

Second Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS
Official Report
(Hansard)

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garry	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 28, 2004

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PETITIONS

Minimum Sitting Days for Legislative Assembly

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

The Manitoba Legislature sat for only 37 days in 2003.

Manitobans expect their Government to be accountable, and the number of sitting days has a direct impact on the issue of public accountability.

Manitobans expect their elected officials to be provided the opportunity to be able to hold the Government accountable.

The Legislative Assembly provides the best forum for all MLAs to debate and ask questions of the Government, and it is critical that all MLAs be provided the time needed in order for them to cover constituent and party duties.

Establishing a minimum number of sitting days could prevent the government of the day from limiting the rights of opposition members from being able to ask questions.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider recognizing the need to sit for a minimum of 80 days in any given calendar year.

Signed by Romeo Suban, Rosa Suban and William Summers.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Highway 227

Mr. Ralph Eichler (Lakeside): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition.

It is unacceptable for the residents of Manitoba to travel the unsafe gravel roads of Highway 227 in the constituencies of Lakeside and Portage la Prairie.

Inclement weather can make Highway 227 treacherous to all drivers.

Allowing better access to Highway 227 would ease the flow of traffic on the Trans-Canada Highway.

Residences along Highway 227 are not as accessible to emergency services due to the nature of the current condition of the roadway.

The condition of these gravel roads can cause serious damage to all vehicles, which is unacceptable.

Residents of Manitoba deserve a better rural highway infrastructure.

We petition the Manitoba Legislative Assembly as follows:

To request that the Minister of Transportation and Government Services to consider having Highway 227 paved from the junction of highways 248 and 227 all the way to Highway 16, the Yellowhead route.

To request the Premier of Manitoba to consider supporting said initiatives to ensure for the safety of all Manitobans and all Canadians who travel along Manitoba highways.

Submitted on behalf of George Boonstra, Kristy Boonstra, Albert Boonstra and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Proposed PLA—Floodway

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in this Legislature that may result in the \$660-million expansion of the Red River Floodway by the summer of 2005.

* (13:35)

The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

Approximately 95 percent of heavy construction companies in Manitoba are currently non-unionized.

The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Signed Deanna Young, Darryl Inglis, Roy Patterson and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Mr. Kelvin Goertzen (Steinbach): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

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To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Mr. Speaker, this is signed by Mark Loewen, Pat Loewen, Jordan Loewen and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

TABLING OF REPORTS

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, I am pleased to table the Supplementary Information for Legislative Review, 2004-2005 Departmental Expenditures for Manitoba Health.

Mr. Speaker: I am pleased to table the 2002 Annual Report of the Provincial Ombudsman with Respect to The Freedom of Information and Protection of Privacy Act and The Personal Health Information Act.

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): I am pleased to table the Supplementary Information for Legislative Review, 2004-05 Departmental Expenditures for the Department of Agriculture, Food and Rural Initiatives.

* (13:40)

MINISTERIAL STATEMENTS

National Day of Mourning

Hon. Nancy Allan (Minister of Labour and Immigration): Mr. Speaker, I have a statement for the House.

Today, April 28, is the Annual Day of Mourning for workers killed or injured on the job. Thirteen years ago, a Manitoba member of Parliament, Rod Murphy, introduced the legislation that prompted the Parliament of Canada to officially recognize April 28. Today we pause to reflect on the serious nature of work and remember the men and women who have died or been injured on the job over the past year.

Today we rededicate ourselves to preventing occupational injury and illness and building a strong workplace safety and health culture in Manitoba. We are committed to improving safety and health in our workplaces. We share this important responsibility with the Workers Compensation Board as well as employers, workers, educators and prevention organizations across this province.

In August 2002 we updated The Workplace Safety and Health Act and have undertaken extensive consultations to update the Workplace Safety and Health regulations. With the support of our stakeholders, we have launched a public awareness campaign to build a strong workplace safety and health culture.

I was privileged only moments ago to launch the newest television advertisement as part of the SAFE Work campaign. With the support of my colleague

the Minister of Education, Citizenship and Youth (Mr. Bjornson), safety and health education resource materials have also been developed and distributed for youths by teachers and students across the province. Because youth are among the most susceptible to workplace injury, they remain a priority for the prevention message.

Today flags at all government buildings are flying at half-mast and a moment of silence at 11 a.m. was requested of all government departments. I would like to ask all members to stand for a moment of silence to honour the memory of individuals injured or killed in the workplace this past year.

Mr. Speaker: I think it would be appropriate if we did the moment of silence after the members have had a chance to respond.

Mr. Ron Schuler (Springfield): Over the years I have had the opportunity to comment on this very important day. In fact, over the years this day has taken on a greater and greater importance. This morning, Mr. Speaker, there was a march that, again, signified the importance of what we are trying to do in Manitoba and across the country. I would like to thank the Member for Carman (Mr. Rocan) and other members of this House who participated.

There was also a wonderful presentation on the grand staircase of the Manitoba Legislature which I had the opportunity to take part in. What is very important about this whole initiative is that we focus on education. In particular, which was so telling, is there were students from various high schools on the staircase who this whole education process has to be targeted to. As the minister said, "Young people tend to have a higher statistic of injury in the workplace." We know that the term "youthful enthusiasm" is not there just by chance. It is because young people want to prove themselves and want to show what they can do and often get injured because they are not showing the caution.

The demonstration of every nine seconds one of those students sitting down, showing that every nine seconds a worker is injured in Canada, I thought was very telling. It was one of those graphic kind of displays that really brought the message home.

* (13:45)

I was also very impressed with the employers' insurance fund, the Workers Compensation Board,

and their new advertisement. I felt it was very well produced and it really brings the issue home. It showed a family setting and the concern that parents have for their children, as we should have for all of those who go out into the workplace.

I would like to conclude by saying there is a wonderful brochure put out by the Canadian Labour Congress. It explains even the label about the canary and how important safety is in the workplace. We, too, would like to have the moment of silence.

Mr. Gerrard: Mr. Speaker, I ask for leave to speak to the minister's statement.

Mr. Speaker: Does the honourable member have leave?

Some Honourable Members: Agreed.

An Honourable Member: No.

Mr. Speaker: No? I heard a no. I will re-ask then. Does the honourable member have leave? [*Agreed*]

Mr. Gerrard: I rise to emphasize that there is all-party support for recognizing that workplace safety is a very important issue in this province. I think it is important that we have this recognition, that we get the awareness of the importance of workplace safety out, particularly to young people.

Not very long ago, I was in Glenboro, in a restaurant, and met a mother who had not very long ago lost a son in a very tragic workplace accident. Mr. Speaker, she has become one of the people who have become a major spokesperson for increasing workplace safety in this province. That tragedy is something that we need to remember so that we do everything we can to prevent such tragedies from occurring in Manitoba in the future.

Mr. Speaker: Would members please rise for a moment of silence.

A moment of silence was observed.

INTRODUCTION OF BILLS

Bill 46—The Teachers' Pensions Amendment Act

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): I move, seconded by the

Minister of Family Services and Housing (Ms. Melnick), that Bill 46, The Teachers' Pensions Amendment Act; Loi modifiant la Loi sur la pension de retraite des enseignants, be now read a first time.

Mr. Speaker: It has been moved by the honourable Minister of Education, Citizenship and Youth, seconded by the honourable Minister of Family Services and Housing (Ms. Melnick), that Bill 46, The Teachers' Pensions Amendment Act, be now read a first time.

Mr. Bjornson: This bill amends The Teachers' Pension Act in the following areas: Membership on the Teachers' Retirement Allowances Fund Board, members' contributions on salary above the maximum salary for which a defined benefit can be accrued, contributions and pension benefit accrual during periods of disability, purchase of service for past leaves, purchase of service for adoption leaves and contributions during short-term leaves. Thank you, Mr. Speaker.

Mr. Speaker: Is it the pleasure of the House to adopt the motion? *[Agreed]*

Bill 25—The Amusements Amendment Act

Hon. Eric Robinson (Minister of Culture, Heritage and Tourism): I move, seconded by the Minister of Industry, Economic Development and Mines (Mr. Smith), that Bill 25, The Amusements Amendment Act, be now read a first time.

Motion presented.

* (13:50)

Mr. Robinson: This legislation continues our commitment to the safety and well-being of Manitoba's children. It will broaden the definition of film to include video games, Mr. Speaker, enabling the Province to restrict the rental or sale of violent or sexually explicit video games to children.

Mr. Speaker: Is it the pleasure of the House to adopt the motion? *[Agreed]*

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from the

Rotary Group Study Exchange from India five visitors under the direction of Mr. Larry Buhler. These visitors are the guests of the honourable Member for St. James (Ms. Korzeniowski).

Also in the public gallery we have from Sisler High School 16 Grade 9 students under the direction of Mrs. Carole Grier. This school is located in the constituency of the honourable Member for Burrows (Mr. Martindale).

Also in the public gallery we have from the Maples Collegiate Institute 56 Grade 9 students under the direction of Mrs. Samantha Ursel and Ms. Dawn Wilson. This school is located in the constituency of the honourable Member for The Maples (Mr. Aglugub).

On behalf of all honourable members, I welcome you all here today.

ORAL QUESTIONS

Maples Surgical Centre Partnership Agreement

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, the federal Health Minister yesterday said that there is nothing preventing the private sector from delivering health care services as long as government pays the bills.

Roy Romanow has recently come out against the premiers saying that it is not enough just to ask for more money from Ottawa, Mr. Speaker. He is asking the premiers, including this Premier, to look for bold, innovative solutions because money alone cannot fix or solve our health care system.

For some time now we have been calling on the Premier to work closely with the private sector to improve access to care and reduce waiting lists, Mr. Speaker. The federal government is now onside. We know that the Premier has recently extended a contract with Western Surgery, a privately owned facility.

Will he now take the much-needed next step, Mr. Speaker, and contract with Maples Surgical Centre so patients have more choice and better access, Manitoba patients, to timely care?

Hon. Gary Doer (Premier): Mr. Speaker, the premiers had a meeting with the Prime Minister a few weeks ago on health care, BSE, issues such as Canada-U.S. relations—*[interjection]*

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. We had the meeting and I can assure the member opposite that the Prime Minister was extremely clear with all premiers that all principles, existing principles of the Canada Health Act, would be the federal government's position. I assume that the Prime Minister speaks for the Government of Canada. I certainly know that our Government supports the principles of the Canada Health Act.

If members opposite want to extend profit health care and Americanize the health care system, Mr. Speaker, they tried it with home care in Manitoba and the public of Manitoba unanimously rejected the privatization and profit incentives that the members opposite established.

Mr. Murray: The federal Health Minister has said very clearly that delivering health care services, as long as the Government pays the bills, is an opportunity that should be looked at. We know the Maples Surgical Centre is a state-of-the-art, world-class health care facility that has the resources to provide patients with quality access to care. All this Premier has to do is contract with the Maples Surgical Centre and have Manitoba Health pay the bills.

* (13:55)

Right now in Manitoba there are some 1200 children on the waiting list for pediatric dental surgery, Mr. Speaker. If the Premier would contract with the Maples Surgical Centre, who already has the resources in place to do these surgeries, then we could start addressing issues important to these children, getting the surgery they so desperately need.

My question to the Premier: Will he contract with Maples Surgical Centre so more children in Manitoba can get the pediatric dental surgery they so desperately need?

Mr. Doer: In the bad old days, kids from northern Manitoba used to have to fly down to Winnipeg for dental surgery. In the new era we have actually

moved the dental surgeries to the North where people live. We have moved 500 surgeries to the North. You will not see the profit centres like Maples clinic going to Thompson. That is why we are providing services all across this province in a universal way, something rejected by the Tories, Mr. Speaker.

Mr. Murray: It does not answer the question about 1200 children. On this side of the House, Mr. Speaker, 1200 children that are suffering from not getting pediatric dental care, apparently, that seems to be okay.

It is a very serious issue for these Manitoba children, and what is interesting is that this Government is looking at spending some \$80,000 to buy equipment to set up a central location in Beausejour. It is our understanding that the \$80,000 the Doer government is spending for equipment that already exists in a facility here, Mr. Speaker, that \$80,000 could take some 300 of those children, some 300 of the 1200 children that are in desperate need of pediatric dental care off the list.

The Premier no longer can hide behind Roy Romanow. The Premier can no longer hide behind the federal government. Will he do the right thing, contract with Maples Surgical Centre to reduce this much-needed surgery, Mr. Speaker, and allow Manitoba children to get the kind of care they deserve? Do the right thing, Mr. Premier.

Mr. Doer: In the rant, I did not get all the question, but let me start by saying that when we come to medical facts, I am still awaiting an apology from the member opposite on being dead wrong on the support that this provincial government provides to Emergency and Ambulance Services in Manitoba. We are dealing with a factual deficit from members opposite, question after question after question.

Secondly, I do not think it is appropriate for us to cancel equipment in the Beausejour Hospital and move that allocation for profits from somebody to the Maples clinic. We think there is underutilization in rural Manitoba. We think there are more surgeries and more procedures that should take place in rural Manitoba. The action in the Steinbach Hospital, the Ste. Anne's Hospital, the Thompson Hospital, the Beausejour Hospital with the new equipment is meant to keep the pressure off the waiting lists in communities. If members opposite are opposed to

rural health care investments, I am shocked to hear that from members opposite, and I do not know whether he cleared the question from the MLA from the region. I doubt it.

Women's Shelters Funding

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, my question is for the Minister of Family Services. I recently met with a non-profit women's shelter and we discussed the financial strains that this organization is dealing with in its day-to-day operation to meet the needs of women and children in crisis. Now the Doer government has added strain to this organization by expanding the PST.

Can the minister identify what services currently provided by the women's shelter does she advocate cutting from this organization through the tax hike?

Mr. Speaker: Order.

* (14:00)

Point of Order

Mr. Speaker: I have not recognized the honourable member yet. I have the Official Opposition House Leader up on a point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, I rise on a point of order this afternoon to draw attention to a camera in the gallery that I believe is that of the NDP. Although I understand that in LAMC there was agreement to have pictures taken of caucus members by a photographer of that caucus, it was also my understanding that we would not be taking pictures of the opposition party when they were up in the gallery taking pictures. It is for that reason that I raise this point of order.

Mr. Speaker: The Government House Leader, on the same point of order.

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I do not recall the strictures as listed by the Opposition House Leader, but I defer to the records of our discussions and will certainly instruct accordingly if there has been any transgression. That was not my understanding. I could be wrong.

Mr. Speaker: The honourable Member for Inkster, on the same point of order.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, on the same point of order. I know earlier we had an incident where there was called into question in terms of having a microphone inside the Chamber. At the time I believe what you did is you had asked for the tape so that you would be able to go over the tape to make sure that nothing was inappropriate on that tape.

I would suggest to you that if other caucus members are not made aware, we do not know what the intentions or why they would have been taking pictures, what sort of posturing, positioning or whatever it might be. So I do think that it would have been as a courtesy when another political party sends someone into the press gallery, and that is really where they were, inside the media press gallery taking pictures, that we should have been at least made aware that it was a political party issuing or requesting to take pictures. I think that would have been the most proper thing to do.

Mr. Speaker: On the point of order raised by the honourable Official Opposition House Leader, they had come to me as the Speaker for permission. My understanding of the meeting we had was that we would allow pictures to be taken, still pictures from the doorways. It was my understanding that political parties were allowed to do that, but I would like to refresh myself and review the rules. So I would kindly ask the honourable member that is taking the pictures to leave.

An Honourable Member: He snuck away a long time ago.

Mr. Speaker: Well, I cannot see. I do not have eyes behind my back.

This was discussed in the past, and I will look back on the records and see what the decision was. If there is a correction on my part to be made, I will make it. We will look back on the direction that was presented to me and I will follow that direction.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader, on a new point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Yes, Mr. Speaker, on a new point of order.

I would request that the photographs that were taken today, and I only raise the issue because it was

my understanding that if we had a photographer from our party in the doorway, that photographer would be restricted to taking pictures of our caucus in their seats. That is the discussion that I recall we had at the Legislative Assembly.

I noted that the photographer in the doorway was specifically taking pictures of the Opposition, and I would ask that that camera and film be confiscated until such time that the ruling is made.

Mr. Speaker: Order. On the point of order raised by the honourable Official Opposition House Leader, I will request one of our security to confiscate the camera and the film, as we did in other circumstances, until I check the records. Then we will proceed after verifying what is allowed and what is not allowed. I have asked security to confiscate the camera for now. Then I will make a ruling after determining the facts. That should take care of the matter.

* * *

Mr. Speaker: Now we will revert back to Question Period. The honourable Minister of Family Services and Housing to answer the question.

Hon. Christine Melnick (Minister of Family Services and Housing): I would like to thank the member for the question. It gives me the opportunity to inform the House that between the fiscal years of '99-2000 and '03-04, this Government has increased funding for shelters, resource centres, crisis lines and second-stage housing by 57 percent.

This is in opposition to the 11 mean years of the previous administration where funding for family violence agencies barely kept pace with the rate of inflation, often barely equalling 1 percent.

Mrs. Rowat: Mr. Speaker, I just want to clarify that crisis lines in the rural women's shelters are not covered. They are part of the operating grant so that increase did not take place.

This issue, Mr. Speaker, is about vulnerable women and children. Why is the Minister of Family Services failing women and children by putting an additional tax burden on the backs of the domestic violence victims?

Ms. Melnick: I would like to further inform the House that, based on our policies of empowering women to make safe decisions, certainly, when they have been faced with violence, our total increase in funding is \$3.6 million which leads to a total of \$9.9 million in '03-04, and our commitment to the women and children of Manitoba remains.

Mrs. Rowat: Mr. Speaker, women's shelters need support, and they should not become another target for this Government. Will this Minister of Family Services please stop nickel and diming our province's most vulnerable and exempt women's shelters from this abusive tax?

Ms. Melnick: Again, Mr. Speaker, we have brought forward a 57% increase, and I commit to the House that our commitment to women, to shelters, to crisis lines remains strong.

Vaccination Programs Coverage

Mrs. Heather Stefanson (Tuxedo): After repeatedly asking on behalf of Manitoba children and their families, Mr. Speaker, for this Government to cover the cost for vaccinations for meningitis, pneumococcus and chicken pox, I am pleased that the Minister of Healthy Living has finally listened to us and covered the cost of these vaccinations.

Will the minister guarantee that all Manitoba children will be covered by these new immunization programs?

Hon. Jim Rondeau (Minister responsible for Healthy Living): Mr. Speaker, I would be pleased to table a letter that I wrote to Minister Carolyn Bennett, the minister for public health. I am very pleased to inform this House that I am following the Minister of Health's (Mr. Chomiak) lead, who brought this as a national agenda item in 2001, in the year 2001, far before the member opposite brought it.

I am also pleased to inform the House that we are moving forward in making it a positive, preventative health strategy. My ministry is looking at preventative, positive things, and we are pleased as a government to implement vaccines to all children to help prevent illness. It is a wonderful move. We are only the second province to do it.

Mrs. Stefanson: Well, Mr. Speaker, I had asked a very simple question and it is disturbing that I am not getting an answer to it. Will the minister guarantee that all Manitoba children will be covered by this new immunization program? Yes or no?

* (14:10)

Mr. Rondeau: Mr. Speaker, I am very pleased to announce that we are working with the First Nation Inuit Health Branch plus Manitoba Health to ensure that all children have access to these very important vaccines. I am very pleased that we are only the second province in Canada to do this. I am very pleased that we led, with the federal government, on this important health initiative. I am very pleased that we are moving forward in the prevention initiative which will help save medicare to make sure that we have healthier children, healthier communities and prevent the strain on the acute care system.

Mrs. Stefanson: Mr. Speaker, I am pleased that the minister has committed to covering these vaccinations for all Manitoba children.

I would like to ask the minister: When can all Manitoba children expect to be covered for these vaccinations?

Hon. Gary Doer (Premier): I think it is important for Manitobans to note that four questions ago it was the profit health care policy of the Tories and now it is the universal policy. We support a universal policy; that is why all children will be covered, Mr. Speaker.

Manitoba Lotteries Corporation Illegal Activities

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, I certainly hope that the camera that is here will be taking a picture of the Member for Tuxedo, who brought in a very important initiative and made sure things were happening for babies in this province.

Mr. Speaker, yesterday the Minister of Finance stated that he was in possession of information, and I quote, "Illegal activity that had taken place at the Manitoba Lotteries Corporation." The word "illegal" in law refers to criminal—

Mr. Speaker: Order. That matter has been taken under advisement.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. On the motion that was moved it says, "Minister of Finance (Mr. Selinger) did break the privileges of myself by quoting directly from a legal opinion indicating that illegal activities were occurring at the Manitoba Lotteries and that this House finds the Minister of Finance in contempt of this House for casting aspersions against employees of the Manitoba Lotteries Corporation.

"Further, that this minister be directed to withdraw his comments and apologize or provide to this House this legal opinion as referenced by the minister, so I have taken the matter under advisement."

Many Speakers, and I will quote you some Speaker's rulings. This was from Hansard, March 20 of 1991, "remind the honourable member for Kildonan that I have already taken that matter under advisement and that I would report back to the House." That is all part of the same facts that I have to peruse and investigate, and I have to use all those facts in order to make my ruling.

So I would kindly ask all honourable members to stay away from that issue until I bring back a ruling. I will bring back a ruling as soon as I get all the facts, all the information pertaining, and I will bring back a ruling, but if you want to rephrase the question, you have that opportunity.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader, on a point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, we are quite aware that you have taken a matter under advisement and have not ruled on it as yet, and I respect that wholeheartedly.

In my humble opinion, this question is asking another issue, and I would ask that the member be allowed to pose his question completely. If in fact you find the question at that time out of order, you would simply indicate to the member that his question is out of order, but I would ask that you allow the member to pose his question and then if there is a ruling, we will certainly respect it.

Mr. Speaker: On the point of order raised by the honourable Official Opposition House Leader, how I

concluded was to rephrase the question to stay away from the issue. I will hear the question and I will make a ruling if it is in order or not in order. If it is out of order, I will ask the member to rephrase it at that time.

Point of Order

Mr. Speaker: The honourable Member for Carman, on a new point of order.

Mr. Denis Rocan (Carman): On a new point of order, Sir.

Mr. Speaker, in order to facilitate the proceedings of the House as we find ourselves in somewhat of a jackpot, you will agree with me that words sometimes are said in a particular way which could cause some disturbance in the House. I believe in that fashion, Sir, you will try to rule on particular words that are presently before the House.

Mr. Speaker, I would ask you, Sir, to please refer to *Beauchesne's* 489 in the unparliamentary word section where the word "illegal" definitely shows up, that it is an unparliamentary word. It is a word that nobody likes on either side of the House. We understand it might have been said yesterday but, again, and I couch it in the way that it might have been said—

An Honourable Member: Just say you are sorry.

Mr. Speaker: On the point of order raised by the honourable Member for Carman, I kindly respect your assistance in this matter. Words sometimes are used that are parliamentary and then other Speakers rule them unparliamentary, and it all depends on the tone.

You are absolutely right. If it causes a disruption in the House, Speakers have ruled it unparliamentary and I thank you for your assistance.

I will allow the Member for Steinbach to pose his question, and then I will decide at that time if I will allow it or I will ask you to rephrase it.

* * *

Mr. Goertzen: Thank you very much, Mr. Speaker. Certainly, I appreciate the fact that you have taken under advisement the issue of the tabling of the

document that was referred to yesterday in the House.

My question is not to the tabling of the document in this House, but it certainly is clear that the Minister of Finance raised issues of illegality that happened within a corporation.

I just want to ask the minister if he has brought forward that information to the appropriate legal authorities so that they can peruse that information.

* (14:20)

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, yesterday I indicated that I had advice when I came into government that the borrowing practices of the Lotteries Corporation were improper, and I used the word "illegal." I cited Supreme Court jurisprudence in that regard. I am happy to table today the Supreme Court judgment that supports the view that I put forward in the House yesterday. I will make that available to the members.

Mr. Goertzen: Mr. Speaker, I find the minister's response completely unacceptable. I have Hansard here from yesterday. I will quote that the minister said, "We have a legal opinion that the Lotteries Corporation was borrowing money illegally." If the member of the Crown has information regarding an illegal activity, which in law means a criminal activity, he needs to bring that forward to the appropriate authorities or he is obstructing. Will he bring that forward to the proper authorities?

Mr. Selinger: Mr. Speaker, I said that I would cite the basis upon which I made my comments. I would provide that to the House. I have done that promptly today. I can tell the member opposite that what we did when we came into government, instead of having the borrowing off the books, hidden from public scrutiny, which was commented on by the Auditor General of Manitoba as being inappropriate as well, we put that borrowing authority required for the Lotteries Corporation into The Loan Act so it would be disclosed in the budgets that are tabled in front of this House for full public accountability, something the members opposite refused to do while they were in office.

Mr. Goertzen: Mr. Speaker, it is clear that minister does not have the dignity or the class to apologize for besmirching the reputation of many good employees

at a Crown corporation. He should have just stood up today and either withdrawn his comment of illegal activity from yesterday or apologize. He does not have the class. I do not think he has the class today and I say shame on the minister.

Mr. Selinger: Mr. Speaker, I made it very clear that I have tabled the basis upon which I expressed my views yesterday. I have done that. It seems to me prudent on the part of the member opposite, before he jumps to conclusions he may want to read the judgment because the judgment makes it very clear that a publicly legislated corporation only has those powers specifically allocated to them. This corporation did not have the power to borrow off the books, and therefore their activity was illegal. The members opposite covered that up.

Economic Growth Government Initiatives

Mr. John Loewen (Fort Whyte): It is clear that this Minister of Finance knows even less about law than he does about financial information, Mr. Speaker. In his Budget that he presented to this House, this minister had rose-coloured glasses. He stated that Manitoba's economy grew by 1.9 percent in 2003, just ahead of Canada's increase of 1.7 percent. Today we find out from Statistics Canada that he is dead wrong. They tell us that Manitoba's growth rate was 1.4 percent, not only over 25% less than he stated, but it is less than Canada and it is less than nine other provinces.

Mr. Speaker, I would ask this minister if he would please stop spending time on a keno file, on the VLT file, and get about the business of making Manitoba competitive so that our economy can grow.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I am delighted to get the question from the member opposite. I am not surprised that he would continue to put on the record inaccurate information about how the Government projects its economic growth. It was in 1998 under the former government that they decided that the most reliable data to use for economic growth in this province was data from the Manitoba Bureau of Statistics. That is the data we used in our Budget. The practice was established by the members opposite. We have followed that data and that data has historically proven to be more accurate. The member opposite ought to know that

because it was the practice established by his government.

Mr. Loewen: Mr. Speaker, not only are we behind growth from Statistics Canada figures this year, Manitoba's growth has lagged for the last four years. Our economy is stifled. We are creating jobs at seven times less than the national average. No wonder this minister cannot create the revenue growth through growth in the economy, and he is forced to get tax increases from the poor and those people that cannot afford the increases, from the vulnerable in our society.

I would ask this minister if he would take the advice he received from the Business Council of Manitoba and get about the business of making Manitoba competitive so our economy can grow. We can create jobs and he can get the necessary tax increases to provide services Manitobans want.

Mr. Selinger: Our record on the economy is that we have increased personal disposable income for people since 1999 by 5 percent. During the 10 years when members opposite were in office, personal disposable income declined by 5 percent. They had less in their pockets after these guys got finished with them. They have more in their pockets since we have come to government.

Mr. Loewen: Mr. Speaker, once again the minister ignores the truth. He has his rose-coloured glasses on. Our economy is stifled under the policies of the NDP that are making us uncompetitive.

Job growth is down, retail sales are down, our economy lags behind the rest of Canada, and yet this minister has the gall to ignore the business community, Manitoba's largest employers. Instead of doing as they ask, which is to reduce taxes and make Manitoba competitive, he raises taxes. He goes after the poor by spending \$100 million so he can get more VLT revenue. Do the right thing, sir. Get the economy going; get off the VLT file.

Mr. Selinger: There was so much misinformation in the preamble to that question that the member has once again cemented his reputation for inaccuracy and poor research. Well, let us look at the facts. We have the lowest- or second-lowest unemployment rate in the country, all across the board. We have the second-lowest rate for unemployment for young people in this province.

Last year we reversed the trend that was evident under the member opposite's regime of attracting young people back to Manitoba. We have more young people living in this province and coming back to this province than we had during the entire period of the nineties. Private capital investment is at a historic high. We have the highest participation rate in the economy, and we have a plan that will develop this economy for the next decade as we go forward.

Red River Floodway Expansion Master Labour Agreement

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, the priorities of this Premier have become abundantly clear: \$100 million more on Cadillac VLTs, \$35 million to build a hospital Laundromat and sandwich factory, \$90 million in increased taxes and user fees and an unnecessary \$65 million more added to the cost of the floodway expansion project through his scheme of forced unionization and forcing workers to pay union dues.

Forced unionization and forcing union members that are not paying union dues to pay dues, Mr. Speaker, is not an issue of left or right politics. It is a matter of right or wrong and it is dead wrong to force somebody who is not paying union dues to pay union dues. It is dead wrong to force non-unionized companies to pay union dues.

Will he do the right thing, take these two issues off the table, Mr. Speaker, and allow Wally Fox-Decent and the others to get on with doing the right things and talk about training so we can get on with building the floodway? Get them off the table.

* (14:30)

Hon. Gary Doer (Premier): I am shocked that the member opposite would be condemning his former boss, Brian Mulroney, in such a way when he built the Charlottetown bridge with those kinds of rules, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Murray: Well, thank you, Mr. Speaker. I know this is a very sensitive issue because the Premier is just saying that something was not on the table. His

Minister of Water Stewardship (Mr. Ashton) said it was non-negotiable. It is very clear that forcing unionization on companies in Manitoba should not be on the table.

It is not fair for this Premier to put Wally Fox-Decent in a position to try to negotiate because of this Premier's bungling of this very important issue. Will the Premier do the right thing? Will he take forced unionization off of the table? Will he take the issue of forcing hardworking Manitobans who do not pay union dues, forcing them to pay union dues? Will he take that off the table, Mr. Speaker, and allow Wally Fox-Decent and others to get on with building the expansion of the floodway?

Mr. Doer: Well, Mr. Speaker, I am flattered the members opposite have a petition asking for me to bring in all the parties and resolve some of these issues, but I think that Mr. Wally Fox-Decent is better qualified. So, notwithstanding the contradiction in their petition, we have faith in Wally Fox-Decent and I am surprised members opposite do not.

Mr. Murray: Well, Mr. Speaker, I understand this is a very serious question, and I understand that the Premier is having some difficulty with it and is looking a little bit flushed when I ask him the question. Perhaps it is because he is taxing the water that flows through our toilets now through his toilet tax that he has introduced.

Mr. Speaker, this is an issue that is important to all Manitobans. It is this Premier who has decided that he is going to spend \$100 million on new Cadillac VLTs. It is this Premier that has decided that he needs to spend \$35 million on a hospital Laundromat and a hospital sandwich factory and it is this Premier who is going to be squandering some \$65 million of taxpayers' money forcing non-unionized companies to pay union dues.

I ask him simply to do the right thing. This is a yes-or-no question. Will he take forced unionization, forcing non-union workers to pay union dues, will he take it off the table and allow Wally Fox-Decent to get on with negotiating with stakeholders to build the floodway?

Mr. Doer: Mr. Speaker, I would point out that projects such as this nature should be evaluated when all the bills are tallied.

I would point out that the Auditor's report in May of 2000 pointed out that members opposite, without authority, without public disclosure, with incomplete and misleading information to the public, ran a cost overrun of \$115 million without a plan in place to show how the renovations would be financed when they expanded the casinos. Our record needs no criticism from all the front bench opposite.

Provincial Sales Tax Professional Services

Hon. Jon Gerrard (River Heights): Mr. Speaker, innovation is vital to economic growth. Even the Government has acknowledged as much. Yet last week the Minister of Finance put a new 7% tax on engineers and engineering services. Engineers are innovators. Engineers are the very people who drive progress in building an innovation society.

I ask the Minister of Finance why he has put a retail sales tax on the very activity which even the Government itself has said it is trying to promote.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I guess the same question could be asked for the member opposite. Why did he put the GST on engineers' services?

Mr. Gerrard: We are dealing with serious matters which need a response. At today's conference on building an innovation society, one of the innovative people I met at the conference was so upset that he suggested that the Premier (Mr. Doer) should be suspended from a bridge on a long thin rope.

Mr. Speaker, he suggested that the Premier needs to recognize that it was engineers who built the bridge and engineers who made the rope, and that the Premier's life depends in many ways on engineers.

I ask the Premier why he is taxing the very people who are innovators and who are needed to build the future innovation society that we want in Manitoba.

Mr. Selinger: When it comes to providing opportunities for engineers in this province, first of all, we are rebuilding the engineering building at the University of Manitoba. Then, as we advance on developing hydro projects in northern Manitoba, there will be many opportunities for engineers. As

we rebuild the infrastructure of this province through the floodway, there will be many opportunities for engineers. As we work with our municipalities to rebuild the infrastructure in co-operation with the federal government, there will be many opportunities for engineers. As we reduce the tuition fee at the University of Manitoba, more young people will have access to engineering education. These are all things that were never done before and we are doing them.

Mr. Gerrard: The Minister of Finance has made sure he is taxing it all, too.

Referendum

Hon. Jon Gerrard (River Heights): Mr. Speaker, The Balanced Budget, Debt Repayment and Taxpayer Accountability Act provides that, where a government introduces an increase in the retail sales tax, as the Government did last week in increasing the tax on engineering and other professional services from zero percent where it was before to 7 percent, and where the overall tax changes are not revenue neutral but will increase tax revenue, then there must be a Manitoba-wide public referendum.

Since there are valid questions about the minister's numbers, we are calling for an independent audit of whether or not the Minister of Finance's budget revenues are revenue neutral or will in fact give a net increase.

I ask the Premier (Mr. Doer): Will he follow the requirements of the balanced budget legislation and call a referendum should the overall tax changes he and his Government have introduced be found in an independent review to give an overall increase in revenue?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, we have said we would comply with the balanced budget legislation as it is the current law of Manitoba. If anybody thinks that we are not in compliance with it, they have options available to them. We believe we are in compliance with it. We are respecting that. The measures we have brought forward are indicated on page D1 in the Budget. They show themselves to be revenue-neutral. I can make it clear to the member opposite that this extension of the sales tax is not something that would trigger the referendum position, the referendum mechanism, under the balanced budget legislation.

University of Manitoba Graduate Scholarship Program

Ms. Bonnie Korzeniowski (St. James): Mr. Speaker, on April 21, the Minister of Advanced Education and Training announced a new \$350,000 fund for university graduate scholarships. Would the minister please inform the House of this scholarship and how it will benefit students and the province?

Hon. Diane McGifford (Minister of Advanced Education and Training): Mr. Speaker, I thank the member for that question. I want to assure all members of the House that I value engineers and I value innovation, which is of course one of the reasons that we announced the Manitoba graduate scholarship last week, the first one in the history of this province.

* (14:40)

Now why did we announce it, Mr. Speaker? What are some of the things this will do for our province? First of all, it will allow us to retain our knowledgeable and skilled students. It will allow us to attract knowledgeable and skilled students from outside the province so promoting excellence in the province. It will allow us to support and advance the very fine research being done in our public institutions, and it will allow us to attract matching and additional research dollars from the federal government and from the private sector. It is a multiplier when it comes to research. Most important of all, of course, this scholarship will allow rich careers for our—

Mr. Speaker: Order.

CAIS Program Manitoba Contribution

Mr. Jack Penner (Emerson): Mr. Speaker, farm net income has dropped in 2003 to an all-time low, a 40% decline in the income of farmers in the province of Manitoba. The Province of Manitoba has yet not told producers whether they will fully fund the 40% requirement under the CAIS program, the APF program. Farmers have now received an extension, I understand, to sign on to the agreement until June.

Mr. Speaker, I ask the Minister of Agriculture: Will she commit today to fully fund her 40 percent?

Will she commit today to cover the 60% negative margins, and will she also support the increased limits to \$3 million as suggested by other provinces?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, as I indicated in the past, we did sign on to the APF. We have budgeted for it. It is in our Budget. There are still discussions on the negative margins and raising the cap to \$3 million between Manitoba, other provinces and the federal government. I have indicated in the past that we have funded the CAIS program and the risk management programs in this Budget. I look forward to having more detailed discussions with the member as we get into Estimates.

Mr. Speaker: Time for Oral Questions has expired.

If I can have the indulgence of the House, when I was introducing our visitors from India I forgot to include their names. So, if I could ask the House, if you do not mind, the team leader from the Rotary Club guests from India is Suvrajyoti Sengupta and was accompanied by Neeklashi Mahanta, Tinat Masoof, Ramachanran Ramesh and Diwakar Thapa. I just want to add that to our guests.

Oral Questions has expired.

MEMBERS' STATEMENTS

TelPay

Mr. Ralph Eichler (Lakeside): The Winnipeg Chamber of Commerce has chosen TelPay as a recipient of the 2004 Innovator of the Year Award.

Mr. Speaker, based in Winnipeg, TelPay not only pioneered Canada's bill payment by phone system back in 1985, TelPay is also the first company to provide individuals and businesses with a cost-effective method for transferring money and making e-payments to anyone inside Canada.

The country's largest independent e-payment processor, TelPay serves 250 financial institutions, mostly credit unions, with online banking modules, online bill payment capability, business-oriented payment software and payment consolidation services. Total electronic bill payment transactions processed by TelPay over the past year amounted to 12 million transactions worth \$4 billion annually.

Congratulations to founder W. H. (Bill) Loewen, president, and CEO Brian Denysuik, and all the staff at TelPay for being chosen as the 2004 Innovator of the Year.

TelPay started as a division of Winnipeg-based Comcheq Services Limited, Canada's payroll specialists.

National Day of Mourning

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, I rise today to commemorate the National Day of Mourning for workers killed or injured on the job. Earlier in the day I joined many Manitobans at the Annual Day of Mourning Leaders' Walk from the Union Centre to the Manitoba Legislature. This year marks the 20th anniversary of the proclamation of the National Day of Recognition and Mourning, a day to remember people who have been killed or made ill or injured in the workplace.

In 1984, the Canadian Labour Congress Executive Council declared an annual day of remembrance to publicly renew our commitment to fight for the living and mourn for the dead. April 28 was chosen because on this day, third reading took place for the first comprehensive Workers Compensation Act in Ontario in 1914. The NDP MP for Churchill, Rod Murphy, submitted a private member's bill called the Worker's Mourning Day Act. On February 1, 1991, this bill received Royal Assent.

On average, every nine seconds a Canadian worker is injured. That is a million people a year. Every day, four workers die. Workers between the ages of 15 and 24 are particularly vulnerable. Many of these workers still attend school and work at part-time jobs.

Workers' compensation boards across Canada pay out billions in benefits every year. With the addition of indirect costs such as retraining replacement workers, loss of productivity, damage to equipment, tools and machinery and lowered morale, the annual total cost of occupational injuries to the Canadian economy is over \$10 billion, but those are only the dollar costs. The real costs in human pain and suffering are incalculable. That is why the Workers Compensation Board of Manitoba, with partners from business and labour, has embarked on an aggressive advertising campaign to make the workplace safer.

Mr. Speaker, I thank Ellen Olfert, director of the Safe Workers of Tomorrow, for spearheading today's Annual Day of Mourning Leaders' Walk. I also recognize the many students, workers, labour leaders and colleagues of this House who participated in this important walk and the ensuing commemoration ceremony on the steps of the grand staircase of the Legislature.

Roland 4-H Club

Mr. Denis Rocan (Carman): Mr. Speaker, I rise today on a matter of concern to constituents of mine, in and around the community of Roland.

For several years now, the Roland 4-H Club has participated in a highway cleanup campaign, a very important fundraiser to pay user fees for each member. For 2003, the club was given two dates for the event by the Manitoba 4-H Council, a scheduled date and a rain date. Due to inclement weather the club decided it was going to use the rain date, May 24, 2003.

Tragedy struck the community when a young man met his untimely death. His funeral was scheduled for the same day as the rain date for the highway cleanup campaign. The Roland 4-H leaders decided the highway cleanup would not take place on that day as they did not want club members to be seen in the ditches on the day of the funeral and to ensure members and leaders were able to attend and help out at the funeral.

Instead, the highway cleanup was held May 21, three days earlier than the rain date. The Roland 4-H Club received notice from the Manitoba 4-H Council that their funding was being withheld from them and diverted to the Roland 4-H Museum because their club did not perform the cleanup on the designated dates.

Mr. Speaker, I know the Minister of Agriculture (Ms. Wowchuk) is aware of the situation and, as 4-H falls under the umbrella of her department, just as the children of 4-H pledge, "their heads to clearer thinking, their hearts to greater loyalty, their hands to greater service and their health to better living for their clubs and their communities," I would ask the minister to make her own pledge today to ensure that the Roland 4-H Club is handed an equal amount of money that they worked so hard for to help pay their dues.

Multiple Sclerosis

Mr. Harry Schellenberg (Rossmere): Mr. Speaker, Canadians have one of the highest rates of multiple sclerosis in the world. MS is the most common neurological disease affecting young adults in Canada.

Mr. Speaker, every day three more people in Canada are diagnosed with MS. Women are twice as likely to develop MS as men. Right now around 3500 Manitobans are affected by multiple sclerosis. The prairie region has a higher rate than the rest of Canada.

There is hope for a cure. Every day researchers are learning more about what causes MS. This past Sunday, April 25, thousands of Manitobans, including me, took part in the Super Cities Walk for MS.

Last year over 65 000 participants across Canada raised \$8.61 million in the Super Cities Walk for MS. The annual Super Cities Walk for MS is a fun, one-day, non-competitive 4-, 8-, 16-kilometre walk that takes place in over 140 communities.

We must take steps to find a cure for MS. Currently 50 000 Canadians have multiple sclerosis. MS is an unpredictable, at times disabling disease of the central nervous system, the brain and spinal cord. It causes loss of balance, impaired speech, extreme fatigue, double vision and paralysis.

We do not know as yet what causes MS, but researchers are closer than ever to finding a cure. Since 1995, four medications have been approved in Canada for the treatment of relapsing/remitting MS. One is now available for secondary-progressive MS. The treatments have been shown in the clinical trials to actually modify the course of the disease.

Mr. Speaker, on behalf of all members of this House, I extend a thank you to the thousands of walkers and volunteers. I was motivated to join this walk because I lost a friend to MS who received special care for many years at the Carman Boyne Lodge.

As a result of this personal experience, my family has become interested in this disease. My daughter is doing research on MS at the Health Sciences Centre. I am sure we all know someone with MS, and I encourage all Manitobans to support the MS Society to find a cure for this disease.

* (14:50)

Lake Winnipeg

Hon. Jon Gerrard (River Heights): Manitobans are very concerned about the future of Lake Winnipeg. Recent studies have shown advanced eutrophication and big algal blooms which threaten the future of our wonderful lake. Even the Government in its Throne Speech talked about the importance of lake stewardship and of the need for special attention to Lake Winnipeg.

Yet, when we look at the Budget this last week, what we see is that the budget for surface water management was reduced 6 percent since 1999, the budget for ground water management was reduced 9 percent since 1999 and the budget for aquatic ecosystems management was reduced 15.5 percent since 2001.

Mr. Speaker, the Government says one thing and does another. There is a real discord between what is said and the action. Today we learn, sadly, that the future of the *Namao* and its research activities on Lake Winnipeg this year are in doubt because there are some issues around the core funding.

Clearly the activities of the *Namao* and the research that is being done on Lake Winnipeg are fundamental to being able to monitor and to clean up Lake Winnipeg. It is sad that the Government, which has talked so much, has not been able to provide the sort of core support to ensure that this research will continue and to make sure that we have the good monitoring that we need of Lake Winnipeg in order to be able to start to turn this around.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Mr. Speaker: The honourable Government House Leader, on House business.

Hon. Gord Mackintosh (Government House Leader): Would you please canvass the House to see if there is an agreement to change the Estimates sequence for Friday morning so that the Department of Finance replaces the Estimates for Executive Council in the Chamber with the change to apply only for Friday morning?

Mr. Speaker: Is there an agreement to change the Estimates sequence for Friday morning so that the Department of Finance replaces the Estimates for Executive Council in the Chamber with the change to apply for Friday morning only? Is that agreed? *[Agreed]*

ADJOURNED DEBATE
(Eighth Day of Debate)

Mr. Speaker: Now we will go to Orders of the Day and we will resume debate on the proposed motion of the honourable Minister of Finance (Mr. Selinger) and the proposed motion of the honourable Leader of the Official Opposition (Mr. Murray) in amendment thereto; and the proposed motion of the honourable Member for River Heights (Mr. Gerrard) in amendment thereto, standing in the name of the honourable Minister of Education, Citizenship and Youth who has 27 minutes remaining.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): I would like to pick up where I left off yesterday at the close of the House, Mr. Speaker, putting a few words on record with regards to different pictures that have been painted in this House with respect to the relationship between teachers and the governments of the past.

As I said yesterday, members opposite had introduced legislation, Mr. Speaker, that gave school divisions the opportunity to lock teachers out of the classroom, and I for one, as a teacher, saw that happen on the occasion over two years where 15 days of my professional development had been denied by that legislation.

Mr. Speaker, members opposite also introduced a committee that was looking at teacher compensation and some of the recommendations that were being proposed as such did not recognize teacher education as being a valuable measure for incremental increases in salaries.

Mr. Speaker, members opposite introduced legislation that stripped teachers of a lot of their collective bargaining rights that had been acquired through the fair and reasonable process of arbitration that teachers had opted for in exchange of the right to strike. It really concerned me that members opposite have been standing and painting a picture of a very rosy relationship between the teaching profession and their government.

Mr. Speaker, I am pleased to stand here on this side of the House as a member of the Government and talk about how we take a look at education as an investment, how we do not consider it an expenditure, it is an investment.

Mr. Speaker, we are investing in our students; we are investing in our schools; we are investing in our teacher education. I am very pleased to stand on this side of the House and speak to the impact of our Budget this year and budgets past that have supported this priority for the people of Manitoba.

Our funding formula, for the fifth consecutive year we have met our commitment to fund at the rate of economic growth or better. An infusion of \$105 million was the latest announcement this past January; \$105 million, a very considerable amount that we put into the base for education funding, compared to \$15.2 million included in the members opposite's previous five years in terms of their investment, if I can use that word, in education.

Mr. Speaker, we have increased funding over the past five years for much-needed infrastructure and capital projects—\$288 million in the last five years to fund education projects, building new schools, completing over 600 projects for renovation. Again, it reinforces our commitment that education is indeed a priority for this Government.

Mr. Conrad Santos, Deputy Speaker, in the Chair

With respect to some of the comments made by the Member for Southdale (Mr. Reimer) the other day talking about the quality of education, and the quality of education that teachers cannot provide because of the crowded classrooms, the crowded schools. He is referring to a situation in his constituency where there are neighbouring schools that there is capacity, and it is prudent for us to take a look at other ways of delivering these services where we have empty seats five minutes away from overcrowded schools.

But I would also like to point out some of the issues raised about capital projects, Mr. Deputy Speaker, that there have been suggestions around building much larger schools in regions of Winnipeg, which again speaks to the lack of vision of members opposite when they introduced the concept of early, middle and senior years schools but did not provide

meaningful supports in terms of infrastructure to deliver that concept; providing physical structures to deliver that concept for our students.

Mr. Deputy Speaker, the \$17 million plus that we invested in our public school system this year clearly reflects the priorities of this Government. Those priorities include technical vocational education and a reinvestment in technical vocational education, a very exciting initiative. The money from my department, as well as from the Minister of Advanced Education and Training (Ms. McGifford), is a very important investment in technical vocational education for the province of Manitoba, recognizing some of the deficits that we have in skilled labour. This is something I am very proud that our Government has brought forward to address the needs of technical vocational skills and those opportunities for our students.

Our announcement also included an increase in Aboriginal academic achievement funding.

Our announcement also included commitment to the arts and a \$1-million commitment of which, this year, we have earmarked \$100,000 to initiate that process and begin developing a new arts curriculum for our students because arts is a very important part of what we do as a government, as an education system.

So I am really pleased to stand today on this side of the House and talk about our record as a government supporting our public schools, and again, we have to look at the language that we use when we talk about this, Mr. Deputy Speaker. This is an investment; it is not an expenditure.

There are a number of other initiatives that we are taking on through the Department of Education: \$100,000 announced recently, as mentioned in the budget speech to forward our citizenship agenda. I am really excited about that initiative. We do need to empower our youth to engage in civics, engage in participatory democracy. That is something that I am really excited about and something that we are really proud of on this side of the House as an initiative to engage not only our students but also to engage our teachers.

* (15:00)

The other day, during one of the discussions, there was a little bit of heckling going on, as there often is, and members opposite were saying, "How many of you have owned businesses?" Well, Mr. Deputy Speaker, I raised my hand, and that seemed to surprise members opposite. Well, yes, indeed, I was an entrepreneur. I did have a small business that I started at 14 years of age, and I ran that small business for 13 years. At one time I had as many as seven employees working for me. It seemed to amaze members opposite that I was, indeed, a businessperson, but I do have that experience of running a small business in Manitoba.

One thing that I am really excited about with respect to the Department of Education, Citizenship and Youth is that we have two new initiatives for skill development for young entrepreneurs. It will give young people who have started or who plan to start their own full-time businesses, a grant of up to \$1,000 to students in the south, up to \$1,500 for students in the North, to supplement the cost of completing an accredited business-related training course.

Another initiative is the Aboriginal Youth Mean Business! and it will improve supports for Aboriginal youth who have either started or plan to start their own businesses. The initiative will build a coalition of people involved in business development to help young entrepreneurs and create networking and mentorship opportunities for them. I am very pleased that this is something, Mr. Deputy Speaker, that we have brought forward under this Government to assist in exposing our students to a number of different technical-vocational and business-related courses where we have currently over 150 schools that are offering some form of business or technical-vocational education.

Also, as I mentioned, Mr. Deputy Speaker, the Aboriginal Youth Mean Business! is one of many initiatives that we have in the Department of Education as we look at our Aboriginal students and the fact that by 2016 one-quarter of the working-age population in Manitoba will be our Aboriginal youth. Now we have an action plan to address Aboriginal educational issues and the action plan focuses on increasing high school graduation rates; increasing the number of Aboriginal teachers; increasing the amount of parental and community involvement in education; improving access to post-secondary

education and training; and working to ensure a smooth transition to the labour market.

The members opposite have talked to us about an increase in administration costs in the Department of Education, Citizenship and Youth. Well, budgets do reflect your priorities. Aboriginal education is a very big priority for the Department of Education and, as such, the bulk of the increase in the administration costs is borne in the Aboriginal Education Directorate. It is a very important part of what we are doing in the Department of Education, Citizenship and Youth. Indeed, this is a government that governs for all Manitobans and it is reflected in our philosophy in Education, Citizenship and Youth as well.

Now, members opposite have—pardon me, just recently in this House we heard a reference to the *Namao* and the research project that had been undertaken on *Namao*.

Well, Mr. Deputy Speaker, I wear two hats on this issue, now as a current member of the Government that originally provided funding to retrofit the *Namao* so it was able to get out on the lake and do some research, but, also, as a former town councillor for the Town of Gimli that had a role to play in making the *Namao* a reality on our Lake Winnipeg as well.

The Lake Winnipeg Research Consortium has done a tremendous amount of research on the *Namao* to help us assess the issues that are challenging our lake today, and this Budget recognizes, this Government recognizes the importance of the lake as we have now a Ministry of Water Stewardship, the first of its kind in Canada. We will be developing a strategy to help us address the concerns of the citizens of Manitoba with respect to the health of our lakes and with respect to the health of our drinking water supply and other such issues.

So I am really proud to be here on this side of the House representing the Government that has brought these initiatives forward, the very first of their kind in Canada. As a rural member, I am really pleased with the initiatives that we have undertaken as a government to promote opportunities for young Manitobans.

Mr. Deputy Speaker, those opportunities include college and university tuition rebates, tuition freeze

that we initiated, 10 percent lower than it was in 2000, and the tuition freeze remains, increased support for colleges and universities throughout Manitoba, expanded vocational education in high school as I have already referred to, new training for employment opportunities related to the floodway expansion.

We are doing all these things in a very difficult budget year, as we have said before. But we are not cutting as we have seen in so many other jurisdictions. We have seen jurisdictions where they are not increasing funding because, as they are in a similar situation with the slowed economic growth in Canada, they are choosing to cut. We are not cutting. We are moving forward. We are continuing to advance our commitments in education and in health care. As I said, Mr. Deputy Speaker, as a rural member a lot of the initiatives that we have undertaken are very encouraging to see, the opportunities that we will be providing for youth in rural Manitoba, youth throughout Manitoba.

One of those other initiatives that we see under the realm of Justice, Mr. Deputy Speaker, is the Lighthouses program. The Lighthouses program that we have developed, we have once again said that there will be five new Lighthouses developed in the province that keep the doors of schools and friendship centres and other facilities open for after-hours activities organized by and for youth to support positive ways to spend their leisure time.

Now, as a former director of a youth centre and a former member of the Youth Advisory board and as someone who has also sat on a restitution and reconciliation committee that dealt with young offenders, there is a lot more to be said for proactive investment in our youth than cutting programs.

When you look at the overall focus of this Government, the holistic approach to our youth. We start in the womb with the Prenatal Benefit, with the Healthy Child Initiative, with the preparedness to learn for kindergarten assessments, with investing in our public education system and with freezing tuition and providing all the possible opportunities that we can for our youth.

This is indeed a government that believes in the future of this province and Budget 2004 in a very difficult budget year reflects that we strongly believe in the future of this province.

Well, Mr. Deputy Speaker, in the interests of time, I know there are many others who wish to speak on the Budget and I would just like to conclude by saying that Budget 2004 is a budget that Manitobans should be proud of and a budget that we should all support.

Mr. Denis Rocan (Carman): Mr. Deputy Speaker, I rise today to comment on what is being deemed the Premier's (Mr. Doer) "Can't-do" budget that was introduced in the House on the 19th of April. The Premier and his Government have once again demonstrated their complete lack of leadership and their ability to manage the Province's finances when they delivered their fourth budget.

We have listened to the Finance Minister (Mr. Selinger) who introduced a budget for the people of the Province of Manitoba. He and the Premier have said consistently that they were not elected to raise taxes. That is what this Premier and the Minister of Finance had been trumpeting all over the province of Manitoba.

They have said, and I quote, "The priorities of rural residents and agricultural communities are the focus of Budget 2004, which provides new personal tax relief, further investments in important transportation and health infrastructure, and new opportunities for young Manitobans . . . Budget 2004 is balanced with no draw from the Fiscal Stabilization Fund and follows through on promised tax cuts and debt repayment. It follows a year of challenges that included the BSE crisis and drought conditions. For many rural Manitobans it was a time of serious hardships," said the Minister of Finance.

*(15:10)

Well, let me see. Where was their focus? Despite years of promises that this Government was not elected to raise taxes, this Budget is nothing short of a tax grab. We are already the highest-taxed province west of New Brunswick. The additional \$90 million in new taxes and fees announced last week will only serve to drive more nails into the coffin of all of those who pay such high taxes here in the province of Manitoba.

Last week's Budget imposed several new taxes or tax increases on all Manitobans. If you hire a lawyer, an accountant, an engineer or an architect, you will now pay 7% PST on all of these services.

Now, when you license your vehicle and if you buy fuel, if you happen to need health care, if you drink or if you smoke, you will be paying more because of the Premier's need to increase taxes.

When they are pressed on this issue, we hear nothing but a bunch of excuses: A slowdown in national economic growth, a reduction of \$104 million in federal funding for Manitoba health care for 2004, challenges that included the BSE, the second-worst forest fire season in Manitoba's history, a rising Canadian dollar. If I was to believe all that I have heard, I would say that there is no hope at all for those who chose to live in this once-prosperous province.

There does not appear to be any sort of a plan. There is a void where there was once hope. Because of this need to spend and spend and spend, there is absolutely no desire on their part to think of the future. Who will end up paying for this terrible mess that they are putting us into? Déjà vu. This reminds me of all the same reasons that Manitobans turfed Howard Pawley and company from office. The NDP's spending habit had finally caught up with them and the people of the province of Manitoba said that enough is enough. Well, here we are once again, frozen in time with the same mindset, the same ideology, that was present back then and has raised its ugly head once again: spend, spend, spend some more.

Last year's budget projected expenditures of \$7.25 billion, but this administration actually spent \$135 million more than they had budgeted for. Frankly, after last year's dismal performance, the Minister of Finance has little credibility left when he says that they will balance the books this year. It was an opportunity that you had and, frankly, you threw it out with the bath water.

There was a chance for this Minister of Finance to talk about being fiscally prudent, Mr. Deputy Speaker, for living within their means, for doing nothing different than the rest of us, and that is living within our means. Simply stated, live within the income that they generate and ensure that their expenses are not over what their income is. Is there any particular reason why agriculture seems to have been forgotten in this Budget?

Are you not aware that springtime is here and that my farmers are in need of dollars to assist them

in getting their crops into the ground? Did we all forget that they have struggled all year with BSE, PMU, lower than normal grain prices? Are you also prepared to deal with the bird flu, if we are unfortunate enough to get hit by yet another dilemma? Was there any consideration to giving our farmers a cash advance to assist them in surviving?

Le lundi 19 avril 2004, le gouvernement Doer a présenté aux Manitobains et aux Manitobaines le budget provincial 2004 qui incluait une autre augmentation des franchises du Régime d'assurance-médicaments. C'est la troisième année consécutive que le gouvernement augmente les déductibles, une augmentation de 15 pour cent. Malgré une augmentation de plus d'un milliard de dollars au budget du système des soins de santé au cours des quatre dernières années, le gouvernement Doer prend l'argent des personnes qui ont le moins à donner.

Les utilisateurs du Régime d'assurance-médicaments devront payer un autre 15 pour cent pour les déductibles. Les Manitobains et les Manitobaines devront payer entre 36 \$ et 660 \$ de plus chaque année. Le but du Régime d'assurance-médicaments est de couvrir les coûts des médicaments pour les Manitobains et les Manitobaines nécessiteux.

Ces personnes seront incapables de se permettre les médicaments nécessaires parce que le gouvernement Doer continue à augmenter les déductibles. Les coûts d'hospitalisation augmenteront. Cette augmentation fonctionne seulement comme une solution à court terme pour les soins de santé toujours plus coûteux.

À l'avenir, cette augmentation des déductibles du Régime d'assurance-médicaments coûtera plus pour les Manitobains et les Manitobaines. Plus de malades âgés seront hospitalisés parce qu'ils ne peuvent pas se permettre leurs médicaments. Le plus grand nombre des malades hospitalisés augmentera le coût du système des soins de santé.

Nous croyons que cette augmentation des déductibles du Régime d'assurance-médicaments sera un impôt injuste pour les personnes vulnérables. Pourquoi les aînés devraient-ils choisir entre du lait ou leurs médicaments? L'incapacité du gouvernement Doer de contrôler ses dépenses a pour résultat un assaut direct sur les malades et les personnes âgées. Le gouvernement Doer doit apprendre à

contrôler ses dépenses et à établir des priorités logiques pour les Manitobains et les Manitobaines.

Nous avons des inquiétudes en ce qui concerne les augmentations des coûts du Régime d'assurance-médicaments.

Translation

On Monday April 19, 2004, the Doer government presented its provincial Budget for 2004 to Manitobans. It included a further increase in Pharmacare deductibles. This is the third consecutive year that the Government is raising deductibles, an increase of 15 percent. In spite of an increase of over a billion dollars in the budget for the health care system over the last four years, the Doer government is taking money from those who have the least to give.

Pharmacare users will have to pay a further 15 percent in deductibles. Manitobans will have to pay between \$36 and \$660 more each year. The purpose of Pharmacare is to cover the cost of drugs for needy Manitobans.

These people will be unable to afford the drugs necessary because the Doer government continues to raise the deductibles. Costs of hospitalization will increase. This increase functions solely as a short-term solution for health care that continues to rise in cost.

In the future, this increase in Pharmacare deductibles is going to cost Manitobans more. More elderly sick persons will be hospitalized because they are unable to afford their drugs. The increased number of hospitalized sick people will increase the cost of the health care system.

We believe that this increase in Pharmacare deductibles will be an unfair tax on vulnerable people. Why should the elderly have to choose between milk or their drugs? The inability of the Doer government to control its expenses is resulting in a direct assault on the sick and the elderly. The Doer government must learn to control its expenditures and set logical priorities for Manitobans.

We have concerns with regard to the increases in Pharmacare costs.

English

Why do they not end their plan for a \$20-million Laundromat and redirect that money to Pharmacare? Mr. Deputy Speaker, without a plan for creating economic prosperity what are we expected to do? What am I supposed to tell my constituents? My young people who are graduating, where does their future lie in the grand theme of things that this Government believes will drive this economy of ours? Is there no vision over there? Is it a lack of leadership or is it your ideology that is driving Manitobans to the brink of a disaster?

Are the unions that much in your back pocket that you cannot find it in your hearts to actually stand up and do the right thing for all Manitobans? The word on the streets that we hear is that this administration is giving consideration to closing the maternity ward at the Victoria Hospital. I say, shame. Their reasons, they say, are because the upgrades are too costly. Shame.

Yet we have something like \$35 million for a Laundromat and a sandwich factory. What about all the moms and babies that need medical attention? Do they not deserve some consideration? Just two days ago in this House the former Member for St. Norbert, Mr. Marcel Laurendeau, was sitting in the loge, and then I started reminiscing about how he was prepared to vote against his own government because there was talk, and only talk, of closing the emergency rooms at the Victoria Hospital.

Mr. Deputy Speaker, do you know who stood with Marcel Laurendeau in order to get the administration of the day to see what they were considering was wrong? Do you know who stood up for the people of the south end of Winnipeg to protect that facility? The Leader of the Official Opposition was the individual who stood tall then. He was reacting to the pleas of the ratepayers in the southern part of the city, a facility that I might also add, we from the great constituency of Carman have on occasion had the opportunity to use their most valuable services. The then-Leader of the Opposition was none other than the Premier today, and it was he who said that it was wrong, wrong, wrong to take away any part of the services offered at that wonderful facility.

So, to the members for St. Norbert, Fort Garry, Seine River, join with us in convincing your Premier that it was wrong then and it is most definitely wrong

now. You were elected to represent your constituents. They put their faith in you. They did not expect you to start killing or dismantling their hospital.

* (15:20)

Is this the beginning of the end? What will be next if you do not stop them now from raping and pillaging the Victoria Hospital? How can you sit there and not speak up for the people who really matter to you the most? Do you honestly think that some union boss is going to come out at the next election and explain to your constituents that it was better to build a Laundromat and a sandwich factory instead of saving your maternity ward at the Victoria Hospital? I do not think so.

This story will be told over and over again. You must stand up for the people who put their trust in you. Do not turn your back on those who actually took the time to put an X beside your name. They voted for you, not the union boss who seemed to be running the show. Do like Marcel Laurendeau and the now-Premier of Manitoba. Stand up and be counted. Mr. Deputy Speaker, these men were not afraid then. Why should the Premier be afraid now to stand beside each and every one of you, members of his own caucus.

He knows better than anyone that to start closing wards will definitely, definitely be the end of his career as a Premier. The people of this province will not put up with this sort of gerrymandering. There is no way, no way that your constituents would expect you to vote for a budget that they very clearly start to close the Victoria Hospital, your hospital, a hospital that your constituents want to use, a facility that my constituents want to use.

Mums and babies want a safe haven to access during their most crucial and stressful time, and that is delivering one of God's greatest gifts to mankind, the gift of a newborn baby. Why would you put them at risk? Stand up and do the right thing and start shouting, enough is enough. The Premier (Mr. Doer) is used to these words because it was this sort of action that put him and Howard Pawley away for a decade or more.

Always remember that history does not repeat itself. The people of this great province will not tolerate this sort of action from any government. Our Premier has stated that no decision has been made

yet, but when you come from a farm you know that where there is smoke there is fire. So you had better prepare yourself if you are not prepared to stand with us in denouncing this ill-conceived idea.

Mr. Deputy Speaker, there is much talk. I should not get involved at this point in time in a federal election, but I would suggest, as I have done already to the Premier, and I should have gone one step further and gone to the Minister of Finance (Mr. Selinger), you have a federal government right now who are on the verge of declaring an election. If ever there was a time to strike when the iron is hot, it is now.

This Liberal administration that has been in place for several years got elected on the promise that they were going to wipe out the GST. They were going to save us all hundreds and millions and billions of dollars. We have those dollars now sitting in a kitty. I would suggest to our Minister of Finance (Mr. Selinger), indeed, our Premier (Mr. Doer), if you wanted to help this great province of ours, if you would want to stop crying about all the dollars that we are short, head off to Ottawa and ask the Liberal government of the day if they would be willing to scrap the GST but designate all of those dollars that presently come in that form and dedicate it all to health. The Romanow Commission that was running around this great country of ours came up with an idea and said, "You know what? We have got to find a way to fund health care."

I know the private discussion, and I say private, a discussion that I had with the Minister of Family Services, a wonderful individual because when we talked of this idea, he also thought, you know what? Maybe we are onto something. If you were elected on a promise that you were going to kill the GST, maybe take a moment and ask me if I would rather take that money and fund my health care system. Without a doubt I will stand there and I will sign whatever you want dedicating all the money that you take in, that I pay in to GST, and have that going straight to health care.

That is the sacred cow that we in Canada are very proud of and I see an opportunity here, Mr. Deputy Speaker, not because we have the First Minister of Canada debating on how he is going to be funding the health care system. It is there in front of his nose. It is right there. We need individuals like our Premier to tell him that this something that we,

as Manitobans, would appreciate and have no hindrance in accepting. It is something that we, as Manitobans, believe is possible.

So I throw that out to my First Minister. I throw that out to my Minister of Finance, not that I always want to be critical. There are certain things in this Budget that I must say I appreciate, the talk of our windmill farms. Mr. Deputy Speaker, I appreciate when the minister responsible tells me that it is going to generate \$190 million in revenue. I appreciate that. There will be a lot of money being turned over. I appreciate the Minister responsible for Healthy Living (Mr. Rondeau) when he tells me he is still promoting the smoking. I appreciate all these things rolling into this Budget, but I must say here and now, I will be voting for the amendment brought forward by my leader.

Hon. Christine Melnick (Minister of Family Services and Housing): Mr. Deputy Speaker, it is my pleasure to rise in support of Budget 2004, our Government's fifth straight balanced budget under balanced budget legislation. It is a budget that confirms our Government's commitment to citizens of all areas of Manitoba. It focuses on the priorities of the North, invests in rural and agricultural areas and it also focuses on building safe and vibrant communities throughout the entire province.

Budget 2004 builds on the initiatives outlined in the Throne Speech and lays a solid foundation for the future so that our children and our grandchildren will continue to enjoy the resources that this great province has to offer. Our Government's leadership in areas such as water stewardship, renewable energy development, revitalization of rural, northern and urban areas, and new opportunities for youth demonstrate our commitment to ensuring communities can meet the future needs of Manitoba citizens.

Our Government believes in a compassionate society that ensures all Manitobans have the supports that they need for health and well-being. Since taking office in 1999, our Government has demonstrated a commitment to social, economic and labour market inclusion for all citizens. Mr. Deputy Speaker, I am pleased to be a member of a government that works to ensure that low-income citizens are treated with fairness and dignity and to improve circumstances for all Manitobans.

I am honoured to serve in the capacity of Minister of Family Services and Housing and Minister responsible for Persons with Disabilities. Over the past few months, I have had the opportunity to become more familiar with the important work of this portfolio and the valuable services it provides to families and children. Children are indeed the future of this province, and the resources that we contribute today to support families will help to ensure Manitoba's children are prepared for the challenges of the future.

Budget 2004 demonstrates our Government's commitment to supporting families through funding child care, child and family services, community groups and organizations that support neighbourhoods. Our Government has already taken a number of steps to improve supports for families with children, including the restoration of the National Child Benefit. Prior to 1999, families receiving income assistance had the National Child Benefit clawed back. Our Government believed that this practice was unfair to our most vulnerable families and made a commitment in 1999 to restore that benefit. Over the last four budgets we have fully restored this income for families who are receiving income assistance benefits, returning almost \$14 million annually to the most needy families in our province.

*(15:30)

Our Government has worked to improve income-assistance benefits in other ways as well. For example, we have increased the allowance for school supplies by \$20 per child. We have enhanced the program's earnings exemptions to allow income assistance participants, including persons with disabilities, to keep more of the income that they receive from employment.

Mr. Deputy Speaker, earlier this year our Government increased income-assistance benefits by \$20 per month for every adult in the persons with disabilities category and for non-disabled single adults and childless couples. I am pleased that our Government will further its progress through the implementation of a one-tier system of income assistance throughout the entire province. This initiative will provide all Manitobans with consistent benefits and uniform policies and will help to ensure more effective service delivery throughout the province.

Our Government has also demonstrated leadership in building an inclusive society where persons with disabilities can participate in community life to their fullest capacity. We have demonstrated our commitment to the disability community with the appointment of Manitoba's first Minister responsible for Persons with Disabilities in the year 2000.

Mr. Deputy Speaker, the following year we released the strategy paper "Full Citizenship: A Manitoba Provincial Strategy on Disability." This document proposed measures to facilitate the full participation of persons with disabilities in our society. In December 2003, we officially opened Manitoba's first Disabilities Issues Office, which serves as a centre for co-ordination of disability policy across government.

Budget 2004 provides additional resources to support persons with disabilities living in the community and to support more families in maintaining children with a developmental or physical disability in their own homes.

Funding for the Supported Living Program has been increased by over 11 percent to help more adults with mental disabilities to live in the community. Mr. Deputy Speaker, I am very pleased that we were able to provide funding for a new children's therapy initiative, announced only yesterday, which will improve access to services such as speech and language therapy throughout the province. Our commitment to supporting families of children with disabilities is further demonstrated through the provision of additional funds to the Unified Referral Intake System, or URIS, which assists community programs such as schools, child care facilities and recreation programs. We are safely supporting children with special health care needs.

I am pleased that we have also been able to provide additional funding to accommodate more children into the provincial Applied Behaviour Analysis program.

Manitoba's support for children and families includes one of the finest child care systems in North America. Mr. Deputy Speaker, child care is a fundamental support for families and communities. Our Government recognizes that high quality, early childhood care and education have a long-lasting effect on a child's social, intellectual and emotional development.

In 2002 our Government released its five-year plan for child care. This is the first time in the history of Manitoba that a long-term strategy for child care has been identified. Budget 2004 builds on our Government's commitment to providing a comprehensive child care system that addresses the needs of Manitoba families, children and communities, and provides an additional \$4.1 million for child care, an increase of 5.6 percent in the 2003-04 Budget.

Since 2000 funding for Manitoba's child care program has increased by 51 percent. We have added over 3500 new fully funded spaces to Manitoba's child care system. Our Government's focus on improving supports for families has moved us in a new direction and a major restructuring of our child and family services system.

In November 2003, our Government proclaimed new legislation establishing the four child and family services authorities. The restructured system will provide culturally appropriate child welfare services to Aboriginal and Métis peoples regardless of where they live in Manitoba. This initiative demonstrates a fundamental shift unprecedented in Manitoba and indeed Canada in the way government has worked with the Aboriginal community by empowering Aboriginal peoples to develop and control the delivery of their own child and family services.

The implementation of the restructured system honours the recommendations of the Aboriginal Justice Inquiry in 1991 and will ensure the development of programs and services for First Nations and Métis peoples that respects their values, their beliefs, their customs and their traditional communities.

Our Government and the Aboriginal Justice Inquiry Child Welfare Initiative—our partners have worked effectively to resolve difficult issues associated with past practices and to shape a more promising future for Aboriginal families and children.

Mr. Deputy Speaker, the development of safe and stable neighbourhoods is integral to maintaining healthy communities. Our Government continues to work with community organizations to provide them with the support they need to make neighbourhoods safer and healthier places in which to live. The very successful Neighbourhoods Alive! initiative through the Neighbourhood Housing Assistance program will

continue to revitalize inner-city areas of Brandon, Thompson and Winnipeg.

In addition, we have been maintaining our support for Manitoba's social housing portfolio. Our Government has been working with the federal, provincial and territorial governments to find solutions to the problem of inadequate housing for low-to-moderate-income Canadians.

In September 2002, Mr. Deputy Speaker, Canada and Manitoba signed the Affordable Housing agreement, a five-year \$50.8-million cost-shared initiative to increase the supply of affordable housing. Components of the Affordable Housing Initiative include creating new affordable rental supply, renovating existing supply, and increasing home ownership to ensure that low income Manitobans, including persons with a disability, seniors, and urban families, especially immigrant, urban Aboriginal, and single-parent families have access to new or improved housing supplies. We will continue this important work through the year 2004-2005.

We are also committed to improving housing conditions in northern Manitoba. This Budget includes funding that together with our partner the Canada Mortgage and Housing Corporation will enable us to continue to address housing needs for rehabilitation and new construction in the North, in both urban centres and in rural and remote northern communities.

I believe that our Government has made significant progress in improving programs and services to Manitobans, and through the commitments outlined in Budget 2004 we will continue to work with communities and build on our progress to improve circumstances for all Manitobans.

I urge all honourable members to support Budget 2004 so that we may continue the important work that lies ahead, building the foundation for a stronger, safer Manitoba today and a brighter future for tomorrow.

Mr. Ralph Eichler (Lakeside): I rise today just to put a few words on the record regarding the Budget 2004-2005, and of course I am not going to be supporting this Budget.

There is quite an interesting comment, though, regarding Manitoba's income; \$40,000 to \$60,000 is

the highest taxed west of New Brunswick which is not going to do anything to help us create jobs. It is also the backdoor taxation, such as justice fines. PST has risen again. Pharmacare deductibles have risen again for the third year in a row. There is almost \$7 million in new spending for every \$1 of tax cuts and liquor has increased by \$10 million, land transfer tax by \$1 million, tobacco tax by \$13.3 million. In education there is no commitment for the Province to assume its constitutional responsibility to fund education. It tries to claim the higher local division property taxes to have been offset by reduction in the provincial education property taxes.

The Doer government talks about Brandon, River East, Sunrise, that with the amalgamation of the divisions it would be saving us administrative money. That has not proven to be the case. With the rainy day fund, Mr. Deputy Speaker, when the NDP took over there was \$378 million in the rainy day fund, which is now less than around \$100 million. It should have had a 5% increase, and as far as emergencies are concerned, the fires are something that is an ongoing process. We have fires every year and it should be budgeted accordingly. It happens at the municipal level. It happens at all levels of government. This Government should show leadership, that they address this issue in the upcoming budgets, not only this Budget.

* (15:40)

The money that was forecasted because of the BSE, could have been prevented if the Government would have listened to our proposal and had a cash advance program. The money would have been that, very simply put, to the farmers and would have been paid back once those farmers would receive their money.

The department of highways also leaves us to quite a concern, that a lot of the monies that have been budgeted—it does take time I understand, but a lot of this work can be done throughout the province. I am not just too sure of the numbers, but I do not believe all the money was spent last year on the highways that was actually allocated in the highways budget. The highways this year, No. 6 highway, is on the proposal to get upgraded and, definitely, there have been a number of fatalities on No. 6 highway, as the minister from Thompson obviously knows as well. It is long overdue. There are a number of curves that are going to be straightened out. I would

hope that they move quickly on it, and efficiently, as Highway 6 is a major route to the North. If we can prevent one more death from happening, then that would be money well spent.

While we are on the road issue, there are a number of roads in Lakeside that definitely, along with a lot of other roads in the province, need to be looked at. Highway 227, I have been reading petitions daily regarding Highway 227, it is not only a road that needs to be upgraded. Back in the early seventies, when the bridge that Pawley built to nowhere, this was supposed to have been finished at that time and would have been part of the Yellowhead route. That would definitely have alleviated a lot of the traffic off No. 1 highway and the bridge would be utilized yet today. However, it is a very expensive bridge sitting there doing very little. Mr. Deputy Speaker, it would have done a lot for the rural growth in those small communities of Warren, Stonewall, Beausejour, Lockport, and would have created a great economic boost for the people throughout the rural communities on that road.

The other thing is that it would also alleviate a lot of the traffic through the City of Winnipeg that does not need to be there. It would also have probably cut down on our Autopac claims as a result of some of traffic coming off No. 1 highway. The trucking industry that comes through there would be also another significant savings. Also on the roads within Lakeside, there are no east-west roads other than that of Highway 227 trying to connect to the western part of the province, 415 from Teulon.

An Honourable Member: They must be good swimmers up there.

Mr. Eichler: They have real good swimmers and real rough drivers. During the campaign I went through three tires on my own particular truck, and there is definitely a situation there. I realize that that is marginal land, and a lot of rock on the road, and it needs to be covered up and done properly.

The people from Lundar, Mr. Deputy Speaker, have to go to Lundar or Teulon for medical services and emergency services have to travel those gravel roads to try and get there. It is a situation that is definitely not very good for the people living in those communities.

The community of St. Laurent has no medical services in that particular community. They either have to go to Stonewall or Gimli or Teulon, Teulon being the closest, which is only 18 miles away, but is some 30-minute drive between the lakes of Shoal Lake, the north Shoal Lake and the south Shoal Lake, where they have to try and wangle through that road to get to emergency services or to their doctor appointments or their dentist appointments.

Even inter-community sports that are taken on within the division, we have two divisions in our particular constituency. They have basketball and football and many of the other sports, and they just do not have the accessibility that some of the other divisions do in the urban areas.

Anyway, having said that on the highways, I would like to move to agriculture. I am very disappointed that the Government did not see fit in their Budget to try and access the agricultural department in a way that would have been a little more fair to the agricultural sector, being some 12 000 farmers within the province. The CAIS program is not necessarily a program that is going to help all farmers.

It is a program that has to be looked at very carefully. I am glad to see that the extension was extended once again. That shows the lack of leadership on the NDP's part, that obviously this program has an awful lot of work to get through to get it worked out. We have asked for the negative margins. We have also asked for the lift on the margins be raised to three million. That has not happened.

Mr. Deputy Speaker, the other thing that has to do with the Budget as far as agriculture is concerned, we have serious inconsistencies in the regulations of the elk producers. They are in a situation where they are barely making ends meet. I understand those regulations will be redrafted, but, again, this takes time. These guys are in a situation where they need to move their product and just do not have the capabilities and access to slaughter.

The other industry is bison. The bison industry has not had an opportunity to market their product with the product being slaughtered in the States. It just has not had that opportunity to get across the border. The closure, or the proposed closure, I understand from yesterday, we do not know whether that is going to be factual or not. At least we have not

got that information. But if it is, in fact, going to come forward tomorrow, we certainly hope that the Government is ready and waiting to move forward and help the farmers, not only the beef farmers, the sheep farmers, the bison farmers and also the elk producers.

It is a situation that again is no fault of their own. We would definitely be very supportive of the NDP government to go back to Washington and lobby and do whatever they can do to get that border open. That is what is important. The border is something that we have all been working very closely together to try and get open. Without that border open we are just going to have another summer which our farmers probably quite cannot sustain.

The other thing is with the drought that has happened in the Interlake and in the western part of the province is a situation that was another unfortunate situation for our people of Lakeside. Also, the Member for Interlake, we fought to try and get assistance. Mr. Deputy Speaker, through the help of the Mennonite Central we are very fortunate to have been able to make ends meet, but there are several farmers and families that have suffered traumatically. We just cannot seem to get our head above board and then one thing happens again.

Our grain commodities have not lasted the way they should. The poultry industry is on the verge of doing everything they can to try to keep the avian flu from coming into the province. I wrote a letter to the minister, also to the federal Minister of Agriculture, Mr. Speller, and we are quite concerned about the avian flu. If it comes into the province of Manitoba and comes over the big mountain, I would just be scared to death what it would do to the market for not only the chicken but the turkey producers as well. So we have to keep a very mindful eye on that. I do not think that is something the CAIS program could save.

If this industry is gone—there is a particular hatchery that is in the Lakeside constituency, they hatch eight and a half million birds, ship eight and a half million birds per year, of which about six million go to the United States. If that happens to get closed, that business would be gone forever. It would take a long time to rebuild as they just do not seem to have the ability to try and open new markets very quickly, and it is something that we need to keep a mindful eye on.

* (15:50)

The Rancher's Choice processing plant has been trying to get up and away. I am just concerned that perhaps Rancher's Choice has been set up for failure, and I am certainly hoping that the Government looks at this very closely. The time frame they have been put under to raise \$3.6 million is a situation where the farmers do not have the money to get into the situation. These beef farmers are already cash-strapped. They are trying to decide whether or not they want to get into the CAIS program, and that is the only way they will be able to get the cash to go into the slaughter program. Without that, where are they going to have the money?

Mr. Deputy Speaker, the Government's commitment for their side of the funding is only dependent upon that of the Rancher's Choice producers coming up with their share of the money first. Without that commitment from the Province, if they wanted to really help the farmers, they could kick in their share that they were going to put into the cull program. That was suggested at a number of meetings. We had a meeting in St. Claude and that idea came forward. Unfortunately, there was nobody there from the department to hear those. We brought them up in the House. The farmers would gladly give that up. It was something that they did not ask for, but they have asked several times for the Province to move forward on this particular program. It has been delayed for one reason or the other. This \$3.6 million is going to be a hard sell within the province of Manitoba.

Having said that, Mr. Deputy Speaker, we do have a concern that has not been raised for the cattle producers, and that is we do need a processing plant. We need a processing plant that will sustain the beef industry in the province of Manitoba. We need a processing plant that will process not just cows, it will process the lighter weights, the 30 months and under. It would not only help our economy, it will help us process new markets, markets that will not be so dependent upon the American markets.

That is a situation that we are going to have to address because we can use those jobs here in Manitoba. We take our products, export them to Alberta to get processed, and then we fattened them here or sent our feed out. They got forced out through unionization back early in the seventies and eighties. We used to have four processing plants when we had large feedlots in our family. It is a

situation where we had four feedlots coming out, trying to make different presentations to us for trying to get our cattle. Now we have no one. It is a situation I would suggest the Minister of Agriculture (Ms. Wowchuk) take a hard lot at. We just cannot look at the cows. We cannot just look at the cows, there is more to it than that.

Mr. Deputy Speaker, if there is any way we can encourage investment in Manitoba, and for them to come back into Manitoba, we have to look at creative ways of doing that. That is quite simple. We cannot tax our businesses to death as this Budget has done. We are suggesting that they look at ways to not only enhance packers to move back to Winnipeg, or in the province of Manitoba, but all the other new business.

This Budget of nickel-dime here—now today they are announcing that they are going to tax water. It just does not make a lot of sense. It just seems like next time we are going to be here they are going to be taxing air. Where are we going to go with this?

Mr. Deputy Speaker, with balancing the Budget, you know with a \$50 million-and-up deficit according to Mr. Jon Singleton, is the rural deficit that we were going to be looking at. I would suggest the Government look at balancing their Budget through the generally accepted practices and principles, and would suggest that the Government follow what we have been suggesting.

Mr. Deputy Speaker, having said that, we would like to leave these statements on record for their consideration.

Hon. Gary Doer (Premier): It would be my pleasure to put a few comments on the record, Mr. Deputy Speaker. I would note that many members of the public are saying to us around the province that they recognize the challenges we had coming into this Budget with a reduction of \$104 million in health care funding from the federal government.

They feel that we have dealt with this challenge with this balanced budget under balanced budget legislation in a very balanced way. They think that the decisions we have made, the tough decisions that we have tried to make collectively, deal with the problems and challenges head on.

We are coming off a year where there has been BSE, a 20% increase in the dollar affecting our exporters, a drought, forest fires at the second highest level, Mr. Deputy Speaker, unprecedented economic and weather conditions. They think, the feedback we are getting is that you people on the government side have met this challenge with this Budget of 2004 in a way that is very, very sustainable, very intelligent and very fair to the majority of Manitobans.

That is why I am shocked that members opposite would be voting against the Budget. They would be voting against—

An Honourable Member: —the lottery man.

Mr. Doer: Well, the Member for Steinbach (Mr. Goertzen) talks and puts his hand, he sticks his hand on the horn and does not listen to anybody. I can tell you, he drives around town with his hand on the horn all the time making a lot of noise but making no sense, making a lot of noise and making no sense.

Mr. Deputy Speaker, I will show him a press release in 1991 when Bonnie and Clyde introduced VLTs to the province of Manitoba. Bonnie and Clyde introduced the first expansion of gambling in the province of Manitoba. He is a member of the gambling expansion party. They travelled the world and of course—

Some Honourable Members: Oh, oh.

Mr. Deputy Speaker: Order, please.

Mr. Doer: So, Mr. Deputy Speaker, the Member for Steinbach (Mr. Goertzen) can try to—you know, the public is smart and the member opposite is loud. Being loud does not make you smart. Being loud does not make you smart.

I just want to give some gratuitous advice to the Member for Steinbach from my grizzled veteran experience in this House. My unsolicited advice to the member opposite is very consistent with the advice probably our parents gave all of us. Think before you speak, and do your homework before you make statements.

Mr. Deputy Speaker, the public of Manitoba is very intelligent because it basically knows when the gambling expansion took place, who made the

decisions to expand the gaming. They obviously know that we have not reversed the practices of members opposite, although the dependency upon gaming has gone down as a percentage of revenue, but they are smart enough to realize that people when they make statements that are totally contrary to what they did in government, they have no credibility.

They have absolutely no credibility, and members opposite continue, go ahead, continue, to ask questions, the first question on going to a profit American health care system and, four questions later, going to a universal health care system.

Members opposite should not try to give us advice and the people advice before they figure out where they are going themselves because they have absolutely no idea, absolutely no idea. They are the "push me, pull me" party of Manitoba. One set of questions is "push me, push me, push me" to spend more money, and the other set of questions is the "pull me, pull me, pull me" questions to decrease spending.

They talk about universal immunizations. How the heck are they going to pay it with a 1% increase in health care? How many nurses are we going to fire in Steinbach to achieve that objective? You cannot make a budget and put together an economic plan for the people of Manitoba on the basis of "push me, pull me" policies that we see in the south.

It used to be only the Liberal Party that had a "push me" policy from one member and a "pull me" policy from the other member. Now we have the party of Winston Churchill, the party of Sterling Lyon, the party of Walter Weir, the party of Gary Filmon, whom now they repudiate with their attack upon his balanced budget legislation. We have the mighty Conservative Party relegated to a number of "push me, pull me's," acting like Liberals in the House, standing up for nothing, speaking for nobody.

* (16:00)

Well, the Member for Inkster (Mr. Lamoureux), we should have a petition in this House saying, "Honesty in your signature act," when you sign a document that calls on certain days of sitting after their leader says, "Oh, we do not want to sit in the summer," after the last election campaign. If you sign a document, either you are too stupid to

understand it, or you live by what you sign. Take your choice. Do not play politics with your own signature.

The bottom line with this Budget, with the balanced approach that was taken by our Minister of Finance (Mr. Selinger) in unprecedented tough times—I think unprecedented since 1992, and, of course, at that time the Conservative government of the day ran a \$862 million deficit, and then in 1993 they raised fees \$128 million.

They actually did not have the integrity to call all the spread of the PST a revenue increase. At least we displayed it honestly because, you know why? At the same time we were doing it, we were continuing on our tax decreases for middle-income families and we were continuing on our corporate tax reduction plan which we have carried out every year we have been in, in our Budget.

Mr. Deputy Speaker, that is why Manitobans know what is going on. The "push-me, pull-me" approach of members opposite, they have figured it out. They have figured it out. They know that this is just a group of flotsam and jetsam, people just floating along the surface, grabbing on to this little barnacle, this day and that little issue the next day and then dropping the issue.

Mr. Deputy Speaker, in November, the issue was, "Oh, will you follow the great Gary Filmon balanced budget legislation?" It was like a Billy Graham crusade, you know, "I believe, I believe in the balanced budget legislation." And then, when we come in with a budget for the first time ever that does not take a nickel out of the rainy day fund under the balanced budget legislation, "I do not believe anymore."

Now they are on to another issue, and when that is resolved they will just fly away, "the sky is falling, the sky is falling," and they will go to another issue. I think if they are going to use a—no, I had better be careful of this one.

Sooner or later the member opposite is going to—I actually thought when he phoned former Prime Minister Brian Mulroney and checked out the Charlottetown Confederation Bridge, he would come back in this House and say, after all his mistakes on the ambulance service, he would come back like

Jimmy Swaggart and say, "I have sinned against the fact, I have sinned and I am sorry, I am sorry."

We are waiting for the Tory sorry apology soon in this House. That is what we are waiting for.

Some Honourable Members: Oh, oh.

Mr. Doer: You might want to use that. It might work in Charlottetown, but it might not work in Winnipeg.

An Honourable Member: What you have presented does not work in Winnipeg either.

Mr. Doer: There we go. We will wait for tomorrow, tomorrow, tomorrow. We can wait for tomorrow. I hope you get a really early question tomorrow. I think you should be lobbying for one because I do think you ask such good questions in this House. I will carry on in my speech. I will not be sidetracked.

Some people get up in the morning and say it is raining before it starts, and sometimes we need rain with some of these drought conditions.

Mr. Deputy Speaker, the essence of this Budget is very, very clear to see. Over 4.5 years in five budgets, we have brought in the first budget that is balanced without taking any money from the rainy day fund. We have maintained our tax reductions. Let us look at the record. From 1990 to 1999, Manitoba's disposable income per capita increased by 17.7 percent and the prices rose by 22.8 percent. Manitoba's buying power fell by 5 percent.

Mr. Deputy Speaker, now we have a situation from '99 to 2003, disposable income increased by 14.5 percent while inflation and prices went up 8.8 percent, an improvement in buying power by 5 percent. You can use all the stats you want in the House but people know that they are better off today in April of 2004 than they were in September of 1999 when they voted for change, and they voted for change again to maintain that change in June of 2003.

We also have a situation where, in spite of this tough Budget, we have maintained a tax-neutral position where we are maintaining our position of lowering taxes on average families. We are building for tomorrow. Look at that chart on how many nurses are working in Manitoba. A picture is worth a

thousand words when you look at the number of nurses who left work in the 1990s and the number of nurses now working in Manitoba. You should be voting for this Budget instead of playing politics and voting against this Budget. I am shocked that you will be voting against this Budget. Look at how many doctors—we were losing doctors in the terrible Tory years. We are now gaining doctors.

Mr. Speaker in the Chair

We looked at the issue of building this province. The engineering building had a leaky roof when we came into office. In spite of the cutbacks made by members opposite to post-secondary education in 1995, we are rebuilding post-secondary education, rebuilding an economy based on skills, knowledge, innovation and young people are staying in Manitoba in record numbers of people.

Mr. Speaker, I know many members do not go north of Portage Avenue but I would recommend they go north to the new Red River College. I know members opposite tip their wings on their way over the North of Manitoba but I would recommend you stop in, meet the people, meet northern Manitobans. Look at the partnership we have with First Nations people to train people for projects like new Hydro development. Members opposite are the mothball party. They call Aboriginal training in the Department of Education, administrative increases. We call it opportunity for all Manitobans. That is the difference between this budget and our Budget.

Mr. Speaker, we have a new headquarters building going in, in downtown Winnipeg for Manitoba Hydro. Now how many different positions did the Tories have on this one? On this one they have as many positions as they have on the new arena. First, when we came into office the Tory board of directors was going to build the new Hydro headquarters in the suburbs of Winnipeg. That is really intelligent, the boarded-up buildings on Portage Avenue. We are going to have more boarded-up buildings because their vision is to suck all the activity out of downtown Winnipeg. Well, 11 years of sucking economic activity out of downtown Winnipeg is over. We are rebuilding pride in every downtown community in Manitoba, rebuilding the community, Mr. Speaker.

Of course, now the leader has a different position, that he will now cancel it. When his

construction industry people talk to him, oh, delay it. You know, delay it. First it is the suburbs and then it is downtown, and then they will cancel it, and then they will delay it, and then they do not know what they are going to do about it. I notice he has not asked us to cancel new headquarters in Question Period. I think his friends got to him, his friends got to him.

* (16:10)

The Brandon Hospital, the bottom line is new activity, new MRI machine in this facility. We are building our floodway and we are going to do it with Manitoba workers. We are not going to build it like the expansion of the casinos that took place with members opposite. It is going to be on time and on budget with training and activity and it will be done.

We have a number of measures of efficiency, a number of measures of effectiveness. I would point out to members opposite that two separate rating agencies have said to us that you have an improved rating because of economic performance. We can vote for the improved credit rating, for the improved sense of growing and building in Manitoba, you can be an optimist and vote for this Budget, or you can be a pessimist and vote against this Budget. I am recommending we be optimistic and vote for the future. Vote for your children. Vote for your grandchildren. Vote for this Budget. Let us get on with it. Let us pass the Budget and move forward.

Mr. Speaker: Prior to recognizing the honourable Member for Fort Whyte, I would like to inform the House that he has been given his leader's unlimited speaking time on the Budget debate. The leader has transferred it to the honourable Member for Fort Whyte. So the honourable Member for Fort Whyte will have unlimited time.

Mr. John Loewen (Fort Whyte): Mr. Speaker, I do appreciate the opportunity to speak to this Budget. I particularly appreciate the opportunity to follow the Premier so that I can put some real facts on the record and relay to the people of Manitoba accurate information regarding the deficits that this Government has run.

Before I do start, though, I want to assure the Minister of Finance (Mr. Selinger) that, although I have unlimited time, I do appreciate the fact that the Premier did keep his comments relatively short. It

may have been because he did not have much positive to say, but, regardless, I will not try to attribute more to him, but I want to assure the minister that I will leave him ample time to get some words on the record, as I know he wants to.

I do want to start out by clarifying what the financial situation of the province is and what damage the Doer government and this Minister of Finance have done to the province of Manitoba in just over four short years. I am not going to be like the Minister responsible for Hydro (Mr. Sale) and just throw out figures left, right and center. I am going to go to a presentation from the Auditor General. The Member for Riel (Ms. Melnick) might want to listen to this.

I am going to go to a presentation done by the Auditor General of Manitoba. First of all, what the Auditor General is calling on the Government to do, he is asking them to adopt generally accepted accounting principles. You might ask why. Why would the Auditor be calling on the Government to do that? The Auditor lays it out quite simply, because he believes that government financial reporting should incorporate understandability, comparability, and, in bold letters, reality.

The Auditor General would like the Government to speak in real terms to the people of Manitoba. They are refusing to do so. So I will have to put the information on the record.

Since this Government has come into power they have set us on the course of deficit financing. They have run a deficit, and this is according to the Auditor's information, for the last three years, and they will continue to run a deficit for next year. As a matter of fact, since this Government has come into power they have run a net deficit of over \$162 million. Now, that is the summary financial statements.

I would compare that to the Filmon years, in which, and this again is directly from the Auditor's numbers, from 1996 until the year—and I am even going to take it up to the year 2000, and that was the year that the NDP came into power. They started to cook the books. They tried their hardest to run a deficit but they could not. I just want to tell you that in those years, from 1996 to 2000, the Filmon government ran a surplus totalling \$595 million. So, \$595 million positive versus \$162 million negative.

Now that is the difference between good, sound financial management and negligence.

Mr. Deputy Speaker in the Chair

That is what this Finance Minister, that is what this Premier (Mr. Doer) have done to Manitoba.

Mr. Deputy Speaker, I was a little befuddled when the Premier started introducing his remarks by saying, "We have a balanced budget." Well, I would suggest he go with his Finance Minister and take a little trip over to the Auditor General's office and he will understand, I hope, through a little bit of a briefing from the Auditor General, that they have not balanced the Budget in the last four years. In fact, what they are predicting next year is a deficit, a deficit of \$58 million. That is the type of financial management that this Government is heading toward. That is going to be a problem for Manitobans for many, many years to come.

The Premier stood up and spoke about the Budget. I would just remind the Premier that if he was the head of Nortel and the Finance Minister was his chief financial officer, they would both be fired because they have misrepresented the finances of the Province of Manitoba.

Mr. Deputy Speaker, not only those two, but in particular the Minister responsible for Hydro, I listened to his speech where he claimed that the Filmon government had spent more, taken more out of the rainy day fund, I have it here, I will quote from him, ". . . this Government has spent from the rainy day fund \$158 million, . . . \$616 million during their period in office," referring to the Filmon government, and ". . . \$158 million . . ." when he talks about the Doer government.

Well, I do not know where that minister is making those numbers up from, but I would ask him to take a first-time read of the 2004 Budget, and perhaps go to page B26 as presented by the Minister of Finance (Mr. Selinger), and he will see quite clearly that, even according to the cookbooks that the Minister of Finance has presented to the people of Manitoba, what happened during the Filmon administration from 1996 to 1999 is that they had a positive balance in terms of their dealings with the rainy day fund and paying off debt of \$205 million. That is \$205 million from 1996 to 1999, and in fact what happened so far during their administration is

that they have run a net deficit, even according to the books that only include the operating statement.

I would just want to put those facts on the record, Mr. Deputy Speaker, to square it all away. We have a government who cannot bring in a prudent budget, who have proven time and time again that they cannot stick to a budget, and have consistently, year over year, run deficits. Not only are they running deficits year after year, but they are building up a huge debt which will be to the detriment of the people of Manitoba.

We now have the highest per capita debt west of Québec in the province of Manitoba. That is a big burden. So, when this Government, this Finance Minister, this Premier, stand up to talk about how they are reducing debt, again, I would just point them to their own financial statements, which show clearly that from 1999 the debt, in fact the total obligations of the Province of Manitoba, have gone up over \$2.43 billion. Those are their numbers. They claim to have balanced the Budget.

Mr. Deputy Speaker, this is not only totally irresponsible on behalf of this Government, but it borders on—well, I may not be able to use that language in this House. I would implore this Minister of Finance (Mr. Selinger) to, as the Auditor suggests, stand up and present to the people of Manitoba figures that show a real picture.

Mr. Deputy Speaker, I was again surprised that the Premier (Mr. Doer) stood up and tried to defend his Government's position on gambling. Now, this is a party that in opposition railed against VLTs, railed against gambling. We have statements from virtually every member on the opposite side who was here at the time decrying, decrying VLTs. What do they do? What do they do in office? Do they do anything to curtail it? No.

They realize that they cannot grow the economy because they have made Manitoba uncompetitive. The only hope they have to generate revenue, besides sitting back and hoping that the federal government sends them money, is to increase the amount of gambling revenue that they are able to draw out of the pockets of everyday Manitobans.

*(16:20)

We all know, the studies have all proven, that it is the poor who are most affected by gambling. They are the ones that spend the largest percentage of their total income on gambling. They are the ones that have the most serious problems when it comes to addictions. This Government, which is purported—they put themselves out as being able to stand up for the little guy—to stand up for the poor, what do they do? They get themselves into financial trouble and the first thing they do is to go and pick their pocket. Now, I imagine this must have come as a real shock to the Minister of Advanced Education and the Minister responsible for Hydro.

As a matter of fact, I have a picture of them sitting in their office they share on Osborne sometime in the spring. They are probably reading a newspaper report of how the Minister of Finance (Mr. Selinger) is out there saying, "Well, you know it is going to be a tough year. We are going to have a tough budget. We have got BSE, we have drought; we do not know if we will be able to make ends meet." They are sitting there looking out on Osborne. They are seeing people going into the Laundromat. They are seeing people put money into machines.

So they pick up the phone, and they phone the Premier. They say, "Premier, Premier, Minister for Hydro here. How can the Finance Minister be out there saying we are having tough times when we are seeing a continuous stream of people going to the Laundromat and putting money into a machine? Surely we get a take of that? Surely we have got revenue coming in from that?" The Premier has to say, "Well, no, we are sorry, Mr. Minister, but there is no revenue; those are people who are doing their laundry." The minister looks over to the Minister responsible for Advanced Education and says, "Well, that is not right, if people are putting money into machines, we have to get our take." The minister says, "Well, yeah, you are right. We had better do something about that."

So what do they do? Oh, hey, we have got an idea. We will put gambling into Laundromats. It was the Minister responsible for Hydro that stood in this House and told us how he had a school where not one parent owned a house. Not one parent owned a house that went to that school in St. Vital. So quite likely a lot of them went to the Laundromat. Now, what was the minister's idea? That most of them would have to go home with wet clothes and ask

their children to put on clothes that were still wet because they had lost all their money playing keno and they could not afford to use the drier. Does that make any sense? Well, it does not, and the people of Manitoba spoke loudly and clearly to these two ministers, who in particular stand up in this House and tell us how they are helping out the disadvantaged in our society. But, in reality, when truth comes to truth, all they are really doing is preying on these people, and they need to be totally ashamed of that. They need to look at themselves in the mirror and try and come up with a better idea for growing this province.

Now, Mr. Deputy Speaker, we heard the Premier (Mr. Doer) talk about all the building they are doing. They are doing building and I think they deserve some credit for the building they do. I would be glad to give them credit if they would actually build the right thing in the right place. But, time after time after time, this Government goes out half-cocked without any long-term plan and builds the wrong building in the wrong location.

You know, the expansion of Red River College is a positive thing. It is a good thing for education, and this Government tries to spin it as a saviour for downtown. Well, I would invite them to go downtown, because the key to reinventing your downtown is to have people there. This Government redeveloped Red River College and just forgot one thing: housing for students. So, again, we are faced with a situation: We are the only major centre in North America that has a downtown college, has a downtown university and has virtually no student participation in downtown because they just come and they go home. What a foolish, foolish policy. If you are going to rebuild downtown, if you are going to rely on education facilities to do that then at least provide some place for the students to live. That is what will revitalize our downtown.

Mr. Deputy Speaker, this Government talks about how much they have done to revitalize downtown Winnipeg. Again, it was the NDP that set downtown on a path more than 15 years ago that it has not recovered from. It was the Premier (Mr. Doer) who was then minister responsible for urban planning who set about the construction of Portage Place, took all of the people off Portage Avenue, tried to take them inside and as a result basically emptied out downtown Winnipeg. The city of Winnipeg is still trying to recover from the mistakes

of this NDP government in the 1980s, and it is going to be a long time coming because, once again, this Government, without any thought, without any planning, has done nothing to revitalize downtown Winnipeg.

The Premier talked about how he has been up north and how he listened to the people. I want to tell the House that I was up north with the Member for Thompson (Mr. Ashton), and we attended a session where people gave us their views on whether or not this Government should institute a law that prohibited smoking in public places. They came and, for the most part, the vast majority of presentations we had in Thompson were, as we had in other parts of the province, asking the Government to introduce legislation to restrict smoking.

Mr. Deputy Speaker, we had presentations from the Burntwood Regional Health Authority and, in particular, we had a presentation from their vice-president who gave us some very interesting statistics on how much greater the incidents of addiction to tobacco are in the Aboriginal culture than they are in the rest of Manitoba. He considered this a real problem, and he begged and he asked the committee to come back and relay that information to the House so that the government of Manitoba could do the right thing and help with this situation. Instead, what does this Government do? They play politics with it. Why do they play politics with it? Because they want to establish casinos on reserves.

They want gambling in casinos, so they figure the best way to get gamblers in is to allow smoking. Once again, Mr. Deputy Speaker, just another example of a totally hypocritical government. What have they done? They brought in legislation that will exempt reserves. Not providing any help, not providing any support, but just looking after their own purposes, looking after the Government's need for money.

Mr. Deputy Speaker, again, I would urge the members opposite, particularly those who sat on the committee with me and the Minister of Conservation (Mr. Struthers) who chaired the committee, I would ask him to relay that information back to this Government and do the right thing.

The Premier talked about push-pull policies. He can quantify them as push-pull policies, but I tell you they are a whole lot better than the pull-tab policies

of the New Democratic government. This is a government that cannot think past the VLT file, cannot think past the gambling file, in order to help build a better Manitoba for all its citizens.

This is a government that has failed and again we see today information out from Statistics Canada which totally contradicted the minister's Budget. They indicate that, for 2003, Manitoba's growth rate in terms of real gross domestic product was 1.4 percent, lagging behind not only Canada, which was at 1.7 percent, but in fact lagging behind nine other provinces. That is why the Chartered Accountants association had to tell these people that the economy is stifling and it is stifling because of the policies put in place by this Government.

The Business Council of Manitoba was quite forceful in the recommendations it gave to the government of Manitoba and I will quote them, "The business council believes that Manitoba's taxes are not competitive, that new taxes are not warranted and that tax reductions and government efficiencies are essential components of improving Manitoba's competitiveness."

The Business Council of Manitoba represents the largest employers in Manitoba. The Business Council represents the people in this community who create jobs, the people in this community who drive the economy. When they speak, when they bring information to this Minister of Finance (Mr. Selinger), he should listen. He should give them the courtesy of listening to their recommendations and he should go farther. He should take them seriously and incorporate them in his Budget.

Instead, what do we have in this Budget? We have taxes going up. We have taxes introduced that were not there before that are not only going to hamper the business community but they are going to have a negative effect on charitable organizations, on anybody that utilizes the services of accountants, that utilizes the services of lawyers.

* (16:30)

Mr. Deputy Speaker, this is just another example of this Government's inability to understand economic principles. This is a typical lazy, arrogant NDP government. This is a government that portrays themselves to the people of Manitoba as today's new

NDP. But what happens? The first time they come into power, what do they do? They bring back the old NDP.

They bring in Eugene Kostyra, they bring in Vic Schroeder, two ministers who were drummed out of politics in the eighties because of their poor policies. As a matter of fact, Mr. Schroeder remains today the only Finance Minister in the history of Manitoba for whom the Auditor would not sign the books; would not sign the books and what is his punishment?

Well, the Premier says the people of Manitoba are smart and they are smart. They drummed him out of office. What does this Government do? They put him in as a chairman of Hydro. Then what do they do?

They take Hydro from the position of having \$1.3 billion in equity, they steal \$203 million out of it, they tried to take more but that is all they could get their hands on; and they leave them in a situation where they now at the end of this year will likely have less than \$700 million worth of retained earnings.

Mr. Deputy Speaker, we heard—[interjection] I appreciate the fact that the minister from Riel does not have much understanding when it comes to the financial situation, but if she would go back and read the Hansard from the last Public Utility Board hearings, she would read clearly that the people, the officials for Manitoba Hydro said clearly that the biggest threat to that company is the government of Manitoba, but the second biggest threat is a five-year drought.

That drought could cost the organization upwards of \$1 billion. So we now have under the watch of this Minister of Finance (Mr. Selinger) and under the watch of Vic Schroeder and this Premier, we have our major Crown asset that now does not have the resources to withstand a five-year drought.

Mr. Deputy Speaker, that is a very, very serious situation. Not only did this Government steal \$203 million from them. They went further. At the drop of the pen they doubled the water-rental rates. So, at a time when Hydro was losing money because of a drought, they were also forced to pay to the Government of Manitoba twice as much.

Now that makes no business sense. That makes no economic sense. It only makes sense to New

Democrats. Who else in their right—well, they are not even in their right mind. Who else but a New Democrat would think—

An Honourable Member: In their left mind.

Mr. Loewen: Well, they are not even in their left mind. I do not know, they are in like the fourth dimension out there somewhere.

Who knows what goes through their head. The reality is this year Manitoba Hydro is projected to lose \$359 million and what—

An Honourable Member: You are wrong. This year they were going to make money.

Mr. Loewen: Well, no, this year—

An Honourable Member: You are talking about last year.

Mr. Loewen: Okay, well, the Minister of Finance wants to split hairs. I wish the Minister of Finance (Mr. Selinger) would take that hair-splitting quality to his presentation of the financial situation of the Province—

An Honourable Member: Are you talking about hair?

Mr. Loewen: Yes, I got a haircut, but I wish you would take that to the people of Manitoba.

Mr. Deputy Speaker, last year they lost \$359 million, and this Government, what did this Government do? They are taking over \$100 million out, never enough for this Government. So it bears no relationship to how profitable a company is.

I might remind the minister, and this should be particularly interesting to the Minister responsible for Hydro (Mr. Sale), in the years when Manitoba Hydro was making record profits through export sales, this Government was running deficits. So we have a Crown corporation making profits like they have never made before and who do we have? Well it could only happen under an NDP government, it could only happen on an NDP watch; Crown corporations making record profits, the Government's summary financial statements showing a deficit. I do not know. *[interjection]* Go figure. I

mean it is incredible the mismanagement that this Government will bring to the public sector.

Mr. Deputy Speaker, the other thing, of course, which is unbelievable from the Minister of Finance (Mr. Selinger), to stand up in this House and read his budget speech and tell people that he was moving closer to generally accepted accounting principles by cherry-picking the rules that are favourable to his deficit financing. So he stands up in the House and he says, we are going to change the rules so that we now account for infrastructure projects over the life of the project. Now the reason he does that is so that he does not have to account for them in the year he spends his money. I do not have such a great argument with that if he would take it in the full context of presenting the Government's financial statements.

So I would urge this minister to do the right things; to be responsible and commit to adopting generally accepted accounting principles. Either do it in full or do nothing, and quit cherry-picking. Because this is a minister that took \$287 million and snuck it through the back door to add on the deficit by refusing to account for it in the operating statement, and just applied it to the deficit.

We also heard the Premier, and again it comes back to credibility. But we heard the Premier stand up and complain that the federal government was reducing health care funding by some \$100 million. Well what he did not tell the people of Manitoba, what he did not mention, was the Government last year got a windfall of \$141 million. So they get a windfall of \$141 million, which they do not say anything about, and then they complain that they are losing \$104 million due to equalization.

Well, once again, I would point the minister to page B26 and B27 of his budget book, where it shows clearly that since 1999 the federal government has pumped more than a billion dollars per year into Manitoba's economy for his Government to spend. You would think with a billion dollars more from the federal government that this Government might one day say, thank you, we appreciate the fact that things have turned around and we are getting a lot more money. But what do they say? They go back, sir, it is not enough. We need more. How can you expect us to only live on a billion dollars more a year?

I would not object to that so much if this Government had the slightest idea, the least inkling, how to grow the economy. But we see from all of the economic indicators, in 2003 the job rate in Canada was seven times higher than the increase in jobs in Manitoba. Seven times higher. The economy in Manitoba was one of the lowest in terms of growth in all of Canada. Canada's average was a good 25% higher than Manitoba's.

I know the minister likes to use the Manitoba finance figures in his Budget and I have no objection to that, but he should not use it to try and avoid the point. The point is there is information from Stats Canada that demonstrates clearly that our economy is faltering, that we are not able to grow our economy. We are not able to grow jobs. We are not able to have more people working in the new economy, which means the Government is not able to generate new tax revenue.

That is how governments should grow their revenue. They should create a competitive environment where companies can thrive and grow, where young people can look forward with hope and opportunity that one day they may be part of a growing business that started here in Manitoba.

This Government is a job killer. Their policies are killing jobs. Their policies are drying up the economy, and it shows in all of the numbers. Now, this Government stands up and says, well, you know, the amount of money that Manitobans have to spend is 5 percent higher than it was in the nineties. What the figures show is that once again the growth rate has slowed dramatically. The only thing that has changed is inflation, something that this Government has absolutely no control of, but, like everything that looks a little rosy that they cannot control, they want to take credit, just the way this minister will probably want to stand up today and tell us what a wonderful job he has done of managing the debt because the debt payments are down.

Well, Mr. Deputy Speaker, we are in an environment where we have the lowest interest rates in the history of the country. We have gone through the lowest interest rate period that we have for the last century. This minister may not want to admit it, just like he does not want to admit that our economy is stifling, that he is not creating jobs, but that is a fact.

* (16:40)

The problem is when this Government uses that to its advantage to just heap on debt, to take our debt from \$16.8 billion up over 19.2, almost 19.3. One day interest rates are going to go up, and Manitobans are going to pay a sad and sorry price for the mismanagement that this Government has given to our economy.

Mr. Deputy Speaker, I would urge this Government to start doing the right thing. Instead of going out and borrowing \$100 million more for VLTs, cap your debt. Make a real commitment to Manitobans that you are going to live within your means. Do the right thing. Make Manitoba competitive. Follow the advice you have been given from the business community, drop corporate taxes, drop the capital tax, get busy dropping the payroll tax, make our income tax rates competitive with the rest of Canada, and then we might have some hope and opportunity for the young people in Manitoba.

If this Government would take the time to look at the businesses that have grown in Manitoba and thrived and made Manitoba great, they will find that by far the vast majority were businesses that were started in Manitoba by Manitobans and were grown by Manitobans.

In terms of an economy, we are far better off having a head office than we are having a branch plant. Every time the NDP comes into power, we lose more and more and more head offices because their policies of high taxation drive businesses out of Manitoba. The minister and the Premier (Mr. Doer) need to take full responsibility for that. They need to listen to the Business Council of Manitoba and they need to make Manitoba competitive.

There is other information that we are being flooded with. We were told in December that retail sales in Manitoba have sunk to a five-year low. Now, the Government this year is going to supposedly grow its sales tax revenue through increased activity in the retail market.

This is a wish and a prayer. It is not going to happen. They have the retail sales tax going up by close to a hundred million dollars, by over 7 percent once you factor out the supposed \$24 million or \$17 million that is going to be raised through the expansion of the PST.

Our retail sales are growing at less than 3 percent. The minister will never make this Budget. So another reason we are going to vote against this Budget is because it just does not hold water. This Government has gone out to the public in Manitoba and said, "hallelujah, we have got a balanced budget."

Well, it is not balanced. The auditor will tell you it calls for a \$58-million deficit. The Government does not have any chance of realizing the Budget that they placed before the people of Manitoba. I believe they are just sitting back, hoping and praying that the federal government is going to throw more money at them to bail them out of their financial problem.

That is poor planning; that is poor policy. We will not have much more than \$100 million left in the rainy day fund. That is only \$25 million more than the Government refused to recognize this year in terms of their spending. We do not have a piggy bank to fall back on because this Government has eaten it all up.

I just want to close by, again, informing the minister that, under his watch, the rainy day fund has gone from \$427 million to \$106 million. Manitoba Hydro's retained earnings have gone from north of \$1.3 billion to less than \$800 million. Our debt has gone up by \$2.6 billion. We are running deficits four years in a row.

Mr. Deputy Speaker, this minister needs to be accountable to the people of Manitoba. He needs to do the right thing sometime this year, stand up and admit that he is going to adopt generally accepted accounting principles so he can do as the Auditor suggests, so we can have a discussion. As a matter of fact, it is not just the Auditor, even the Premier (Mr. Doer) behind closed doors, when he was talking to all his union cronies said that I wish we could have a discussion about the real numbers. "I wish we could use the real numbers to talk to the people of Manitoba."

Well, I would remind him that he is just echoing the comments of the Auditor who has asked this Government in its financial reporting to use understandability, comparability and reality. If the minister would just commit to those three principles, we might actually have a situation where we could vote with this Budget. Unfortunately, because the minister will not do that, because this Government has let the province down, because they have let the education

sector down, because they have banked the future of Manitoba on increased payments from the federal government and increased revenues from VLTs and gambling, we have no alternative but to vote against this Budget.

Hon. Greg Selinger (Minister of Finance): The Member for Fort Whyte (Mr. Loewen), as usual, put so many inaccuracies on the record. These budgets are massive and demanding tasks, as I mentioned in my original budget speech. It requires tremendous efforts from a whole wide range of ministers, their departmental staff, civil servants. I would just like to take this opportunity to thank members on this side of the House for their contribution at the ministerial level, through the caucus, as well as the many civil servants that found ways to manage with a very tight set of circumstances.

Mr. Speaker in the Chair

It really is a collective enterprise to bring these budget processes together. Many people go beyond the call of duty in their efforts to provide good services and good benefits to the people of Manitoba. Our budget theme this year was today's challenges, tomorrow's opportunities.

It is a balanced budget. It is balanced under the Manitoba balanced budget law, a law that was described by the Canadian Taxpayers Federation as one of the most stringent balanced budget laws in the country.

But it is balanced even in a more important way. Mr. Speaker, it is balanced among the important goals of investing in the key priorities of Manitobans today, maintaining an affordable, fiscally sound provincial government and building for our future. This balance is also captured in the unique achievement of this Budget. For the first time since the passage of balanced budget legislation, the Budget is balanced under the balanced budget legislation and commits to paying down debt with no projected draw from the Fiscal Stabilization Fund.

This was never done under the former government. It is done by us, in this Budget, this year. As you know, Mr. Speaker, there are a number of challenges this year. The agricultural rural economy was devastated by the BSE crisis and drought. Overall growth was 1.9 percent in 2003 instead of the statistics quoted by the member opposite.

We do think there was a potentially serious error in the Statistics Canada information. We think they under-projected growth in the non-residential construction sector. Most forecasters predict that the growth this year will be in the order of 1.9 percent. We will confirm that as we go forward. We do rely on the Manitoba Bureau of Statistics. They seem to do a more accurate job.

We did have the second-worst forest fire season in the history of Manitoba. Federal funding for health care went down \$104 million this year. Half of the additional funding provided across this country to health care has been one-time funding. The health care system cannot survive on one-time funding. The permanent funding put into the base is very much appreciated. The one-time funding is appreciated as well, but if we are going to have a sustainable health care system, Mr. Speaker, we have to have one-time funding converted into the base and be sustainable funding.

We have seen a dramatic decline in equalization payments across this country. During the good times, the federal government capped equalization so that all of the benefits were not made available to provinces but, during the tough times, they have let it decline fully. That has resulted in some real hardship across the country to many provinces who are trying to provide services like health care and education.

Many provinces have delayed or reverse-planned tax relief. Conservative provinces have done that; Liberal provinces have done that; but, here, in New Democratic Manitoba, we did not blink in offering the tax relief that we promised in our last budget.

*(16:50)

We followed through and delivered on it for Manitobans. We delivered a 6% tax reduction for the middle-income families, bringing to over 16 percent the amount of tax relief we have provided to middle-income families.

We have invested in the priorities of health care and education. We have paid down the debt. As a matter of fact, we have paid down more debt in the last four years than in the four preceding years; \$384 million we have paid down in debt, versus the \$300 million that the members opposite paid down during their time.

Our credit rating has improved. Both Moody's and the Dominion Bond Rating Service have given us credit rating improvements. Our Standard and Poor's credit rating for Manitoba is tied for the second best in Canada. Mr. Speaker, our Moody's is tied for the third best and we have seen some significant improvements in our credit ratings.

We show a positive balance of \$3 million with no draw from the Fiscal Stabilization Fund. Other provinces have significantly drawn down their fiscal stabilization funds. New Brunswick, Saskatchewan have made significant withdrawals from their fiscal stabilization funds in order to manage their budgets.

Our debt payments are \$480 million of reductions to the debt and to retiring the pension liability since coming into office. Our debt-to-GDP ratio has gone down from 20.3 percent in '99-2000 to 15.8 percent in '04-05, Mr. Speaker.

Our fiscal plan also includes accountability to Manitobans. We brought in the first annual report to government, the first government in the history of the province to bring in an annual report. We have brought in summary budgets, never before done in the history of this province, that capture the entire reporting entity.

Mr. Speaker, this Budget adds two key reporting improvements. We have brought in infrastructure capital accounting practices in accordance with the public sector accounting board standards, and we have included a medium-term fiscal forecast on a summary basis which, in spite of the fact that members opposite did not deal with the pension liability, we will return to, on a summary basis, budget surpluses, including the addressing of the pension liability.

I also want to note that Budget 2004 continues a key part of the fiscal plan for our province, dealing with the unfunded pension liability. Members opposite had over 12 years, Mr. Speaker, to address the pension liability. When they took office, it was \$1.8 billion. When we took office, it had grown to over \$3 billion and the bond rating agencies were saying, "You have to have a plan in place to deal with that."

In our first budget, Mr. Speaker, we put that plan in place to deal with the unfunded liability for teachers and civil servants. We now know that every

civil servant hired in this province has their pension liability paid by the employer, the Government of Manitoba.

In addition, we have been taking money from the \$96 million and allocating it towards the pension liability. In the result, Mr. Speaker, that pension liability will be funded 35 to 40 years out, instead of doubling like it was going to if it had continued to be neglected by the members opposite.

We have also continued with our practices of affordable government. We are holding the line on spending in 12 departments. Overall, as a whole, the Government's spending in administration is up .8 percent. When you deduct general salary increases, administration is down 1.7 percent.

We have had to remove 400 civil service positions, Mr. Speaker, but we have done it without any layoffs. We have done it in a way that will save \$30 million without putting people on the street. Discretionary spending has been reduced by 7 percent, and we are looking for ways to increase efficiencies in government.

We are consolidating operations and improving services by merging the DDVL with the Manitoba Public Insurance Corporation. We are proceeding with a provincial lab consolidation of diagnostic services. We have moved health capital onto the books of the Government of Manitoba and reduced borrowing costs by doing it, because we are borrowing at the government rate, not some other rate that is not guaranteed by the Government. The sale and lease of Crown lands, which we found to be in a disastrous state when we got into government, are going to be consolidated into a single agency. We have increased health care funding by 5.2 percent and education funding by 3.8 percent, but our overall per capita spending in government remains the third lowest in the country.

It is worth noting that our program in spending increases this year, 2 percent, is very modest compared to our provinces. In its budget last week Nova Scotia, that Conservative government in Nova Scotia, increased program spending by 5.6 percent.

On the economy, sound fiscal management has proven again to be one of the elements of generating a healthy economy. Independent observers are projecting a healthy rebound for Manitoba's economy in

2004. Real growth is projected to increase. Manitoba will have among the lowest unemployment rates in Canada, as well as among the highest participation rates among people in Manitoba who are able to work. They are working. Winnipeg has the lowest unemployment rate of 5 percent among Canada's 11 major cities.

Over the last four years Manitoba has created an average of 6500 additional jobs each year, more than doubled the annual average job growth from the 1989-to-1999 time period of 3100 jobs. We have more than doubled the amount of job growth during that period.

Manitoba gained almost 4000 new residents in 2003, the biggest annual population increase in over 20 years. More people are coming to Manitoba; more people are staying in Manitoba. Mr. Speaker, 1055 more young people came to Manitoba than left last year, the best performance in over 20 years. Housing prices are up in Manitoba 24 percent since 1999.

The average Manitoban's buying power is increasing. Between 1999 and 2003 Manitobans' personal disposable income per capita increased by 14.55 percent while prices only went up 8.8 percent, an improvement in buying power of more than 5 percent. By contrast, Mr. Speaker, between 1990 and 1999 Manitoba's personal disposable income per capita increased by only 17.7 percent, but prices rose by 22.8 percent. The average Manitoban's buying power fell by 5 percent. Manitobans clearly have reason to feel optimistic about what is possible in 2004 and beyond.

In Budget 2004 health care remains a top priority with an increase of 5.2 percent. It is worth noting that members opposite campaigned on a platform of holding health care to a 1% increase. Mr. Speaker, that is an increase that without doubt would have required massive layoffs in nurses and other professionals in the health care system, as well as the many, many non-professionals that provide services in Manitoba. We on this side of the House know there is no turning back to those dark days of the Tories. We know that, in spite of the advances in medicine that we have seen as a result of new drugs and medical equipment, the heart of health care remains, and it will always remain, the people who deliver that care: the nurses, the doctors, the technologists.

Investments in a stable and growing health care workforce are the key for renewing our health care system. That is why we are pleased that 156 more doctors and 879 more nurses are working in Manitoba than there were five years ago. That is exactly the lesson that members opposite have failed to learn. If they had, they would not have campaigned on a 1% increase. How could they seriously campaign on a 1% increase without laying off people and beginning to return to days when they savaged the health care system in order to balance the budget?

In this year's Budget we build on progress in nursing. We invest one million in the expansion of nursing training. This includes expanded enrolment in our successful RN program and creating opportunities for LPNs to become RNs. We have also invested \$250,000 in training for technologists. Without these skilled health care professionals, we would not be able to implement our wait time reduction plan, a plan that Budget 2004 supports through key investments in the first MRI outside of the city of Winnipeg.

Mr. Speaker: Order. The hour being 5 p.m., pursuant to Rule 32(6), I am interrupting the proceedings to put the questions necessary to dispose of the proposed motion of the honourable Minister of Finance (Mr. Selinger) that this House approve in general the budgetary policy of the Government and all amendments to that motion.

So we will now deal with the subamendment. Therefore, the question before the House is the proposed subamendment of the honourable Member for River Heights (Mr. Gerrard).

Do members wish to have the subamendment read?

Some Honourable Members: Yes.

Mr. Speaker: Yes? Okay.

Some Honourable Members: Dispense.

* (17:00)

Mr. Speaker: No, there has been yes.

THAT the amendment be amended by adding thereto the following words:

And further regrets that this Budget also ignores present and future needs of Manitobans by:

(j) failing to set priorities well and to manage fiscal resources well;

(k) failing to reduce ministers' salaries by 20 percent in recognition of the deficit incurred in the last fiscal year and the resultant increase in the general purpose debt of Manitoba;

(l) failing to support improvements in water stewardship and instead increasing administration and bureaucracy while failing to provide adequate support to surface and ground water management and fisheries and water quality;

(m) failing to provide adequate attention to healthy living by failing to provide adequate attention to sports funding in Manitoba;

Is it the pleasure of the House to adopt the subamendment?

Some Honourable Members: Yes.

Some Honourable Members: No.

Voice Vote

Mr. Speaker: All those in favour of the subamendment, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to the subamendment, say nay.

Some Honourable Members: Nay.

Mr. Speaker: I declare the subamendment lost.

An Honourable Member: On division.

Mr. Speaker: On division? *[Agreed]*

Mr. Speaker: Now we will deal with the amendment. The question before the House—

Some Honourable Members: Oh, oh.

Mr. Speaker: Can I have some order here, please. Votes are very important, and we need to be very accurate when we are conducting votes.

The question before the House now is the proposed amendment, moved by the Leader of the Official Opposition (Mr. Murray), to the proposed motion of the honourable Minister of Finance (Mr. Selinger), that this House approve in general the budgetary policy of the Government.

Do members wish to have the amendment read?
[Agreed]

The proposed motion of the honourable Leader of the Official Opposition reads:

THAT the motion be amended by deleting all the words after "House" and substituting the following:

therefore regrets this Budget ignores the present and future needs of Manitobans by:

(a) failing to offer any vision or hope or to reflect the priorities of Manitobans;

(b) failing to provide a long-term economic plan to grow the economy and create real and lasting jobs;

(c) failing to provide a long-term tax reduction strategy that addresses the fact that middle-income Manitobans are now, under the Doer government, the highest taxed west of New Brunswick and our business taxes are not competitive;

(d) failing to provide a sustainable provincial spending plan by introducing a budget with a spending/tax cut ratio of 7 to 1;

(e) failing to commit to assume provincial constitutional responsibilities to fund public education;

(f) failing to address the challenges in health care, including providing a cardiac care system that meets the needs of Manitobans in a timely fashion, ending hallway medicine as promised, reducing waiting lists for diagnostic services including CT scans, MRIs and ultrasounds, and

recruiting and retaining health care professionals;

(g) failing to address the need to have bold, innovative and meaningful reform in health care that would reduce waiting lists and would increase access to quality care;

(h) failing to protect seniors and low-income Manitobans by increasing the Pharmacare deductible by 5 percent for the third year in a row and introducing two new deductible levels;

(i) failing to provide adequate supports to Manitoba's agricultural sector, especially those farm families struggling through the BSE crisis.

As a consequence, the Government has thereby lost the confidence of this House and the people of Manitoba.

Voice Vote

Mr. Speaker: Is it the pleasure of the House to adopt the amendment?

Some Honourable Members: Yea.

Some Honourable Members: Nay.

Mr. Speaker: All those in favour of the amendment, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to the amendment, say nay.

Some Honourable Members: Nay.

Mr. Speaker: I declare the amendment lost.

Formal Vote

Mr. Leonard Derkach (Official Opposition House Leader): Yeas and Nays, Mr. Speaker.

Mr. Speaker: A recorded vote having been requested, call in the members.

The question before the House now is the proposed amendment moved by the Leader of the

Official Opposition (Mr. Murray) to the proposed motion of the honourable Minister of Finance (Mr. Selinger), that this House approve in general the budgetary policy of the Government.

Do members wish to have the amendment read?

Some Honourable Members: No.

Mr. Speaker: Dispense?

Some Honourable Members: Dispense.

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Cummings, Derkach, Driedger, Eichler, Faurschou, Gerrard, Goertzen, Hawranik, Lamoureux, Loewen, Maguire, Mitchelson, Murray, Penner, Reimer, Rocan, Rowat, Schuler, Stefanson, Taillieu, Tweed.

Nays

Aglugub, Allan, Altemeyer, Ashton, Bjornson, Brick, Caldwell, Chomiak, Dewar, Doer, Irvin-Ross, Jennissen, Jha, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Melnick, Nevakshonoff, Oswald, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith, Struthers, Wowchuk.

Madam Clerk (Patricia Chaychuk): Yeas 21, Nays 33.

Mr. Speaker: I declare the motion lost.

Mr. Peter Dyck (Pembina): Mr. Speaker, had I not been paired with the Minister of Intergovernmental Affairs (Ms. Mihychuk), I would have definitely voted in favour of this amendment.

Mr. Speaker: We will now vote on the main motion.

The question before the House is the proposed motion of the honourable Minister of Finance (Mr. Selinger) that this House approve in general the budgetary policy of the Government.

Is it the pleasure of the House to adopt the motion?

Some Honourable Members: No.

Some Honourable Members: Yes.

Voice Vote

Mr. Speaker: All those in favour of the motion, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to the motion, say nay.

Some Honourable Members: Nay.

Mr. Speaker: I declare the motion carried.

Formal Vote

Mr. Derkach: Yeas and Nays, Mr. Speaker.

* (17:10)

Mr. Speaker: A recorded vote having been requested, call in the members.

The question before the House is the proposed motion of the honourable Minister of Finance (Mr. Selinger) that this House approve in general the budgetary policy of the Government.

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Aglugub, Allan, Altemeyer, Ashton, Bjornson, Brick, Caldwell, Chomiak, Dewar, Doer, Irvin-Ross, Jennissen, Jha, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Melnick, Nevakshonoff, Oswald, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith, Struthers, Wowchuk.

Nays

Cummings, Derkach, Driedger, Eichler, Faurschou, Gerrard, Goertzen, Hawranik, Lamoureux, Loewen,

Maguire, Mitchelson, Murray, Penner, Reimer, Rocan, Rowat, Schuler, Stefanson, Taillieu, Tweed.

Madam Clerk: Yeas 33, Nays 21.

Mr. Speaker: I declare the motion carried.

Mr. Dyck: I think my one vote would have done it. Mr. Speaker, had I been able to vote and not been paired with the Minister of Intergovernmental Affairs (Ms. Mihychuk), I would have voted against.

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I would like to advise the House that in accordance with new Rule 31, the House leaders have met and have chosen the first two private members' resolutions to be prioritized for a vote.

The first resolution, on Agricultural Awareness Day, will be debated tomorrow morning during private members' hour. Prioritized resolutions are debated for up to three hours and then are put to a vote. Once that resolution has been voted upon, the second resolution to be debated and put to a vote is Aboriginal Veteran Thomas George Prince.

Mr. Speaker: It has been advised that in accordance with Rule 31, the House leaders have met and have chosen the first two resolutions to be prioritized for a vote.

The first is the resolution on Agricultural Awareness Day and will be debated tomorrow morning during private members' hour. The prioritized resolutions are debated for three hours and are then

put to a vote. Once that resolution has been voted upon, the second resolution to be debated is Aboriginal Veteran Thomas George Prince.

* * *

Mr. Mackintosh: 5:30?

Mr. Speaker: Is it the will of the House to call it 5:30 p.m.? *[Agreed]*

The hour being 5:30 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

CORRIGENDUM

Vol. LV No. 28 - 1:30 p.m., Tuesday, April 27, 2004, page 1225, under Ms. Bonnie Korzeniowski, the second column, fourth paragraph inadvertently reads:

Another point I want to address which is important to Manitobans across the province, but perhaps significantly more in St. James, is the provision to exempt the taxation, up to limits, and the employment income of military and police personnel deployed to high-risk assignments outside Canada.

The paragraph should read:

Another point I want to address which is important to Manitobans across the province, but perhaps significantly more in St. James, is the provision to exempt the taxation, up to limits on the employment income of military and police personnel deployed to high-risk assignments outside Canada.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 28, 2004

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