to be work done to ensure that the number of beds available for psychiatric care is increased in other facilities, and that is one of the challenges that this group is working on. Again, I will bring back that specific information to the member.

## Research re Roundup replacement

**MADAM SPEAKER:** The Honourable Member for Lac du Bonnet.

**MR. C. BAKER:** Thank you, Madam Speaker. My question is to the Minister of Agriculture.

Last year, some preliminary work was begun into the investigation of research into the generic drug known as Glyphosate, better known to Manitoba farmers as Roundup. I'm just wondering if the Minister could bring this House up to date on what is being done insofar as the replacement of that chemical, on which I believe the patent runs out in 1990.

**MADAM SPEAKER:** The Honourable Minister of Agriculture.

**HON. L. HARAPIAK:** Thank you, Madam Speaker.

I'm pleased to indicate to the House that the Government of Manitoba will be providing funding of \$35,000 through an agreement entered into by the Department of Agriculture and Industry, Trade and Technology to research the question of a generic Roundup, if you like, Glyphosate being the active ingredient in that particular chemical which is used extensively in the farming community. We feel that this is a very significant move and that it will result in significant cost savings.

There have been expressions on both sides of the House of concern for the cost of farm inputs. This could see a reduction of anywhere from 30 percent to 50 percent in the cost of that particular chemical for the farming community. So we are very pleased and we will continue on this project and others to reduce the cost of farm inputs for the farmers of Manitoba.

**MR. C. BAKER:** Madam Speaker, a supplementary, if I may?

Will there be work done to the testing of the replacement chemical? I understand it takes three years of testing before the chemical is allowed by the Canadian Agriculture Department.

**HON. L. HARAPIAK:** Madam Speaker, we have entered into a contract, as I said, with a firm, UMA Engineering, and they will be working on all aspects of that project. That will include all the technical requirements, the legal requirements, the patent requirements, and I'm sure the consideration of testing will be addressed by them as well.

## Hydro - Limestone shortfall

**MADAM SPEAKER:** The Honourable Member for Lakeside.

**MR. H. ENNS:** Thank you, Madam Speaker. I direct a question to the Minister responsible for Manitoba Hydro.

I ask this question, Madam Speaker, on behalf of the already shell-shocked Manitobans who have suffered one rate increase after another, whether or not the Vice-President of Finance, Mr. Bob Brennan, from Manitoba Hydro, was indeed preparing, softening up and conditioning Manitobans for what probably will be the greatest rate shock in their history, if that is believable, namely in Manitoba Hydro, when he indicated a few days ago that it will cost likely in the neighbourhood of \$40 million the first two years of the operation of Limestone. That shortfall will likely have to be picked up by Manitoba ratepayers. Can the Minister confirm that?

**MADAM SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. J. STORIE:** Thank you, Madam Speaker.

In reference to the member's question, I believe first of all it should be a matter of record that Manitoba Hydro had indicated on previous occasions that, whenever you're starting a project the size of Limestone when you're bringing on the new electrical capacity in a staged manner, the potential for losses in the initial year has always been there. That was referenced, Madam Speaker, in the committee some years back.

Madam Speaker, there is no — (Interjection) — Madam Speaker, the members don't want to confuse, I hope, the fact that over the term, the life expectancy of the hydro-generating station, it will not only contribute massively to the export profits that we anticipate from that generating station, but of course will also allow us to meet the demands in Manitoba. We're talking about and I believe the member's question, Madam Speaker, was only in reference to the first couple of years.

Of course, whether in fact there are any losses as we bring on new generating capacity will depend (a) on the water levels. It will depend on whether there are any firm contract sales for that particular power, whether in fact it is in excess of Manitoba's need, and indeed whether there are any interruptible power sales that can offset that potential. Madam Speaker, theoretically that is possible, but there is no certainty at this point. Besides, Madam Speaker, it was known that was a possibility.

**MR. H. ENNS:** Madam Speaker, I would recommend reading on the part of the present Minister statements put on record in this House and in committee by the chairman of Manitoba Hydro, Mr. Marc Eliesen, by the former Minister, the then Minister responsible for Manitoba Hydro, who told us exactly the opposite about that the reason for advancing the construction of Limestone by two years was to take advantage of the profits to be earned by short-term interruptible contracts. That is on the record . . .

**MADAM SPEAKER:** Does the honourable member have a question?

**MR. H. ENNS:** My second question to the Minister, Madam Speaker, is the same vice-president goes on to say that these losses could however be reduced or eliminated if Hydro signs enough short-term contracts with other utilities, either in Canada or the United States. That is acknowledged, because that is the only reason for the advancement, Madam Speaker. My question to the Minister is: Did the former Minister leave this Minister any contracts to be signed, short term or otherwise in Canada or the United States, to cover some of these losses?

In other words, can we sign any contracts to help offset these losses as predicted by Manitoba Hydro?

**HON. J. STORIE:** The short answer to that is, of course, it is possible to offset those potential losses. Madam Speaker, that assumes, first of all, that Manitobans aren't going to require some or all of that power.

I should point out to the member opposite right now that, in January of this year, Manitoba was importing power, Madam Speaker. The members opposite conveniently want to forget the fact that the Limestone Generating Station was going to be and will be required for Manitoba's own use. That doesn't negate the fact, Madam Speaker, that the advancement of Limestone was in the best interests of the project.

Madam Speaker, the Member for Lakeside knows as well as anyone in this House that the National Energy Board has reviewed that matter and concluded that, yes, it was in the best interests of the province, that it will make money.

**MR. G. FILMON:** You told him it would make money.

**HON. J. STORIE:** To answer the Leader of the Opposition's chirp from his seat, Madam Speaker, it will make money. It will make hundreds of millions of dollars.

The question of the first two years, Madam Speaker, will be addressed as we move into 1991-92, define our own needs, and whether in fact interruptible sales on the stock market which cannot be predicted in advance — in all likelihood, we'll be able to meet any of the speculated potential losses which might occur in the first two years of a 12-year deal to Northern States Power, Madam Speaker, another sale to Ontario Hydro and other sales which will be announced in this House.

**MR. H. ENNS:** Madam Speaker, "might have," "speculative profits," this government passed an act called The Manitoba Energy Foundation. It's supposed to be our Heritage Fund. They were talking about putting profits into that fund by the year 1990-92. Madam Speaker, we'll continue that question another time.

## Hydro - 12-month projection

**MR. H. ENNS:** Madam Speaker, one final supplementary question.

I note that Manitoba Hydro diverted from its usual form and issued an interim report for the first time in my living memory. I don't complain about it. Any

information that we get is always helpful. But it indicated a loss in the last six operating months for the six months ended September 30, 1987 of some \$32.5 million. I wonder if the government has a projection for the entire 12 months operating from that date forward?

**HON. J. STORIE:** Yes, Madam Speaker, I will take the specifics as notice.

Madam Speaker, I want to indicate in reference to his question that the circumstances surrounding that were, I think, known by members opposite. The fact is that two related matters that were raised by the member opposite - first of all, there will be no rate shock as a result of the coming on stream of the power of Limestone, Madam Speaker. We have made certain of that.

**MR. G. FILMON:** Who's going to pay the \$40-million-a-year losses?

**HON. J. STORIE:** Madam Speaker, the Leader of the Opposition makes reference to who's going to pay the \$30-million loss.

**MR. G. FILMON:** \$40 million.

**HON. J. STORIE:** Madam Speaker, the Member for Tuxedo conveniently forgets that there are reserves for that purpose. He was going to give them away . . .

**MADAM SPEAKER:** Order please, order please.

I would hope that Honourable Ministers would answer only the questions from the person who asks the question recognized, not ones from the floor.

### Travel Manitoba Grants

**MADAM SPEAKER:** The Honourable Member for Arthur.

**MR. J. DOWNEY:** Thank you, Madam Speaker. I have a question for the Minister responsible for Small Business and Tourism.

Can the Minister inform the House and the people of Manitoba that, as indicated in Order-in-Council No. 1019 of 1985, the Travel Manitoba Program, the Travel Manitoba Grants are to approved rural economic development organizations and agencies?

**MADAM SPEAKER:** The Honourable Minister of Business Development and Tourism.

**HON. A. MACKLING:** Madam Speaker, I'm happy at long last that I have a question from the Opposition dealing with the very successful efforts of my department to develop small business in Manitoba and promote tourism in this province.

During the course of this Session, I will be able to demonstrate how effective has been the department in encouraging Americans, some of them in uniform hopefully, who are coming in increasing numbers to enjoy the splendour of Manitoba.

I want to assure the Honourable Member for Arthur that our department has effective programs dealing with small business right throughout this province.

**MR. J. DOWNEY:** That being the case, Madam Speaker, and as indicated in the Order-in-Council that I referred to, I would expect that the Minister would be agreeing with it.

I ask the Minister the question, Madam Speaker: In view of the fact that it's for organizations and agencies throughout Manitoba, how did one Mr. Waiter Zarecki and R. Kost qualify for a \$10,000 grant in 1986, the only individuals to qualify over the last three years? Was it because, Madam Speaker, he's the second vice-president of the New Democratic Party in Lac du Bonnet? Was it because he's the NDP appointment to the Highway Traffic Board at \$9,800 a year, or was it because, in 1986, he contributed \$360 to the New 'a'a aa.Ü6âpbpycgvx15y''ad'Paaa .aay' 'a'a aaaÇa'e the fact that almost one out of every two people in Manitoba are either New Democrats or want to be New Democrats at one time or another. And, Madam Speaker, we're not defensive about the fact that we have many talented, eager people who want to be New Democrats, who assume responsibility in various community efforts.

The honourable member refers to a couple of citizens who are very prominent and effective in their community, who are spearheading initiatives to try and encourage further development in their community. If he is questioning their integrity, I'm sorry for the honourable member. We will seek and use people of integrity in every community across this province to further the interests of regional development in this province.

**MR. J. DOWNEY:** Madam Speaker, I'm sure the taxpayers of this province are very interested to know what has happened to the \$10,000.00.

Madam Speaker, I ask the Premier of this province: Will he find out what Mr. Zarecki has done with the \$10,000.00? Will he be paying it back, and will he fire his incompetent, corrupt Minister who's responsible for the taxpayers' money, or not responsible for the taxpayers' money?

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

**MADAM SPEAKER:** Order please, order please.

Can the Honourable Member for Arthur please withdraw the word "corrupt"? That is not a proper parliamentary word to call another honourable member in this House.

**MR. J. DOWNEY:** Madam Speaker, I withdraw any unparliamentary language.

I ask the Premier: Will he do the responsible thing for the taxpayers of Manitoba, who work hour after hour to earn the money that he fritters away? Will he have the Minister, who has frittered away millions of dollars of taxpayers' money, will he remove him from his Cabinet so it can stop the hemorrhage, Madam Speaker?

**HON. A. MACKLING:** Madam Speaker, considering the kind of questions that the honourable member asks in this House, one questions whether one needs to reply. However, he has questioned the integrity of a couple of people in Manitoba who need no defence in this House: Waiter Zarecki, the Reeve of the R.M. of Lac

du Bonnet; Mr. Kost, a well-known artist recognized nation-wide for the excellence of his artistry.

Madam Speaker, these two people have devoted a great deal of time to determine the feasibility of enhancing the tourism potential in the Lac du Bonnet area. They have a dream, and it is a good dream of further recreational potential in that area.

Honourable members can appreciate that, under the Canada-Manitoba Tourism Development Agreement, we are committed to seeking out and enhancing the opportunity for further tourism potential in this province. We will fulfill that mandate regardless of the sniping and the dirty talk of the Honourable Member for Arthur.

### **Civil Service - senior position reductions**

**MADAM SPEAKER:** The Honourable Member for Inkster.

**MR. D. SCOTT:** Thank you, Madam Speaker. I have a question for the Minister responsible for the Civil Service Commission.

Madam Speaker, in the last couple of weeks, I've had the opportunity to talk to a couple of individuals who were affected and are losing their jobs due to the elimination of some 21 senior Civil Service positions. I'm wondering if the Minister could indicate to the House what activities and what the province has undertaken to assist these individuals during this difficult period of readjustment.

**MADAM SPEAKER:** The Honourable Minister responsible for the Civil Service Commission.

**HON. E. KOSTYRA:** Thank you, Madam Speaker, and I thank the member for the question.

As was previously announced, as part of our continued efforts to ensure greater efficiency within government, we have made the decision to reduce the amount of senior civil servants in the government by 21 positions. At this time, I would also, as I indicated when we dealt with this in a peripheral way at Public Accounts Committee, table for the information of members of the House a listing of all the positions that were involved in the reduction. The plan is to reduce by 21 positions within the senior civil servants.

At the same time, we are looking at the opportunities, where they may exist, for redeployment for individuals. If that does not exist - and it will not exist in a number of cases, Madam Speaker - we are looking at providing some level of severance, and also readjustment assistance through the use of an agency in Winnipeg to assist those individuals.

**MR. D. SCOTT:** Madam Speaker, I'm wondering if the Minister would have information as to the number of people who have accepted early retirement and the number of people who are undergoing counselling and job search efforts.

**HON. E. KOSTYRA:** Madam Speaker, I'm afraid I'll have to take the details of that question as notice in terms of how many have opted for early retirement.

I know a number are in the position and are accepting retirement provisions that exist under The

Superannuation Act, but I don't have the details of the number that are in that situation. I'll take the details of that question as notice and provide it once I have that information.

### **The Public Schools Act - changes in**

**MADAM SPEAKER:** The Honourable Member for Roblin-Russell.

**MR. L. DERKACH:** Thank you, Madam Speaker.

My question is directed to the Minister of Education. For some time now, the Manitoba Teachers' Society has been lobbying this government with regard to some far-reaching changes that they are seeking to The Public Schools Act, changes which would alter The Public Schools Act considerably and include many of the same bargaining and dispute mechanisms which are currently in The Labour Relations Act.

I'd like to ask the Minister of Education whether he will be bringing in legislation during this current Session with regard to the requests made by the Manitoba Teachers' Society.

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. R. PENNER:** Madam Speaker, I am presently engaged in consultations both with the Manitoba Teachers' Society and with the Manitoba Association of School Trustees. I will be, in fact, meeting with the Manitoba Association of School Trustees later this month to discuss a range of issues, one of which is Part VIII of The Public Schools Act.

Members should recall that when a decision was made in the Fifties to have the teachers have a collecting bargaining regime under The Public Schools Act, an undertaking was given that they would always have approximately the same rights in collective bargaining that other workers who are governed by The Labour Relations Act have. It is in that context that an examination of where we are today is taking place.

Whether or not that will in fact result in legislation in this Session, it is too early to say, but certainly there is an active consultation process taking place.

**MR. L. DERKACH:** Just a supplementary to the Minister.

The former Minister of Education acknowledged last year that in light of the complexity and importance of the issue, the discussions and perhaps even consensus should take place between the two parties, being the Manitoba Teachers' Society and the Manitoba Association of School Trustees. Can the Minister assure us that those deliberations will take place and that the response to those deliberations will be taken into consideration in bringing in the new legislation?

**HON. R. PENNER:** Yes, indeed, Madam Speaker. I had occasion to remark in a speech earlier today to the Manitoba Association of Principals that one of the things that is the envy of other provinces in Manitoba is, with differences that are obviously there, a shared effort to make what is considered to be the best education system in the country continue to work and to improve.

Part of the way that has been built is through attempting to find consensus on key issues. I think that

attempt should be made in every instance. It may be that you don't always find consensus and have to make a decision, but certainly I am actively engaged in that search.

**MADAM SPEAKER:** The time for Oral Questions has expired.

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. R. PENNER:** Madam Speaker, I have a ministerial statement for which leave has been given.

Madam Speaker, I am pleased to be able to announce that provincial funding for Manitoba's four universities will total more than \$184 million in 1988-89, an increase of \$8 million for 4.5 percent, which in fact, Madam Speaker, is equal to, by way of an example, the basic increase announced by the Province of Ontario and three times the increase which was announced just recently by the Government of Alberta.

This funding will include: \$176.2 million in unrestricted operating funds, an increase of 3.3 percent over last year; \$800,000 for the University Access Fund to support increased participation by groups who previously have not been fully represented in post-secondary institutions; \$3 million as the second installment of the \$20 million Universities Development Fund; \$4 million for teaching equipment and building maintenance and repair, sometimes referred to as miscellaneous capital. The \$7 million in those two last items of capital funding, that is the Development Fund, and Equipment and Maintenance Funds, represents a significant 28 percent increase over 87-88 in a badly needed area.

The Universities Development Fund, Madam Speaker, established in 1987, has already made a very significant contribution to the universities in supporting their own fund-raising efforts for significant and new initiatives, for capital expenditures and other matters which could not necessarily be funded from the operating grant.

In addition, Madam Speaker, we are very pleased to be announcing the creation - I've just mentioned it - of a University Access Fund, designed to support increased accessibility to university education. The province will grant \$800,000 to the fund this year.

The creation of this fund, Madam Speaker, marks the beginning of a new, long-term strategy to support programs and services in the universities specifically aimed at increasing the participation rate of groups who have experienced barriers to entry and success in universities.

Maintaining low tuition and good financial support programs has not been enough to deal with all aspects of accessibility for such groups. Although Manitoba has among the lowest tuition fees in Canada, and one of the best student aid programs, the university students from low-income families are still under represented in our universities.

Barriers to accessibility are as much social and cultural as economic. Through the Access Fund we hope to support efforts by the universities to provide

the kind of services which will significantly reduce such barriers.

Funds will be distributed to the universities for specific projects by the Universities Grants Commission.

In developing proposals, the universities will be expended to consult with individuals who are likely to benefit from the fund, such as Native people, adult learners, immigrants, the disabled, and in some program areas, notably graduate programs, women.

In addition to the Access Fund, Manitoba continues to support one of the best student aid programs in Canada. Additional funding for that program will ensure that support is provided to cover tuition and living costs for all eligible students.

Madam Speaker, I am pleased that at a time when we are still experiencing the effect of federal cutbacks in the growth level of Established Programs Financing, we are able to maintain a responsible level of funding for the Manitoba's universities. I am pledged, Madam Speaker, to work closely with the universities to find new approaches to meeting the challenges posed by fundamental shifts in the economy.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Roblin-Russell.

**MR. L. DERKACH:** Thank you, Madam Speaker.

I would, first of all, like to extend my thanks to the Minister of Education for bringing in this particular statement on funding to the universities.

Madam Speaker, universities are very important institutions within our province and within our country. The Minister's acknowledgement that greater access to universities is certainly an important one, however, over the past number of years we have seen some significant underfunding in terms of the equipment, in terms of the buildings, at our universities. This has resulted in deteriorated situations.

We have seen a situation which exists presently at our universities. This has resulted in deteriorated situations. We have seen a situation which exists presently at the university where there is a danger that the School of Dentistry may lose its accreditation because of lack of funding to update the facilities and the building.

Madam Speaker, last year we also saw this government impose a payroll tax upon universities which has created some hardship on the universities, and I'm wondering what steps it has taken in this particular year, or is going to take, to offset the increased costs in the payroll tax.

The Minister also makes reference to the fact that there has been a decrease in federal funding to the universities, Madam Speaker, and I must say that equalization payments to Manitoba last year increased by some 10 percent. So, therefore, it is a matter of where this government has put its priorities because the transfer payments which have come to this province have gone to other priorities of this government.

In closing, Madam Speaker, I am encouraged that this government has recognized the need for greater access to universities, and for that we have to be thankful.

Thank you very much.



## ORDERS OF THE DAY THRONE SPEECH DEBATE

**MADAM SPEAKER:** On the proposed motion of the Honourable Member for St. Vital, and the proposed amendment thereto by the Honourable Leader of the Opposition, the Honourable Member for Niakwa has 11 minutes remaining.

**MR. A. KOVNATS:** Thank you, Madam Speaker.

In the spirit of cooperation and with the possibility that the vote on Monday night will change the government, I would prefer to allow all members the opportunity of speaking on what could be the last Address from the Throne from the 33rd Legislature, and I would pass my time on to some other members.

Thank you, Madam Speaker.

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

**HON. V. SCHROEDER:** Thank you, Madam Speaker.

I will be speaking about the Mulroney-Reagan trade deal, which I believe is by far the most important issue to have come before Canadians in my career.

I believe that our nation's culture, history, social values, programs, political structure, political culture and world view are fundamentally different, No. 1, from those of our neighbours; are not only worth preserving, but they cry out for preservation and enhancement for future generations of Canadians; and third, are at risk in this agreement.

Practically from the beginning, Canada's progress has been an economic anomaly, a 100-mile ribbon of people stretching for thousands of miles across the northern half of a continent we share with the strongest nation in the world; a ribbon along which we have established, not through weakness but through strength - a strength approaching stubbornness - our own society with our own unique methods of economic, cultural and social development with our own view of ourselves, our own view of the world in which we live; a society which defines its world role in peace keeping and developmental terms, not in terms of world power.

Our neighbour is our ally, our best friend, our largest trading partner. Our relations with the United States are good and improving and deserve our constant attention, but the Americans are our neighbours, not our family.

We support the enhancement of trading relations with our neighbours, but we oppose with all the strength of our being a marriage of convenience which looks only to the fast bucks, ignores our past, and endangers our future as an entity able to determine its own destiny.

I believe we must stop this deal, that it is unlikely that our current Parliament will do so, that Congress may approve it and that, if so, our only hope as a nation is to elect the Federal Government, hopefully before the agreement goes into effect, dedicate it to the immediate revocation of this deal; a government which would be prepared to continue negotiations at the GATT, begin again with the Americans, this time working toward an agreement which deals with trade, deals with trade remedies, with barriers, definitions, an agreement which retains decision-making in Canada

relating to our investment, our culture, our institutions, our social programs.

I say to those who label us as anti-American or anti-free trade, that we have calculated the costs and the benefits of this deal. We believe that the risks outweigh the rewards.

To those frightened doom sayers who tell us that this deal is our one chance at saving a drowning country, I say, new negotiations will coincide with new administrations on both sides of the border. In fact, very few Americans are aware that we have an agreement here in the first place and, third, the largest trading relationship in the world will not be put at risk by some form of petulance which would be counter-productive to industries and workers on both sides of the border.

While the agreement, if it comes into effect, theoretically allows either country to terminate in six months, every serious industrialist, economist and political scientist I have heard on the subject says that once the agreement is implemented over a period of four years, there is no possibility of Canada utilizing that clause because of the tremendous readjustment and restructuring that would be required.

Indeed, the threat of termination, once we have adjusted, is one that is far more effective in the hands of the dominant partner, the Americans, whose pull out could cause wrenching, economic re-reading. Given that proponents constantly repeat that this agreement does not impact negatively against our nationhood, you might ask what evidence I have in support of my position. I will deal with that. Nevertheless, I suggest that the burden of proof rests strongly with the proponents of a change which will be impossible to unmake, following implementation.

The industrial and economic restructuring which will take place over the next five years, if the deal is in place, will - I repeat - in practical terms, be as impossible to undo as would an omelette be incapable of being returned to its original state.

I've indicated that there are those who would weigh an agreement such as this purely in economic terms. I am not one of those, but I do believe that purely in economic grounds there are reasons for serious reservations. I'll deal first, however, with the impact on our ability to determine our destiny, dealing first with economic institutions and history. Many proponents of the deal laud the fact that this deal will restrict Canada from "interfering with investment, energy, regional development and other economic issues our governments have had the ability to influence in our past."

John Bulloch of the CFIB said recently that sovereignty is a buzz word for government interference and he's delighted to see the agreement prevent this. Peter Loughheed has said the same things about oil and gas. I'll quote at length from a recent article by Lovell Clark, a senior, respected scholar of history at the University of Manitoba.

The former Premier of Alberta, Peter Loughheed, shifted the trade debate onto an entirely different level by remarks he made to a parliamentary committee. Intentionally or not, he greatly clarified different levels by remarks he made to a parliamentary committee. Intentionally or not, he greatly clarified the real issue confronting the Canadian people.

The former Premier said that one good thing about the trade pact is that under its provisions never again would the Ottawa government be able to foist upon Alberta an unwelcome policy such as the NEP of 1980. He rejoiced that the Federal Government would evidently be powerless to do so. Lo, he laid bare the basic aim of the trade deal which the Mulroney government has concluded with the U.S. Market forces will rule not only with regard to oil and gas but to hydro-electric power, all of Canada's other resources and financial institutions, as well.

This is a prospect that should send cold shivers down the backs of Canadians. If they knew their history better, they would already be up in arms. Their country has been built not by free or private enterprise but by a combination of public and private enterprise which is one of the many differences which distinguishes us from our American neighbours.

We would be well aware of this were it not for the fact that so much of our media is dominated by American influences. Even many of our leaders in government, in business, extol free enterprise as the basis of Canadian development when they ought to know better. But in us adopting the free enterprise rhetoric in obscuring the reality of our achievements, Canadians are importing a foreign ideology which is utterly alien to their experience.

Canadians have operated on the basis of a mixed economy, a public and private enterprise. Great projects such as canals, railways, airlines, a national broadcasting network, hydro-electric installations, telephone systems, oil companies, and other enterprises have all been built by the strong arm of government.

Undoubtedly, the vastness of Canada and the scanty population have meant that government had to take the initiative in many instances. The country would never have developed if it had depended upon private enterprise alone. This is so obvious as to require little or no elaboration. He goes on after discussing Crowns to say such important public institutions as the CBC, Science Council, NRC, the National Science and Engineering Research Council, University Research Facilities and other vital entities are deliberately being starved for funds.

The government is driving towards a private enterprise economy in defiance of traditional Canadian practice. As well as having built a nation through public and private enterprise, Canadians have also used the strong arm of government to create a humane and civilized society in the northern half of this continent, much superior to that of our southern neighbour. Our splendid social legislation, our equalization grants, our regional industrial development grants are but examples of the various ways in which we've sought to do this.

The Mulroney government says that none of these things were on the negotiating table, therefore not affected, but this is little short of dishonest. Quite apart from the fact that the negotiators have not even defined what constitutes a subsidy, there is nothing to prevent a future Congress from questioning and legislating against such practices and not the slightest doubt that a future Congress will do so. Our American neighbours will insist upon a level playing field in which market forces alone rule and government intervention is absent. Loughheed has made clear the issue at stake in the trade deal. This is simply whether Canadians wish to

adopt an alien ideology and be ruled by market forces alone or whether they wish to continue to use government intervention in order to help pursue their own economic destiny. It is surprising if Canadians knowingly adopt such an option when they built such a wonderful country through their own past experiences and practices.

I add that although this marketplace free enterprise is very much invoked today is that what Canadians will expect as a policy option, that is a handcuffed government worshipping at the shrine of the marketplace the next time we have a recession or a depression in this country? Is that the kind of handcuffed government you want? How can proponents argue the preposterous position that this agreement does not interfere with our ability to determine our economic destiny, that it doesn't interfere with our nationhood, doesn't interfere with our sovereignty at the same time they revel in the stunting of the ability of government to do anything? They understand this agreement full well.

Several days ago another proponent, Dorothy Dobbie, argued against assistance to underdeveloped regions of Canada in the full knowledge that this agreement will impinge on government's ability to do just that. Does not Mrs. Dobbie realize that the very Winnipeg businesses she purports to represent would be devastated by the implementation of such ideological economic Darwinism?

The agreement goes much further than impinging on Canada's right to make economic decisions. Today, I'll deal only briefly with culture, social programs, in addition to the economic area already touched on, in order that I may also discuss some individual components of the agreement.

You'll recall that proponents trumpeted the fact that culture is exempt from the agreement. But what would happen if, for instance, Canada were to enact the fairly innocuous film policy recently developed by Mrs. MacDonald. That policy would slightly increase the number of films shown in Canada and made in Canada. It would provide a little competition for film distribution. Canadian films occupy only 3 percent of total screen time in Canada, an abysmal record for any developed country. In contrast, U.S. movies account for 98 percent of movie time in the United States. Distribution in Canada is dominated by two U.S. companies.

This weak federal policy, the new one which would provide possibly up to 10 percent Canadian film screen time in Canada is now being axe-murdered by a bipartisan group of Democrats and Republicans in the United States, by virtue of their proposal to implement the Mulroney agreement.

Inside U.S. Trade, February 12 edition, suggests our \$25 million program would trigger a \$1-billion response by the Americans. This is the language they are proposing for the implementation of the deal, quote: "The President shall consider in his assessment of equivalent commercial effect the actual and potential damage to U.S. interest which would result if such Canadian actions were adopted internationally by other U.S. trading partners in such trade with the U.S."

So they say, when we calculate economic effect of Canadian activities in the film industry, we'll not only calculate what happens in Canada but we will theorize about what would happen if China did this, if Botswana

did this, if everybody in the world did this. Then they come up with a huge number that they can use against pork, they can use against combines, they can use against any particular Canadian commodity they choose.

Now what do you think the Americans would do if 95 percent of the films shown in the United States were made in the Great White North, in social democratic Manitoba, distributed down there, say by a subsidiary of Petro-Canada or something like that? Do you think we would get past 5 percent, as fast as you could say anti-dump or countervail or some other national security provision that they would work on? Well, if you do, you have more confidence than I do that we would do that.

Even though less than 10 percent of the books we read are Canadian, a few percentage points of our songs are Canadian, almost all of our prime time T.V. including U.S. stations comes from the United States, is of U.S. origin, we have maintained a vigorous and distinct society and culture. That culture is, by necessity, subsidized, be it Wayne and Shuster, Hockey Night in Canada, Stompin' Tom Connors, Farley Mowat, Anne Murray, Maclean's Magazine.

To Canadians, to quote Pierre Berton: "This is a necessary form of cultural protectionism. To those who think of Canada as another state in the union, part of the American domestic market, it's unfair competition," or to quote Michel Lansburg: "We've already registered the ominous rumblings from American publishing, movie and periodical interests. We know that, along with their money will come the irresistible demand for the dismantling of our unfairly subsidized theatres, orchestras, public broadcasting, artists, film board and periodical and book publishing industries. Once that stream of information and art has dried up, our distinctive viewpoint will wither too. "As free trade, like a tide, washes away at our cultural foundations, our political structures will inevitably crumble.

"That's what is so hard to get across to people. Identity sounds thin-blooded and abstract compared to the brassy gleam of promised jobs and quick loot. It's human nature to take what seems tangible. Esau, his mouth watering, lightly sold his birthright to Jacob in return for a steaming pot of lentils. Only later did he grow."

I believe firmly that our culture is in severe danger. It appears that only the Quebecois, who are able to use language as a shield from U.S. culture, feel in any way secure. In fact, Parizeau is openly supporting the deal because of this fact, believing it will lead to the quicker destruction of Canada.

What about our social programs? Are they as safe as proponents claim? I have a quote from Professor Bruce Wilkinson, Professor of Economics, University of Alberta. He says: "This claim ignores the fact that Canadian unemployment benefits and Medicare benefits cover a far greater portion of the population. About 85 percent of Canadian unemployed receive unemployment benefits and full Medicare coverage, whereas three-quarters of U.S. unemployed have neither. Again, 35 million people in the U.S. have no medical coverage whatsoever in contrast to universal coverage in Canada. In general, unemployment insurance costs for U.S. firms are less than for Canadian.

"Is it not possible that in the future, when the competition is more intense because of trade, that

Canadian firms and U.S. subsidiaries in Canada may argue that they cannot afford to play by Canadian rules in Canada, that our rules should be harmonized with those of the U.S.? Pressures for harmonization could also arise with respect to health care arrangements. Because the U.S. is, by far, the largest country, it would be Canada moving closer to the U.S. model, not the other way around. Thus, although social programs are not in the agreement, they could certainly be adversely affected by the agreement in future."

I would add that the points made by Professor Clark would confirm that U.S. ideological blinkers would militate against our solution to programs, problems like Medicare, and that the neo-Tories might agree with that position but not ordinary Canadians.

Who is right? One test might be to ask yourself whose ideological family stood where when the following were introduced in Canada. Where did they stand when old age pensions were introduced? Where were the Tories? Where were the proponents and their ancestors on that argument? Where were the Tories, the Crispo's and so on, when unemployment insurance was introduced? Where were the Tories when Medicare was introduced? They were calling us communists in Saskatchewan when that came forward. Where were the Tories when Canada Pension Plan or day care or progressive labour laws were introduced?

Can it really be the case that the far right, the Crispo's, the Dobbie's, the multinationals, the Liberals, the Tories, Peter Pocklington, are truly advocating this agreement to protect the future of these programs? Are Atwood, Remy DeRoo, Laxer, Knowles, Gonick, Blaikie, really out to destroy these social programs, and the far right is protecting them?

Maybe Peter Newman says it best when he says, "The real problem with free trade is that we may not realize what we've lost until it's too late to get it back. The process is all too reminiscent of that wonderful old James Thurber cartoon in which a decapitated swordsman protesting that he is fit to carry on the duel is told to try sneezing."

Professor Crispo is fond of saying that every free trade agreement ever signed has been of benefit to the small partner. The French are still French, the Germans are still Germans. In the European partnership every single country is a minority making relationships quite different from the elephant-mouse scene our Prime Minister once understood but does not now. Back to Europe, what of the German experience in the 19th century? The trade agreement between the industrial and military giant Prussia, with ten's of neighbouring small countries, an agreement which did not extend as far as this one does, allowed the Prussian point of view to prevail on all important policy matters for decades until finally in 1871 they swallowed up every single country but for one, Luxembourg, that was part of that economic trade agreement. Only Luxembourg got away.

Closer to home and more on our kind of a big versus little example, the United States had a trade agreement with Hawaii in 1875. By 1887, the Americans had Pearl Harbor. Not only did they have Pearl Harbor, they also had an agreement with the Hawaiians that required the Hawaiians to abstain from any other trade agreement with any other country. Hawaii was going to have one partner and one alone by 12 years into that agreement.

By 1898 they were gone, they were history, no referendum, no nothing. Boom, they were part of the United States, with a First Governor by the name of Dole by the way. Can this happen to Canada?

Recently I attended as Manitoba representative at a conference of U.S. and Canadian legislators where Mr. Crispo suggested that we shouldn't worry about the impact of the agreement. Senator Sam Nunn of Louisiana who I thought was a fairly sensible individual promptly said to him, "Professor, legislators are paid to worry." What then are the benefits we stand to gain as a result of this massive gamble with our sovereignty?

(Mr. Deputy Speaker in the Chair.)

The Economic Council of Canada says we will gain 350,000 jobs. Yet its analysis assumes (1) services will not be included in the agreement; (2) we would get about 50 times as much in terms of procurement from the American Government as what we got. Seventy percent of our jobs are in the service sector. We already have a trade deficit with the Americans on services. This agreement will increase that deficit.

The Bank of Nova Scotia study on the deal ranks the agreement by risk index with a maximum risk of minus four, maximum benefit of plus four and divides up Canada's economy into four sectors, ranks resources as plus four, manufacturing minus one, agriculture minus one, and services come in at minus two.

I'll just read what they say about services. I should say before I do that, I'm quoting now from this report, "Compared to others our estimates of the benefits of free trade tend to be somewhat conservative reflecting the preoccupation of this report with credit risk." This is the report they'll take when their clients come in to get a new loan. This is the report they'll look at for sector by sector, industry by industry to determine what they will do. They are saying one out of four sectors in Canada will be a winner, three out of four will be losers.

Now this is what they say about services, "Unavoidably, free trade in the service sector will produce a negative net impact of at least medium size. In general, the Canadian service sector is smaller, weaker and less competitive compared to the service sector in the U.S. All other sectors, other than services, are losers."

What about procurement? We bravely went to the table against these third countries - Third World negotiators is what Reisman called them, I think he's from the fourth dimension - and publicly asked them for \$558 billion and claimed victory when we got \$3.5 billion out of it. For this we place our sovereignty at risk? Esau got a better deal.

In terms of agriculture, the agriculture sector is at serious risk and poultry, dairy, fruits and vegetables. The grains area is unaffected. In cattle and hogs, there'll be some net benefit based on our assumption of full free trade and poultry and lower tariffs in fruit and vegetables, we estimate free trade will be a small overall net negative in the agriculture sector. Okay? That's what they're saying about agriculture.

What are they saying about manufacturing? In manufacturing, the losers will be hit up front, while the winners will tend to collect further down the line. Principally on this account, we estimate that free trade

will be a small overall negative in manufacturing, a small negative reading reflects a hard hit on small manufacturers while large manufacturers generally face a neutral or only slightly positive outlook, at least in the immediate future.

They also point out that food processing will be a strong loser because of government intervention, because of marketing boards which they will join with the Tories gladly to tear up for farmers and farm families in Canada. That's what they're doing with this agreement.

I won't be getting into electricity today. I would like to, but there are a number of problems in that area, not the least of which is the fact that we no longer have a floor price to deal with the Americans on and we'll be getting into that during the Session. These reductions in tariffs do open some opportunities for Canadian industries. At the same time, those who view open borders with unmitigated delight should be cautioned by those Bank of Nova Scotia warnings.

You know we've heard from speakers on the opposite side that we've had this wonderful free trade in agricultural implements and we should have this for everything, and they've mentioned Versatile. But have they ever looked at our trade account in agricultural implements? Do they know that for every machine we sell to the U.S., they sell us more than three of equal value. If we had that as a model for free trade, we would have a humongous trade deficit which we don't have.

We have a trade surplus overall and that is one of the worst examples Tories could give of the benefits of free trade, where we are losing. Every time we sell \$1 worth of machinery to the United States, they're selling more than \$3 worth to us under free trade. And only Tories need reminding - only Tories need reminding - that a country in that kind of a strong surplus position in that sector is not going to meddle with that sector, knowing full well that it cannot be a winner.

We didn't get exemptions from U.S. trade remedies. We didn't get a definition of subsidy; we didn't get a definition of safe harbour which we were promised. Now, after giving up our bargaining chips, they're saying now we'll negotiate some of these things over five to seven years, after you've made your economic adjustments, your structural adjustments to this agreement.

I, in conclusion, Mr. Deputy Speaker, call on Manitobans to examine this agreement with great care, to ask proponents, to answer questions raised, to demand that this deal be cancelled, that we go back to the table for a narrow deal, one that I would have liked to have dealt with with respect also to comments of the Bank of Nova Scotia.

The Americans aren't into the kind of opening up that these people think the agreement will do. I'm quoting now from the Washington Post: "When the Canadians imposed a screening requirement on foreign investments, the United States rightly protested. Now the House wants to impose even more ownerism-damaging procedures on investors in this country." That's what they're doing and they've hamstrung us, they've handcuffed us. They're glad they did it; they did it for ideological reasons.

Mr. Deputy Speaker, our nation's culture, history, values, programs, political structure and world view are

different from those of our neighbour, must be preserved, are at risk in this agreement, and this agreement must be stopped.

**MR. DEPUTY SPEAKER:** The Honourable Member for Roblin-Russell.

**MR. L. DERKACH:** Thank you very much, Mr. Deputy Speaker.

May I begin this afternoon, Mr. Deputy Speaker, by indicating that I am very pleased to be able to rise in my place and enter into debate on the Throne Speech. The privilege is one which I respect and is one which is very essential in our democratic system.

May I welcome back the colleagues on my side of the House, and also extend a welcome to the members on the opposite side, but I will stop short of wishing them well because I believe that Manitobans are disgusted enough with the performance of this government that they don't want me, as a representative of my constituency, to wish them well. They want me here to defeat this government, to remove it from office, so that Manitobans can elect a new government, a government which will meet the needs and aspirations of this province.

Last week, Mr. Deputy Speaker, we listened to a Throne Speech delivered by a government, and it made me ask the question of myself: what is it that I would expect to be incorporated into a Throne Speech? And I guess I would have to say that in a Throne Speech a government should project its objective for the ensuing year, it should create a vision that it has for the province, and it should establish a plan of action that it will embark on in the ensuing year to help to enhance the quality of life of the people that it governs.

Well, it was no surprise, Mr. Deputy Speaker, when this government delivered its Throne Speech, that we saw no plan, we saw no substance, we saw no vision for the province. It was a depiction of a tired, worn out, sterile government that had an insatiable lust for power. The utterings and phrases such as "fair/caring" have become the rhetoric which is meaningless in the eyes of many Manitobans.

The track record of this administration is horrible, to say the least. The last two Sessions now we have seen mismanagement, corruption and deceit at a level which I thought could not be matched. But when this Session opened, Mr. Deputy Speaker, we have seen even a greater degree of ineptness and even more cover-up, deceit, mistrust and corruption.

I have never seen a member on the government side of the House, or I have never heard tell of a member on the government side of the House, who has been asked to move the Speech from the Throne, get up and denounce the government as was done by the Member for St. Vital. It's certainly probably the ultimate embarrassment for a government in power.

And you know, one didn't have to ask what the comments of the Premier were. All one had to do was take a look at his face as he stared, with his steel eyes, in almost utter anger at the Member for St. Vital as he delivered his speech. And then the Premier made the statement, "Well, constructive criticism is not bad; as a matter of fact, it's good."

But then the Member for Kildonan makes a comment about the moving of the Throne Speech, and he said,

"If we had the power, the majority, I would kick his butt around the Legislature 10 times.

It brings back comments, Mr. Deputy Speaker, that I remember were made in this House about the cadence of jackboots in the hallways of this Legislature. Mr. Deputy Speaker, I wonder what this government would do if they had a real majority in this House. Would they be kicking Manitobans all over the province? They've done a pretty good job of it right now. But unfortunately, the Member for St. Vital finds himself in somewhat of an awkward position, because I'm sure that when the vote is taken on the Throne Speech, the Member for St. Vital also risks the embarrassment of being kicked by the people of this province for not defeating this particular government if he chooses to vote that way.

The comment has been made that Autopac is just a symptom of the many devastating circumstances this government has created for this province. The handling of the affairs of Autopac shows us how this government's continued interference bungles the Crown corporations to the extent where they lose millions and millions of dollars. But I guess we can't blame the Minister responsible for Autopac totally for the situation that exists in Autopac because some of that blame has to be shared by the former Minister of Autopac, the Member for Gimli, who, for some reason or other, had his records shredded.

Then we heard the Minister responsible for Autopac get up in the House just yesterday and make his comments with regard to the Throne Speech, and I have never heard such disgusting remarks in the two Sessions that I have been in this Legislature as I heard uttered by the Minister responsible for Autopac yesterday. It bordered on the edge of being silly in many instances as he roared at the fact that the increases had to be blamed on the Conservatives.

You know, I can't help but think that the Member for St. Vital was right. Who is minding the store? Or is anyone minding the store? I don't think so.

How could any administration, how could any department that lauded to have a surplus of \$72 million absolutely squander not only the \$72 million but all the premiums that were paid in the two years and end up with a \$10 million loss just in two years?

Now what kind of business management is that? It's probably the same kind of business management that we had with MTX, that we had with Flyer Industries. This government just can't run a peanut stand, Mr. Deputy Speaker, and it has proven that time and time again.

I ask: Why would the Premier continue to leave a Minister in a portfolio where such incredible mismanagement, such incredible losses occur? Why would he not remove him? I think the answer is plain. He hasn't got anybody to replace him with on that side of the House; and, secondly, he hasn't got the nerve or the intestinal fortitude to replace a Minister who has bungled in such a drastic fashion. I wonder where this Crown corporation is going to be in two years if it continues under the stewardship of a Minister that is heading it in the direction that he is today.

Well, let's take a look at accountability. This side of the House has asked for accountability not just now. We've asked for it in the last Session; we asked for it the Session before.

Where is the accountability? In the last Session, we had a bill presented that created a new accountability

department headed by none other but the super Minister. This individual was going to see to it that Crowns are brought into line, there was going to be no more squandering of monies, and there was going to be no more mistakes made. And then what did we get? We got Autopac.

We have asked this government to bring Autopac before the Public Utilities Board to make sure that they answer some of the many questions that people have on their minds with regard to the exorbitant increases that were levied on the people of this province. Did they agree? No, they did not agree.

What has the Minister responsible for the Crown corporations done to ensure that there is some accountability? Well, they are going to have some sessions with the public on some utilities. Not on all the Crown corporations, but on the ones they pick and choose, they will have a dog and pony show across the province to tell the people what enormous benefits they are getting from our Crown corporations. But that is not going to work. Manitobans will not be fooled again.

My constituency, Mr. Deputy Speaker, is as upset as the rest of the people in this province. They have had enough. I continue to get calls and letters to encourage me to work as hard as I can to defeat this government; and that I will do, because Manitobans can't afford this government any longer. Autopac was the last straw.

The people of my constituency are not high income people, Mr. Deputy Speaker. They are farmers. The business people in my constituency depend largely on agriculture to sustain their livelihoods. So when you have a government last year bringing down a Budget which literally raped the pockets of these taxpayers and then on top of that you have the kinds of increases that we are looking at in Autopac, it has become unbearable for the people in my constituency. The farm economy has not been assisted at all by this government, and the way the farm economy goes, so go the businesses in my constituency.

You know, Mr. Deputy Speaker, when I travel from Winnipeg back home to my constituency every weekend, it is almost like going into a different world because the economy is much different in the city. It is bouyant. In the rural areas, because of the depressed farm situation, the economy is much worse. People in my constituency cannot afford to go out for nice dinners on weekends, or even once a month they can't take their families out. They have to scrape and save every penny to make sure that that farm operation will exist for another year.

What about the services to these people? We asked the Minister who's responsible for the Manitoba Telephone System about rate increases yesterday, and from that flowed the discussion on providing private lines for Manitobans, and he said, if you want private lines, we're going to have to increase the rates. It sounds reasonable, but how much are you going to increase those rates? Are they going to be increased in an inflated rate so that the losses of MTX will be paid for at the same time? Because this government has let us become so suspect of them, we cannot help but have to ask those questions and get those answers. And the Minister said, from his seat, he made the remark that if we want the service, we'll have to pay for it because he lives in Concordia and he's got a private

line. Well, Mr. Deputy Speaker, I have to tell you, with such arrogance, it is no wonder that we have the kind of feelings people have against this particular government.

Mr. Deputy Speaker, the Member for Virden yesterday stood in his place and he asked some questions about agriculture. You know, agriculture is near and dear to the hearts of us who are involved in it, and with the new Minister of Agriculture, we thought that perhaps this individual would have more compassion for the people who are involved in the agricultural industry. But you know, when I heard the answer from the Minister, I was almost appalled because it was a joke. He found it very funny. As a matter of fact, he became very cynical when he answered the question that the Member for Virden had asked.

Mr. Deputy Speaker, the reality is there. Manitoba farmers are in desperate straits. This government has not done anything to assist them relative to what provinces next door have done. So, therefore, I can't see this Minister doing any more than the former Minister of Agriculture did for our farm economy.

We listened in the Throne Speech that there is going to be some form of feedlot stabilization program coming on, but it's too little, too late, Mr. Deputy Speaker, because the cattle industry in this province is almost dead. This government has managed to kill the feedlot industry in this province, they have managed to kill the slaughter industry in this province, and now they are going to try and rebuild it, and it wasn't done based on economics, Mr. Deputy Speaker. It was based on the stubborn attitude by a Minister who would not be willing to save an industry that was in desperate straits.

Well, Mr. Deputy Speaker, I'd like to take a look for a moment at what is happening in the area of education, an area that I have been charged with some responsibility in terms of being critic of education.

A month ago, we had an education finance announcement made in terms of the changes that are going to be made to the funding for public schools in this province. Immediately, we saw that the inequities that were caused by the approach that this government is taking would create havoc out in our school areas.

Yesterday, the Minister of Education said the reason that we have this formula in place and the reason that there are such inequities is due to the fact that some school divisions are rich and can afford to levy higher special levies, and some of the school divisions are poor and can't afford them. He said this is all equalized through the equalization formulation. Well, Mr. Deputy Speaker, that is not true; that is not correct, as a matter of fact.

If the Minister of Education would care to at least assess what is happening, he would understand that in fact that is not happening. The equalization formulas are not working. It is the low spending school divisions, the divisions who practise efficiency, who are effective, that are receiving the small grants. The school divisions that are losing students are also suffering because they are receiving the low grants.

We have called for a change to the GSE formula now for at least three years. We asked that this formula be turfed out and that a new formula be replaced which will treat students and will treat school divisions on an equitable basis. To date that has not happened. As a matter of fact, in the last funding approach that the

Minister announced, the opposite happened. We see even a greater disparity between school divisions.

We have some school divisions that are receiving as much as 14 percent because their enrolments are increasing; perhaps because they're not quite as efficient. We see other school divisions whose revenue income for this year from the province will be less than 1 percent. As a matter of fact, one of the school divisions is even going to lose some money.

Mr. Deputy Speaker, there is no way that we can continue and yet make statements in the House that we have a commitment to make accessibility to education equal in our province. It just doesn't work. This present Minister of Education and the former Minister of Education did not understand that and they haven't dealt with the problem to date.

Mr. Deputy Speaker, the Minister also made some other announcements. He announced the fact that there would be a change in year-end. This was not only a surprise to us, it was also a surprise to the school divisions. Sometime back in October, officials from the department met with some of the Manitoba Association of Business officials to ask them some questions about how they felt about changes to the year end. And there was a commitment at that time by the Minister that changes would not be brought in until such time that full consultation had been made with the school divisions, the secretary treasurers, the superintendents. As a matter of fact, as I understand it, there is a meeting scheduled for 24th of February where that decision is supposed to be made upon the consultation and upon the information that was received at that meeting.

Well, Mr. Deputy Speaker, I have to tell you that school business officials were somewhat upset to find the Minister of Education made his announcement prior to consulting with them.

Then we have the change in remittance dates by municipalities to school divisions and to the province. And again, not only was it a surprise to us, but it was also a surprise to the municipalities and to the City of Winnipeg.

I can't understand it, I find it almost incredible that a Minister would make a decision and make an announcement that would affect the City of Winnipeg by some \$6 million and not have the courtesy or the courage to go and talk to the City of Winnipeg and talk about the effects that it would have. I think that the announcement was made in haste, and I think anybody you talk to would agree, because there have been some changes that have followed since the announcement, changes that have been requested by the municipalities. But nevertheless, what is there going to be there to replace the \$6 million loss, for example, in the city of Winnipeg? They are now going to have to go back to the taxpayer to get that money. The whole funding formula approach for public schools, Mr. Deputy Speaker, is based on dependence, on special levy, on the local taxpayer. We object to that, and local taxpayers object to that.

I asked the Minister about the 90 percent funding to school divisions and the fact that this government, this Premier made a commitment to move in that direction. I showed him an example of where some school divisions are paying 51 percent of their costs, of their operating costs, from special levy. The Minister's response was this. He said, "We in fact are paying

more than 90 percent when you consider the pension premiums that we pay."

What else is he going to throw into there? Is he going to throw the \$500 rebate on farm land tax and consider that as part of the 90 percent?

So when this government talks about 90 percent funding to school divisions, what are they really talking about? Nobody really knows. It's some convoluted formula that they have in their own minds and in their own back pockets.

Today, Mr. Deputy Speaker, we received an announcement on university funding and, upon the face, one would say that the funding that's going to go to the universities is quite adequate this year and is laudable. But, Mr. Deputy Speaker, I caution you about a few things in that announcement. One is that there is an \$800,000 grant going to the universities to enhance access to education. But if we are going to maintain a world class university in our province, I ask the question, how are we going to do that if the facilities, the equipment and the buildings are deteriorating faster than they can be repaired, and this government does not make a substantial commitment to that?

Last year, there was a commitment of some \$20 million, a matching grant that was supposed to be forwarded to universities after they had raised their \$20 million. Well we saw in this announcement, Mr. Deputy Speaker, that not \$20 million is going to be forwarded, as a matter of fact, only 3 million of that is going to be forwarded.

The maintenance grants that go to universities are very inadequate, Mr. Deputy Speaker, and it's not a matter of us asking for a huge infusion of funds into the universities at this particular time. What we are saying is that, because of the mismanagement of this government in not seeing to it that those Capital programs were maintained year-by-year, we have caught ourselves in a situation where we may be losing, for example, the accreditation to the school of dentistry.

Mr. Deputy Speaker, I believe that this government has abandoned the people who elected this government to represent them. The Premier in his Throne Speech attempted to deflect the issues that are facing the province by focusing his attention on free trade. We have just heard the Attorney-General stand in his place and go on at some length about how free trade is going to affect this province. Of course he picks and chooses his notes and the articles that he reads from.

Mr. Deputy Speaker, if you talk to Manitobans, if you talk to the commodity groups, if you talk to farmers, if you talk to the people who are involved in the dairy industry, the hog industry, the poultry industry, they are supportive of free trade. Yet, we have this government standing and telling us that it is not good for Manitobans.

Mr. Deputy Speaker, I ask you, who do you believe? Do you believe our government? Can this government, for example, better our free trade agreement? If we left them to form a free trade agreement with the United States, can you think of what it would look like?

**A MEMBER:** You would never have one.

**MR. L. DERKACH:** You would never have one to begin with but, if they did finally arrive at one, I'd hate to

see it. Take a look at their track record. They couldn't come to an agreement in the gas industry. They tried to take it over but they couldn't. They bungled that. They bungled the Flyer sale. They gave it away. Their Crown corporations are in a mess and they're the first ones to stand up and talk about how free trade is going to be bad for us.

Mr. Deputy Speaker, I maintain that the only reason and the only people they are representing when they speak against free trade are the big union bosses in this province. They are not talking on behalf of Manitobans. They have no vision for where this province should go, where this country should go. All they are interested in is that insatiable lust for power that I talked about and then satisfying the union bosses who are in the pockets of these people.

So can Manitobans trust this government? I say no. We can't trust them because of their past performance. We can't trust them because they are driving business out of this province. They are driving the trucking industry out of this province. They have driven business away from us. To enhance that the Premier even saw fit to appoint a Minister of Business and Tourism, who is what? - who is anti-American to begin with, who is anti-business, and here is the man who is going to promote business and tourism in this province. What a mockery. Where was the Premier's head when he was making his appointments? What was he thinking about?

I conclude, Mr. Deputy Speaker, in saying that the people of this province have had enough. This government is finished. They have no ideas; they are worn out; they are corrupt. They have deceived the people of this province. We must get rid of the pain that this government has imposed upon the people by ousting them out of office as soon as we can.

Thank you very much.

**MR. DEPUTY SPEAKER:** The Honourable Minister of Highways and Transportation.

**HON. J. BUCKLASCHUK:** Thank you, Mr. Deputy Speaker.

I welcome this opportunity to speak to the Speech from the Throne, and first of all, Mr. Deputy Speaker, through you to the Speaker, I would like to express my wishes to her for a successful Session and that she continue to carry out her responsibilities with the competence and the fairness that she's exhibited in the past.

I look forward to the few minutes that are allocated to each of us to speak on the Speech from the Throne. I'm looking forward to this Session at which time our government will take further steps to enhance employment growth and economic opportunities in our province; to a Session at which time the government will once again show its commitment to strong policies for health care, maintenance of existing programs and development of new ones; to this Session when again our government will show its commitment to the growth and diversity of Manitoba's agricultural economy and our commitment to rural communities.

Manitoba has indeed been fortunate over the years, since 1981, to be a province that has, if not the lowest, the second or lowest unemployment rates in Canada

- not during the Lyon years. I am indeed pleased that we are a province where we have been reasonably successful with providing employment opportunities for our youth - at present, I believe second lowest. That's not good enough, and hopefully, during the Session, we will be able to deal with successful initiatives such as the Jobs Fund, CareerStart, Youth Business Start, Jobs and Training and other programs that will provide opportunities for our young people.

Additionally, our government will continue the access programs which have contributed to assisting many Manitobans in gaining entry into post secondary training and educational opportunities and thus to employment opportunities.

I look forward to legislation that will be introduced that will help narrow the disparities in our society, and we will continue delivery of our promise to enhance the quality of life for those with lower incomes.

I wish to express best wishes to my colleague, the Minister of Health, who has an onerous responsibility in maintaining the existing levels of service that we have in our province, and to look at new options or new alternatives or initiatives.

I am indeed pleased that the emphasis will be on encouraging healthier lifestyles; in other words, let's start dealing with wellness and not with illness. I am pleased that there will be improved availability of health services in rural and in Northern Manitoba.

I, along with many Manitobans, am very encouraged and excited about the introduction of a range of initiatives to shift the emphasis of health care from large in-patient institutional programs to community-based services, including expanding community health programs, further development of community health centres, and alternatives to in-patient hospital services.

Mr. Deputy Speaker, the Speech from the Throne again demonstrates our commitment to rural Manitoba and to the agricultural sector of our economy. I'm pleased that an income stabilization program for the feedlot sector of Manitoba's beef industry has been announced and will be established. I am pleased that last year's special School Farm Tax Assistance Program which provided some \$11-\$12 million of assistance to those who were in need will be extended.

I'm indeed pleased that a rural development institute will be created in concert or cooperation with Brandon University to address the special needs and concerns of rural communities, an opportunity for rural Manitobans to deal with what they perceive to be important issues towards the continuance of the rural lifestyle.

I'm indeed pleased to note that our government will continue to implement programs and policies enhancing the growth and diversity of agriculture so that this tremendously important industry can continue to play its vital role in the expansion of Manitoba's economy.

As noted before, the improved availability of health services to rural and Northern Manitoba will be appreciated by many, as will the changes to the Manitoba Telephone System that will be introduced to improve phone services to rural Manitoba. All in all, know that we, on this side, look forward to this Session at which time we can deal with the issues that are of concern to Manitobans.

During the responses to the Speech from the Throne we've heard quite a bit about the Manitoba Public



Insurance Corporation, and I would like to spend a few moments to deal with this issue, because if ever there has been a subject that has not been dealt with honestly, it is the matter of the increases in the premium rates for vehicles for this year.

I will probably be one of the first ones to admit that when the initial rates were proposed, it didn't take very long for us to recognize that the increases would create considerable hardship to many Manitobans, and I commend my colleague, the Minister responsible for MPIC, for reviewing the proposed rates and for bringing about changes which provide some recognition of good drivers and at the same time will help ensure that those drivers who are responsible for accidents will, in fact, be paying more of their share towards the costs of running the corporation. So this government has listened.

But the reality is that in the past year, MPIC, in fact, recorded the highest number of claims in its history. MPIC paid out the highest claims value in its history. It's not as if it were a business and lost money; the reality is that not enough premiums were collected to offset the cost of those claims.

One would believe that somehow or other, MPIC miscalculated, frittered away money, mismanaged, whatever. Time and time again, my colleague states that the administrative costs are 3 percent or 4 percent of premium volume, about the lowest administrative costs of any insurance corporation in Canada. That is not mismanagement; that's good performance. The fact that MPIC pays out 82, 83, 84 cents of every premium dollar in claims, that's not mismanagement; that is showing that Manitobans are getting the best value for their premium dollar in any insurance company in Canada, but you would never believe that if you read the reports in the newspapers or listened to the members of the Opposition.

I would just make a short reference to Miss Angela Welch. I've followed the issue as it developed through the columns of the Winnipeg Free Press, and I must admit that I have considerable respect for this young person for taking on a cause, for putting a lot of energy into it, and for eventually coming up with several thousands of signatures which she delivered to the Minister's office.

My only regret is that I feel that young person was being used, and if there's anything I can't stand, it is seeing people being used. I say "being used" because, like a lot of young people, they have never had any dealings with the private insurance sector. I can assure you that if she were living in Ontario, where they have a private sector insurance industry, she would not be treated anywhere near as well as she's being treated in Manitoba.

Interestingly enough, she was on CJOB about a week ago and I listened when she gave the details of her 1987 Toyota Turcel. When she was asked whether she had any access, she said no and she was quite correct. When the rates were compared between Ottawa and Winnipeg and Calgary, as I recall, Manitoba's rates were the most favourable, and I know that the benefits and the coverage provided would have been superior to anything provided in Ottawa or Calgary.

The one thing that was never raised during all those interviews - and you see here's where the real honest job of journalism isn't being done. If that young lady

had a number of claims, even though she wasn't at fault, I can assure you her rates would have gone up. Now interestingly enough, I was going through some clippings just a day or two ago and I noticed that she has had, I believe, five claims in the last four or five months.

**A MEMBER:** Who?

**HON. J. BUCKLASCHUK:** Angela Welch. I think - two hit and runs and about three break and entries - she has had about five claims. Now I know what they would do in Ontario. The insurance company would say go find yourself another insurance company or they would jack her rates up considerably.

Now I'm speaking from personal knowledge. Last June - (Interjection) - No, I read it in Gordon Sinclair's column. Don't you read it? Last June, I was in Toronto, at which time I spoke to a young woman perhaps a few years older than Angela Welch. This young lady drove a 1985 Chev Cavalier. She had \$1 million public liability and \$250,000 collision and \$100,000 in comprehensive. She was paying about \$800, I believe, for insurance, and when she was involved in an accident in a parking lot and she was stationary, but she filed a claim . . .

**A MEMBER:** Was the car moving?

**HON. J. BUCKLASCHUK:** No, she was stationary - you're not moving when you're stationary. She did file a claim and her insurance rates, her premium went up from \$800 to \$2,634.00.

**A MEMBER:** Where was this?

**HON. J. BUCKLASCHUK:** Toronto. Her same coverage in Winnipeg would have cost her under \$500, even with that accident. So Ms. Welch, and I don't know what she pays for insurance, but I suspect that if she had been in Ottawa or Toronto or Windsor, she would probably be paying about two or three times what she is paying in Manitoba. That's the one thing that really bothers me is that never has any reference been made as to what happens to your claims, to your premiums when you file a claim, or two, or three, or four, or five.

As I indicated, her intentions were very laudable. I think she got swept up in this campaign and I think there were persons who found it very advantageous to take advantage of her and try to do a real job on MPIC.

Now if I talk about one columnist in the Winnipeg Free Press, it would be totally remiss of me not to make reference to the other newspaper in Winnipeg.

Mr. Deputy Speaker, I cannot recall, in the years of reading daily newspapers, a situation where a newspaper takes a cause onto itself as it did with this Autopac issue. I have never, to the best of my recollection, seen a situation where a newspaper takes on a political venture such as this. Now, it's rather interesting. I don't know what happened to these coupons. Are they being supplied to the PC. caucus or are they being supplied to the Insurance Bureau of Canada? Who did this? Who paid for this ad?

This certainly does not represent an unbiased, objective newspaper. - (Interjection) - Yes, I certainly

could. Here we have a number of columns that I found rather totally unacceptable by one Donald Benham, who I totally understand was a former executive assistant to Joe Clark. So I'm sure he wouldn't have any political feelings, but it's rather interesting how fact and fiction are mixed together to leave the appearance that it is an objective story. I find that totally incredible.

Then I know that this kind of information is used by, particularly, the Leader of the Opposition in support of the position that he has taken, but there is blatant distortion in the coverage provided in the Winnipeg Sun, and it is most unfortunate. I think that Manitobans should be very aware of it.

You know, I find the Opposition very interesting. They are the people who don't believe the Provincial Auditor. They don't believe the Provincial Archivist. They can say whatever they want to and leave impressions all over the place that are totally, totally incorrect. Well, some day, the truth will come out in a court case, when witnesses will be brought forth, and you will all have eggs on your face, every last one of you.

Isn't it interesting? Here is this Opposition that two years ago, just to give an idea of how they deal, I would suggest — (Interjection) — Dishonestly? No, it's not dishonest.

Well, I can't find the word, but I want to go back to 1986 when the Leader of the Opposition was crying about the surplus, the reserves that Manitoba Public Insurance Corporation had, and how on the basis of some experts' advice, Manitobans were being overcharged and they were going to rebate \$20 million. Now, isn't that interesting, that a few short weeks after, on page 2 of the Winnipeg Free Press, there was a comment that this particular consultant disassociated himself from any remarks made by the Leader of the Opposition because he had never talked to him? He had never talked to him, but here's the Leader of the Opposition using this consultant as some sort of basis that the corporation had too high a reserve.

The Leader of the Opposition has a solution. He's going to send rates or the premium for review to the Public Utilities Board. Well, maybe he should talk to the Leader of the Conservative Party in Saskatchewan, Grant Devine, who also a few years ago had the rates reviewed by the Public Utilities Review Committee.

Incidentally, he had the same consultant who I just made reference to look at their reserves, and the consultant said, you should rebate \$30 million or \$40 million. Pardon me, the consultant to the Public Utilities Review Committee said, you should rebate \$30 million to \$40 million to the drivers of Saskatchewan. The Public Utilities Review Committee issued an order which, a very few months after Premier Devine interfered politically and, through an Order-in-Council, dispensed with the Public Utilities Review order. Now, if you want to talk about political interference, that's where it's at. Somehow or other, the Leader of the Opposition feels that is the way to go.

The Leader of the Opposition is clearly on record as wanting to privatize automobile insurance. I can understand that because I think, for 16 years, a lot of Manitobans have never seen the ugliness of the private-sector insurance industry. Some of them may be, shall we say, sucked in by that kind of a statement. I can assure you that, from the hundreds of people or thousands of people that I've met in Ontario who are

totally fed up with the system there, Manitobans would never want to be part of that again.

He did say clearly - I watched on T.V. last night where the Leader of the Opposition talked about doing whatever he could, including opening the basic coverage to competition, so that Manitobans would have a lower insurance rate. I think my colleague, the Minister responsible for MPIC, this afternoon expressed it very aptly when he called the Leader of the Opposition stupid.

You can't open up the basic portion of Autopac and not have it privatized. That is why it is so efficient in that there is universal coverage for basic insurance, and you have the tying in of your registration with your insurance. If you have a 20-80 mix, you no longer have the combination, you no longer have the savings. So let's not fool the people.

But it's interesting. We do have all kinds of - Manitobans, I think some of them, a good number of them, feel they have legitimate complaints. I looked at this week's issue of the Scratching River Post. I gather it's a constituent from the Member for Morris. This gentleman complains about his two tow trucks, the premiums increasing to, it says here, \$442 on the large truck and to \$345 on the smaller towing vehicle. He is feeling that he is hard done by because he is paying \$700 for two towing trucks.

I recall being in Toronto last June — (Interjection) — I've been invited to Ontario a number of times, because the people see the problems in the private-sector insurance, so they invite a public insurance representative to go over there.

Anyway nonetheless, I recall so vividly a gentleman by the name of John Adamacopoulos (phonetic). He owns a towing company in Toronto. He had 25 tow trucks. Interestingly enough, in 1984-85, he paid a premium of \$29,000, a little over \$1,000 a vehicle. In 1985-86, he paid \$87,780 for his coverage. We're now up to over \$3,000 a vehicle. Last year - he had a number of claims. I'm not saying he didn't have some claims. He had, I believe, nine claims in total on those 25 vehicles over the three years. Last year, the insurance companies were no longer offering collision coverage, no fire coverage, no theft coverage - 25 vehicles and his premium was \$255,950; \$10,238 a tow truck was his premium, and no fire, no theft, no collision. Yet we have here in Emerson, a tow truck with \$345.00. That is one-thirtieth the cost of what this gentleman was paying in Toronto.

I wish we had more comparisons. I notice that the Winnipeg Sun made a valiant effort at providing some comparisons. They showed some where Manitoba was lower; but when it came to taxis, in Manitoba, the old rate was \$2,005 and the new rate was \$2,750, Toronto not available, Calgary not available. You know, I can't believe that. Anybody who jumps in a taxi, goes to the airport in Toronto, will be told what the premiums are. They're 4,500, 4,800, 5,000 - not available.

Look, they've got a nice big picture of a Kenworth. Is that what that is? In Manitoba, the old rate was 596, the new rate is 760, Toronto not available, Calgary not available. Incredible, because I can't believe this, but this is the kind of - I see Donald Benham's name is beneath it. I'm not crediting him with these pictures, but it's certainly very poor research.

Well, nonetheless it's rather interesting that, when do come to rate comparisons, they say you can't

compare Toronto with Winnipeg. You should look at Ottawa. Well I can tell you. I have been into Fort Frances, I have been into Windsor, Welland, Emo, Tilsenburg, and about half-a-dozen other places which are fractions of what Winnipeg are, and hundreds of people show up at meetings because they are paying three, four, five times what they're paying in Winnipeg.

Let's have some honest comparisons. Let's not leave Manitobans with the impression that the corporation's being mismanaged. There are some problems, but they will be attended to.

Mr. Deputy Speaker, I would like to comment on one other area that we'll be debating during this forthcoming Session, and I think it is of particular interest to all Manitobans. It was rather interesting, when the subject was raised earlier by a colleague of mine, I saw the Opposition sit there, stony-faced, without a comment, and that is on the subject of free trade. More specifically, let's talk about the Mulroney-Reagan trade deal.

I know that Manitobans do want more information, and I'm pleased that we are, through our advertising campaign and through the availability of leaflets, providing some of that information. It's rather interesting that the Opposition would scream about an expenditure of \$50,000 or \$60,000 to provide that information when the Federal Government is spending \$15 million to provide Canadians with their vision of where Canada should be.

I certainly will look forward to hearing where the Opposition stands in terms of how the proposed agreement will affect agriculture. I've listened to Keystone Agricultural Producers present their point of view. There are other views. I've listened to some of the views expressed by members opposite, and I can assure you that there are very differing views.

There are concerns about the future of marketing boards. There are very legitimate concerns about what may happen to some of our social programs. There are very legitimate concerns about the giveaway of our resources, the rape of our resources. Everyone saw that happening. There are concerns about the loss of control over our economy; there are concerns about the sovereignty of our country.

Mr. Deputy Speaker, I look forward to the debate on free trade. I know that my colleague, the Minister of Industry, Trade and Technology, this afternoon gave us a few ideas of why the concerns are there. I know that Manitobans will be looking forward to this debate, and I'm sure Manitobans will be interested in finding out why the Opposition has such a glowing vision of this future for Canada under this trade agreement when a secret report from the Bank of Nova Scotia raises some very serious concerns about how that agreement will impact on agriculture, on small business, and what it's doing to our resources. It would be interesting to hear how the Opposition can respond to that.

Mr. Deputy Speaker, we look forward to this Session to hear where the Opposition stands on some of the important programs that will be debated and the legislation that will be debated during this Session. Particularly, we will be very interested in hearing what the Tory view of the world is, as seen through the eyes of Reagan and Mulroney, and compare that to our government's view of an independent and prosperous country; providing the best level of social services and health services that are available in the world where

there is a future in our country for our sons and daughters and where we have a vision of Canada, of a country, which will continue to be independent and have control of its destiny.

Thank you, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Deputy Speaker, I will begin by talking about the Throne Speech.

There's no question in my 20 years of listening to Throne Speeches, I can tell you that it is the worst. I don't know that I could accuse the government or the Premier with a Throne Speech of not leaving out, or I couldn't be critical of them putting in, to put it that way, the subject of free trade; and to say that their government is opposed to it and will have resolutions and will debate it and oppose it with the Federal Government, I can't be critical of that.

But to debate free trade in the Throne Speech degraded the Throne Speech to the point where the NDP party has learned to degrade this Legislature with the way they answer the questions in the House with their disrespect for all the rules in the question period, which is the main part of the House, and I must say, led by their House Leader who is the worst person as far as that is concerned. So naturally it spreads to other people and obviously it has spread through all the members of the House.

Mr. Deputy Speaker, I am obviously going to have silence during my comments. It's taken me a long time to get them to do that, and I'm very happy because those of them who are here are listening. I noticed the Member for Thompson kind of giggling, because that's what they arrange to do in their Caucus Room. They said that when the Member for Sturgeon Creek gets up, we'll just ignore him and let him speak and that's fine with me, because we have . . .

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

**MR. S. ASHTON:** I was not giggling. I was doing some work and listening to the member, giving him the courtesy that I think all members of the House deserve.

**MR. F. JOHNSTON:** Mr. Deputy Speaker, that wasn't a point of order and, if I think he's giggling, I can say so.

So if I'm going to have silence, I really am going to mention what has really happened with this government. They stand up in this House and they have intimidated since one poll came out that it was Autopac that did it. Then another poll came out and it's Autopac that did it. The amazing part about the polls that came out in the media during the last three weeks, the first one came out putting the Progressive Conservative Party well ahead of the NDP and the Premier said that he was waiting for the best poll that's done, that's the University poll. Mr. Matas (phonetic), he said, I will depend on the results of that poll because it is larger and we will wait until it comes along. It did. It did! It came along and it beat the daylight out of the NDP even more and, when I take a look at this poll, never

at any time were the Conservatives more than above five points different from the NDP except when we were way ahead. We were 10, 12, 15 points ahead. At the present time, we are 25 points ahead according to this poll and these gentlemen on the other side put it down to Autopac. Isn't that amazing?

Even during the time of the F-18, we were always within five or six points, and only for a six-month period, and we jumped right back and then we have taken over the lead again. Even during the time of the election in 1986, we were only one point or a point-and-a-half away from it during that time, which only proves that the people of Manitoba have stopped being fooled by this government.

We have the worst government and the worst Premier that we have ever had in this province and the people of Manitoba have said so. As a matter of fact, there is another poll kicking around, and I have it only by rumour that the Premier of the Province of Manitoba, the Member for Selkirk, is the most unpopular Premier this province has ever had. Never has there been a time when a poll comes out that says 40 percent of the people think you are doing a bad job, the other 40 are average, 10 may be good. And you know what that means? Nearly 90 percent of the people of this province don't believe that this government is doing a good job and have said so to the poll that this government and these Ministers believe is the best in the country.

Now, I would say that I don't know that anybody can remain at 50 or 58 as we were at one time, that's pretty hard to do. But I don't ever expect that the Progressive Conservative Party in Manitoba will drop to 25.4 of the popular rate or as you were in April '84 of 23.6. The only reason you climbed back a little bit is because you fooled the people. You went through an election, making election promises daily that were the most disgusting thing that I've ever heard and also degrading to the intelligence and the people of Manitoba to the point where you are actually kicking them around, and they don't care because the socialist philosophy is "stay in power at any cost, it doesn't matter about the people, but we just must stay there to control them."

I say to you, Mr. Deputy Speaker, I refer to your speech. Social democracy is not what you think it is when you discuss these people on the other side, because they don't know social democracy, they only know control.

Let me just take a look at something that I had the opportunity to get dug out of the files. It's Mr. Pawley's comments on Autopac in 1970, and Mr. Schreyer's, Mr. Mackling's was there, or the members from those constituencies. I'm sorry I mentioned their name. Mr. Evans, or Mr. Brandon East, was there, and the Member for Interlake was there, too. Oh, it's a big file; this isn't all of it. It's right here.

But I can tell you this, that at one point if the president of the Canadian Insurance Association had gotten up and spoken back in 1970, he would have been laughed at by the NDP when he told them that rates were going up because there were more accidents and it was the reason why the private industry had to raise rates, they were laughed at. They were told by the members opposite at that time that there was absolutely no reason for what they were doing.

Yet yesterday, the honourable Minister in charge of Autopac got up and read from the Canadian Insurance

Association documentation that the reasons why we have to do this is because of the accidents and because it's going up everywhere. In 1970, their tune was exactly the opposite.

I tell the Member for Thompson - he must have been 10 years old at that time - that they didn't believe in 1970 that there should be different rates for Thompson. They said everybody should be treated equally in the province. Oh, don't shake your head. You were 14, you said, and you weren't here - I was - and it's all documented. They didn't believe anything, and now this hypocritical bunch on the other side turn around and they say, "We have to have a differential in Northern Manitoba."

Do you know what else, a little thing that was done? Do you know if you loan your car to somebody today and that person has an accident, it doesn't go against the person's licence; it goes against the car. Do you know what the NDP thought of that policy in 1970? They thought it was the most disgusting thing that anybody could ever do to penalize the person that owned the car and not the driver, and they're doing it today.

The accusation that we would privatize the insurance corporation is probably the worst twisting, but it's typical of the socialists. When they're cornered, they have to come out and mislead people. That's usually the way it operates. And they are cornered on this one, so they start to mislead people. That's usually the way it operates. And they are cornered on this one, so they start to mislead.

If we would have wanted to sell or privatize the insurance corporation when we were in government, we would have done it. We could have done it. We had a report, and you are having a study. Mr. Deputy Speaker, the next thing I will dig out is the comments of the members opposite about us doing a study of Autopac. We were terrible to do it, and now these hypocrites on the other side are doing the same thing.

We had it recommended to us to sell Autopac. We didn't. We took the study, we had it analyzed as to better ways to manage the corporation for efficiency and we put lots of those recommendations in. We had a board that had representation from the car industry, the insurance industry, the autobody industry, the bank, and the Member for Minnedosa represented us on the board. We had a board with a chairman and a good general manager, I might add, at that time that ran the corporation efficiently with very little interference from government.

(Madam Speaker in the Chair.)

Let me tell you about the interference and my statements about cooking the books, Madam Speaker. If you don't want to call it cooking the books, I'll tell you, it was the most misleading and close to dishonest thing that anybody has ever done and that Minister over there did it.

In 1973, after Autopac was brought in by this government - you know the election in 1973 - they lowered the rates 5 percent. The general manager of the corporation, confidentially to us, while we were in government, said that was the worst interference of government that he had ever heard of because the rates had been set on a basis that they had to make

some profit, and they came along in '73, before the election, and lowered the rates and a year-and-a-half later bumped them up about 10 percent after the election was over.

In 1977, we didn't set the rates. That government, the NDP Government, set them in February or January of 1977. The election wasn't till the fall. They knew at that time that the same situation existed then as existed in 1986. They knew because this company, if this Minister wants to stand up, or the Minister in charge of Autopac, and tell me that the Autopac don't have actuaries, they don't forecast, they don't do the same as insurance companies - who the Minister now reads from their newsletters that they put out - that this is what's going to happen in the industry, and you tell me that you didn't have forecasts in 1977 as to what was going to happen and you never touched the rates!

We came into office at the beginning of November actually. The last thing we were thinking about was Autopac rates because we came into a mess like you've never seen in your life before. We moved into it and Autopac said to us, well, we're not recommending an increase. We didn't do it, but we found, as the assistant general manager is saying today, political interference by the NDP Government was the reason why the corporation was in a state where rates had to be raised higher than they should have been.

Now what has happened? In 1986, the government knew there was going to be an election in March. This Minister made a political decision on reinsurance; so he obviously made one on the other insurance as well.

Is he going to tell me that he didn't have the actuarial forecasts for the Manitoba Government Insurance Corporation in his hands at that time, one month before the election, one month before you set the rates? Are you telling me that in 1986, when you left the rates as they were, that you didn't have the actuarial forecast for that corporation? If you tell me that, I will have to believe you, but I can assure you that if I do, you could sell me that \$20,000 no-good bridge you've got in your constituency.

**A MEMBER:** \$20 million.

**MR. F. JOHNSTON:** Million - \$20 million. Then we come back with the report of the corporation, and we said during the election, because of the 1985 reports - we didn't have '86 at that time - that there was a big surplus. We didn't have access to the reports and forecasts that that Minister had; so we said it's too much, we'll reduce it. Then we find out that it wasn't too much because they come in with the largest increase that Autopac has ever seen and will probably never see again because of the mismanagement, because of the political manoeuvring of that Minister - not just that Minister; the Cabinet he is responsible to.

And you really expect the people of this province to trust you people after that? Downright disgusting! Little people, little minds that have the idea that they can push and control people. And you wonder why I don't tolerate any of you around this House. I don't really have any truck with people that want to hurt my friends, my province, my family, my grandchildren and all the people around me. I don't enjoy people who go about harming the people of this province who are a great

people, and that's exactly what you do to them when you lie to them as well.

What have you done in agriculture? You get up and you shoot your faces off continually and you've done nothing. What money have you put in to save agriculture, the No. 1 industry of this province? Nothing! And you stand up and you continually try to fool the people. I'll tell you, they fooled a lot of the Winnipeg people for a long time about agriculture. But take a look at the polls, Madam Speaker, and you'll find the Winnipeg people who are starting to realize that agriculture is our No. 1 industry are beginning to realize that this government is doing nothing for it. Your support in your strong areas has been dropping steadily and only because the people of the city realize that you're not doing anything for the No. 1 industry in this province.

Madam Speaker, then we have the situation of hydro. You're going to see massive increases in hydro created by the present Minister of Health who lost a power grid, who lost a potash company, who lost an aluminum company. He lost it and then he went out and tried to buy one. He lost the power grid and then while he was losing it, he came back and offered what we had offered, and that has been proven. He'll say that the man may have retracted it but that's what he did.

He stood up in this House the last Session and said, we have the fortitude to move ahead to take over the gas company and be in the gas business. We were going to be the thinkers who were far-sighted and would do it. You know, when the House and the other members of his party found out in committee that the prices were going to drop anyway, I'd be willing to bet he hadn't told any of them.

Then you have a situation where they tell the Federal Government one thing and then, on the other hand, they tell them another thing. We aren't involved with this company. We have nothing to do with it, we're just negotiating. Regarding that big tax situation, what really happened? You try to tell the Federal Government you weren't involved because the Minister they gave it to, the Member for Churchill, was in Calgary negotiating on behalf of the gas company and for the gas company for prices in the province. Do you know when he found out he was in trouble and when he found out that the people didn't want any part of it and he wasn't going to get hung with it, they dump it on that wet behind the ears, cocky kid, who stands up and defends it. They put him in a room and they brainwash him with the answers to give, and he's the one who gets dumped all over. It's the third time the government's done it to him. He'll stand up and - it's just amazing, just amazing.

I'll comment on the Minister of Industry's comments on free trade when the resolution comes in. But I would comment on the Minister of Energy's remarks today because he held up - I'm not sure which one, but it's one or the other. He held up, "Trade Securing Canada's Future," with these summary brochures inside. Then he held up the synopsis and he said, you know, this is all the government's ever told anybody, the Federal Government . . .

**A MEMBER:** Atomic energy.

**MR. F. JOHNSTON:** Yes, okay that's it. It's one of the two. It just has a different cover. Did he hold up this

book that gives you the whole detail and analysis of the program? Did he turn to page 84 which tells you all about egg marketing boards and other marketing boards and poultry and everything and what have you? Let me tell you, he didn't hold up this book because I doubt if he's even read it.

Madam Speaker, this book is available to everybody who wants it in Canada. We find out that this government has a Minister stand up, talking about the trade agreement, and doesn't have the detailed program in his hands, and his statement that that was the only thing the government put out - another deliberate misleading statement.

**A MEMBER:** . . . told them what to say, Frank.

**MR. F. JOHNSTON:** Yes you're quite right, but it goes through a pattern, it goes through a program. Mr. Adams, who I will say bluntly is an NDP hack, he ran against me in 1973 for the NDP party and he was the president of the NDP party. He worked in Ottawa at one time with the NDP party and there is no question - Madam Speaker, I had a terrible time with him when he ran against me in the election. It took my campaign committee all their time correcting misleading statements that gentleman put out. I say that honestly. I have them from the campaign literature, and I have the corrections that I had to make on the misleading statements that he put out. So he has that mentality in practice.

Now what happens? He supplies the Minister who spoke today with every social economist that there is who's written on the subject. I'll tell you right now, Madam Speaker, there are some problems with the free trade agreement. There are some, but we have 10 years to overcome them.

I will also tell you that anybody who keeps talking about sovereignty as far as our agreement is concerned, there are a group of people who are very sincere about it and I respect them, but there are a group of people when they talk about sovereignty in the free trade deal who use it as a scare tactic because they wouldn't dare - if it was the best agreement we could possibly get ever, if it was United States, those people and many of the members on that side wouldn't like it.

Now the Minister gets up and he said earlier that we can be accused of anti-Americanism, and I accuse many of you of it, because there is nothing comes up in this House to do with United States that is not criticized by members opposite. There is not anything that the United States policies have or the foreign policies that have come up in this House, and we have absolutely never had a time when they weren't criticized by members opposite.

**A MEMBER:** They follow their orders.

**MR. F. JOHNSTON:** You're right, they follow their orders. I'm sure my colleague who is very learned on that subject could bring you up to date on it. But let me tell you, in all this faldral we hear about our wonderful neighbours and everything, and yet there is never a time when they don't criticize.

**MR. H. ENNS:** They prefer the Russkies.

**MR. F. JOHNSTON:** Well, they prefer something other than the United States, I can assure you of that.

In the free trade arrangement, there's one very simple thing. If you're not part of a 100-million people market, you're not in the market. You have the free trade, you have the agreements in Europe, and you have the Pacific Rim, and I believe somebody said that on television last night. I'm not sure, but I've certainly read it and it makes sense. If we want to be part of the trading of the world, we have to be in the position to have at least 100 million markets so that we can develop our country to be part of it. If you don't have a good economy, you'll have trouble being a country of importance in this world.

That's the way it's going today, but here's what the socialists want. — (Interjection) — Well, you told me. Madam Speaker, he told me he wanted to have control over the investment that takes place in this country. Can you tell me if somebody comes along from anywhere - and do you know how much investment we have, foreign investment, in this country right now? As my leader said, the biggest foreign investment we have is in Mr. Broadbent's constituency. A Japanese Honda plant is in Ontario; all of this investment is in our country at the present time, but we know the socialist government, the NDP, are opposed to that because they believed in FIRA. You know, they didn't want FIRA to ever be dissolved, and we know their position on investment because they want to control it. They would like to keep us in the area of about 25 million people where we would be controlled by unions and socialists who would control people, and that's your philosophy. So you can't argue with the philosophy.

I can tell you right now that you have absolutely no ambition. You said it in your speech. You have no ambition to see industry or investment within this province. When you have put through all of the rules and regulations and taxes that you have, you have proven that. I say, Madam Speaker, and I say to my own colleagues, could you imagine the rules and regulations and everything that they would have on people's lives if they were a Federal Government or if they were negotiating the free trade agreement at the present time.

To take the basic, if I walked across the street to the Member for St. James, who doesn't know anything about business to begin with - and as I said and as my colleague said, it's a disgrace to the businesspeople of Manitoba to have him in the position he's in. But if I walked over and I said to him, you know, Mr. Member for St. James, let's make a deal. We'll both start the same business, and I'll give you 250 million customers and you give me 25 million customers. Who got the best of the deal? It's very simple.

But when you have the warped socialist mind of control over investment, control over people's lives, which they believe in, and then you have a government that has about four or five people, four or five Ministers who meet without the others regularly to tell them to decide what will happen and who they'll dump the problems on next week, when you have that kind of a situation in government, boy, you've got a problem. Did I say they? We've got a problem.

You know, I've got my colleague sitting beside me here who has been here about two years longer than I have or three, I'm not sure - and I might say

congratulations, you're the dean of the House now - who was part of the Roblin Government that everybody has started to praise a bit. Nobody commented that they did anything wrong. They built the roads. They put in the Community Services program. They did the construction and started the new construction of schools throughout this province. — (Interjection) — I don't know what he's talking about. They established so many things. As a matter of fact, — (Interjection) — I heard CFI. I stood in this House, as only five others who are here now stood, or sat in this House, and listened to the Premier of the province stand right there, Mr. Schreyer, look up - right Harry? - look up at the head of CFI and say to this House and to that head man up there, we have just negotiated a new arrangement and we will have it proper in this province. When he said that, there had only been \$10 million spent on research and there was no start on the program. You were the government that fouled up the expenditures of CFI.

And let me tell you, I've commented on this book before. I will ask the members - and I'm getting them because I promised them to you last year. I promised you all the book, "When Mr. Kasser Came to Northern Manitoba," by Walter Newman. In that book he quotes the then Attorney-General, the Member for St. James. He quotes the facts and figures, and he quotes the actual documents and documentation that he writes in his book, and nobody over there has ever called him a liar yet. By gosh, when you read that book, you will find that group - as a matter of fact, Madam Speaker, when we get to the Budget Debate, I'll read the quotes that are attributed to you and, quite frankly, they're disgusting, disgraceful. You decided, with your Cabinet, to go and do what you did and manipulate on that particular basis. So, Madam Speaker, I promised them all the facts and they will receive them.

But you see, Madam Speaker, we have the members on the opposite side who believe that anything anybody else says is a lie, and everything they say is true. They laugh at other people's factual statements, and it is always the socialist attitude of whose ox is being gored. Don't talk about me, but I can talk about you. You know, they call - there's a name and I can't use it in the House - for the type of people who do that type of thing. There's a name for it.

So when they mentioned the CFI — (Interjection) — No, there's one here that you should know about. Did you know that the Roblin Government passed legislation allowing us to set up a heritage fund while he was a Minister of the Crown at that time, and you stand up and say you gave us our heritage fund? You did like the devil.

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

**MADAM SPEAKER:** Order please, order please.

**MR. F. JOHNSTON:** It's all in the book now.

**MADAM SPEAKER:** Order please.

The honourable member's time has expired.  
The Honourable Member for Lac du Bonnet.

**MR. C. BAKER:** Thank you, Madam Speaker.

I want to say how happy I am to see you back in your Chair. After two years of getting used to the situation, it would be a tragedy if you should now quit. I'm sure your position takes a lot of intestinal fortitude and I wish you well, and I hope that you stand up under the pressure of the coming months ahead.

Last Thursday, Madam Speaker, the new legislative Session began with the Speech from the Throne. As MLA for Lac du Bonnet, I am privileged once again to represent this area in the Provincial Government and to speak at this time on the plans for the new Session.

As all members of the Legislature have heard, the Provincial Government remains committed to working in partnership with Manitobans and to continue the progress of the past six years.

Just two days ago, we saw another example of this with the announcement that the Provincial Government had loaned \$600,000 to the Fripp Fibre Forms Inc. to set up a \$4.75 million egg-carton manufacturing plant. This plant will produce 12 to 18 egg-mould, plastic-form egg cartons for use in the prairie provinces. This product is a first for the egg producers and egg marketers in Western Canada. — (Interjection) — Madam Speaker, I don't mind jovial interruptions, but I will just tell the honourable gentlemen across the way that I sat here patiently and listened to them and I would expect the same courtesy - although I don't mind the jovial interruptions from the Member for Minnedosa, because I know he means no harm and he's just trying to lighten up the air in this somewhat stuffy place.

This product is a first for egg producers and egg marketing in Western Canada. The company owner, Frank Fripp, said that he was building the plant here because of Winnipeg's central location and the proximity to the United States. In making the announcement, Fripp said that Manitoba labour laws had a competitive advantage over his home province of Saskatchewan, and that the much-maligned labour laws and taxes of this province were not a deterrent.

It is interesting to note that the plant has the potential to expand into other products, including meat and fast-food trays and disposable hospital products. The Federal Government also recognized the potential for the plant and gave them a \$600,000 grant, Madam Speaker, to which I thank them and recognize them and give credit where credit is due.

The diversification of the Manitoba economy through such products is precisely what our Provincial Government has been accomplishing over the past few years through agencies such as the Manitoba Jobs Fund. Whether it is work funded at the Canadian Food Products Development Centre at Portage la Prairie, a new potato-processing plant at Carberry, the launching and implementation of Canada's first joint private industry-government Infotech Resource Centre with firms ranging from IBM, Burroughs, Commodore, Tandy and Apple computers involved all through the Jobs Fund, Madam Speaker.

One can mention numerous trade fairs put on and assisted by the Department of Industry, Trade and Technology. Personally, I can point with pride to the efforts of the department on finding potential clients at trade fairs that can utilize the new and exciting products being developed at Pinawa.

The efforts of the Department of IT and T to develop the health care industry in this province deserves special

attention. In this regard, I am confident that many worthwhile projects recommended by the province will soon be started under the Western Diversification Program.

The Throne Speech stated that the top priority will once again be agriculture, job creation, the economy, the continuing depressed commodity prices and the consequences for rural Manitoba, trade issues, special health initiatives and consumer protection.

Agriculture, being the backbone of Manitoba economy, our government continues to look for ways to ease input costs that farmers face. One of the greatest costs of farming is the expensive herbicides we use.

Glyphosate, for example, used in the production of Roundup is extremely expensive despite cheap ingredients. The potential for producing low-cost alternatives to such brand name chemicals is large. The AECL plant at Pinawa, in particular, could likely play a major role in the development of such generic chemicals.

My colleagues, the Minister of Agriculture and the Minister of Industry, Trade and Technology, announced today that, as a result of discussions with AECL on the potential of the project, the Provincial Government will fund a feasibility study to develop lower-cost alternatives to the name brand chemicals.

Despite the great damage inflicted on rural Manitoba by depressed agricultural prices, the overall Manitoba economy continues to grow and outpace almost all other provinces. Manitoba's unemployment rate is still the second-lowest in Canada. Independent forecasters are predicting Manitoba will continue to outperform almost all other provinces. More Manitobans than ever before are working at productive jobs.

In Lac du Bonnet, the Tantalum mine will resume full production this summer with 50 full-time new jobs being created. This will be a major boost to employment in the area, Madam Speaker. Similarly, the Milner Ridge Corrections Centre, which will open this fall, will replace some of the jobs lost when the Beausejour Armed Forces base was shut down.

As the Throne Speech highlighted, the Provincial Government will institute a series of measures to preserve and improve health care and social services in Manitoba. While we were disappointed that the recent federal Budget contained no provision for restoring the federal share of health and education funding, our commitment to these areas remains.

Manitoba will continue to resist health care premiums and other such measures which exist even in some of the richer provinces. Last year, despite the continued decline in federal support for these areas, Manitoba increased its input by 10 percent. This year, our Provincial Government will institute a variety of measures which focus on health prevention and promotion, particularly on encouraging healthier lifestyles. The province will improve availability of health services in rural and northern Manitoba. The shift from large in-patient institutional programs to more community-based services and the alternatives to in-patient hospital services will continue.

It is my belief that the Manitoba plan for increasing medical research occurring in this province will have major implications for some of the projects occurring at the AECL centre at Pinawa. At the recent Cabinet

meeting in Pinawa, Madam Speaker, several such projects which could greatly benefit the province were discussed with the employees. I fully expect some of these high-technology concepts to be up and running in the very near future.

As I said earlier, recognizing the importance of the agricultural sector to the Manitoba economy, our Provincial Government will continue our efforts to improve this vital sector. This year, as the Throne Speech outlined, a stabilization plan for the feedlot sector of Manitoba's beef industry will be established. The Special School Farm Tax Assistance Program introduced last year will be extended, and we will continue to work towards the early elimination of school tax on farm land.

A rural development institute will be created in cooperation with the Brandon University to address the special needs and the concerns of rural communities.

No Provincial Government alone can solve the problem of low commodity prices. Canadians have watched with amazement as the Americans, since the signing of the trade deal, have offered the communist nations of China and the Soviet Union huge subsidies for export of grain. American grain farmers have strongly opposed the supporters of the Mulroney trade deal who suggest that the United States wants to import Canadian grain. They know just as well as Canadian farmers that neither country needs more imports further depressing prices. Farmers on both sides of the border, Madam Speaker, need prices that reflect the actual cost of production. Fair prices or parity prices are what is needed.

As a result of recent consultations with rural communities, the Provincial Government will expand plans to improve rural telephone services, an expensive but priority item. The Provincial Government will be bringing forward a variety of legislative changes to improve consumer protection in Manitoba. The series of Provincial Government programs to encourage job creation and jobs training will continue.

In the Lac du Bonnet region, the Jobs Fund, Careerstart, Jobs and Training, Youth Business Start and the Community Assets Program have all proved valuable. From the funding of renovations at the Powerview Arena, the curling rinks at Tyndall and Beausejour, community halls, and other facilities, to literally dozens of businesses and community groups that have hired young people through Careerstart, these programs have truly been "Community Assets."

This summer, the Manitoba Games at Beausejour and Pinawa, along with the 25th anniversary of Pinawa, will be major events. At the Manitoba Games alone, some 1,700 will compete in the two communities. As MLA for the area, I am pleased that our area was chosen to host these games and I look forward to their success. I would ask all Manitobans to come and celebrate these games with us.

I share with all Manitobans pride in our Olympic athletes now participating in Calgary. At the same time, I want to congratulate the four groups representing the province at the Olympic Youth Music Showcase.

As MLA for Beausejour, I am particularly proud of the 80 students of the Edward Schreyer School band who are performing in Calgary. The fact that the school raised \$25,000 to cover the costs suggests the community spirit so common in rural areas. Special



credit must go to the orchestra's music director, Clarence Koss, and to all the people in Beausejour who bought raffle tickets, attended the concerts and dance-a-thons, or participated in many other events.

Our Provincial Government, like all other Canadian provinces, is wrestling with a large deficit. Even Ontario, with all the federal grants to new auto plants, has a billion dollar deficit. I am pleased that this deficit has been reduced in the last two years, and while we have made some difficult choices over the past year in terms of having to cut programs and funding in some areas, we have continued to increase the funding to health and education.

The Throne Speech, naturally, also dealt with concerns our government has over the Mulroney trade deal and our commitment to hearings on the Meech Lake Accord.

Interest rates, Madam Speaker, continue to plague all governments and small businesses in Canada. The damage of the 20 percent interest rate a few years ago has not yet ended. Many of the plants that cut back then never did recover. Similarly, the downturn in commodity prices has devastated the rural economy and continues to dampen the revenue base of the provincial governments in the prairie provinces.

Our Provincial Government will continue to work with the rural communities to implement programs and policies, enhancing the growth and diversity of our regions with the mines at Lac du Bonnet, the AECL plant in Pinawa, the mill at Pine Falls, and numerous small businesses throughout the area.

So while no one will suggest this is an easy time for government, it is certainly true that Manitoba is making real progress, and for that reason I am proud to speak on these issues today.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Springfield.

**MR. G. ROCH:** Thank you, Madam Speaker. I am very pleased to get up and speak today on the amendment of my leader.

Just a few comments before I start, Madam Speaker. I find it strange that in 1986, during the Budget Speech Debate, I was cautioned not to use a prepared text when speaking and yet other members seem to be getting away with it. It comes every time that I choose to speak, I give my usual 24 hours notice which is required by the translators, and I'm always asked for a copy of my text. I tell them that it's not allowed in their rules and they tell me Mr. Lecuyer - I'm sorry, the Member for Radisson - always provides them with his text.

Well, I say I don't know what's going on, but it's not within the rules. In any case I cannot provide them with a text, and they always want to know when I'm speaking. Madam Speaker, I'm not quite sure when I'm speaking. I speak when I'm quite well and ready to speak. If you want to stay within the spirit of having simultaneous translation, then the translator should be here at all times. You've made your bed, now lay in it. I am not reflecting upon you, Madam Speaker. As you are aware, I'm speaking through you to the government.

But, Madam Speaker, we started another Session. I would like to congratulate the Lieutenant-Governor

on his fine delivery, a very poor and very thin Speech from the Throne, which as we know was written by the government. From the outline of that Speech from the Throne it appears that Bill No. 1 will be the bill with the most meat in it, with the most substance, because this government is afraid. The Government House Leader, the Member from Churchill, is obviously going back to damage control, as he did in 1984, to try and hopefully have the government survive another election. This time, Madam Speaker, they will not be successful.

Madam Speaker, I'd also like to welcome all the members back, including yourself in the Chair. I'm pleased to see you're back for another Session. I'll congratulate the Deputy Speaker on his being here as well. I'd like to wish all the members well, but I note there are only 56 members here, we're short one member.

Madame l'Oratrice, j'aimerais savoir pourquoi que le conté de St. Boniface n'est pas représenté dans cette session. Le Ministre, ou l'ancien membre de St. Boniface, a annoncé au mois de Septembre, que les missionnaires comme Ministre de la Santé, s'il aurait voulu, Madame l'Oratrice, il aurait pu démissionner aussi. Comme membre pour St. Boniface, il vous donnait, donner au gouvernement en masse de temps pour appeler une élection partielle. Mais non, Madame l'Oratrice, le Premier Ministre ne voulait pas qu'il démissionne pour commencer. Et deuxièmement, puisque qu'il avait à temps pour démissionner, il y a demandé de garder son siège jusqu'au onze février. Ça lui donne 12 mois pour appeler une élection partielle. D'abord, Madame l'Oratrice, on sait ce qu'il va arriver. Le Premier Ministre va attendre que la session est finie, et là, il va appeler une élection partielle. Parce que, Madame l'Oratrice, il sait, il sait que le peuple de St. Boniface n'éliront pas un Néo-Démocrate. La spéculation est que le parti Libérale, vont gagner le siège. Madame l'Oratrice, après la position que leur chef a pris sur l'issue de l'avortement, le peuple de St. Boniface a regardé le parti Conservateur beaucoup proche. Le Premier Ministre n'a pas le courage d'appeler une élection partielle à St. Boniface. Il n'a pas le courage, parce qu'il sait que lundi soir, et mardi après-midi, le vote va être 28, 27. Avec un membre de l'opposition, sans doute conservateur, c'est vrai que mon collègue de Arthur y dit, on n'est pas certain, on n'est pas certain. Mais on sait que c'est garantie qu'avec un membre de St. Boniface, de l'opposition, ce serait 28, 28. Peut-être pas. Peut-être qu'on gagnerait.

**(English translation will appear in a subsequent issue.)**

Nevertheless, Madam Speaker, I am pleased to get up and speak in favour of the amendment, which I want to read into the record once more, because it's such a good amendment:

THAT the motion be amended by adding to it the following words:

THAT this House regrets:

the government's mismanagement and political manipulation of our Crown corporations resulting in millions of dollars in losses and massive increases in Autopac and other Crown Corporation rates;

the government's failure to provide a plan to deal with serious economic and financial problems facing Manitoba;  
 the government's lack of openness and honesty in providing vital information to the public on all areas within its jurisdiction;  
 the government's insistence on opposing the Free Trade Agreement with the United States, contrary to the best interests of farmers, workers, manufacturers and suppliers and contrary to the results of its own economic studies on free trade;  
 the government's mismanagement and wrong-headed priorities which have resulted in a lack of funding for vital health services, education and agriculture programs;  
 that this government has thereby lost the confidence and trust of the people of Manitoba.

Madam Speaker, there is no doubt about that. As the Minister responsible for MPIC found out, on the steps of the Legislature, he was told, in no uncertain language, what the people of Manitoba thought of him, of Autopac, and of the government in general. Unfortunately, parliamentary rules do not allow me to repeat the words that were used. But, Madam Speaker, what essentially he said was that enough was enough, indirectly. An egg is an egg; "f" is an "f."

But I am pleased, Madam Speaker, to be able to get up here knowing that the Premier of our province encourages, indeed, welcomes constructive criticism. Had I been blind, Madam Speaker, and listened to the speech from the Mover of the Acceptance of the Address of the Lieutenant-Governor, I could have sworn that it was a Tory speech. But, no, Madam Speaker, it was the speech from the Member for St. Vital. And the Premier, that very same day, on television, on radio, with a very sheepish smile on his face, said there's nothing wrong with that, it's constructive criticism, as he ran into his office with his tail between his legs, like the poor dog he is. I'm sorry, Madam Speaker, maybe that's not parliamentary. But I'm trying to make an analogy here, without being uncomplimentary, but he looked very much like he was whimpering.

Then I read in today's Free Press that the Whip has publicly stated that if his government had a 10-seat majority that he would kick the Member from St. Vital, he would kick his butt around this Legislature 10 times around. No less than 10 times, that's what he would do. When I asked him, in this Chamber, what he thought of constructive criticism, the very same Whip, the Member of Kildonan said, he does not believe in constructive criticism. He says he just believes in criticism. Obviously, Madam Speaker, there is something wrong when we hear differing views from the Premier and the Whip.

A lot of hay is often made about our differences of opinion because we're a democratic party, but we can see the dissent is very unstified over there. A lot has changed since the days when that party was led by Ed Schreyer - a lot. The fact is the party is no longer new; nor is it democratic. Those are the facts. You need ask none other than the Member for St. Vital when he exercised a truly impartial role as Speaker during his term from 1981 to '86, I believe. The Premier tried to defeat him at the NDP nomination. He didn't succeed.

Now he is going to try to do the same thing again to the Member for Inkster simply because that member,

as well as the Member for St. James, recognize the fact that the outdated philosophy of government control, of socialism, does not work. They recognize the fact that in some cases we need privatization. In any case, that is an internal matter for them to decide, but I wish the press would spend as much time on their internal dissension as they do on those of other parties.

Madam Speaker, when the Olympic Torch came through Manitoba, it represented hope - hope for all Canadians. But I believe that Manitobans were probably hoping for a change of government. Is it possible, too, that the flame at this very Legislature was symbolic as well of a burnt out government, of the Cabinet burnouts, of a government devoid of fresh ideas?

It has been said, Madam Speaker, that in the United States they have Bob Hope, Johnny Cash and Ronald Reagan. In Manitoba, we have no hope, no cash and Howard Pawley. I was at the Festival du Voyageur last night, Madam Speaker, where this was said often enough. I am anxious for the by-election to be called very soon, for you see we'd have in St. Boniface no hope, no cash, as this government, but also no NDP member there - thanks to the people of St. Boniface.

A government that offers us no hope - it also give us no future - Madam Speaker, it's almost a joke to keep on calling these people a government. They are incapable of governing.

I was in Europe last fall, Madam Speaker, and like all of us in this Chamber, being the political junkie that I am, I visited the capital cities of all the countries that I visited, that I was in. The one which impressed me the most with a system of government which impressed me the most was that of Switzerland.

Madam Speaker, all members there are paid a part-time salary; all must retain their profession, business or job. The Parliament there meets four times a year, three weeks at a time maximum. Any bills or resolutions not passed within those three weeks will die on the Order Paper. Madam Speaker, the rationale behind that is that less government is the best government; and sure enough, Switzerland is a shining example of a country that is successful with virtually no unemployment, virtually no inflation; indeed, they had to import workers from neighbouring countries to complement their own work force; a very high standard of living.

They have an item known as the 13th salary where in December a person gets an extra month's salary over and above what they've earned over 12 months, plus the minimum one-month holidays not required by law, Madam Speaker. Although they have in theory a minimum wage around the book, in fact, it's almost impossible to get anyone for less than \$10 Canadian an hour simply because of the marketplace, their free enterprise system.

The type of government we have in Manitoba would be virtually impossible to elect in Switzerland, and that is to their credit, to their foresight.

Madam Speaker, I'm proud to say that my paternal grandparents came from Switzerland. Sometimes I wish they had stayed there. In any case, given the fact that I live in Manitoba, the least that I can do is do my best to try and restore a sane government to this province.

Given the fact that this is a Throne Speech debate, I will go through this Throne Speech somewhat, or at least parts of it. — (Interjection) — No, no, I won't read the whole thing, Madam Speaker.

It says at one point, and I quote: "One of the great strengths of the people of Manitoba is that they have historically been able to imagine and shape their future rather than be content merely to inherit one."

Madam Speaker, what kind of future do we have here? What kind of future do we have? The province is broke, inflation is rising, businesses are leaving, taxes are breaking us. There is no future in this province, Madam Speaker.

Another quote that I have from the Throne Speech is: "Manitoba is not a province of people who are content but to dream. We are people who turn our dreams into reality."

Madam Speaker, the dream has become a nightmare, and the reality is higher taxes, growing deficits, cutbacks in services, especially in the field of health care. Mismanagement, Madam Speaker, and incompetence in general is rampant in this government.

As was said by my colleague from Sturgeon Creek earlier, that is why this party, this government, is so low in public esteem and opinion. No other party has been this low while they were the government ever in Manitoba's history. Although they were able to recover once, this time, Madam Speaker, they will not be able to.

It also says in the Throne Speech, Madam Speaker: "My Government has renewed its commitment to listening to the dreams and concerns of all Manitobans and to working in partnership with them to build upon our proud record of accomplishment and growth."

A proud record of accomplishment and growth. Madam Speaker, what a joke! What is their record? Well, Madam Speaker, I'd like to give you a few quotes of what their record is: the biggest tax grab in the history of Manitoba - that's part of their record; that's from last year's Budget - an additional \$369 million, a 20 percent increase in taxes; a new tax, a brand new tax never seen before in this province, of 2 percent on net income for taxpayers; hydro rates up 9.7 percent; telephone rates up 11.5 percent; Autopac premiums - my Lord, we all know about them. The people's company, Madam Speaker, has really shoved it to the people this time. I have last year's figures of 9 percent to 30 percent. This year's figures in some cases exceed 100 percent.

**MR. E. CONNERY:** 116 percent on our semi-trailers.

**MR. G. ROCH:** As my colleague from Portage la Prairie says, 116 percent on some semi-trailers. The very reasons why Autopac came into being in the first place are being betrayed by these people sitting across from us. And they say we want to privatize Autopac! No, let it compete; it's as simple as that. But they are afraid of competition. Socialists, being the type that like to have cradle-to-the-grave security, are afraid to enterprise, are afraid to work for a living; indeed, expect the state to make them live. Fortunately, those very same people would not survive in a country, in a system, such as Switzerland.

Madam Speaker, what else do they have in their - how do they say it? - "proud record of accomplishment and growth"? They have an additional 1 percent sales tax. The very party who at one point - I believe it was back in 1969 - made a promise that they would eliminate

the sales tax in Manitoba, has brought it up to 7 percent. Other government fees, including drivers' licences, over and above the recent increases, have gone up 20 percent: birth certificates; marriage certificates; even death certificates - even the cost of dying is going up in this province - the land transfer tax. Again, what is the purpose? Revenue!

A new 7 percent tax on takeout foods - a tax on working people is what it is because governments like this government force people to work five months out of the year to pay taxes. Many people who would like to maintain the traditional nuclear family are unable to. Both the husband and wife are obligated to work in order to survive and this government imposes a tax on their food.

This government praises the cost of energy, and to add insult to injury, they add a new 7 percent tax on energy conservation materials. They increased the payroll tax by 50 percent to 2.25 percent. Madam Speaker, the reward is: If you create jobs, you'll be penalized.

They boast about their record of having a record number of small businesses. Madam Speaker, I can only say as long as this government remains in power, small business will continue to be small. They will be unable to grow. Those that want to grow will have to leave the province. That is the legacy, that is the hope that this government offers us.

Now, Madam Speaker, what does the future hold under an NDP Government? It says in the Throne Speech: "Our health care, education and social service programs are among the best in the country if not the world." Then later on in this same Throne Speech, Madam Speaker, they speak about an aging population, rapid technological advances that are costly, and often raise fundamental ethical questions having to do with the prolongation and termination of life, as well as the broadened and accelerated AIDS education program.

There are many issues here to deal with just on those phrases - the health care, Madam Speaker. If our health care system is in such good shape, why is this government closing beds, cutting back on the health services by closing hospital beds? Why do we have waiting lists for surgery? Why do we have to go to North Dakota for CAT scans? Madam Speaker, the Labour Party, which is a kissing cousin of the New Democratic Party of Manitoba, in Britain, has shown what socialized medicine can lead to left in the hands of an incompetent government. We have a double standard in Britain at this very day where if the people who have the means to see a medical doctor after hours will see him right away. The people who cannot afford to see a doctor will have to wait. That is a legacy of socialism in Britain. That is what the Conservative Party under the Right Honourable Margaret Thatcher is rectifying in Britain, and that is why she has been re-elected to a record third term.

Sometimes, unfortunately, Madam Speaker, it takes a little bit of socialism to wake people up, to let them know that they need good, competent management in their government affairs, as well as their personal affairs, in order to maintain the very social programs that are urgently required in this province.

Madam Speaker, the Throne Speech refers to an aging population. The facts are that part of the reason is because of medical advances today, but part of the

reason which these people choose to ignore is the fact that young people are leaving this province because of the lack of hope, because of no future, because of the fact that business is being driven out, therefore jobs are being driven out. Yes, the average age of the population is rising. Madam Speaker, when we regain power we will reverse that trend.

Madam Speaker, it is also ironic that this government seeks a broad and accelerated AIDS education program after having passed a gay rights' amendment in the last Session. On one hand they encourage it, on the other hand they want to rectify it - an ironic situation. Most thinking people would agree.

Madam Speaker, I repeat again one phrase which disturbs me, rapid technological advances that are costly and often raise fundamental ethical questions having to do with the prologation and termination of life. Strange, Madam Speaker, while the Minister of Health announces that he will fund, that our medical system, that our tax dollars will fund abortions, he'll be closing down hospital beds. We do not have enough money for health care, for surgery, for much needed psychiatric help, but we have money for abortions. Is the funding of abortions, the terminating of life a higher priority with this government than the prolonging of life?

Madam Speaker, I realize that there are exceptional circumstances, in exceptional cases there may be extenuating circumstances which may justify an abortion. There is such a thing as therapeutic abortions but, Madam Speaker, those cases are the exception rather than the rule.

I would like to read into the record a letter from today's Free Press which is entitled "Thanks for life." It reads this way, Madam Speaker: "I feel as though I have had a brush with death. When the Supreme Court declared Canada's abortion law unconstitutional, my personal history took on a new meaning. I am alive today because in 1959 I was protected by this country's law. I was an unwanted child born to an unwilling teenage mother who could not abort me.

"Fortunately, through the channels of adoption, I was cared for in a fine and loving home and today, despite my unwanted past of which I have always been aware, I am thrilled to be alive. I consider myself a valuable and productive member of the world around me.

"Thank you, Canada, for saving my life in 1959. At that time you were a country which cared for the unborn, a country which cared for the rights of the fetus, no matter how many weeks young it might be.

"As I write this letter, my second child kicks uncomfortably in my womb. I am aware of the sacrifices a woman makes to enter motherhood but, in doing so, she undertakes a task greater than any other, the task of refilling the world with loving and productive human life. Each fetus or child, no matter how unwanted, has tremendous potential and is the greatest resource of our future.

"Please, Canada, make the personal, moral and legal effort to let fetuses (babies) live. Move to protect the unborn." And it's signed by Lorna Dueck of Steinbach, Manitoba.

Madam Speaker, it is indeed a pleasure to read such a letter. I take exception to comments that are made from time to time that the only people opposed to abortion are men, are old women passed childbearing

age. I found a so-called cartoon in today's Free Press on the Editorial page to be very insulting to the pro-life movement. I am aware that everyone is entitled to his opinion and that any issue, no matter how emotional it may be, is entitled to debate, but I do not believe that it is morally correct to make fun of people who believe in life.

Madame l'Oratrice, si le membre pour St. Boniface serait dedans la chambre aujourd'hui, je crois pas qu'il aurait la même attitude que le Ministre de la Santé a aujourd'hui, le membre de Transcona. C'est grâce, c'est grâce au membre de St. Boniface, que je crois que le parti NPd au niveau provinciale n'a pas complètement adopté la plateforme d'avoir l'avortement sur demande comme l'NPd au niveau fédéral l'a faite. M. Broadbent est fier, est fier de son parti a comme . . . majeure d'avortement sur demande. Madame l'Oratrice, je crois que c'est tragique, car cette issue est une issue que plusieurs personnes à différent parti politique ont différent points de vue.

**(English translation will appear in a subsequent issue.)**

It is an issue, Madam Speaker, which transcends religions, transcends political beliefs, transcends gender. It's an issue which I realize has to be dealt with at the federal level; it's an issue which we here, at the provincial level, could at least say that we will continue to have committees to review whether or not the abortion is required and at least, at the very least, not use taxpayers' dollars to fund abortions which are not needed, and I would believe not wanted by the majority of people.

And I can say that in my area the majority of people who are members - and I speak as a person who has been a member of the League for Life for over a decade - that the vast majority of the members of the League for Life in my area are young women, 35, 36, 28 years old, 40 years old, as the average age, not a majority of men, nor old women past child-rearing age.

Madam Speaker, the government in its Throne Speech has said that one of their highest priorities in this Session will be to address the implications of the Canada-United States trade deal.

Les membres de l'assemblée auront la possibilité de discuter des mérites de l'accord commercial et mon gouvernement profitera entre autre de cette occasion afin de veiller à ce que les Manitobains peuvent disposer de toute l'information nécessaire faut faire une idée sur l'accord en question. Bien, Madame l'Oratrice, on sait que la vrai raison que le gouvernement veut discuter l'accord du Libre Échange de le Canada et les États-Unis, est strictement pour divertir des problèmes provinciale. C'est des problèmes et des malaises qu'ils ont créés grâce à leur incompétence. Ils ont dévoués une grosse partie du texte du Discours du Trône sur l'issue du Libre Échange. Simplement pour divertir leurs problèmes.

**(English translation will appear in a subsequent issue.)**

One of their highest priorities, Madam Speaker, will be the talk on free trade. Madam Speaker, we are all

aware, or should be aware, that this Free Trade Agreement between Canada and the United States, and free trade works well in other parts of the world. As I mentioned earlier in my speech on the Throne Speech, when I was in Europe we had the Common Market. That is free trade in action. As a matter of fact, between Belgium and Holland they have a completely open border. They have no problems. They have kept their sovereignty; they have kept their cultural identity. They keep saying what free trade will do to us.

Well, I'll tell you, I'll tell them, Madam Speaker, what free trade does not do. It does not affect our sovereignty; it does not affect our system of social programs; it does not affect our ability to deal effectively with regional disparity; it does not affect our cultural identity; it does not affect our agricultural marketing systems; and it does prevent us from pursuing new and better training relationships with other countries. Those are the facts, and I think what is said to the contrary, Madam Speaker, is not factual.

Madam Speaker, I believe it was Adolph Hitler who said that if one repeats a lie often enough people come to believe it; therefore, any government that manages the big lie technique can be successful. We would certainly hope that it is not the purpose of this government during this upcoming Session in trying to divert away from the issues which really affect Manitobans, its uses of Autopac, its uses such as jobs, many other issues, such as Workers Compensation, which is currently running up an illegal deficit - we don't know - but which possibly has had political interference.

These are issues that Manitobans want to talk about and want to debate. Manitobans know that free trade will provide them with lower consumer goods, as well as, according to the Economic Council of Canada, a minimum of, probably more, but no less than 15,000 new jobs.

In any case, Madam Speaker, I look forward to the government introducing its resolution on free trade so we can discuss and debate this issue a lot further.

It is interesting to note, as well, that one of their better statements in the Throne Speech, and it is written in French, it says:

"L'emploi a été notre plus grand défi et le demeure toujours. Tant qu'il y aura des Manitobains qui voudront travailler sans toutefois pouvoir trouver d'emploi, nous ferons tout notre possible pour répondre à la demande".

Pourquoi donc proposer le Libre Échange avec les États-Unis? Le plus entreprises que nous avons, le plus d'emplois que nous avons. Il y a plusieurs entreprises qui sont ici maintenant, malgré et non à cause de l'NPD. Ils sont ici au Manitoba, petites entreprises comme j'ai dit d'ailleurs, qui resteront petites à cause de ce gouvernement. Et comme j'ai dit en anglais tout à l'heure, puisque le Libre Échange avec les États-Unis a créé des emplois au Manitoba, pourquoi l'opposer? Ça ne fait pas de bon sens pas toute.

**(English translation will appear in a subsequent issue.)**

This government goes on to say in its Throne Speech, Madam Speaker: "The government and the people of Manitoba have long believed in the social and economic

worth of Manitoba's Crown corporations. In order to bring Manitoba's Crown corporations into the 1990's and to ensure that they will function more effectively and efficiently, the Assembly passed The Crown Accountability Act at the last Session of the Legislature.

There was never such a need prior to the Pawley Government coming into power, never such a need. It is thanks to the Conservative Opposition that exposed the scandals of this government, of the scandals within the Crown corporations; it is this Opposition which forces government to bring this act, this accountability act into effect. Madam Speaker, we obviously do need accountability.

My time has expired, Madam Speaker? Madam Speaker, I have barely started. I thought I only had 20 minutes worth. May I have leave for one sentence?

**MADAM SPEAKER:** Does the honourable member have leave for one more sentence? (Agreed) Agreed, one sentence.

**MR. G. ROCH:** I thank the members for granting me leave, as we granted leave to one of their members, the Member for St. Vital.

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

**MR. G. ROCH:** Madam Speaker, that was a comma, not a period.

I just want to say that this government deserves to be defeated on this motion of non-confidence. We hope that the members opposite, any members opposite, who are dissatisfied with the performance of this government, will join us in our non-confidence motion this coming Monday night.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Minister of Business Development and Tourism.

**HON. A. MACKLING:** Thank you, Madam Speaker.

I am going to get used to that melodious hum from the other side and I hope it signifies that the gears are in motion somewhere because it would be very helpful for them to be thinking, particularly when they hear some of the words that I have for them.

Let me say at the outset, Madam Speaker, that I'm pleased to see you looking so comfortable in the Chair. May you be comfortable the entire Session and many more to come.

For those of us who have returned, some of us in slightly different functions, and I won't comment on change in this Chamber, I wish everyone well. It is not my intention to respond to the remarks of members opposite, particularly those members who have chosen to use vitriolic, innuendo and derogatory comments generally in respect to members on this side. I choose not to reply in kind.

I think it is important to address the main concerns outlined in the Throne Speech. Without dealing with all of those issues, I would like to indicate my concerns in respect to several areas.

First of all, in respect to health care, we pride ourselves in this province and in this country on a system of health care that stands proud in the world.

Our health care system is the envy of many throughout the world, particularly the people south of us, in the great country of United States, very concerned that they develop systems that would parallel what we have here.

I know that Senators like Edward Kennedy and others have given speeches in the United States, have encouraged American legislators to consider implementation of programs that we have in this country in the health field. I know that Senator Kennedy and others have made speeches talking about how effective was our generic drug legislation.

I'm sure today he would be dismayed to realize and appreciate that system has been rendered by the recent initiatives of that Conservative Government in Ottawa, and we are seeing escalating drug prices in this country, and we're going to continue to see the giant multinational corporations of this world with their billions of dollars in reserves extracting more and more out of the pockets of the sick throughout North America.

Madam Speaker, our health care program needs continuing financial assistance, not simply by the Provincial Government but by the Federal Government.

We entered in this country into a partnership now almost two decades ago that saw an understanding and a commitment of equal sharing in respect to our health care system. We have seen governments, first a Liberal Government, and they deserve the full attention of observers that they started that initiative of capping the kind of funding that was necessary, not only to keep up with inflation but to keep up with the increasing costs of more and more specialization in the health field.

They started to cap the spending, but into power came a group in 1984 that had not only a commitment to cap spending, but in my opinion, Madam Speaker, had a commitment to produce a level playing field in North America, not only in the economic field but in all the social fields as well.

When you see that early in the life of that administration they committed themselves despite what they'd said in the campaign that preceded their election, that certain things in Canada were sacred trusts, we saw immediate initiatives to remove indexing, to continue the capping of spending.

We know that, if you cap spending, if you don't keep up with inflation, if you don't keep up with the demands that improved technology brings, it will mean one thing - that the system will starve. That's the way that administration in Ottawa determined they would be able to deal with the need to produce that level playing field in North America so that the corporate giants could play on equal terms.

Madam Speaker, it is obvious that there was a concern not only in the energy field, not only in the economic field, but in the field of social programs that there would have to be fundamental change in Canada to reflect the common desire of the American and national corporations.

So we find that government in Ottawa embarked on a policy to produce a level playing field. One of the first things they did was to strike down the National Energy Program. Can you, Madam Speaker, consider any country in the world that wouldn't have a plan to provide energy for all of its regions? We have in this country energy developments that work contrary to the

public interest. We have in Newfoundland an area that is energy-poor, and yet the resources of the land which they control in Labrador are being used to further the interests of a sister province.

Surely there should be a National Energy Program that would ensure that Newfoundlanders had energy resources available to it on the same terms as anyone else in Canada. Surely we are one Canada; we are not a group of independent nations. Surely in Western Canada we should have been able to expect that there would be an equal sharing of natural gas with sister provinces, not on special terms, but surely on terms equal to what those resources were being sold for south of the border.

We fought in Manitoba, and I am proud to say that our Ministers on this side fought to ensure that we had natural gas at reasonable prices, and we succeeded. Madam Speaker, there is no rhyme or reason why we, an energy-rich country, cannot provide for a sharing of energy benefits throughout the length and breadth of this land.

Why is it that we have hydro-electric potential not being developed for the common good of all of Canada? Why is it that Ontario continues to build nuclear when all of those uncertainties about nuclear energy still exist, when we have vast hydro-electric potential that is untapped and, where it is being tapped, we are forced to look south of the border to provide markets.

Surely, surely a national government, concerned to provide reasonable equal opportunities for its citizens across this country, would want to have a National Energy Program. But, Madam Speaker, that doesn't work with the kind of planning that we now have in Ottawa.

I'll come back to that in just a moment, Madam Speaker, but one other area that I wanted to touch on - and I see I do have the attention of one member opposite who, I appreciate, is silent not because he chooses to be silent, but that he has a throat problem, and I appreciate that. I appreciate that he hasn't been able to heckle and do the kinds of things that he normally did, and I appreciate that since I have often been the subject of his harassment in the House.

One other area I would like to touch on, and that is the question of tax reform. We've heard so much about tax reform coming from the Federal Government. The Honourable Member for Gladstone is very eager to hear that, despite this reform of her colleagues in Ottawa, there are thousands and thousands of Canadians who in 1988, after this so-called reform, will not pay one penny of income tax, despite the fact that they make hundreds of thousands of dollars. That is the tax reform that has come forth, laboured long, and produced a mouse in Ottawa. That is tax reform.

Madam Speaker, I do want to talk about trade. The Honourable Member for Portage la Prairie and I had an opportunity to speak to some of his constituents some months ago. I'm sure honourable members would like to know that we shared a platform in a very friendly and hospitable manner, and I believe the people in that area appreciated the fact that debate took place.

I want to put on record my appreciation for the Portage la Prairie Chamber of Commerce for the excellence of the arrangements that were made and the very fair opportunity that was given to both the Member for Portage la Prairie and myself to participate in sharing some light in respect to this issue.

The trade debate, first of all, is skewed by a very slick public relations campaign on the part of the Federal Government. They call it free trade. First of all, I don't know anywhere in this world where there is such a thing as free trade. Every country in the world still has customs barriers of some kind. Madam Speaker, if we had such a thing as absolute free trade, we would have each one of the countries in the world forced to have all of its systems based on the lowest common denominator in respect to wages, living conditions, housing, whatever, if you're going to have absolute free trade. No one, I don't think even in this House, believes in that kind of a development, that that is possible.

So there is no such thing as free trade. We have a trade deal. And what kind of a deal have we got? We were told that Canadians were timid, that they were afraid and all this sort of thing, and all of these words to play tricks with the Canadian psyche to make us feel insecure. All of those things have been used in a very highly skilled campaign that didn't start in 1986, but it started in 1984.

It was obvious that there were commitments made. There were understandings that, during the lifetime of this new Conservative Government, they were going to turn history on its heels. They were, as a Conservative party, going to bring about a customs union or an economic union with the United States and that, Madam Speaker, is what this deal is all about. They said that we were blocked in going into the American market and, in order to get into that American market, we were going to secure right of entry. There would be no countervails any more. We wouldn't be prevented from marketing in that area. That was the whole thrust, to secure entrance to that vast market for all of our entrepreneurs. That was the prime principle. Madam Speaker, we know they failed. There's still countervail. There is still the ability of U.S. states and the United States National Government to frustrate trade into the United States, so they failed.

Then they said, well we're going to get a fair adjudication of disputes. We're going to have a dispute-resolution mechanism that will make for fairness in North American trade, okay. They did get a panel, but the panel has to decide each case that comes before it on the basis of the law that prevails in the land. As the Americans are doing right now, passing an omnibus trade bill, any dispute that comes before that panel will be determined on the basis of the American law that exists at that time.

So what did we win? Did we win the right to access? No. Did we win the right to adjudication on a completely impartial basis? No. What did we get? I don't know what we've got. I know the detriments. I know that thrown into the deal now is the right of Americans to insist that energy be sold to them at the same price it's sold in Canada. We can't use our natural gas resource in Alberta to develop a petro-chemical industry there. We can't use our hydro-electric energy here to build an aluminum smelter, if that's what we wanted to build here. Madam Speaker, we lose control of the destiny of a nation when we give up control of our resources.

Now, Madam Speaker, this country, Canada, was built despite the pressures of history, the manifest destiny that we saw unfolding in the development of the American nation. Leaders in this country, starting with

John A. Macdonald, said in order to have an independent Canada we would have to develop linkages east-west and west-east so that we would be a separate, proud, independent nation of Canada. At great expense to our forefathers, governments like that of John A. Macdonald committed vast sums of money to ensure that the infrastructure that was necessary to develop one nation existed.

Those kinds of commitments were made and they were lived up to, but it didn't stop with John A. Macdonald, a Conservative. They didn't have to go under the pseudonym of Progressive Conservative then. Conservatism stood for something at that time. It stood for not just private enterprise, it stood for development of Canada through whatever form of enterprise.

Suddenly members say, oh well, I don't know about that. Can you show me in history where there is any support for that kind of thing? Well, if honourable members are Conservatives and they're proud to be Conservatives, surely they should be thinking back about their heritage and the statespersons who stood out in history and, despite criticism, developed institutions in systems to ensure the linkage of this country continued east-west and west-east.

I refer next to R.B. Bennett, who committed himself to the Canadian Broadcasting Corporation development, and I want to read something from Hansard of May 18, 1932, when the Right Honourable R.B. Bennett, Prime Minister, had this to say about the development of broadcasting in this country and I quote page 3035 of Hansard of the Day.

First of all, I think the Honourable Member from Brandon should certainly want to hear what an eloquent and I think knowledgeable Conservative in that day had to say. First of all, he says this country must be assured of complete Canadian control of broadcasting from Canadian sources, free from foreign interference or influence. Without such control, radio broadcasting can never become a great agency for the communication of matters of national concern and for the diffusion of national thought and ideals, and without such control it can never be the agency by which national consciousness may be fostered and sustained and national unity still further strengthened.

And then he went on saying, secondly, no other scheme than that of public ownership can assure to the people of this country, without regard to class or place, equal enjoyment of the benefits and pleasures of radio broadcasting. Private ownership must necessarily discriminate between densely and sparsely populated areas. This is not a correctable fault in private ownership, it is an inescapable and inherent demerit of that system. R.B. Bennett prepared to use the agency of public ownership in the national interest to build a system that would provide for a national consciousness, a national fabric, Canada.

Then we move onto another reference to Mr. Bennett, January 21, 1935 and he had this to say. It is page 65 of Hansard of January 21, 1935, and I quote, "I repeat what I said previously. Allow me to remind you of it again, that there is no bargain good enough for me which would involve the sacrifice of my country. I am not prepared to do that, whether it be with the mother country or with the United States of America. My duty, my obligation, and what I can see to be the duty of this government is to negotiate agreements fair to all

parties, agreements which do not sacrifice Canadian interests to foreign or external interests, whatever they may be and that impels us to insist that justice and fair play must be the basis of any agreement we make." That was R.B. Bennett.

We have more modern spokespersons of the Conservative Party, who honourable members opposite should be proud of and should think about what they said. I refer to John Diefenbaker. I had the pleasure to meet the former Prime Minister on a number of occasions and while we were on opposite sides politically, one couldn't help but feel friendship for the man. He was such an enthusiastic person, liked to meet people and talk to people and share his concerns. Above all things people may criticize John Diefenbaker, but he stood for Canada, he stood for fairness, he stood for the independence of Canada in respect to the power of the United States.

I want to quote a couple of extracts from remarks that Mr. Diefenbaker made because I think that the Honourable Member for Springfield should want to think about what Mr. Diefenbaker said. He said this, and I quote, "There is an intangible sense of disquiet in Canada over the political implications of large scale and continuing external ownership and control of Canadian industries. The question is being asked, can a country have a meaningful independent existence in a situation where nonresidents own an important part of that country's basic resources and industry and are therefore in a position to make important decisions affecting the operation and development of the country's economy?" That was John Diefenbaker. Why was he concerned? He was concerned because he wanted to see a free and independent Canada.

Later on, another quotation, 1961 from Time magazine, "The degree to which U.S. industries have almost absolute power over many enterprises in our country is not in keeping with Canada's destiny."

Madam Speaker, men of vision, men of concern, men of principle, who called themselves Conservatives, stood up for a Canada that was free and independent. John Diefenbaker stood up to the American pressure in respect to the establishment of nuclear missiles in Canada. People in the military establishments, the military industrial complex that Dwight Eisenhower talked about after he retired, those forces were condemning John Diefenbaker because they wanted to have an integration of the American military industrial complex at that time. John Diefenbaker had the intestinal fortitude to stand up to the pressure of the American Government.

In standing up and criticising American foreign policy, does that make John Diefenbaker or Bennett or the Member for St. James anti-American? Not at all, not at all. It means, Madam Speaker, that we, who have a responsibility for the continued destiny of Canada, stand up for the interests of Canada.

Madam Speaker, in respect to this trade arrangement, what about the problem - and the honourable member for Portage la Prairie recalls me introducing the concern in Portage la Prairie - of the 300,000 Mexican workers working at \$1.69 an hour producing goods, manufacturing goods that come into the United States without any customs duty? What about that concern, what about that concern? What about the concern that in those Southern United States there is no minimum

wage, and that in others of those states the minimum wage is \$1.60, \$1.70? How will Portage la Prairie food processors compete with that kind of wage in Louisiana, in Texas? How will they compete?

Well, Madam Speaker, Canadian food processors, McCain and Campbell, have said that this trade deal is a bad one for the food processing industry. That's what they've said; it's a matter of public record. Now the honourable member knows whereof I speak because he's had time to think about it. He knows the likely disposition of that industry and its effect on the community he represents.

Madam Speaker, this whole deal is based on the fact that the Canadian dollar is low, or has been low. How are these dollar values developed? Well, no one particularly knows. Paul Samuelson — (Interjection) — Well, the Honourable Member for Portage la Prairie knows all about this, so he can turn off.

Paul Samuelson, in his economics treaty, talks about arbitrage. Apparently, there are groups, banking institutions, money engineers, in the world who buy and sell foreign currencies on a vast scale. As a result of their manipulations, currencies rise and fall like dominoes. They play a game; they play a game with the destiny of the world.

There has been an opportunity for the Canadian industry to market into the United States because the Canadian dollar was low. But already you've heard that the American Government will not tolerate a Canadian dollar to continue to be too low. Pressures will be brought about through international finance to ensure that the Canadian dollar comes back more into its traditional value, about 10 percent off the American dollar. Honourable members laugh, they snicker. They don't recall when the Canadian dollar was at par with the American dollar, when there was a premium on the Canadian dollar. There is no magic, unless the Honourable Member for Lakeside has the magic, in respect to what those currencies have for value. When the money system of the world decides that the Canadian dollar is to be brought up, then that total advantage that was talked about will disappear. Then where will all these great gains come from?

But the honourable members surely are concerned about the effect on workers in this country. You know, at one time the Minister of Labour, Mr. Bouchard, was asked well, sir, you're a Minister of Labour, how many workers could be affected? How many workers could be affected by this change? He says 500,000 maybe. Mr. Bouchard has been very silent since. Because someone told Mr. Bouchard, don't say those things. Don't reveal that we've got reports. We've had studies made. We know what the figures are but we won't release them. We won't release them and the campaign goes on. You hear the stories being told, we have studies that indicate how great this - well, the honourable member has a point of order.

**MADAM SPEAKER:** The Honourable Member for Lakeside, on a point of order.

**MR. H. ENNS:** Madam Speaker, will you confirm that we'll only have to listen to this for another four minutes?

**MADAM SPEAKER:** The honourable member knows that he is not to rise facetiously on a point of order.



**HON. A. MACKLING:** Thank you, Madam Speaker.

I assure the Honourable Member for Lakeside that at every opportunity I will fill his ear with fact. I know that won't do much good because the honourable member can't do much with fact, only with innuendo and smear.

Madam Speaker, this trade deal is the most important matter that we as citizens of this country will deal with probably in our lifetime. Previous generations of Canadians have faced the kind of proposals that were advanced in the past and denied them because there was too much at risk. Under this arrangement we have, we do not get that access, we do not get that fair play and adjudication of disputes.

What we do give up is sovereignty in respect to energy. We give up sovereignty in respect to any control of investment. Madam Speaker, any country in the world that prides itself on its independence would want to control the disposition of its energy and its resources.

Under this continentalism agreement, there is a plan to assimilate Canada into a North American market system. Madam Speaker, we as legislators have a duty to speak out, and speak out as frequently as we can, to indicate our concerns, that what we treasure and prize in an independent Canada be protected.

Madam Speaker, I have no doubt that honourable members opposite would like to feel free to make an individual assessment. I know that, from time to time, they feel that they are constrained by political loyalty to go along. I beseech each one of you to carefully think about the traditions of Conservatives in this country. Think about the issues at stake, and rethink your positions on this matter. It's not a question of political loyalty; it's a question of saving this country.

**MADAM SPEAKER:** The hour being 6:00 p.m., the House is now adjourned and stands adjourned until 10:00 a.m. tomorrow. (Friday)