

Second Session - Fortieth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

*Published under the
authority of
The Honourable Daryl Reid
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

| Member | Constituency | Political Affiliation |
|--------------------------|----------------------|------------------------------|
| ALLAN, Nancy, Hon. | St. Vital | NDP |
| ALLUM, James | Fort Garry-Riverview | NDP |
| ALTEMEYER, Rob | Wolseley | NDP |
| ASHTON, Steve, Hon. | Thompson | NDP |
| BJORNSON, Peter, Hon. | Gimli | NDP |
| BLADY, Sharon | Kirkfield Park | NDP |
| BRAUN, Erna | Rossmere | NDP |
| BRIESE, Stuart | Agassiz | PC |
| CALDWELL, Drew | Brandon East | NDP |
| CHIEF, Kevin, Hon. | Point Douglas | NDP |
| CHOMIAK, Dave, Hon. | Kildonan | NDP |
| CROTHERS, Deanne | St. James | NDP |
| CULLEN, Cliff | Spruce Woods | PC |
| DEWAR, Gregory | Selkirk | NDP |
| DRIEDGER, Myrna | Charleswood | PC |
| EICHLER, Ralph | Lakeside | PC |
| EWASKO, Wayne | Lac du Bonnet | PC |
| FRIESEN, Cameron | Morden-Winkler | PC |
| GAUDREAU, Dave | St. Norbert | NDP |
| GERRARD, Jon, Hon. | River Heights | Liberal |
| GOERTZEN, Kelvin | Steinbach | PC |
| GRAYDON, Cliff | Emerson | PC |
| HELWER, Reg | Brandon West | PC |
| HOWARD, Jennifer, Hon. | Fort Rouge | NDP |
| IRVIN-ROSS, Kerri, Hon. | Fort Richmond | NDP |
| JHA, Bidhu | Radisson | NDP |
| KOSTYSHYN, Ron, Hon. | Swan River | NDP |
| LEMIEUX, Ron, Hon. | Dawson Trail | NDP |
| MACKINTOSH, Gord, Hon. | St. Johns | NDP |
| MAGUIRE, Larry | Arthur-Virden | PC |
| MALOWAY, Jim | Elmwood | NDP |
| MARCELINO, Flor, Hon. | Logan | NDP |
| MARCELINO, Ted | Tyndall Park | NDP |
| MELNICK, Christine, Hon. | Riel | NDP |
| MITCHELSON, Bonnie | River East | PC |
| NEVAKSHONOFF, Tom | Interlake | NDP |
| OSWALD, Theresa, Hon. | Seine River | NDP |
| PALLISTER, Brian | Fort Whyte | PC |
| PEDERSEN, Blaine | Midland | PC |
| PETTERSEN, Clarence | Flin Flon | NDP |
| REID, Daryl, Hon. | Transcona | NDP |
| ROBINSON, Eric, Hon. | Kewatinook | NDP |
| RONDEAU, Jim, Hon. | Assiniboia | NDP |
| ROWAT, Leanne | Riding Mountain | PC |
| SARAN, Mohinder | The Maples | NDP |
| SCHULER, Ron | St. Paul | PC |
| SELBY, Erin, Hon. | Southdale | NDP |
| SELINGER, Greg, Hon. | St. Boniface | NDP |
| SMOOK, Dennis | La Verendrye | PC |
| STEFANSON, Heather | Tuxedo | PC |
| STRUTHERS, Stan, Hon. | Dauphin | NDP |
| SWAN, Andrew, Hon. | Minto | NDP |
| WHITEHEAD, Frank | The Pas | NDP |
| WIEBE, Matt | Concordia | NDP |
| WIGHT, Melanie | Burrows | NDP |
| WISHART, Ian | Portage la Prairie | PC |
| <i>Vacant</i> | Morris | |

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 3, 2013

The House met at 1:30 p.m.

Mr. Speaker: O Eternal and Almighty God, from Whom all power and wisdom come, we are assembled here before Thee to frame such laws as may tend to the welfare and prosperity of our province. Grant, O merciful God, we pray Thee, that we may desire only that which is in accordance with Thy will, that we may seek it with wisdom and know it with certainty and accomplish it perfectly for the glory and honour of Thy name and for the welfare of all our people. Amen.

Good afternoon, everyone. Please be seated.

ROUTINE PROCEEDINGS

Mr. Speaker: Introduction of bills. We'll move on to—

PETITIONS

Provincial Sales Tax Increase—Referendum

Mr. Kelvin Goertzen (Steinbach): Yes, good afternoon, Mr. Speaker. I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An 'incris'—increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

And this petition is signed by T. Carriere, M. Roy, J. Dueck and many other Manitobans.

Mr. Speaker: In accordance with our rule 132(6), when petitions are read they are deemed to have been received by the House.

Mr. Ian Wishart (Portage la Prairie): I wish to present the following petition to the Legislative Assembly of Manitoba.

And these are the reasons for the petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

And this petition's signed by L. Mackedenski, L. Turner and K. Droret and many, many more fine Manitobans.

Mr. Wayne Ewasko (Lac du Bonnet): I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

(3) An increase to the PST is excessive taxation that will harm Manitoba families.

(4) Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

This petition is signed by K. Zavitz, F. Debar, J. Zaqday and many, many other fine Manitobans, Mr. Speaker.

Municipal Amalgamations—Reversal

Mrs. Leanne Rowat (Riding Mountain): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

And these are the reasons for this petition:

The provincial government recently announced plans to amalgamate any municipality with fewer than 1,000 constituents.

The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announced on November 19th, 2012, and has further imposed unrealistic deadlines.

If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

Local governments are further concerned that amalgamation will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

Municipalities deserve to be treated with respect. Any amalgamations should be voluntary in nature and led by the municipalities themselves.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local municipalities or local governments to respect—the respect they deserve and reverse his decision to force municipalities with fewer than 1,000 constituents to amalgamate.

This petition is signed by D. Blackbird, M. Bone, L. Bone and many, many other concerned Manitobans, Mr. Speaker.

Mr. Blaine Pedersen (Midland): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

The provincial government recently announced plans to amalgamate any municipalities with fewer than 1,000 constituents.

The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement on November 19th, 2012, and has further imposed unrealistic deadlines.

If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

Local governments are further concerned that amalgamation will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

Municipalities deserve to be treated with respect. Any amalgamations should be voluntary in nature and led by the municipalities themselves.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse his decision to force municipalities with fewer than 1,000 constituents to amalgamate.

And this petition is signed by B. Brown, R. Plaisier, J. Sigurdson and many other fine Manitobans.

Mr. Cliff Graydon (Emerson): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

And this is the background to this petition:

(1) The provincial government recently announced plans to amalgamate any municipalities with fewer than a thousand constituents.

(2) The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement on November 19th, 2012, and has further imposed unrealistic deadlines.

(3) If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements or cost savings.

Local—(4) Local governments are further concerned that amalgamation will fail to address the serious issues currently facing municipalities,

including an absence of reliable infrastructure funding and timely flood compensation.

(5) Municipalities deserve to be treated with respect. Any amalgamation should be voluntary in nature and led by the municipalities themselves.

* (13:40)

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse his decision to force municipalities with fewer than 1,000 constituents to amalgamate.

And this petition is signed by L. Kehler, R. Driedger, M. Bergan and many, many more fine Manitobans.

Provincial Sales Tax Increase—Referendum

Mrs. Myrna Driedger (Charleswood): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

And this is signed by D. Peacock, C. Watson, G. Thomas and many others.

Mrs. Bonnie Mitchelson (River East): I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

And this petition is signed by I. Bozynski, B. Berry, D. Ratcliffe and many, many other Manitobans.

Hydro Capital Development—NFAT Review

Mr. Cliff Cullen (Spruce Woods): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

Manitoba Hydro was mandated by the provincial government to commence a \$21-billion capital development plan to service uncertain electricity export markets.

In the last five years, competition from alternative energy sources is decreasing the price and demand for Manitoba's hydroelectricity and causing the financial viability of this capital plan to be questioned.

The \$21-billion capital plan requires Manitoba Hydro to increase domestic electricity rates by up to 4 per cent annually for the next 20 years and possibly more if export opportunities fail to materialize.

We petition the Legislative Assembly of Manitoba as follows:

To urge that the Minister responsible for Manitoba Hydro create a complete and transparent Needs For and Alternatives To review of Manitoba Hydro's total capital development plan to ensure the financial viability of Manitoba Hydro.

This petition is signed by M. Tweed, R. Fidler, S. Myers and many other fine Manitobans.

Provincial Sales Tax Increase—Referendum

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

These are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

Signed behalf of J. Montgomery, R. Knight, L. Mclean and many other fine Manitobans.

Mr. Dennis Smook (La Verendrye): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

(3) An increase to the PST is excessive taxation that will harm Manitoba families.

(4) Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government not to raise the PST without holding a provincial referendum.

This petition is signed by J. Peters, J. Whitehead, J. Whitehead and many more fine Manitobans.

Mr. Ron Schuler (St. Paul): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

(3) An increase to the PST is excessive taxation that will harm Manitoba families.

(4) Bill 20 strips Manitobans of their democratic right to determine what major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

This is signed by I. Hiebert, J. Hiebert, M. Goertzen and many, many other Manitobans.

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

(3) An increase to the PST is excessive taxation that will harm Manitoba families.

(4) Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

And, Mr. Speaker, this petition is signed by R. Helwer, V. Helwer, S. Helwer and many, many other Manitobans.

Hydro Capital Development—NFAT Review

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

(1) Manitoba Hydro mandated—was mandated by the provincial government to commence a \$21-billion capital development plan to service uncertain electricity export markets.

(2) In the last five years, competition from alternative energy sources is decreasing the price and demand for Manitoba's hydroelectricity and causing the financial viability of this capital plan to be questioned.

(3) The \$21-billion capital plan requires Manitoba Hydro to increase domestic electricity rates by up to 4 per cent annually for the next 20 years and possibly more if export opportunities fail to materialize.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister responsible for the Manitoba Hydro create a complete and transparent Needs For and Alternatives To review of Manitoba Hydro's total capital development plan to ensure the financial viability of Manitoba Hydro.

And this petition is signed by D. Widler, D. Harvey, C. Bueche, Mr. Speaker, and many, many others.

Municipal Amalgamations—Reversal

Mr. Stuart Briese (Agassiz): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

And this is the background for this petition:

The provincial government recently announced plans to amalgamate any municipalities with fewer than a thousand constituents.

The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement on November 19th, 2012, and has further imposed unrealistic deadlines.

If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

Local governments are further concerned that amalgamation will fail—will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

Municipalities deserve to be treated with respect. Any amalgamations should be voluntary in nature and led by the municipalities themselves.

* (13:50)

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse his decision to force municipalities with fewer than a thousand constituents to amalgamate.

This petition is signed by D. Brown, R.J. Brown, C. Smithson and many, many other fine Manitobans.

TABLING OF REPORTS

Hon. Stan Struthers (Minister of Finance): Good afternoon, Mr. Speaker. I'm pleased to table the 2012 Annual Report for Crown Corporations Council.

Introduction of Guests

Mr. Speaker: Prior to oral questions, I would like to draw the attention of honourable members to the public gallery where we have with us today from Angus McKay School 23 grade 4 students under the direction of Ms. Carla Froese. This group is located in the constituency of the honourable member for Elmwood (Mr. Maloway).

And also seated in the public gallery, from King Edward Community School, we have 20 grade 5 students under the direction of Mr. Paul Vernaus. This group is located in—the Minister of Children and Youth Opportunities (Mr. Chief).

And also in the public gallery, from Rock Lake School, we have 25 grades 7 to 9 students under the direction of Mr. Allan Derksen. This group is located in the constituency of the honourable member for Spruce Woods (Mr. Cullen).

And also in the public gallery, we have with us today Matthew Moreau, the general manager of Shakespeare in the Ruins, who are the guests of the honourable member for St. Norbert (Mr. Gaudreau).

On behalf of all honourable members, we welcome all of you here this afternoon.

ORAL QUESTIONS

UNESCO World Heritage Site Bid Application Process

Mr. Brian Pallister (Leader of the Official Opposition): Now, Mr. Speaker, the government has committed so far over \$14 million to a UNESCO World Heritage designation bid, but it appears that it's at a stalemate right now.

The UNESCO advisory group is trying to evaluate the application. They're asking questions, which is understandable, I think. The spokesperson for Pimachiowin Aki is saying that the questions are insulting, saying that in her opinion everyone is equal. Why, if this is the government's position, they would pour millions of borrowed funds into an application process that's going nowhere remains a question, I suppose.

My question for the Premier is this, though: If his position is the same—or is his position the same as that of the bid committee? Does he have concerns about the UNESCO bid process?

Hon. Greg Selinger (Premier): Mr. Speaker, UNESCO itself said that they had concerns about their own process. They said there needed to be better co-ordination between the group—or the committee, the subcommittee, that evaluates the cultural side of the application for—and also the environmental side for outstanding universal value. And in their own report, they identified that they needed to have a tighter co-ordination between those two separate processes.

Mr. Pallister: Mr. Speaker, on their website, they use—the UNESCO website, they use various adjectives to describe successful award sites. They use words like outstanding, exceptional, superlative and masterpiece.

Now, the committee itself doesn't agree with that criterial approach. They're saying everybody's equal; their bid isn't superior to any other.

In fact, they go further. In an interview from Darwin, Australia, the world indigenous conference, the spokesperson said that the UNESCO process—well, she denounced the UNESCO process, described it as insulting, and said she had launched, with others, a petition denouncing UNESCO for their process.

Which begs the question, then, which is it for the Premier? Either did the government do its homework on this project and bid process knowing it was a

flawed process from the beginning, or did they not do their homework from the beginning?

Either way, Mr. Speaker, will the Premier commit to moving ahead with the bid process at this point?

Mr. Selinger: Yes, Mr. Speaker.

Mr. Pallister: Well, after 14 and a half million dollars of taxpayer money, you'd think you'd get a better answer than that, Mr. Speaker.

You know, 9,000 World Heritage Sites have been awarded—900 World Heritage Sites, I'm sorry, Mr. Speaker, have been awarded by UNESCO—900 sites. They have a process that's well understood. Surely, the government must have in advance understood what the process was.

Surely, if they valued UNESCO's opinion, they must have had some respect at the outset for UNESCO's processes for determining what does in fact get a designation. If everybody's equal, nobody's superior and they give these things out like Cracker Jack prizes. There has to be an adjudicated process to determine what is in fact a superior bid. If the government didn't understand that, it's time they did develop that understanding.

Or is this just a process the government is engaged in to appear green or to obstruct development in that region or to oppose a hydro-line bid? Or is this just another example of a government that doesn't do its homework, throws money at circumstances and spends exorbitantly without any idea of how to get results?

Mr. Selinger: Mr. Speaker, the—there were several questions that were posed there, and the answer to all of them is none of the above.

Mr. Speaker, this application is a two-sided application. It applies under the unique cultural characteristics of the people that have occupied that land for thousands of years, the five First Nations that have jointly worked with the provincial government and the government of Ontario to advance this application. It also advances the application on the environmental side for the southern boreal forest, one of the largest intact boreal forests in the world. Less than 0.01 per cent of that land has been disturbed.

That boreal forest would make an outstanding universal contribution to preserving boreal forests in the world. There's only 2,000 acres that are protected in North America at the moment. The scientists say

there needs to be at least 10,000 acres in order to have an intact ecosystem. This application with Ontario and the First Nations would protect 33,000 acres. It would make an outstanding contribution to the world, and on—

Mr. Speaker: Order, please. The First Minister's time has expired.

Arson Increase Government Response

Mr. Reg Helwer (Brandon West): Well, it's not only the forest that may need to be protected, but Manitobans and Winnipeggers need to be protected from arson, Mr. Speaker.

You know, we seem to have summer here, but something Manitobans have not been waiting for is the sudden increase in arsons here in Winnipeg and in Manitoba, a dramatic increase of over a hundred per cent in five years. Behind those dramatic numbers, there are real people who have been victimized, real people who have lost real property, and now they're trying to rebuild.

Again, this NDP government has failed Manitobans. They talk about fixing the arson problem and, clearly, they have failed again.

Is the doubling of arson numbers acceptable to this minister?

Hon. Andrew Swan (Minister of Justice and Attorney General): Certainly, arson is a concern. It is a crime that has potentially dangerous and tragic results. We know there's costs to Manitobans for their own garages, their own vehicles and, unfortunately, sometimes their own homes.

We know, of course, that there are things which have helped. We believe the City of Winnipeg phasing out autobins in neighbourhoods like mine are playing a major role in trying to prevent the availability of things to burn. As well, we know the 311 service respecting the pickup of garbage has been helpful. As well, the City of Winnipeg has been attentive at picking up items.

But the member opposite needs to know there is an Arson Strike Force, which is supported by the Fire Commissioner's office as well as the Winnipeg Police Service and the Winnipeg fire prevention service, to make sure when an arson happens there is an immediate response as much as possible that allows the police to move quickly to deal with those who, unfortunately, engage in this dangerous activity.

Mr. Helwer: Well, Mr. Speaker, arsons are skyrocketing, putting people and property at risk, yet arrests are down. The minister comes up with yet another plan, talks about the people involved, and Manitobans pay for the failure of those plans.

Mr. Speaker, what can this Minister of Justice say to those Manitobans who have been victimized by arson and now feel unsafe in their own homes? Will this Minister of Justice admit that his own policies are failing Manitobans yet again?

Mr. Swan: Well, Mr. Speaker, it's disappointing the member for Brandon West would choose to criticize the work of the individuals in the Fire Commissioner's office, would choose to criticize those individuals who work as firefighters and paramedics for the City of Winnipeg and would choose to criticize the City of Winnipeg Police Service.

Now, I realize that for the members opposite, people who fill those positions are simply civil servants, and perhaps the member for Brandon West should speak to his leader who suggests that he would be cutting 1 per cent across the board, which would result, perhaps, in individuals in the Fire Commissioner's office being laid off, perhaps fewer police officers.

This government has added police officers each and every year. I guess the member for Brandon West doesn't think that that's a good investment. Frankly, we do.

And I wonder as well how many other positions the member for Brandon West would cut and would not fill to try to meet the ridiculous suggestion—

Mr. Speaker: Order, please. The minister's time has expired.

* (14:00)

Mr. Helwer: Well, obviously, the minister failed to listen to the question just as he's failing Manitobans time and again. There was no criticism of the police service or the Fire Commissioner. There was criticism of the minister, Mr. Speaker. He is the one that's leading this and he's the one that's failing Manitobans time and again.

What is it going to take to get his attention? Does—someone has to die? Does—what tragedy will get his attention in this? Obviously, we need to get his attention because he's failing Manitobans yet again.

Mr. Swan: I take it from the member's comments that he doesn't support additional support by the Province of Manitoba for police officers, 290 additional officers paid for by this government because we think public safety is a worthwhile investment. I know the members opposite do not.

Now, we know many times when an arson occurs youth are involved, and I think—actually, if the member opposite and I can agree on anything, it's that the Youth Criminal Justice Act doesn't necessarily provide appropriate responses.

That's why in Manitoba we became the first province to have a Turnabout program. When a youth is under the age of 12, they can't be charged under the act; however, they can be led through a system called Fire Stop, which works with young individuals, tries to get to the heart of the problem and prevents them from getting involved in that kind of activity in future. As well, with youths, the Fire Stop Program has been very useful. We know that those are the kind of investments you make—

Mr. Speaker: Order, please. The minister's time is expired.

PST Increase Impact on Altona Mobile Homes

Mr. Cliff Graydon (Emerson): Mr. Speaker, the Minister of Finance has inadvertently missed the—misled this House in the past, and he has done it again.

The Minister of Finance says there's no tax on homes and Altona Mobile Homes won't be impacted by the increase of the PST, but he's wrong. The truth is 4.5 per cent tax on these homes plus additional PST with purchasing a new home.

Mr. Speaker, will the minister admit that he misled this House?

Hon. Stan Struthers (Minister of Finance): Mr. Speaker, the misleading of the House was the members opposite who pulled out of the air \$1,600 it's going to cost Manitoba families. The Leader of the Opposition, the member for Fort Whyte (Mr. Pallister), who gets up in this House over and over and over again even as—after it's proven, clearly, that he's wrong on that and keeps putting forward the \$1,600 number. That number's wrong. That number's misleading.

Mr. Speaker, very clearly, our number is connected to the amount of money we're investing in health care, investing in education, investing in roads

and bridges that members opposite vote against all the time in budgets.

Impact on Families

Mr. Graydon: Mr. Speaker, the spendP broadened the PST on essential services required for the construction of new homes, such as plumbing, electrical, heating, air conditioning, architecture services, home insurance, property insurance, land titles and a mortgage and legal expenses, with all this cost is to Manitobans.

Can the Minister of Finance confirm today that he was wrong and that the increased PST will harm Manitoba families?

Mr. Struthers: Mr. Speaker, this is the same group of people who expanded the PST to include baby supplies, and now they get up in the House and they complain about the PST. What kind of a government does that? This government in this last budget undid the damage that the Conservatives did before, undid the damage that the member for Fort Whyte did when he was in government.

This government has said very clearly to Manitobans that the increase in the PST will go directly into infrastructure, will go directly into hospitals, directly into schools, directly into roads and bridges because, Mr. Speaker, that's what—

Mr. Speaker: Order, please. The minister's time has expired.

Referendum Request

Mr. Graydon: Mr. Speaker, all that from a minister whose integrity is at stake.

The minister's consistently wrong. He's wrong when it comes to the PST. He's wrong when he says it won't hurt the economy. He's wrong when he says it won't hurt Manitoba families. Sixteen hundred dollars is a lot of hurt a year for those families. He's wrong when he says it won't affect the price of homes and he's wrong when he says it won't affect small businesses.

Will he do the right thing and will he call a referendum?

Mr. Struthers: Well, there he goes again, Mr. Speaker. He's learning—the member for Emerson is learning a lot of bad habits from his leader.

This government—this government—over 14 years has put in place one tax credit, one program after another that benefits Manitoba families. Mr. Speaker,

when members opposite had their chance, when the member for Fort Whyte (Mr. Pallister) was in this House, in the Cabinet, the—a single low-income earner at \$20,000 in—today pays \$326 less than in 1999. A single-income family of four at \$25,000 today actually gets a rebate—

Mr. Speaker: Order, please. The minister's time has expired.

Health Council of Canada Report Hip Replacement Wait Times

Mr. Cameron Friesen (Morden-Winkler): Mr. Speaker, the Conference Board of Canada gave Manitoba a failing grade in their latest report card in health services, a D, the lowest mark possible.

But now a new report by the Health Council of Canada reveals that in Manitoba the number of hip replacement surgeries performed within the benchmark period has declined substantially. In fact, only 56 per cent of those procedures are performed within the benchmark time.

Can the minister explain, after all her new initiatives to improve procedural wait times, why does a report from two weeks ago indicate she is still dead last?

Hon. Theresa Oswald (Minister of Health): I thank the member for the question.

As the member knows, as we embarked on our wait-time strategy in partnership with the federal government, we 'forocused'—focused very clearly on the life-saving surgeries, which is why for radiation therapy in cancer we went from a dangerously long time of six weeks to No. 1 in the nation with the lowest wait time for radiation therapy. Further, we consistently rank top of the nation in terms of lowest wait times for cardiac surgery.

So I would say to the member, we moved on to quality-of-life surgeries, hips and knees. We have seen a dramatic reduction in the wait times just since 2005. We've now centralized the wait-list. Those times continue—

Mr. Speaker: Order. The minister's time has expired.

Emergency Care Task Force Recommendations

Mr. Cameron Friesen (Morden-Winkler): The minister is trying to circumvent the evidence, but let me remind her: Saskatchewan, BC, Alberta, all better than us; we, in last place, 56 per cent.

The Emergency Care Task Force, Mr. Speaker, from 2004 included a recommendation for a reassessment nurse to 'reasset' patients in order to make sure they were waiting safely. Last week this minister stated that these recommendations have been followed through on almost in their entirety.

Clearly, that's not the case. The stroke patient who waited five and a half hours without being approached by staff and before she was actually served indicates that patients are not waiting safely.

Mr. Speaker, why, after nine years, has this minister been unable to make sure this recommendation is in place?

Hon. Theresa Oswald (Minister of Health): Again, I would go back to what I said in my previous answer, that we know that for wait times we focus on the life-saving surgeries, which I think all Manitobans would want us to do.

We know that when the Leader of the Opposition sat in the Cabinet and the question was asked, what should we do about our horrendous and dangerous wait times for radiation therapy; should we send individuals to the United States? And that Cabinet said, no, that's not pragmatic.

Well, the minute we got our hands on the wheel, that's the first thing we did while we set about fixing the system so that now those patients wait the shortest amount of time in the nation for radiation therapy, No. 1 in cardiac.

We have some distance to go on hips and knees, but we've made dramatic improvements, cutting those wait times by over half. But we have continued work to do—

Mr. Speaker: Order, please. The minister's time has expired.

The honourable member for Morden-Winkler, on a final supplementary.

Bonnie Guagliardo Call for Inquest

Mr. Cameron Friesen (Morden-Winkler): Mr. Speaker, the minister says that she was focused on life-saving, and yet just weeks ago Bonnie Guagliardo died. That task force report made a recommendation about left not seen, follow up. It said, implement immediately.

Staff were to call patients who had left ER to ensure they were receiving an appropriate response. The minister got up and said that those

recommendations were implemented almost in their entirety, and yet Bonnie Guagliardo left ER, went home after six hours, and she died because that recommendation was not in place. She had no appropriate response.

Why, after nine years, has she been unable to implement the recommendations, and will she call for an inquest into the death of Bonnie Guagliardo now?

Hon. Theresa Oswald (Minister of Health): As I said last week, the recommendations from the Emergency Care Task Force have been implemented, save for some information technology, and that work is ongoing.

The issue of the reassessment nurse is put in place. If the member opposite has some concerns about that, we would be happy to investigate. On the case he mentioned, I've said repeatedly that that is the subject of a critical incident review.

And, Mr. Speaker, I would pose a question to the member opposite: How does he suppose the emergency-room care would be in the private, for-profit emergency rooms under the Leader of the Opposition? Because that's what he's advocating for.

* (14:10)

Emergency Services Patient Wait Time

Mrs. Leanne Rowat (Riding Mountain): Well, Mr. Speaker, I'll tell her how the emergency-care system is working under her government.

In May 2012, 90-year-old Velma Smith fell while out for a walk with her 87-year-old sister, Olive. Shortly before 11 a.m. the next morning, Velma and Olive headed to Grace ER, as Velma's injury was not improving. Once there, Velma waited for over 13 hours in the ER before a doctor was available to see her.

Velma Smith did her part by coming to the right place. However, this Minister of Health failed Velma by not providing timely, accessible care.

Mr. Speaker, does this minister believe it is acceptable to have a 90-year-old senior wait in an ER for 13 hours before being seen?

Hon. Theresa Oswald (Minister of Health): Indeed, we know that all Manitobans, when they go to an emergency room, want to have prompt, expert, high-quality care. I believe every member of this House would believe that to be very important, and

it's what we believe to be important too. It's why we followed through on the recommendations of the Emergency Care Task Force. It's why we've worked to rebuild or renovate nearly all of our ERs in Winnipeg; Grace is under way. It's why we've worked very hard to provide alternatives for those that need care but for whom an emergency room isn't appropriate. It's why we've opened QuickCare clinics that are getting incredibly good reviews, Mr. Speaker. It's why we've opened access centres, and we're committed to have all Manitobans have access to a family doctor.

I wonder what members opposite are going to offer under—

Mr. Speaker: Order, please. The minister's time has expired.

Mrs. Rowat: At 3 p.m. Velma's niece arrived. She was shocked to learn that Velma had not yet been assessed, as she assumed, and correctly so, that Velma had broken her pelvis. Lorna, a nurse herself, asked if a room could be provided to assist her aunt in being more comfortable. She was told no beds were available. At 6 p.m. Velma was finally told that she was at the top of the list. Unfortunately, with no bed available, Velma waited an additional six hours before she was seen by a doctor at midnight.

Mr. Speaker, I ask the Minister of Health: Does she not agree that this situation is especially alarming, because what good is well-performing system if patients can't access it?

Ms. Oswald: Certainly, we know that any of our individuals attending an emergency room, and in particular our seniors, should expect to receive very fast care.

Clearly, as described by the member opposite, this situation was not appropriate, and we would want the Grace Hospital, the Winnipeg Regional Health Authority, all of those involved to be reviewing to see what went wrong, without a doubt.

But what we know is most important to Manitobans, Mr. Speaker, is that they, all Manitobans, have access to care, not just those that have a gold-standard credit card. We want to ensure that we're protecting universal health care, that we're not letting a two-tier, for-profit system come into play.

We know that that's what her party advocates for. I just wonder why she doesn't realize that.

Mrs. Rowat: Well, members on this House are advocating for care; they're looking for accessibility.

Mr. Speaker, at 1 a.m. Velma was finally told that, indeed, she had two pelvic injuries, one break and another fracture. The attending physician then told her to get dressed and to go home, as nothing more could be done to assist her. No bed for overnight care was offered to this exhausted woman. At 1 a.m. 90-year-old Velma, 87 year-old Olive returned home in a taxi, exhausted. No follow-up was ever made by Manitoba Health.

The Minister of Health has said, and I quote, it's hard to take a lecture from them on this front. Well, Mr. Speaker, Manitobans like 90-year-old Velma Smith don't need a lecture from a minister who can't get a passing grade in health—

Mr. Speaker: Order, please. The member's time has expired.

Ms. Oswald: As I've said before, earlier in my responses, that no Manitoban should have to wait an unduly long time, in particular our seniors.

And, again, if the facts are as presented—which isn't always the case with this member—but if they are as presented, certainly we will do all that we can to investigate and to provide appropriate follow-up.

But I would say to the member very clearly that when her leader was asked about whether or not people should be allowed to use their credit card to buy their way to the front of the line, he said, I think that's what Manitobans want to see. You know what? I disagree.

Trust Account Keeyask Community Centre

Mr. Ron Schuler (St. Paul): In question period, the NDP member for Kildonan (Mr. Chomiak) stated that the \$6 million for the Keeyask Centre was being held in trust.

My question for the NDP member for Kildonan is: Is that money still being held in trust?

Hon. Dave Chomiak (Minister charged with the administration of The Manitoba Hydro Act): Yes, Mr. Speaker, we talked about this at Crown Corporations Committee for about five hours, when the member had the opportunity to ask the president those questions and he did for about half an hour. And he's raised the question several times despite the fact that I've told him and he's been corrected in

terms of the number he's used. There's 4.2—I think—million dollars provided to that community for the community to make a decision to build a community centre.

Mr. Speaker, I understand that community centre is going to be built this year, that it's going to get construction under way this year, and we hope that that centre can be built so all of those services can be provided to First Nations people in that community—that community being one of the communities that's affected by our hydro program—will provide jobs to that community like they do the other thousand—

Mr. Speaker: Order, please. The minister's time has expired.

Mr. Schuler: Can the NDP member for Kildonan confirm that as of December 12th, 2012, the TCN Keeyask adverse-effects trust account was at \$12,476?

Mr. Chomiak: Mr. Speaker, I can tell the Conservative member for St. Paul that doesn't want to build hydro that the only—you know, they didn't want to build MTS Centre; now they want to talk about MTS Centre. They didn't want to build a stadium; now the stadium's been built. They don't want to build hydro. They don't want to deal with First Nations community, to deal with reparations.

The trust account is dealt with between the community and its trustees, Mr. Speaker, and it's not my direction to deal with the trust account.

Mr. Schuler: My question to the NDP member for Kildonan is: Where's the money for the Keeyask community centre?

Mr. Chomiak: Mr. Speaker, the—there is an agreement between the community and Hydro for money to go into specific programs. The money was provided from Hydro to the community, and the community is responsible, just like a municipality. I suppose the member would—doesn't want us to go in and tell the mayor of City of Winnipeg how to spend his money. The money has now gone to that community.

My question to the members opposite: Why do you not want to build hydro when hydro's going to run out in 2022 and Manitoba has the best hydroelectric system and they build *[inaudible]* make money to the future and to provide clean energy to Manitobans and other provinces? Why are you so against Manitoba Hydro, Mr. Speaker?

Child and Family Services Child Apprehension Alternatives

Hon. Jon Gerrard (River Heights): Mr. Speaker, for years I've pushed the NDP to fundamentally change their approach to child and family services from its apprehension-first model to a model where the primary focus is on individualistic, holistic support for children and families to have fewer kids going into care.

Randy Turner in the Winnipeg Free Press reported on Saturday that Prince Albert, Saskatchewan, has switched to offering support as opposed to apprehension, resulting in 86 families being diverted from intakes.

I ask the Minister of Family Services (Ms. Howard): When will she change the CFS model in Manitoba from one which is primarily about apprehensions to one which primarily supports children and families?

Hon. Greg Selinger (Premier): Mr. Speaker, we have actually invested very significant resources, along, I might add, with the federal government, of \$22 million in prevention programming. And we also have an entire ministry of children and youth with a early childhood development program that starts with prenatal benefits and then very early home visits to young families and provides them support in their homes, in the neighbourhood, in the local schools, in family resource centres. And we are building family resource centres in partnership with non-profit organizations, such as the Salvation Army, that have made a phenomenal difference all throughout Manitoba. We will continue to invest in families at the earliest stages so the kids get off to a healthy start in the preschool phase, and that includes daycare, which I hope to have a chance to answer in the next question, Mr. Speaker.

Mr. Gerrard: Mr. Speaker, and yet it's not working, because under his government's watch, they've gone from 5,000 kids in care to now about 10,000 kids in care. We're 10 times the number of kids in care as most jurisdictions around the world.

*(14:20)

In the Free Press article, Sergeant Brent Kalinowski of Prince Albert commented on the success of changing from an apprehensions-first program to a program focused on supporting children and families. He said, and I quote: I've never seen

these reductions—he's talking about kids in care—in 27 years.

I ask the Premier, who's presiding over the largest number of children apprehended and in care in the history of this province: When will he act to reduce the number of traumatic family breakups resulting from his policies?

Mr. Selinger: As I was saying, Mr. Speaker, we have a very significant investment, over \$28 million, in early childhood development. We also have doubled the amount of resources we're putting into what used to be called daycare; it's early childhood learning now.

And we're making very significant investments all across this province on better wages for daycare workers, better training for daycare workers. Just last week we announced an additional program to train daycare workers who are already in the field, to upgrade their skills and be able to offer better service to children.

With respect to the Prince Albert model, Mr. Speaker, we're very aware of it. We are working very closely with the community, with the non-profit agencies, with our own government agencies, with the Winnipeg police department.

And as we said in our Throne Speech this fall, this fall will—we will be launching a major initiative that will deal with crime and address the social causes of crime in one of the highest crime neighbourhoods in Winnipeg, Mr. Speaker. That program and that process is well under way and further information will be coming out.

But I'm sure he saw the article in the Free Press and just how important and useful a model that is. We are looking at that—

Mr. Speaker: Order, please. The first minister's time has expired.

Mr. Gerrard: But in 14 years, the number of kids has gone up astronomically—the number of kids in care.

In Prince Albert, the CFS agencies work together with education, social and justice agencies, instead of working as a silo. Abundant evidence at the Phoenix Sinclair inquiry has shown that Manitoba CFS far too often works in a silo and that this approach has not been working. If the Premier would admit that this approach is failing and begin to use models like the Hub and COR models used in

Prince Albert, perhaps Manitoba families would be doing better and staying together.

When will the Premier commit to using models like the Hub and COR approach being used in Prince Albert to support children and families primarily instead of excessively apprehending children and taking away from their families?

Mr. Selinger: I do thank the member for River Heights and Leader of the Liberal Party for that question.

The Hub model is a very useful model. It has shown good results, not only in Prince Albert, Saskatchewan, but in Scotland, where many of these ideas originated from, Mr. Speaker. And we are working towards developing this model in Manitoba.

He should also note that in the Legislature we have community schools legislation which allows schools to be a focal point for intervention with families, focused on educational outcomes but providing the supports and the conditions for families to succeed, including being able to stay in their neighbourhoods on a long-term, stable basis.

So there are new legislative tools being put in place, there are new program development tools being put in place, there are new resources being put in place, and a lot of this was announced in our Throne Speech. I ask the member to stay tuned; we will be making further announcements.

What I was very—I was very pleased to see the article in the Free Press on the weekend and the new chief of police in the city of Winnipeg wholeheartedly endorsing it; that bodes very well for the future. And I can tell him as well that the RCMP as well as our own agencies will also be supportive.

Mr. Speaker: Order, please. The first minister's time has expired.

Molson Street Project Road Construction Investment

Ms. Erna Braun (Rossmere): Mr. Speaker, as summer has finally arrived in Winnipeg and Manitoba, many of my constituents have been asking me about construction they can expect in our city of Winnipeg roads.

As we know, it often feels like we have two seasons, winter and road construction season. Many Manitobans have been following our budget discussions and are wondering where it will have an impact this year on our city streets.

My question is to the Minister of Local Government: Could he provide us with information about road upgrades that are happening in northeast Winnipeg because of our provincial support?

Hon. Ron Lemieux (Minister of Local Government): I want to thank the member for Rossmere for the question, and I am pleased to say that the Province of Manitoba's Budget 2013 is utilizing our Building and Renewal Plan to invest \$5 million, Mr. Speaker, to the Molson Street project, which essentially turns a street into a four-lane and essentially is improving safety with regard to roads in Winnipeg.

And we're pleased also, Mr. Speaker, in addition, to a \$19-million provincial investment in 47 streets in Winnipeg, a huge investment, and we're the envy of many, many other cities and provinces across this country, with the close working relationship we have with the City of Winnipeg and how closely our MLAs in Elmwood, Rossmere and Concordia work with their city councillors to ensure that these roads and construction takes place in the city of Winnipeg. Thank you.

Westgrove Learning Centre Program Funding

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, the NDP government cut literacy funding today to the Westgrove Learning Centre, which has been operating for four years in a Manitoba housing development. The NDP pulled the rug out from under the students' feet and destroyed their hope for a better life. Letters from the students to the minister of advanced learning are absolutely heartbreaking.

So I'd like to ask the Minister of Advanced Education (Ms. Selby) to tell these students: Why will she take a vote tax to help herself but cuts funding from a desperately needed front-line service?

Hon. Andrew Swan (Acting Minister of Advanced Education and Literacy): The question I have for the member for Charleswood is, why would she support her leader who would take money out of education, who would take money out of literacy programs and cut the very things that we need to lift people out of poverty and give them the opportunity to be literate and to have the opportunity to fully contribute to our society?

I know that people that provide literacy training are the kind of civil servants that the Leader of the

Opposition would allow to be cut. They'd be the sort of civil servants that would be included in his hiring chill, which would have resulted in 1,000 positions not being filled.

Those aren't civil servants; those are real people providing services in our communities. Perhaps the member for Charleswood should think about that, Mr. Speaker.

Mrs. Driedger: Mr. Speaker, the NDP cut this much needed program today.

This program was helping some of the most hard-to-reach students. Most are single parents. They live in poverty and they face many issues related to trauma, addictions and challenges with mental health. Two were immigrants.

Mr. Speaker, the minister advanced learning is on record saying, and I quote, adult learning gives people the knowledge and skills needed to take control of their destinies. End of quote.

So I'd like to ask the minister: Why is she cutting funding to a program that she said helped people control their destinies but she can find money to take for her own vote tax?

Mr. Swan: Of course, we're always looking for ways to make sure that our resources are invested in the best possible way for Manitobans, and sometimes that means putting our resources in programs that have larger enrolments that have greater success.

And I'm aware the very program the member is talking about, although a valuable program, student attendance in that program actually peaked at a grand total of eight people. And that's important for those eight people, but those services can be provided much more efficiently and much more effectively by other providers. The individuals that would have been helped by that program will have many other opportunities to receive that same training.

We think it's important that our money be invested the best possible way; why doesn't the member for Charleswood?

Mrs. Driedger: Mr. Speaker, attendance in this program has never been so good. They approved an eight-seat classroom. There are eight students there. They can't even handle any more.

So I would like to say to this government, talk is cheap. They say all kinds of things in their news releases and in their ribbon cuttings, then they turn

around and do the opposite. In fact, the Premier said, on April 12th, lifelong learning is the key to employment for economic success and full participation in society; lack of basic 'literate' skills can be problematic.

Well, if the Premier feels that way, why is he taking the vote tax and instead cutting the program for literacy for these students that desperately, desperately need it?

Mr. Swan: Let me repeat, Mr. Speaker, we continue to make investments in literacy because on this side of the House we understand how important it is as a key building block, as an essential skill to people being able to join our workforce and to be able to truly contribute.

Just to put some facts on the record which the member for Charleswood neglected to do, the eight individuals I spoke about was the high point for the program. Over the past two years, the family centre's reported that the student participation has been between two and four people coming to class on a regular basis.

We know that we need to continue providing programs. We know it's important that this be done in the most efficient way, and we believe that it's more valuable to have a larger class so that we can spread that around and have as many options as possible to make sure those individuals receive the literacy courses they need, but we do it in a—

Mr. Speaker: Order, please. The minister's time has expired.

Parimutuel Levy Government Intent

Mr. Cliff Cullen (Spruce Woods): Mr. Speaker, it's clear the NDP and the Minister of Finance are clearly after every nickel they can get their hands on.

* (14:30)

Mr. Speaker, Bill 47 would allow the NDP and the Minister of Finance to funnel 15 per cent of the parimutuel levy into general revenue. This is money generated from individual bets made at horse racing meets. However, Bill 47 does not stipulate what those funds are to be used for.

Mr. Speaker, I ask the Minister of Finance: Is this 15 per cent take on the parimutuel levy simply another NDP tax grab?

Hon. Stan Struthers (Minister of Finance): Well, Mr. Speaker, this same member last week—

[interjection] They're kind of touchy on this, I suppose. This same member last week put incorrect information on the record and he has refused to take that back. Again, he's up to his same old tricks.

That 15 per cent is going directly to harness racing in Manitoba.

Mr. Cullen: It's good to see the Minister of Finance back on his feet this week.

Mr. Speaker, Bill 47 allows the NDP to transfer money from the parimutuel levy into their general revenue account, money before that was funnelled over to the Horse Racing Commission. It's clear—the existing legislation is clear; the money collected under the parimutuel levy is to be used for the promotion of horse racing. However, Bill 47 does not stipulate how this money is to be spent. The NDP are changing the intent of the law.

I'm going to ask the Minister of Finance: Is he contemplating an amendment to Bill 47 to clarify how this money will be spent?

Mr. Struthers: Mr. Speaker, I don't know what this member has against harness racing in Manitoba, but that's where this money is going. This money is going directly into harness racing in some of his own communities in this province. We think that's a good place for this money to be directed and we're going to do that.

Mr. Speaker, this comes down very simply to this side of the House understanding that the priorities of Manitobans is health care, is education, is infrastructure, not putting this money into gambling on horses at the Assiniboine downs. We prefer hospitals over horses.

Mr. Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

B.O.S.S. Guitar Works

Mr. Gregory Dewar (Selkirk): Mr. Speaker, this past Thursday in Selkirk I joined the member for Gimli (Mr. Bjornson), the members of the opposition and almost a thousand other people at the Built by Suns, Signed by Stars 2.0 gala and auction in support of the Canadian museum of human rights.

This was no ordinary gala. The event was put on by students and staff from Selkirk Junior High's Building on Student Success program or B.O.S.S. Guitar Works program.

Through the B.O.S.S. program students build real electric guitars that get signed by celebrities and sold at auctions and raffles, Mr. Speaker. The students volunteered their time to build these guitars after lunch and after class, and the guitars that they built they were able to get signed by a variety of stars and public figures, from Bill Clinton to Burton Cummings, Rick Mercer, Rush, Stephen Harper, just to name a few. And in the past two years the program has raised over \$65,000 in support of the Canadian human rights museum and other causes including the United Way.

Mr. Speaker, I would agree, I think all those who attended agree, that the event was an incredible success, run by 175 truly energetic student volunteers. Twenty-four guitars were auctioned off. I know the member for Gimli (Mr. Bjornson) and I were there and we were outbid in our attempts to buy some of these guitars. But, as well, I know that there were 34 other guitars that were sold online. And the fundraising event—they won't know the final total, but I know that that evening they grossed over a hundred and fifty thousand dollars.

Mr. Speaker, it's truly amazing to see young people work so hard to contribute to such important causes, and I ask to—I'd like to ask all members to join me into congratulating the students, Principal Wayne Davies, staff and volunteers for a great event, and thanking them for their commitment to creating positive change in our province.

Thank you so much.

4-H

Mr. Blaine Pedersen (Midland): It's been an incredible week for 4-H in Manitoba and Canada. The celebration of 100 years of 4-H in Canada began with the Canadian 4-H Council Annual General Meeting this past week in Winnipeg. On Thursday night a gala dinner at the Fairmont hotel recognized the many corporate sponsors of 4-H, 4-H alumni and volunteers in 4-H.

I would like to recognize the Minister of Agriculture (Mr. Kostyshyn) for his address to the gala dinner and also a presentation by Acting Deputy Minister Dori Gingera-Beauchemin, on behalf of 4-H, alumni measured up to true 4-H form.

Also in attendance Thursday evening was federal Agriculture Minister Gerry Ritz, who paid tribute to the contribution of 4-H in Canada.

The keynote address was by former astronaut Roberta Bondar, who provided an entertaining insight into her career and encouraged the audience to question even that which we take for granted.

A visual presentation by 4-H'ers Nate and Josh Kolano was outstanding and exemplified 4-H skills.

Friday evening saw the festivities move to Roland, Manitoba, the birthplace of 4-H. Although the deluge of rain put a damper on some of the activities, the community quickly moved the events into the arena and kept everyone dry. It was great to have the Premier (Mr. Selinger) in attendance as he toured the 4-H Museum and met with 4-H'ers and local residents. The Roland 4-H Museum received official status from 4-H Council as the national museum of 4-H in Canada.

Canada Post unveiled a commemorative envelope depicting a 4-H—depicting 4-H, and throughout the evening a great deal of money was raised to sustain the 4-H Museum in Roland.

On Saturday, the McConnell 4-H Club unveiled a cairn in Hamiota, Manitoba, commemorating the longest continuous 4-H club in Canada, at 92 years.

A big thank you to the MAFRI staff, the Manitoba 4-H Council, 4-H members and leaders and the community of Roland for making the 100th anniversary celebration of 4-H such a tremendous success and a commemorative event, all in the name of their clubs, their communities and their country.

Shakespeare in the Ruins

Mr. Dave Gaudreau (St. Norbert): Mr. Speaker, this month marks the 20th anniversary of Shakespeare in the Ruins, SIR. From June 6th to 29th, St. Norbert will promote the performance and attendance of live theatre, all in the name of the greatest dramatist that ever lived, William Shakespeare. Having impacted our literary culture like no other, Shakespeare's words—works resonate significantly with theatre artists and audiences alike. This year, Shakespeare's Julius Caesar will be featured at the beautiful Trappist Monastery Provincial Heritage Park.

Back in 1993, Lora Schroeder, Ann Hodges and B. Pat Burns gathered together a group of friends and colleagues in the Trappist monastery ruins. Their performance of Romeo and Juliet effectively established their collective theatre. The first show was—set the tone for what has continued to be SIR's approach to Shakespeare masterpieces: the

distinctive ruin environment, cross-gender and multicasted role, promenade-style audience movement and a fascinating combination of a stripped-down contemporary and traditional aesthetics, and lively, text-oriented performance technique.

Specializing in creating accessible and engaging productions in atypical settings, SIR boasts a proud history of presenting both new and modern piece versions of the classic favourites. Attracting the participation of Manitoba artists from every production amplifies SIR's belief to the world-class quality of local theatre artists and the company's commitment to the continued development of homegrown talent. Their dedication to collective organization, community education, youth initiatives, professional development and creation of novel pieces make SIR an undoubtedly distinctive and valuable Canadian arts association.

In the interest of preserving a piece of St. Norbert's history here in the Legislature, I would like to list the names of the additional original founding members. They include Derek Aasland, Michelle Boulet, Lee J. Campbell, Matt Moreau, Maggie Nagle, Debbie Patterson, Gene Pyrz, Marc Beaudry, Katie R. East, Grant Guy, Arne MacPherson, Rick McPherson and Rick Skene.

Thank you to all the good people at Shakespeare in the Ruins. You maintain the St. Norbert as a hub of arts and culture, which is considered important and—to the identity of our community and Manitoba as a whole. Break a leg this month, and see you in the ruins.

Oak River 4-H

Mrs. Leanne Rowat (Riding Mountain): The Oak River 4-H Club is celebrating their 65th anniversary this year at their achievement on May 28th. Since 1948, Oak River 4-H Club have been providing children and youth with opportunities to learn valuable life skills and have fun at the same time.

Over the years, the club has had many dedicated club and project leaders. Under their guidance, the youth of Oak River and area have developed practical skills that would stay with them into adulthood. Additionally, those leaders have helped members develop confidence, public speaking skills and provided opportunities to contribute to the community by volunteering.

The number and variety of projects offered to members has expanded and changed over time.

Traditional projects included sewing, cooking, crafts and gardening, while today, members can also choose from projects like small motors, photography, small animals and woodworking.

Members and leaders alike from this club have been selected to attend conferences and go on trips with individuals from other clubs. The club has also had the opportunity to host the annual rally for clubs in the district.

* (14:40)

While times and projects have changed, 4-H's motto has stayed the same: Learn to do by doing. I would like to congratulate the Oak River 4-H Club on 65 years for providing the youth of the community and the opportunity to learn valuable skills and develop leadership capabilities that will serve them well for years to come. Thank you, Mr. Speaker.

Ann Rallison

Mr. Rob Altemeyer (Wolseley): I rise today to commend an outstanding art teacher in our province, Ann Rallison, who's here with us today. Late last year, the Canadian Society for Education through Art—

Mr. Speaker: Order, please. Order, please. Order, please. While I regret to interrupt the honourable member for Wolseley, I must caution our guests who are in the gallery with us. There is to be no participation in the activities of the House. So I ask and, in fact, I encourage you not to participate in these activities here.

The honourable member for Wolseley, to continue the statement.

Mr. Altemeyer: My speeches don't usually bring thunderous applause. Suffice to say, Ann is phenomenal. But, to continue, the Canadian Society for Education through Art recognized Ann with the Ronita deBlois Canadian Art Educator of the Year Award.

Ann immigrated to Winnipeg from Britain in 1986, after having participated on a teacher exchange here. So she now teaches art to students at Laura Secord School and Machray School. As the schools' in-heart-in-house art expert, Ann works with teachers to plan art classes with—which correlate to the children's curriculum, from units in history to mathematics and science. Ann helps to develop innovative ways of learning and she uses art to

bridge the gap between difficult topics while engaging the students' minds.

Ann Rallison teaches art because she loves it, and her students love it too. And I have two entire walls of my living room as living proof, as my students are lucky to go to her school—her—as my children are lucky to go to her school—yes, you got that.

Her energy and passion create excitement throughout the schools that she teaches at, and it translates into fabulous student artwork. No less than several of—art pieces that students have created under her tutelage are now travelling around the world as part of an art exhibition organized through the University of Manitoba. She was also brave enough to spend three weeks at a camp with 80 grade 6 students from Laura Secord School.

For Ann, art education is about creating a safe environment where students can develop their creative side. Although her preferred medium is printmaking, Ann and her students also experiment with a variety of mediums. With a paintbrush, a pastel, or a pencil crayon or clay in hand, students are able to explore their imagination.

Ann is also a very active artist in our community and her artwork has been sold worldwide through her website, flyingpigspress.com, and at art Gallery Lacosse on Lilac Street, here in town.

Ann Rallison and Laura Secord principal, Heather Boswick-Stanus, her partner, Jocelyn, and several of her friends, are here today to join us in the gallery. I would like all members of the Legislative Assembly to join me in congratulating and thanking Ann for teaching our children to look outside the walls of the classroom through the windows of their imagination.

Thank you, Mr. Speaker.

GRIEVANCES

Mr. Speaker: The honourable member for Steinbach, on a grievance.

Mr. Kelvin Goertzen (Steinbach): On a grievance, Mr. Speaker.

Thank you very much, Mr. Speaker, I appreciate the opportunity that you grant me for a grievance this afternoon. It's not something we, as individual members, often have the opportunity to do—one a session. And so we are very careful in terms of how we grieve and the reasons that we grieve. But it's a

great opportunity and something that's important for individual members to have the opportunity to do.

I want to speak today about a government, Mr. Speaker, and to grieve the fact that we have a government in Manitoba that doesn't want to obey the law. And this is important, because so many average Manitobans—all Manitobans, in fact, are expected to obey the law. This is something that is considered critical to a well-functioning democracy. When you have a government that itself refuses to obey the law, it strikes at the heart of that democracy. It's difficult for us as lawmakers—and we are, of course, considered lawmakers—to go to those others in Manitoba and express to them the importance of obeying the law when there's a government here in Manitoba that, itself, refuses.

Now, this isn't something that's new, Mr. Speaker. I don't want members to think this is something that's a spur of the moment thing—it goes back a long time. I remember when the Premier (Mr. Selinger) first ran, when he falsified his election returns. In fact, there is a number of members on the opposite side that seemed to catch, I think, the member for Logan (Ms. Marcelino) by surprise, but there's a number of members on the opposite side of the House who falsified their election returns in 1999 and had to get a get-out-of-jail-card free and a cleansing of that by repaying money, by repaying I think, 75 or 76 thousand dollars that they weren't entitled to after they falsified those election returns.

I remember the Elections Manitoba having to caution the now-former member—or the Minister of Finance for handing out cheques during a by-election, Mr. Speaker, where they broke the law during that by-election, handing out cheques, and the Elections Manitoba had to come down and tell the government that they were breaking the law. I remember the Minister of Health (Ms. Oswald), after the last election, Elections Manitoba again had to come forward and tell that minister, and caution other ministers in the government who were with the Minister of Health during the activity that was considered to be against the law, not to do it again, that there are laws in the province of Manitoba and you need to follow those laws.

I know that now that we're into June, we have only one month until the government is looking to introduce the PST tax increase on July 1. We have a law that exists in Manitoba right now. It's called the balanced budget and taxpayer accountability act. Mr. Speaker, it's been here since about 1996. It's a

well-established law, although it's been picked away, of course, by the members opposite, by the government, over the years, and so there's not much that remains of the law. But what does remain is a requirement for a referendum before a PST increase can occur, and that will still be the law on July 1st. We'll still be debating that here in this House. It will still be the law of the land.

We know that on July 3rd, when we return after the long weekend, Mr. Speaker, this government indicates that they intend to be applying the PST increase already to Manitobans beginning on that long weekend, and when we come back on July 3rd, we're then going to, of course, have the questions of the government. Why are they breaking the law again? First, we had the Premier (Mr. Selinger) falsifying election returns on his very first election; we had the former minister of Finance getting caught by Elections Manitoba.

We had the current Minister of Finance (Mr. Struthers). I forgot almost the big one because it's still before the courts, I suppose; the Minister of Finance who decided to take away the parimutuel fund without legislative authority to do so. He got hauled before the courts. Justice Judge Dewar slapped the minister's hand, said he couldn't take away the parimutuel fund, told him that he was in contravention of the law, Mr. Speaker. So we had that minister breaking the law.

We had the Health Minister breaking the law, by having a news conference during the election, or during the blackout, Mr. Speaker.

So we've got repeat offenders over there. It's a caucus of repeat offenders. That's only if I include the ones who had the falsified election returns, the ones who've been cited by Elections Manitoba, the ones who are currently before court. It's probably a third of the caucus who has either been found to have broken the law or who are currently before the courts.

So how could you not grieve such a terrible thing, Mr. Speaker? How is it that we can go to our constituents and tell them that they need to follow the laws—that they need to ensure that they're following the speed limit, that they're paying the fines that they get, the various different things that happen and people run afoul of the law—when the government itself won't follow the law.

In fact, now we have the unbelievable situation where a minister is before the courts, Mr. Speaker, and the government has decided to change the law to

solve his situation, to put into law that you can't sue the government for a particular instance in this case, and not only that, but any current cases that are before the courts won't stand up. Well, that's ridiculous. I mean, how can you have a government that is so far out of touch with Manitobans, that not only are they willing to break all the different laws, whether it's the Minister of Health (Ms. Oswald), whether it's the Minister of Finance (Mr. Struthers), the former minister of Finance, the Premier (Mr. Selinger), all the different individuals who've been cited to have broken the law, but now you have the government's going to change the law to try to save themselves, Mr. Speaker?

* (14:50)

That is clearly something that Manitobans find undemocratic. They find it disgraceful. It's something that they are speaking about. They don't understand how that can happen, and now as we rush towards—well, rush might be too strong a word—but move towards July 1st, we know that on July 3rd, or whatever the date is, the Monday when we'll return, we'll have the legislation that's still in place. The legislation will still be in place, it'll say that a referendum is required for a PST tax increase, and yet the government is indicating to Manitobans in this Chamber, in this House, that they're going to be collecting that PST even before the law has changed. I mean, it's disgraceful.

Now, we'll have many weeks to have that discussion after the July 1st date, and we can debate that and we can bring it to Manitobans. And on the weekends we can go to the fairs and the festivals, and we can tell Manitobans what's going on in the Legislature. And I think, you know, we'll probably have to bring the Hansard, because they won't believe it—they won't believe it. As a politician, when you go and say, well, you know, you're already paying this 8 per cent on your—on whatever you're buying or almost on whatever you're buying out there, Mr. Speaker, but, in fact, the government hasn't passed the law that re—that allows the 8 per cent to come in. Most Manitobans will probably say, well, I can't believe that. Can you show me some proof? So we'll have the proof; we'll bring the Hansards from the weeks of debate we'll continue to have into July and into August, and we'll tell them, this is what your government's doing; they've run amok.

And so this is an opportunity, I hope, for the government to reconsider, to think about this. They'll be going to their fairs and festivals on the weekends,

Mr. Speaker, as we go through the summer, and they're going to be having to answer those questions, too, when Manitobans come to them and say, well, we already don't agree with the PST increase. And most Manitobans don't—they know that. That's why they didn't call a referendum. So, when Manitobans say, we don't agree with the PST increase, they're, of course, also going to say, you haven't even passed the law. Here we are in the middle of August or whatever date they're at their fairs, and the law still hasn't passed, and yet you're collecting this tax. How is that legal?

Now, then, of course, the Government House Leader (Ms. Howard) and the various ministers opposite will say, oh, well, you know, there's some sort of case—you know, some sort of case and precedent and the—good luck explaining that to Manitobans, Mr. Speaker, as they're paying that extra 8 per cent. Good luck as you try to spin that. You're going to have to bring the 192 spin doctors with you. Each of the members are going to have to have their own 192 spin doctors to try to explain that to Manitobans, because they're going to wonder how it is that you're still debating a law in the Legislature that hasn't passed, and yet you've enacted the very thing that the law says it's going to do. I don't care how many spin doctors the government hires, nobody's going to be able to spin that with Manitobans. They're not going to understand how it is that the government can break the law like that.

So this is more of a warning than a grievance, I would suspect, Mr. Speaker, when I say to the government that they have still a month to change their minds, to do the right thing, to, first of all, look to bring forward a referendum. That would be the clearest thing to do, or to not bring in the PST increase at all. I can always hold out hope for that, but, at the very least, follow the law that exists, because if you don't follow the law, those tough questions aren't going to be coming to us, they're going to be coming to members opposite. And we'll probably be at some of the same fairs and the same festivals together, and we'll be there to tell Manitobans the law still isn't passed. Middle of August, it's still a law, and yet you're paying 8 per cent, whether you're buying the various things at the mall or whether you're ordering things, and it's simply not fair. Manitobans will know it's not fair, so I want the government to consider this not so much a grievance, as much it is—as it is a warning, and not to pass the PST increase until a referendum has happened—

Mr. Speaker: Order, please. The member's time has expired.

Any further grievances? Seeing none—

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Jennifer Howard (Government House Leader): Would you please canvass the House to see if there's leave that the Committee of Supply meet this afternoon in room 255 to deal with the consideration of Estimates for the Department of Finance and in room 254 to deal with the consideration of Estimates for the Department of Health, while in the Chamber the House sits to deal with Bill 20?

Further, would you ask if there's leave, that while considering these matters, there be no quorum calls?

Mr. Speaker: Is there leave of the House that the Committee of Supply meet this afternoon in room 255 to deal with the consideration of Estimates for the Department of Finance and in room 254 to deal with the consideration of Estimates for the Department of Health, while in the Chamber the House sits to deal with Bill 20? Is there leave?

Some Honourable Members: No.

Mr. Speaker: Leave has been denied.

Ms. Howard: Would you resume debate on Bill 20?

DEBATE ON SECOND READINGS

Mr. Speaker: We'll now resume debate on Bill 20, on the proposed motion of the honourable Minister of Finance (Mr. Struthers), Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended). The debate was open.

Bill 20—The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended)

Mr. Blaine Pedersen (Midland): Under the current law, under the balanced budget, debt repayment and taxpayer protection act, Manitobans have the democratic right to a referendum whenever a government wants to raise a major tax, and the PST falls under this category of a major tax. So the right thing to do is to call a referendum, deal with the results of the referendum, and if they receive a

favourable mandate from that referendum then they should—then they would be able to go ahead and raise the PST as they propose to claim.

Now, during debate, we hear lots of excuses, actually, why we can't have a referendum. There's things about not enough time and it costs too much. It costs \$12 million to have a referendum. Well, I would suggest it's probably the best money this government could ever invest in in terms of going to the people of Manitoba and asking them because it wasn't—during the last campaign, during the last election campaign the Premier (Mr. Selinger) promised no new taxes. He called the idea of further tax increases, he called them nonsense and, yet, here we have a tremendous raise in fees and costs and expansion of the PST in last year's budget. And now we're looking at a major tax increase by this government, the 1 point, the 14 per cent increase in the sales tax.

This \$12 million that the referendum would cost would quite easily be paid for quite simply. They're spin doctors; the 192 spin doctors cost over a million dollars a month to the Province, to the taxpayers of Manitoba. That would pay for the referendum by itself. He could scrap the vote tax.

An Honourable Member: How much is that, \$7,000?

Mr. Pedersen: Seven thousand dollars per MLA sitting across the Legislature here. Now \$7,000 per ML—per NDP MLA sitting across the aisle, and that would certainly go a long ways towards paying the costs of a referendum.

Or they could come to reason, which seems to be a stretch to the imagination too. But they could come to the region and they could build Bipole III on the east side of Manitoba. That would save a billion dollars. I think that would do a hundred referendums if they needed to do referendums, just on that.

So there's lots of ways that they could pay for this referendum, and if they—they seem to be intent on not going to referendums. So I would suggest, again, I'll do door to door with any one of the members opposite. I'll go door to door in any one of their constituencies. You name it, I'll go there. We'll go to the door. We'll knock on the door and we'll ask the homeowner there: Would you like to have your sales tax raised from 7 to 8 per cent? And we'll see what they have to say. *[interjection]* Well, I'm going to leave it up to Manitobans to see what they would say. I don't want to prejudge what Manitobans say,

but let's go and ask them. Let's ask them what they think about raising the sales tax from 7 per cent to 8 per cent. And then while we're there, you know, you may as well be efficient. While you're there, you may as give them a couple more questions too. Let's ask them: Do you feel that you should be paying, as a Manitoba taxpayer, you should be paying \$7,000 to each one of the NDP MLAs to sit and hide and not come to your door and ask you for money?

An Honourable Member: What do you think they'll say?

An Honourable Member: What will they say?

Mr. Pedersen: I—again, I don't want to prejudge Manitobans, but I have a good hunch what they would say, but I'm not going to prejudge Manitobans.

But I would like to just to give them the opportunity to express their opinion on this because, obviously, this government does not want to consult with Manitobans, does not want to ask them what they really think is what they should be paying because this government is more intent on collecting taxes and collecting fees than going to Manitobans and asking them if they feel this is the right direction for Manitoba.

Mr. Mohinder Saran, Acting Speaker, in the Chair

* (15:00)

Now, as my honourable colleague from Steinbach quite eloquently outlined the—by law, they cannot enact this rise in the PST on July 1st, unless Bill 20 passes, which would give them the authority to do that. But, yet, they seem intent on breaking on the law, they seem intent on raising the sales tax on July 1st, prior to Bill 20 passing.

So let's—there's another question when we go to the door—let's ask them about that, let's explain. We have the taxpayer protection act in place right now—it says you can't raise the PST without a referendum. How do you feel about that?

An Honourable Member: What do you think they'll say?

Mr. Pedersen: Well, I know that Manitobans are a thoughtful group and they will certainly express their opinion, if they're allowed the chance to be asked a question. And we will certainly be asking a question; I'm not shy about going to the door. I like going to the doors, especially I like going to the NDP-held ridings to—door-to-door there. It seems to be much

more interesting when I go there because they very seldom get asked anything in those constituencies. So we seem to be well received when we do that. So we'll continue to do that.

But I'd—at, you know, during question period here, the member for Charleswood (Mrs. Driedger) brought up the fact that they cut a literacy program. It's unfortunate. I'll just leave it as unfortunate. When you see a government profess to have a belief and then turn around and cut a literacy program, it's just unfortunate, and it speaks volume of the credibility—of lack of credibility—of members opposite.

Now last year—in last year's budget—a year ago budget—they raised the—they expanded the PST greatly to include things like home insurance and they increased fees; our Autopac fees, registration fees, which went directly into the general accounts of the Province.

And it's the fact they brought in more than 500— or \$400 million last year, and yet with that the deficit remained the same, the yearly deficit. The amount of money they borrowed went up last year. And so that wasn't enough for them. Now, they've—they want to raise the PST and bring in some \$380 million more, just by raising the PST alone. This is going to cost Manitoba taxpayers—the two years' worth of budgets—it's going to cost Manitoba taxpayers \$1,600 in taxes and fees for one family—for a family of four.

And this becomes a burden to our working families. It becomes a—it comes down to decision time then. Do they have to bring back—cut back on sports programs for their kids? Do they—are they not able to take that vacation? Somewhere along the line Manitoba families do balance their books—their home—their family books every year—there's only so much money—unlike the NDP, which just goes and increases taxes, increases their revenues, increases their debt spending, their—the amount of money they're borrowing. Manitoba families do not have that option to do this.

And that is what hurts Manitoba families. And they do not have that option of—and nor—prudent families don't take that option, of just borrowing more money when it's not sustainable to do.

So there we have another question when we're at the door of the NDP-held constituencies. Let's ask that question, too. So you're going to have to pay \$1,600 more this year in taxes and fees for your family—where is that going to come from? And I'll bet we'll get a variety of answers from that, for where

families will have to cut back because they have no option, they have no choice but to cut back. They have to, in order to balance their family books.

Now we already have the highest PST in western Canada and we're going to be even higher—we're going to 60 per cent higher than Saskatchewan, our neighbour to the west. And that will hurt our border communities. And you only have to talk—and again if the members opposite would just go out there and talk to constituents and talk to communities they would find out very quickly that this is going to hurt communities because there is an advantage, shopping advantage, to go across the border, whether it be into Saskatchewan or whether it be into North Dakota, Minnesota, if you're along the south—southern border of Manitoba. And once people go to a different town to shop, they will do all their shopping there, and that's going to hurt our businesses, local businesses in those communities because the incentive is there. And I know that the incentive is there because all you have to do is look at—through the newspaper these days—that the advertisement—the car dealers advertising: save the PST; buy your vehicle before the PST goes up. And so they're using it as a marketing tool right now, and when they're using it as a marketing tool, you know it's a significant cost and a significant deterrent from people buying items once the sales tax increases.

So, rather than keeping their promise to not raise taxes, this spenDP just continues to raise taxes and they have all kinds of excuses as to why they need to raise the PST and why they need to raise fees and expand the PST last year. First—and this year when they announced that they were going to raise the PST, first of all, it was going to be for flood fighting. Well, Mother Nature sort of threw them a bit of a curve ball on that and the flood fighting didn't happen—[interjection] And, yes, that's right, thank goodness flooding didn't happen. But, you know, rather than—when flooding didn't happen, then they should have been able to withdraw their intent to raise the PST. But, no, no, they're going to continue to spend. So they need this money, so, obviously, it wasn't for flood fighting.

Then they promised infrastructure. But we already know that they pulled money out of last year's infrastructure budget, and they didn't even spend what they said they would spend and so now that excuse has gone out the window. Well, it was supposed to be now that the extra PST was for schools, hospitals and splash pads. But, again, all they're—been doing is reannouncing old projects,

projects that had already been announced and now they're—which haven't, by the way, haven't happened yet.

So now what's next in terms of the excuse? I'm sure the spinners in the backrooms of the—well, they're probably in the front rooms there's so many of them—working, trying to come up with another excuse as to where this PST money is needed. But, really, it's quite simple. You don't need a 192 spin doctors to tell you that this is going into an NDP slush fund, and this fund will be out there for cutting ribbons all across the province, trying to get them re-elected on the—come the next election and there is—it has nothing to do with needs of Manitobans. There—has nothing to do with the fact that it's costing Manitoba families.

This government likes to claim that they're the job creator. [interjection] They, honestly—and they applaud, they applaud themselves as being the job creator. What they don't know is that Manitobans create jobs. Manitobans create wealth and Manitobans know very well how to spend their own money. They know much better than this government, but this government has the idea that they shall take everyone's money and they know best how to spend it. And I guess it comes from inexperience across the aisle, from never running a business. Perhaps this is just something that they've never been familiar with. But it's Manitobans that create jobs. It's Manitobans that create wealth, not the government. Government should be there to provide essential services and it has nothing to do with creating jobs.

* (15:10)

Mr. Deputy Speaker, this government not only continues to raise taxes and raise fees, they continue to have out-of-control spending. Their deficit, in spite of a \$500 million additional revenue, their deficit remains at \$500 million. Not only has the deficit remained at \$500 million, they borrowed another \$2 billion. So their spending is out of control. They have no idea where they're going with this, other than they are determined to be out there to cut more ribbons on different projects. And it—you know, they can—this shows just how out of control this government is on terms of their spending. They have—they claim to be preparing for flood protection, and yet we know that they have spent less than 0.01 per cent on flood mitigation in the last 13 years, of their total budget, which is—they've spent. So, obviously, their—it has not been a priority to spend

money on flood 'preven'-preparation. We know that; we've seen that. We saw that in 2011, and here we are, two years later—not only have they not learned from that failing to prepare, they have not adequately compensated those that they intentionally flooded out in 2011. And we saw that last Thursday in here of how this government arrogantly deals with the flood victims, the lack of flood compensation, the hoops that they've tried to put all these flood victims through just in order to wear them down so that they'd never have to repay—or never have to pay a flood compensation claim to the vast majority of these people.

One only needs to drive out and visit with these people who have—who were affected so badly from two years ago and see how little has been done to—in their communities because of the lack of compensation. These people have put their lives on hold, they've—their properties and assets were literally washed away, and yet they're—here we are, two years later, and they're treated with just such disrespect that it's unfortunate.

Mr. Deputy Speaker, the—we know that this PST increase—proposed increase is such an illusion that at—in terms of what they're going to spend this money on. We would like to certainly see some concrete plans. There's announcements again—an announcement last week, of a proposed secondary channel out of Lake Manitoba, but yet they're increasing the PST today to pay for something five years down the road. And given their financial management—their lack of financial management—we know that that money will not be there whenever they do—whenever that project should happen to get started. And, more than likely, with these—the way this government operates, it becomes an announcement, and, given history, it should be announced again a number of times before it may or may not every happen.

So it's—we're—Manitobans are cynical of this government and they have every right to be that. They would—and this spenDP would rather raise taxes from hard-working Manitobans rather than look at its own operations to determine if it's spending wisely. Every Manitoba family has to balance their own budget, and yet this government does not even attempt to do that. They have to—they—what this government needs to do is have a complete and transparent spending review, and that's not complicated. That's a normal business practice, and yet this government fails to do that, fails to even look at that and, instead, rather than looking at where they

are spending money and see if they can cut back on some spending somewhere in their programs—*[interjection]* See? See? This is the chatter that comes, Mr. Deputy Speaker, as soon as you look at becoming more efficient, becoming more efficient in your program. *[interjection]* You have—here they're just saying, we cannot. They spend \$12 million on a 192 spinners. Isn't that somewhere you could cut back? And yet they don't seem to want to do that.

Mr. Deputy Speaker, Manitobans don't need another tax increase. They need a government that spends strategically and allows the economy to grow. And again I just want to emphasize that government does not grow the economy; Manitobans grow the economy. Taxpayers, through their investments, that's what grows the economy.

Not only does Bill 20 wrap up—rip up the taxpayer protection act and raise the PST, it kills—it also kills the last legislative requirement to balance the books. So, under the original legislation, government was supposed to run a balanced budget, so without this balanced budget this government will continue to ramp up its spending. They will continue to borrow more money. They will continue to jeopardize our children's and our grandchildren's futures. Mr. Deputy Speaker, these are tax burdens that future Manitobans are going to have to pay even if they receive no benefit.

We're at record low interest rates. With the current debt that the Province has right now, we're spending \$850 million every year just to service the debt. And that is just for debt service; that is not paying back a penny in principal. We have two problems coming up, Mr. Deputy Speaker. We're—first of all, we have to figure out how to start repaying some debt and not borrowing more every year. And we're also going to have to deal with higher interest rates somewhere down the future. We know that interest rates are going to go up. It's just—it's not a matter of if, it is a matter of when.

So, we have these problems that they've piled—this government has piled onto our children and onto our grandchildren. This government has—continues to have deficit financing, and someone is going to have to pay for that and that's going to be the future generations. We also know that in spite of their so-called budgets, they know that they've missed—they've underestimated their deficit every year that they've been in government. And this is so if they've projecting a \$500-million deficit this year, we know that they will remain consistent and spend even more

than that. So here we are. We're going to have an even higher deficit, and where are they going to get this? They're going to borrow it or tax it. That's the only two places that they will get. This means, given their rate, the way they have consistently outspent themselves each year, we could probably be looking at least another \$200 million added onto the deficit—onto the 500 dollar—\$500-million deficit.

So we're going to have a serious problem here. Now, in the old days, they used to raid the Crown corporations for money, but they've pretty well blown that one out the window, too, because in 2003 they raided Manitoba Hydro for \$203 million just to balance their books. Now, they've expanded the PST to new services to try to make revenues match expenditures, and that's not working for them. In 2008, the spenDP simply changed the balanced budget legislation instead of changing its habits. They have this bad habit and they were not willing to address it and they just simply borrowed more money and changed the—began changing the balanced budget legislation. Then they changed the law to allow net income of Crown corporations to offset core government deficits. So, in other words, used the net income to offset their core deficit. But even this wasn't enough to stop the red ink for even one year. So the next year, 2009, the spenDP 'elimited'—eliminated debt repayment so they can now save \$110 million in 2009.

* (15:20)

This is only adding to the burden for future generations in Manitoba, and it affects our competitiveness, our—and it creates a lack of competitiveness for Manitoba with other jurisdictions because we now have them not only borrowing more money, they're not even paying back the money that they borrow.

In 2010, the spenDP couldn't balance—continued to not balance the budgets so they started using the fiscal stabilization account for nonemergencies like paying core government debt-servicing costs. Instead of using that stabilization account for only emergencies, they've opened it up for—just to pay any bill that they have.

Now they've eliminated the need to—for a balanced budget for five years, and still this NDP government can't stop spending. There is a real pattern here that's hurting Manitoba. They promised to balance the budget by 2014. Of course, they did this during the 2011 election, and, of course, everyone knows what happened to the promises that

the Premier (Mr. Selinger) made during that election. They all went out the window. So here we are. We're out the window again on balancing the budget.

But never to worry. Now the Premier is promising to balance the books by 2016, so—*[interjection]* It's only the NDP that could applaud the terrible record of financial management of this.

Instead of—but, you know, while they're breaking their arms patting themselves on the back for their poor financial management, they've—they continue to blame everybody else, including the federal government and the Crown corporation. They'll blame anybody, actually, when it comes right down it, anybody but themselves.

They blame the federal government, this despite seeing record federal transfers in the last 13 years. And the—when we were in Public Accounts Committee here about a month ago, the Deputy Minister of Finance told us—gave us the outlook for transfer payments for the next five to eight years, and they were on an increase each and every year. And yet this government wants to blame—calls an increase a cut and then blame the federal government—talking about biting the hand that feeds you. Federal transfers have increased 79 per cent since the year of 2000, and yet they still can't balance a budget here in Manitoba.

So now if it all else fails, what it comes down to is that they can't balance a budget, so what they're going to do is they're going to finally put the death nail into the balanced budget, debt repayment and taxpayers protection act. They're going to get rid of it completely because they cannot balance a budget. They cannot even come close to doing that. And so they're going to now get rid of this bill. They're going to introduce Bill 20, which means, first of all, it's the get-out-of-jail-free card, but it's also the—their pipeline to future revenues because they will bleed Manitobans dry with this.

If you think we've—we will see even more tax increases in the next number of years because this government cannot control their spending. They don't have a revenue problem; they have a spending problem. And that is very evident in Bill 20. That's the sole purpose of it. And, rather than deal with their spending problem, they choose to fleece the Manitoba taxpayer once again, and they've—they not have only opened the wallets of Manitobans, they have their paws on their wallets and they're going to take wallet and everything from Manitobans. And that's an unfortunate case. Thank you.

Mr. Cliff Graydon (Emerson): It gives me great pleasure to stand to speak to this bill today.

Under the balanced budget, debt repayment and taxpayer protection act, Manitobans have the right—the democratic right. The democratic right is something that many, many, many of our aunts and uncles, grandfathers and grandmothers, fought for, was the democratic right to vote on things that are important and to uphold the law. That act gives us the democratic right to a referendum whenever a government wants to raise a major tax, and the PST falls into that category, Mr. Deputy Speaker. That's a major tax that affects everyone. It affects small businesses; it affects mamas and papas of all of Manitoba; it affects our school children.

And I'll tell you why, is because what they have done now is just handed, in this year alone—just this year alone—in this proposed budget they have handed our children an IOU for \$500 million. Now, I don't think—in fact, I'm almost positive, that the Minister of Finance (Mr. Struthers) doesn't want to hand his son that type of a debt or an IOU. But at the same time he is out there, just before the last election, saying, we will not raise taxes; we will not raise the PST, that's nonsense. And I think that what he has to do is show an example, lead by example, use a bit of integrity so that his son can look up to him and say, you did the right thing; you called a referendum. That's what's necessary, Mr. Deputy Speaker.

But the reality—the hard, harsh reality is that the spenDP has no respect or regard for the impact that the taxes have on Manitobans' ability to thrive or, for that matter, survive, and we have to understand that a lot of our small businesses are very mobile. They're very, very mobile, and when we look to the west we see provinces that are growing, growing, growing. Saskatchewan was a have-not province, was always looked down on by Manitobans, and today Saskatchewan says to the Manitoba government, no, we don't want you as part of the New West Partnership, because you're on welfare. You're on welfare, almost 40 per cent of the budget comes from the federal government.

And you have to understand, Mr. Deputy Speaker, that a government cannot give—the government cannot give you something without taking something from someone else. They don't have the ability to generate capital. The NDP, of course, think they do, and they think that they can manage their money better than all the Manitobans.

But, obviously, they can't balance their books and they embark on some foolishness.

And, for example, the member from Dawson Trail goes out and attacks the municipalities in the province. He attacks the municipalities and says, we know—we know how to do business better than you do. You are wasting your money by employing some people, by balancing your books. What a shock, balancing your books. Wouldn't that be something? You've had 13, 14, and now we're adding five years to it, that never balanced your books and yet you think you can do it better. He thinks that he can amalgamate and force—force—that's what he says in public: You will do it because I said so. You know who else did that? Hitler did that. You know who else did that? Stalin did that. This is a socialist way; they can govern as long as someone else's money lasts. When they run out of money, they can't govern. That's the hard facts, and right now over one third, close to 40 per cent, of their budget comes from the federal government, and yet they want to bite the hand. They want to bite the hand of the federal government that has been feeding them—been feeding them. There is no integrity—no integrity whatsoever on that side of the House, Mr. Deputy Speaker.

When the federal transfer payments are predicted to rise every year and they call that—cut it; that's a cut. That's a cut when they talk about inflation—*[interjection]*—and I hear the Pied Piper from Dawson Trail piping over there, and when he talks about inflation, his spending has been way above inflation. He's caused inflation. He's been part of a party that has caused inflation.

* (15:30)

Mr. Speaker in the Chair

At the same time they stood up before the last election and said, we have the ability to balance the books by 2014. Yes, Mr. Speaker, I believe they did have the ability, they didn't have the will and they didn't have the know-how. Manitoba is a have province with a have-not government. They have a spend problem, not a tax problem. They have a spend problem. They don't know how to manage what they have.

And that's clear when we seen the Minister of Finance when he attacks the Jockey Club, for example. He attacks the Jockey Club and ends up going to court, and a judge says no. No, Mr. Minister, you can change the laws, but you can't break them. You're not above the law. It doesn't

matter if you're a bully. I can say this to the member from Dauphin: It doesn't matter if you're a bully. You still cannot break the law. You are no different than anyone on the street. You have to follow the laws of this Province. The law is clear that in order to change from a—and not have a referendum, you have to change the law. If you're going to raise the PST you need to have a referendum or change it. Unfortunately, you can't do this in reverse, and that's what this minister has tried to do with this Bill 20.

See, balancing the books—not only does Bill 20 rip up the taxpayer protection act and raise the PST, it also kills the last legislation required to balance the books. They have chewed away at it and chewed away at it at—like a coyote on a kill for the last couple of years and demoralizing Manitobans as they do that. And many of their own backbenchers, the very people before that last election that went out and said, no, we will not raise taxes because our leader says we will not raise taxes. Is he believable? I say no. No, he's not believable because the first thing he did when he was elected was broaden the PST. He broadened the PST and he made the backbenchers and those that walk the streets look like they were very dishonest individuals. And I'm sure that they're not dishonest, but at the same time reality looks like—and I'm saying it looks like they misled the very people that elected them. Not only did they just mislead them one year, the second year they tried to ram a PST increase down the throats of Manitobans. Contrary to what the law says, they tried to ram this down the throats of the very people that elected them, the very people that believed them at the door.

Now, I say that when those people came to the Legislature and stood on the front steps—and we asked, Mr. Speaker, as you know we asked many individuals. Unfortunately, we didn't have the manpower to ask them all individually, but collectively they were all invited. Individually, I'm sure that we asked something like 18 or 19 of them to step out to the front, meet the very people that they had talked to a couple of years ago and see if they were in favour of this PST hike.

And what was the reply? Well, Mr. Speaker, just to refresh your memory, I would suggest that as a group—as a group—they scurried out the back door. They would not meet the people on the front step. I see no one on the front step that was asked. I would suggest they scurried out the back door. They were afraid to go out and meet the very people that they said we will not raise the PST. We will not raise taxes.

Mr. Speaker, that was the biggest PST hike since 1987—1987—when Howard Pawley stood in this House and raised the PST. And he raised that PST, it was the biggest hike up to that point and that's what precipitated this Balanced Budget, Debt Repayment and Taxpayer Protection Act. That's what brought this to a head and that's why it was brought in, that no government—no government—could do this to the people of Manitoba without a referendum. And it was simple—it was a simple thing to do.

They talk about all the cost of doing that and the cost of doing it. It doesn't bother them individually—individually, to the person—to take \$7,000 a year and put it in their bank accounts to finance their political party, that's too ashamed—and they have a right to be ashamed—they're too ashamed to go out and talk to the people, to walk up to the people and say: Hi, I'm the member for Dawson Trail, and I want your support in the next election, but I also need some monetary support. So would you give me some monetary support?

He's ashamed to do that. And the reason is—why? I wonder why. I wonder why they wouldn't do that.

Or the member from St. Norbert. Why would the people not just say, oh, here, here's some money, here's some money. Why wouldn't they do that? The reason is, is because you fooled them twice; you're not going to fool them again.

And to their credit—to their credit—they've devised a way to finance their political party on the backs of Manitobans, on the backs of the very people that believed them, that said would not raise taxes, would not raise the PST. The people believed them, gave them the benefit of the doubt. And what did they do? They spit in their face—they spit in their face. That's what they did to them. And that's why they will not go out and face them again and ask for money, Mr. Speaker. They won't do it for that very reason.

Under the original legislation, the government was supposed to run a balanced budget, and without a balanced budget, the Province wraps up spending with—above the revenues that it receives. And I pointed that out earlier, Mr. Speaker. This overspending creates a general debt that has to be repaid from taxes, paid in some future years, and I referenced that as well. It will be the children and the grandchildren that have to pay this.

And I guess when we look at history, and what history has showed us, that had we invested money

in Microsoft 20 years ago, we could have invested a thousand dollars and been multi-millionaires today. The same goes with investing today in the province of Manitoba, if we're not investing in debt. Debt is not an investment in the future; a debt is a repayment. And understand with debt, there's—there is interest rates, and the interest on that is not a benefit to anyone in Manitoba. It's not a benefit to the schoolchildren. It's not a benefit to the bridge in St. Jean. It's not benefit to the highways, the potholes that can consume buses. It's not a benefit to a power line on the west side, which isn't a benefit to anybody. No, debt is—this is something that we have spent and not repaid. So how long can you go on your credit card without repaying? How long can you do that?

But yet the member from Dawson Trail says we will help municipalities. We will help them, the municipalities, under the law, and they're a child of the government, under the law, have to balance their books, on a yearly basis—on a yearly basis. And they're limited to how much money they can borrow. And they face the public year after year, and there's many, many, many councillors that have been on council for 10 years, 15 years. I was on council for six years. And, Mr. Speaker, they're not thrown off the council because they do a bad job. No, no, they're doing their job. They balance their books. They maintain the roads as the best they can. They live within their means. That's what the municipalities do, and have been doing.

And they're proud. Go through rural Manitoba, go through there and ask them: Who's not proud of their municipality? Ask them who their favourite councillor is, they'll tell you. It's the councillor that represents them. You don't find that now when you go into some of these non-helds that—non-helds for us, held by them, in rural Manitoba. You ask them who their favourite MLA is, and it's not the sitting MLA, I'll tell you. No, it's not that.

* (15:40)

But they made a big mistake attacking individual municipalities that have balanced their budget when they should have—what they should have done was went out and found out how they do this. How do they live within their means? That's what they should have done. But, unfortunately, they don't take advice. They don't have any business acumen at all. None. And, unfortunately, that's what is taking Manitoba down the rabbit trail, and, actually, at the end of that rabbit trail is a guillotine. There's a guillotine at the

end of that, and what we have to do is stop this running down this rabbit trail. We don't want to see our Province bankrupt.

We don't want to see our crown jewel, Manitoba Hydro, bankrupt by this government. And that's precisely what they're doing. They have taken money—and it's over \$200 million they took out of the account of Hydro. They have forced them into doing some very, very foolish things. One of them is this proposed west-side line. That is a total, total waste. Hydro knows that. Most of the members on the other side know that. And they're going to continue to push this with the idea that this UNESCO site would not be able to come into force. And it obviously isn't going to at the rate it's going anyway. It doesn't seem to fit the requirements. There are some questions. And, of course, we heard the Premier (Mr. Selinger) jump up today and say, well, they're wrong. But after declaring 900 sites in the world, I think they have a pretty good idea what's right and what's wrong. But, of course, you can't tell some people that don't want to listen, and it happens to be that the Premier doesn't want to listen. I believe that he's using the UNESCO site just as an excuse to run a power line down the west side that that will be a legacy, but that legacy could cost Manitoba a lot, a lot of money for the next 20 years and solve nothing. Our power that we're exporting to United States is causing a lot of grief. When we are getting two cents and three cents on the spot market, but the average Manitoban right now is paying 1.694 for his power with—looking at an increase of 3.5 per cent yearly for the next 20 years, Mr. Speaker, I just don't understand why we need to build more power to sell it at 3 cents and charge Manitobans for that. Why would you do that? Why would you penalize your ratepayers and your constituents? Why would they do that?

Of course, then, I have to think back to just prior. In 2011, why would they go to the front door and say we will not raise taxes? Why would they do that? They went to the door and said we won't raise taxes, and now they're doing all of these foolish things. So you can expect that from them, I suspect. This year alone our children are getting a—they're getting a \$500-million IOU. And they're proud of that; they'll sit on the other side and howl we're building businesses, we're employing people. I'd like to see the production that's happening with 192 spinners at a million dollars a month. That is production. Yes, and you can export that production, can't you? Well, I'd like to see how they do that. This

has created a structural deficit of over \$500 million—if the NDP manage to stay on budget; unfortunately, they have never been able to do that. They have never been able to stay on budget.

See, what they'd rather do is they'd rather raise taxes from hard-working Manitobans and then look at its operations to determine if it's spent wisely. They won't look at, they won't review, their own operations. No, no. Well, they'll do silly things like going out and telling municipalities that they don't know how to run their business. They balance their books, but not the Province. The spendP always vote against a complete and transparent spending review, and why would that be? Well, I would suggest that they don't really care. They just know that Manitobans do have some money in the bank and they want it, \$1,600 a family of four. That's what this PST and the increased fees are going to create: a deficit for \$1,600 for a family of four.

And yet they will sit there and howl, and what happens? They're taking \$7,000 individually, vote tax, to finance, on a yearly basis to finance their lazy party that's too lazy or too ashamed to go out and raise that money. And perhaps there's some of them that aren't lazy, but they're certainly too ashamed to go to the door and say, please give me a cheque. Please give me some money because we have to finance our next election where we promise—we promise—that we will balance the budget.

Well, I think that Manitobans know full well that that's not about to happen. They can't provide the proof that this planned 1 per cent in the GST is going to balance the books. They're not telling us where it's going to go. Oh, they've said it would go to flooding. Well, the flood fooled them this year. It missed the province. So far, anyway, it's missed the province. So then they said it would go to infrastructure, but then we checked the infrastructure and, no. Less than 14 per cent of that PST hike is going to go to infrastructure. Where is it going to go? It's not paying down the debt. No, it's not paying down the debt, and speaking of the debt, they didn't pay that down in—oh, boy, 2009, I believe. I'd have to ask the Finance Minister, the member from Dauphin, but—and he can correct me if I'm wrong. I'm seldom wrong when I'm speaking to him. But at the same time, I believe, in 2009 they deferred the debt payment for three years. They deferred it trying to balance the books—trying; that's just a slight of hand. It's a shell game. It didn't work. Surprisingly, it didn't work.

And then in 2010—and he can correct me again if I'm wrong. He hasn't corrected me yet. They deferred it again for three years. That just passed on a debt to our grandkids. You cannot keep doing that and expect not to pay at some time. And I have a lot of respect for you, Mr. Speaker. Would you give me your credit card and let me use it for three years and not pay it down? Would you do that? No, you wouldn't do that. The credit card companies won't let you do that. The banks won't let you do that. No, you have to live within your means the same as I have to live within my means. Unfortunately, this spendP government doesn't really care about living within its means, and they don't care what they do to the next generation or the generation after that. No, they're willing to sacrifice that just to sit over there on that side of the House and collect \$7,000 per individual in a vote tax on a yearly basis, \$250,000 a year. And some of them even clap for that, and that's great. Like, that shows the integrity that they have, which is very, very little. But at the same time it amounts to a million dollars in a four-year period that they haven't worked for at all. They have taken that out of the hands of hard-working Manitobans. Whether they voted for them or not, they took that money out of the taxpayers' hands, and what are they going to do with it? They're running their political party. See, the \$1 million in vote taxes is to help pay for its political operations. Political parties don't need more money from taxpayers, I can tell you. They should be raising it through voluntary support in Manitoba.

And on this side of the House there was no hesitation, no hesitation from one—anyone on this side of the House to reject that type of financing. It's not acceptable. We believe that we should be able to look the constituents of Manitoba in the eye and say: This is what we stand for. This is what we propose, and would you support us?

*(15:50)

And, if you can't do that as an MLA, you should not be an MLA. You should not have to depend on \$7,000 a year of taxpayers' money, to sit there and not tell them the truth, to go to the doors and not tell them the truth. Unfortunately, if you have no integrity, then it's okay to do that.

Now, the Minister of Transportation (Mr. Ashton) claims that the PCs are wrong, that the spendP really does care about flooding because it spent a billion dollars. That's 0.8 per cent of total spending—that's what you spent. That's what you spent, but that included the federal contributions. Oh,

my goodness, they didn't give you any money—oh, the member from Thompson has just had a brain freeze. Today he's not clairvoyant—today he's not clairvoyant.

In our eyes, that's not—that does not signal flood protection as a priority. In fact, he's been negligent. We also know that the PST is not going towards transportation infrastructure. The budget shows highway capital spending is only going up by \$28 million. That's only 14 per cent of the PST increase—that's only 14 per cent. But last year you didn't even use what you had for infrastructure. That stayed in there and you still had a deficit—that's amazing.

An Honourable Member: Been on 75 lately?

Mr. Graydon: Yes, I have been on 75 recently, as the member from Thompson has said. I have been on it, and do you know what I seen, Mr. Speaker? I seen car after car after car heading south—heading south. And what do you think they were doing? They got to the border, took them a few minutes to get across the border, and they were shopping with no PST. And the other thing that was very important was gasoline was a dollar a gallon cheaper, can you believe that? A dollar ten cheaper and they were able to come back with a full tank and a full trunk and they saved money. They were able to pay for their hotel and still saved money. That's what I seen on 75 highway.

But, if you go on 201 highway, what I see is load restriction on a highway; I see potholes on a highway; I see no shoulders on the highway. When I go down 32 highway, what do I see on 32 highway? I see potholes that could swallow a bus. There is no infrastructure money being spent right now at all. *[interjection]* There's been nothing, but I hear one over there howling again, like a coyote on a kill. *[interjection]* There he goes again—you heard him.

Now the NDP is breaking its election promise again and increasing the PST. They also include all the taxes and fees raised since 2011 to this government. It would cost a family \$1,600 a year; that's what it's going to cost, absolutely. *[interjection]* And he should howl on that because his tail is in the trap now. That's \$1,600 a year for every family because of his mismanagement—or their mismanagement.

The PST increase will now have Manitoba the worst in the West for consumption taxes. For example, the PST is 60 per cent higher than our cousins to the west. So not only—thank you, Mr.

Speaker—not only do they have the better football players and better team at this point, now we're 60 per cent higher than Saskatchewan in the PST. That's—so now I understand why No. 1 Highway is so well travelled going west, that's why it's so well-travelled, from Brandon west they are going to Saskatchewan to shop. From Yorkton—or going to Yorkton, they're going there to have their babies. We have nothing here and the NDP have wasted money year after year after year.

Thank you, Mr. Speaker.

Mr. Speaker: The honourable member for Lac du Bonnet. *[interjection]* No, LaVerendrye, pardon me.

Mr. Dennis Smook (La Verendrye): It's an honour to be up here to put a few words on the record on Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act.

I have some problems with this bill and especially some of the areas where the retail—the tax rate under The Retail Sales Tax Act is temporarily increased from 7 to 8 per cent. The increased rate is effective for the 10-year period from July the 1st to 2013 'til June the 30th of 2023. I don't know if this government is clairvoyant. They often talk about being clairvoyant, but 10 years is a long time. Most people that I know of—10 years, I don't think they'll ever bring that tax down because they'll always find some other reason to keep that tax there. So it's a 10-year promise that I don't think is doable. This—especially from the track record we've had in the last year and a half that I've been—or basically two years that I've been in here, their track record on keeping promises has not been very good.

Mr. Speaker, the referendum is something that the people of Manitoba deserve. Under the balanced budget, debt repayment and taxpayer protection act, Manitobans have the democratic right to a referendum whenever a government wants to increase a major tax. The PST falls into this category.

The spenDP have no respect or regard for the impact their taxes have on Manitobans' ability to thrive and survive. In the last month since this has come to a head with this sales tax increase and fee increases, I've talked to several small businesses in my constituency and other parts of the province. An increase in the PST from 7 to 8 per cent will hurt Manitobans' small business. The small businesses that I've talked to can't believe that this NDP government thinks that a PST increase will help

small business. Every small business I've talked to is very concerned. The damage these tax increases are going to do to their businesses is phenomenal.

Just last week I talked to a massage therapist. What she told me is that whenever there's a tax increase or a fee increase that's happened like in the last year and a half, her business suffers. Her business suffers because what happens is the people that are—their massages are paid for by the taxpayer where insurance is—they're still coming. But the people who don't have insurance, who are the ordinary working people of the province, when their money is cut they have—don't have the disposable income to spend on these things like massages and whatever else. It hurts them because they just don't have the money. They only come when they're in such pain that they can no longer stand it. Mr. Speaker, that isn't right that this government doesn't understand what is happening in this province.

Other businesses tell me their sales are down. This is because consumers are feeling the pinch. Their dollar just does not go as far as it used to. Consumers are left with making tough decisions. Do they cut their spending on things like hockey programs for their kids or sports programs? Do they cut dance lessons? Do they cut voice lessons for singing, arts lessons, all things that are very important in life skills when it comes to developing our youth so they can be our future leaders.

What this government does not understand is that there are certain costs to running a business that don't change. They're the capital costs: building, rent, hydro, freight, you know, to bring their markets—their products to market. These capital costs don't change if their sales go down by a small amount, say, by 10 per cent.

* (16:00)

But what the government doesn't understand is when those—when that little 10 per cent of sales goes down, there's profit on those 10 per cent. And in a lot of times, that profit is the difference as to whether or not this business might be able to expand, it might be able to hire a summer student, make repairs to their businesses, or maybe just be able to put a little bit of money away for their retirement.

This is something that a lot of people in the government or other places don't understand; small businesses have to earn a profit in order to pay and put some money away for their future retirement. They don't have a pension plan, they don't—there's a

lot of things that they don't have. But they want to be entrepreneurs and they work hard to do this.

We all know the small business is the backbone—it's the spine of this province. This NDP government has no idea on how small business works. They just feel they can go ahead and continue raising taxes and fees. This government is like the fairy tale, the one where they had a golden goose that used to lay golden eggs. This government wants to kill that goose so they can get that last egg just for their spending addiction.

But that's a typical NDP answer. If something is not working, we'll just throw more money at it. We can just, you know, throw more money and hopefully it'll go away because they don't understand the problem. There aren't a lot of people in this Chamber—on the other side—that really have owned a small business, know what it's like to face bankruptcy, know what it's like to make payroll at the end of the month. There's a lot of issues there that you have to understand in order to fix problems.

The Premier (Mr. Selinger) needs to realize it's not just about how much money you spend, but it's about how you spend it. And that's probably the reason that our Premier was rated as the worst premier in Canada for fiscal management, which does not say a lot for the ability of this government to go ahead and understand small business.

Mr. Speaker, what else has this NDP government done for the youth of this province? They're leaving them record debt. The debt of this province is approaching \$30 billion—\$30 billion is a lot of money, even if you just divide it by the 1.2 million people in this province. But when you divide it by the 310,000 youth, 19 and under that are here, that's even a higher number.

And, because of this government's 'unability' to balance their budget, to continue going into deficits, I don't think that any of us in this Chamber will probably ever have to worry about repaying the debt. But our future children will. And this is something that we should all be concerned about—we should all be concerned about our children, our grandchildren, our great-grandchildren, whatever there is out there.

And every member opposite knows how important it is to look after our future because they're the ones who are going to be looking after us when we're at that age—we're in the personal care homes—they're the ones that are going to be making the decisions, whether they should build more or not

build more, or what type of funding will go to them. That is an important part of what a government should be concerned about.

Servicing Manitoba's debt is the fourth largest department in this government. This is approaching a billion dollars a year. Just think of what this government could do with a billion dollars. We talk about the condition our health-care system is in—a billion dollars will do a lot to fix up many problems. That would put another 25 per cent more spending into our health-care system. What could it do for education? I mean, you're talking about needing money, you need to raise the tax in order to build hospitals, to build schools. Well, if we wouldn't have a \$30-billion debt, the interest money on that will make a big difference into where we can spend the money.

This NDP government has enjoyed record low interest rates since they've been in power and record high federal transfer payments. This is something where, with this type of atmosphere that this government has been enjoying, there's no reason that our debt should be climbing at the rate that it is climbing. To have a debt of \$30 billion is unthinkable. When you talk to some other provinces to where they're at, you know, population-wise, you talk to people in other jurisdictions, they just can't think that that much money is owed by this province.

Not only that, Mr. Speaker, I would ask the government—the members opposite what will happen should interest rates go up by 1, 2, 3 per cent. I mean, when you're looking at almost a billion dollars a year paying in interest, you know, to service our debt—I don't know what this government is paying for interest on their debt right now, but let's say if it's at 4 or 5 per cent or even 3 per cent, should interest rates go up by 2 or 3 per cent, even 1 per cent—we talk about, you know, the last fees and tax increase we had in the budget of 2012 being \$277 million—well, you'd need more than \$277 million just as added revenue to service that debt. And that is something that this—nobody seems to be concerned about. They just go on their merry way, spending money, looking at things and not concerned about what our future ahead lies for us.

And will the Premier (Mr. Selinger), if interest rates should start climbing, go ahead and increase the PST by another per cent or by 2 more per cent? I mean, is that one of the reasons he wants to gut the taxpayer protection act, so he doesn't have to worry about this in the future? Does he just want to be able

to have free rein to increase sales taxes whenever he feels like it?

I don't think that's fair. Not only to the people of this province, but to the youth—the people that are going to be our future. Should this start happening, we're going to see more and more youth leaving this province. They're going to be going to greener pastures in Alberta, Saskatchewan. They're just going to be leaving this province because they feel they have no future here, when the majority of the money that they have to pay out in taxes is going to service our debt, which is something that I do not agree with and I don't feel that the youth of this province should be settling for something like this. The youth of our province deserve better. They deserve a government that cares about them; a government that's looking to the future, not one that's selling their future off.

With this bill, the spendDP have confirmed their plans for Manitoba—tax and spend more, get less. The budget increases in the 2012 budget, first of all, because there was threat of a flood, were supposed to go for the flood. Well, we all know that the flood never happened, but when they have no real plans—I mean, it's not fair that this government can just continue on making excuses, trying to justify extra taxes, extra spending money for their spending addiction. Mr. Speaker, the Premier (Mr. Selinger) and the Finance Minister talk about uncertain economic times. We all know that the world is having problems economically right now. I mean, our neighbours to the south, United States, there are people there that are having problems. Canada is one of the lucky ones. We kind of rode through the last bit of a depression we had and we're sort of faring fairly well. But, if this government continues to spend without looking at what the results of that spending are going to be, we will be in trouble in this province. We will be another Greece.

*(16:10)

According to the Budget 2013, the capital infrastructure budget for highway and flood protection work is only going up by \$28 million. We all know that the roads in this province lead a—need a lot more work than what that extra \$28 million will do. In last year's budget, in 2012, the government promised that the increase on the fuel would all go for highways and bridges, but that never happened. And all these things are important to—in order to make Manitoba a province that we can attract people to we need to have things here that they want to

come for. They want to come and drive on a good road. They want good health-care system. They want good schools. They want a decent living. They want—they don't want to be the hardest taxed province west of Québec. They want value for their dollar, and that's a problem that it seems that this government has: is giving value for their dollar.

One of the concerns I have is there's a lot of items where this government is not spending money in the right places. They've done a lot of different things in order to finance their spending habits, but yet there's a lot of places where they could make cuts. I mean, the vote tax, the vote tax is a great idea—or, sorry. It's not an—it's a great way to show that this government does not care about the people of the province. They will put \$7,000 per member in their election coffers for the next—til the next election. They will take that money so that they don't have to go out there and knock on doors. They don't have to go out there and ask people for money. Because what's going to happen? The people are going to say: you guys don't deserve that money. You guys promised us no tax increases. You guys did all kinds of promising, but you never lived up to any of your promises. So the easiest thing to do is take that money away from the taxpayers of the province to fund their own campaigns.

Mr. Speaker, that is not fair. They should go out there and raise their own money in order to put on an election. That's just a wrong thing, and Manitobans know that. They understand that. I mean, that—I've talked to a lot of people. They feel it's totally not fair. It's not—it's just not fair. This government is willing to do things, more and more, I see, just for the sake of their spending habits.

The biggest concern I have, this government does not seem to care about their credibility, their integrity and what the people of this province think about them. They only feel that they want to do this right now to fix up their spending habits. They have done a lot of things in this province that they can't justify. So they're hoping that the taxpayers will forget about it. They're going to fill up a big pile of money, and then just before the election they're going to be spending. They're going to make more school announcements, more hospital announcements, more road announcements. They're going to be making announcements of all sorts.

But the trouble is the things that I've seen in the last year and a half or two years, how many times can you announce a school? You continual announce

the same projects for photo ops. Get pictures to show that, oh, we're doing something, but they really aren't. They're just announcing it. There's a lot of projects out there that aren't happening because they're just not there. I mean, there was a road, I remember, not that far away from my constituency. I think it was announced maybe half a dozen times, nothing ever came of it.

With this NDP government, problems have only gotten worse. Manitoba now ranks at the bottom of the barrel on many social and economic indicators. We now are the poverty capital—

An Honourable Member: We lead in child poverty now.

Mr. Smook: —child poverty capital of Canada. We lead in food bank use amongst our children. Our children, like I said, are our future. We need to do things to help them out. When a child is busy worrying about where he's going to get his next meal or where he's going to sleep that evening, he has no time to be studying. It affects his schooling; it affects everything. And when a child like that can't continue and further his education because he's worried about what he's going to have to eat, it eventually catches up. They don't end up graduating; they may quit high school because they have to find themselves a job and, as things go on, they just aren't able to help this province out.

In 2011—in the election of 2011, every single MLA across the way went out and campaigned, knocked on doors, boom boom: I will not increase taxes, I will not increase taxes.

That is something that has not happened. Want to call it a lie? Call it whatever you want. But I'm going to look forward to going out and door knock in some of these constituencies. I'm going to go and ask—knock in the doors and guys in the constituents in St. Norbert. I'm going to ask them if the member from St. Norbert promised not to raise the taxes. If he promised not to raise the taxes, that only leaves one assumption—*[interjection]* He pipes up that he's never—he didn't say that. He was more for school and hospitals. But, if the voters say, yes, he promised not to waste—raise taxes, that just says about his credibility.

And it seems that nobody across the way, in the way they make their speeches, is concerned about their credibility. They go out and they say things that are not true. I spent a lot of years—a lot of people in this world spend a lot of years building their

credibility, not trying to destroy it in a matter of a few months. And I just hope that the taxpayers of Manitoba remember this when it comes to the next election because they will understand that this government cannot be trusted. And that's why we talk about this Bill 20. It's—this bill is all about accountability and—but it's not. It's—this government does not have any credibility left anymore.

Now, the NDP is breaking its election promise again and increasing the PST by 1 per cent. But yet they're afraid to go to the Manitobans and ask them if they want this or not. Where's the referendum? They're willing to change the law, break the law, but they're not willing to ask the people. What are they afraid of? Are they afraid that the Manitobans, the taxpayers, are going to say no to this? The people in this province deserve the right for that referendum. The referendum is important to the people of Manitoba.

We also talk about municipalities. It's another topic that I've had a lot of discussion on. This government wants the municipalities or—to amalgamate. I don't think that's that bad of an idea, about getting municipalities to amalgamate. I just think the way this government is going about and doing it is wrong.

I've been involved in several amalgamations in business, and what I found is you have to have common goals and common reasons to amalgamate, and the biggest, of course, would be in savings, savings on where they operate their snowplows, where they have roads, what they're doing. Amalgamation will work in a lot of areas, but you need to sit down and look at all the areas that there are that you want to either make savings in—you can't take two municipalities that really have nothing in common or maybe have all the same problems where amalgamation is just going to make the problems worse. It's something that just cannot be done overnight. Amalgamation needs to be fostered by this government. They need to take a good look. They need to help the municipalities look at what they can do because there's a lot of municipalities out there that are doing quite well, and then there's some municipalities that are struggling. But the rich municipality is not going to want to take on their poor brother because they're just going to, you know, get rid of the money they have in their municipality. So it's something that you need to look at. You need to foster that growth and you need to work with them. By just telling them that they've got so much time to amalgamate is being a big bully. They're

telling them: we want this done right now. We're going to have it done, and they really haven't got a good reason. They talk about that it's going to be important for, you know, those municipalities surviving.

* (16:20)

My colleague next here has talked a lot about the—

An Honourable Member: Victoria Beach.

Mr. Smook: —Victoria Beach. It has less than a thousand people, but yet is doing very well because it's a tourist area that has a lot of money. So why should anybody be forced, you know, to amalgamate with them because they'll be like the cash cow and everybody's going to take advantage of them? So, Mr. Speaker, you really have to look seriously when you talk about amalgamations. Amalgamations have to be done for the right reasons not because somebody just tells you that this is what has to be done.

Mr. Speaker, Manitoba Hydro, that's another sore spot. I think that what they should do is not run the west-side line. They should run the east-side line. And I've talked to lots of constituents of mine, of the NDP's, of other, you know, constituents in the area that are done, like, looked after by other MLAs and they're upset. Why should we be spending that extra billion dollars running it 500-and-some kilometres further for absolutely no reason?

One of the reasons that they talk about is the UNESCO site. I've been up in that country several times. The road that they are building—and I have no problem with them building a road up there. I think that's a great idea. But the type of road they're building there's hydro lines along side of it right now. These hydro lines are there to service the communities that are presently there, and there's a lot of UNESCO sites. Gros Morne National Park has hydro lines running right through it. So, if it's the hydro line issue that's the problem for UNESCO, I don't really believe that. I believe that's an issue that can be worked around because if you go up there you can see that there are already hydro lines. There is roads up there which are probably more intrusive than what a hydro line would be. I mean, once that road is opened up, there will be all kinds of Americans and tourists going up there fishing, dragging their motor homes, big boats on that road, which I have no problem with. I think we should be looking at trying to make that area self-sufficient.

Get them more projects there so they can work and under—and make a living.

But what this government is saying, no, they don't want to do that. They want to send it down the west side, and Manitoba Hydro has not got a lot of money left. I think Manitoba Hydro should be let to run their own business and if they—if the government wouldn't syphon off all of their profit, Manitoba Hydro would be able to make a lot of decisions. They would be able to make decisions that would help Hydro. There's—you can't take a business that has no money and expect it to turn a profit. You need money in a corporation to make investments, to make things that are going to work for the future, and right now this government has just about bankrupt Manitoba Hydro by stealing all the money out of it and they want them to go into other projects. Well, the government should put back the money they took from Manitoba Hydro to allow them for future expansion and that's—a business always needs money to do future expansions. It's something that is important.

I can see my time is running a little short here, Mr. Speaker. There's several other issues I'd like to talk about, but what I'd like to do is I'd like to convince the members opposite to take a real hard look at what they've done in the last year and a half, how their credibility is being affected by what they've done and really they should give the people of this province the opportunity to vote on bill number—whether there's a—be a PST increase or not.

Thank you, Mr. Speaker.

Mr. Wayne Ewasko (Lac du Bonnet): It gives me great pleasure to put a few words on the record today in regards to Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act.

We've been chatting in the House here for quite some time since the budget was brought forward, and Bill 20 comes out. And I think, Mr. Speaker, when we talk about the three greatest lies, the Bill 20 falls right into that. Number 1 would be the fact that—first lie is that the earth is flat, and second lie would be that, you know, the cheque is in the mail, and the third lie would be from the NDP government saying that there's not going to be any new taxes.

Bill 20 is basically premised on the fact that they are—the NDP government is raising the PST by one point, which is nearly 14 per cent, which turns out to be \$1,600 a year for a family of four. It's going to be coming right out of their pockets, Mr. Speaker. All

of the members from across the way, I'm sure, are not going to necessarily miss those \$400 per person, but it is going to affect those hard-working Manitobans who have to go out and then are going to have to make some tough decisions on where they're going to get that extra \$1,600 to pay this government.

It gets right onto the democracy—[interjection] Mr. Speaker, I know that I'm hearing some members, and especially the member from St. Norbert. And I know that I was going to hold on to this for a little bit, but we might as well get into it a little bit now, and the fact that during the election, 2011 election, in the month of September, I know that we all had to go out and we were all going around and we were knocking on doors, and we were looking and chatting with our constituents, trying to get their support. Now, I know that the member from St. Norbert, as well as the other members across the way, had gone to those doors and they had pledged to balance the budget by 2014, without raising any taxes.

Well, here we are today, June 3rd, 2013, and what have we seen since that election? Well, in Budget 2012, we've seen some hidden taxes and fees come out of Budget 2012 to a tune of \$184 million, Mr. Speaker. And some of those hidden taxes and fees fell on home and automobile insurance and death and birth certificates. So we're talking about this government running in the last election on no new taxes. And a lot of broken promises, and a lot of photo ops and ribbon cuttings, prior to even the writ being dropped. And, matter of fact, for that matter, even whilst the writ was dropped, there was a few announcements. But I'm not going to go down that road necessarily today because I only have approximately 26 minutes left.

So, in addition to the \$184 million in hidden fees and taxes from last year, what did they do in the Budget 2013? They went ahead and they raised that PST up by one point, which is 14 per cent, and that's going to equate to \$277 million in new taxes. So, when you add the two together—I know that some of the members across the way are having troubles with some basic math, Mr. Speaker—but when you add the two together and you increase those taxes onto the fees that they had increased from last year, you're looking at a half a billion dollars—\$500 million. And when you take into account that you've got 1.2 million people in the province of Manitoba and you do some basic division—and I'm sure I could sit down with those members across the way if they're

having difficulty with that—but when you go \$500 million divided 1.2 million people, you're roughly \$400 per person, per Manitoban. So, when they question and they chatter inside the House, Mr. Speaker, and talk about the \$1,600 that we are talking about, that's basically the simple math and that's the numbers that are there, and it's tough to argue.

* (16:30)

Now, since we're—since I'm talking about Bill 20 and we're talking about the \$1,600 in the added taxes and fees and that, Mr. Speaker, we're talking also, what does Bill 20 do to democracy. We're living in the province of Manitoba, democratic society. We all went into the last election; people voted for or against us. Either way, that's the reason why there's—that we are here today representing our constituencies, some by less numbers than others. But, nonetheless, when we're talking about a democratic society, even if you win by one vote, you still win.

What is the NDP government doing with Bill 20? Well, basically, they're taking the Manitobans' rights to vote or to have a say, Mr. Speaker. They've taken those away—that away from each and every Manitoban, and they're not allowing them to stand up and be heard. Because in the 2011 election, the people in Manitoba had given this government a mandate and that's to, you know, go be truthful with what you had said: balance the budget by 2014 on no new taxes. I don't think that there was anybody that had wanted in the last election for a tax increase or fees to go up on certain items, so it's troubling—it's troubling that fellow Manitobans are speaking out quite loudly that they're against this. And I guess once we do move in—move this bill into some—into committee, we will be having many Manitobans coming, I guess, into the Legislature and voicing their opinions on Bill 20.

That being said, that should be happening within the next few weeks or so, and I know that the Premier (Mr. Selinger) has said on more than one occasion that he welcomes feedback from the—from Manitobans, so I'm looking forward to seeing the Premier and also the other members of the government side of the House being here for committee and listening to what Manitobans have to say.

From what I understand, Mr. Speaker—and not that I understand—what I do know is that every member on the other side of the House has had an

opportunity to stand up and put a few words on the record in regards to Bill 20, but have we heard anybody speak to Bill 20? No, we haven't—you know, not anybody besides the Finance Minister. And, of course, on our side, we're going to have everybody speak to Bill 20 and we're going to sort of continue to move through this process.

So, again, Bill 20 is taking the rights to—of people to vote in regards to a referendum. I mean, that was passed quite some time ago there—the taxpayer protection act—in order to—that if there was any kind of fees or taxes being imposed or raised in the province of Manitoba, that the government should hold a referendum to hear what Manitobans have to say.

And the government knows that they're in the wrong, so they're going to go ahead and try to pass this bill. Mr. Speaker, if they don't pass the bill before July 1st and they bring in the PST increase, they are breaking the law, so that's what we're here to do. We haven't, you know, been keeping that a secret.

I know that, you know, the budget was on April 16th. I know that the government side, the other side of the House, wants to try to ram through some bills, but just another point of reference is the fact that we're able—we could've started this session back in early February, and so, if there is any kind of complaining in regards to us speaking to this Bill 20 for a while and going into the summer, into July—I know that I was reading some articles in the last few days from the Government House Leader (Ms. Howard), and she was talking about how some of the money wasn't going to be flowing to various programs and summer programs throughout the summer. But you know what? That's not necessarily our fault; it's the government's fault. They could've brought us back and we could've been debating bills and talking about these various bills and ideas that they want to bring forward much earlier in the year of 2013, Mr. Speaker. We do not have to wait till the federal government brings down their—brings the budget before we can actually get to sitting in the spring session.

So, with that being said, it looks like we are going to be here well into summer, and we're going to be—I'm looking forward to listening to what many Manitobans—or continue listening to what Manitobans have to say in regards to Bill 20, and many of the other bills that the government is bringing forward.

Mr. Speaker, I'd like to say a couple of quotes in regards to third-party comments in regards to the Budget 2013. We have Jim Carr, who's the president and CEO of the Business Council of Manitoba. And he said that the provincial debts are going up too quickly; the numbers are getting out of the comfort zone. We're unhappy with the size of the deficit and the slow pace at which the deficit will be reduced.

Another one, Mr. Speaker, is by Mark Sefton, Brandon School Division board chair. He says: Does that mean that the Province is taking \$50 million out of financing for public schools? We don't know that, that could potentially have a huge impact on a city like Brandon or in Brandon School Division.

Then we have Deborah Poff, who's the Brandon University president; she said that they've been—that we've been buffered. This is still an increase. And there are provinces that have cut deeply. The challenge for those universities is tremendous. They're laying off significant numbers of people, and there's great unhappiness.

We have Doug Dobrowolski, Association of Manitoba Municipalities president: I believe they're taking the tax room away what we've been asking for to repair municipal infrastructure. They're raising that 1 per cent to fulfill their commitments to the federal Building Canada Fund. We've been asking for more than that, he charged. They've taken our tax room to fulfill their own needs.

CAA, Mike Mager: Disappointing budget. And this is—this isn't only just a few people, Mr. Speaker; we're talking about quite a few Manitobans. And these people are just some of the leading, I guess, people within Manitoba, and they're just speaking out on the various media outlets.

So Mike Mager from CAA: Disappointing budget. We're in the middle of our worst roads campaign, and we've had 4,600 Manitobans tell us that roads are in very bad shape. They're atrocious, embarrassing; all kinds of words and accolades to describe the roads. And the reality is we wanted the government to hear us and they didn't hear us today.

So, speaking about roads, Mr. Speaker, I know that the member from Thompson was conversing a little bit earlier in regards to the shape of Highway 75 on the way down to the States. Well, it starts to—I start to wonder whether this Minister for Infrastructure maybe has some ties to the United States because if we made that 75 as nice as it is,

because I have travelled it, is that to get Manitobans faster into the States?

They've increased the speed limit to a hundred and ten kilometres an hour to a certain point. I'm waiting for the announcement from the government side when the speed limit is actually increased to a hundred and ten right from, actually, the member from St. Norbert's front door there. Right, hundred and ten so that they get even faster out of the city and all the way down to the States because Manitobans are going to be going down to try to avoid paying the more taxes and the more money that this government is stealing out of their back pockets.

And we're not only talking out of hard-working Manitobans; we're also talking about those hard-working Manitobans' kids—right out of their piggy banks—and also the grandkids. I know for myself—if I am so blessed, I know that my grandkids, possibly my great-grandkids, are going to be paying out of this debt that this spenDP government has gotten us into.

*(16:40)

And, with that, Mr. Speaker, in the best of times as well, we're talking record low interest rates, record high transfer payments from the federal government. And what have they done? They have more than doubled our debt. We're at 30 billion-plus dollars in debt and nothing—nothing from the Bill 20 or Budget 2013—nothing is going down to either service that—service the debt or service the deficit to get us even closer to balance. I'm not even sure what their long-range plan is now, and, really, we can't necessarily trust them even if we ask them to tell us when they're thinking about balancing that budget.

Just a short two years ago, or year and a half ago, they were talking about balancing it in the year 2014. Now they're up to, I don't know, 2019 or 2025 or I'm not even sure, Mr. Speaker. But it's absolutely out of hand. It's out of hand. And, as I said before, my kids, grandkids, and possibly even my great-grandkids are going to be trying to pay down that debt.

Now, I'll just carry on. I know there's a couple other people that I'd like to quote in regards to their reaction in regards to the Budget 2013. We have Winnipeg Harvest's David Northcott. Again, Mr. Speaker, a person who leads off with disappointed. I appreciate the member from Steinbach asking what did David Northcott say. David Northcott said he's disappointed. When asked if he saw anything in the

budget to address the needs of those who often do without, Northcott said: No. One per cent increase in PST, I understand. That's to pay the bills. Every low income family in Manitoba knows what it's like to run deficits and pay bills. They can't do it. They struggle. I understand getting 250 to be part of that tax benefit in declaring your personal income—great; that helps, but it's a wash. Overall, not much there.

So what is David meaning in regards to that 250? That's the increase in personal exemption that the government has put on the Manitoba taxpayer, Mr. Speaker, but, at the same time as they're putting that in, they're taking more money out the back—out of their back pockets and also sneaking in the kids' rooms at night and breaking their piggy banks and taking whatever change is left there.

Lloyd Axworthy, president of the University of Winnipeg: Okay, he says, you're going to put us in a financial bind. Let's talk about taking the controls off tuition, University of Winnipeg President Lloyd Axworthy fired back to the Selinger government Tuesday. That is the conversation I want to have, Axworthy said.

Stephanie Forsyth, president of Red River College, said the 2 per cent increase for colleges will leave our—Red River College's budget \$6 million short. We were definitely hoping for more, for parity with the universities, she said. Red River went through significant reductions last year, she pointed out. This is a president, Mr. Speaker, that I know has lobbied the government and also spent time chatting with not only the government, but also us on the opposition talking about programs. And the Minister for Advanced Education, again, last year, was speaking about the promises of the finances that were going to be sent towards post-secondary institutions, and, of course, that's been cut.

Michelle Gawronsky, president of the MGEU, said she's concerned there doesn't appear to be any money to hire corrections officers. There needs to be more guards because our inmate population is not going down, she said. There seems to be increases in other areas of justice, but without more guards what are we doing?

I know, Mr. Speaker, that I went for a wonderful tour with the member from Steinbach to Milner Ridge last year during the winter time, and I know that the inmates were, because it was winter and it was relatively chilly outside, they had time to sort of, you know, hang out in the—in Milner in the various pods and they were watching some television shows

that were very, very interesting, and one in particular—[interjection] Thank you, and I know that we've commented on that from this side of the House and sort of questioned how that possibly can happen, especially after hearing today in question period from the Minister of Justice (Mr. Swan) talking about all the programs and positive things that he is doing.

It sort of is interesting that in a place like Milner Ridge, on some of the so-called perks they have, I know that Milner right now is roughly 50 over capacity, 50 people over capacity, and I don't see, with this government in charge, it getting any better any time soon.

I received an email, Mr. Speaker, and actually this email—I was actually cc'd on this, but this went to the Premier (Mr. Selinger) and the Minister of Finance (Mr. Struthers). And this was from David Hnatyshyn [phonetic], and he's saying: Mr.—Dear Premier, I am a hard-working Manitoban and I pay my taxes. I pay more than most other Canadians, and enough is enough. Your recent tax grab will force my family to do without things we used to be able to afford. If you want to raise taxes, be honest about it and take it to the people, as is required by law.

So these are—these types of emails are coming by the dozens each and every day, possibly by even the hundreds, Mr. Speaker. And, with the amount of petitions that we've been reading into the House on a daily basis, we're talking about a substantial amount of Manitobans who are absolutely upset with this government's inability to tell the truth in the last election, 2011. We're talking about taking their democratic right to vote on a referendum or to vote in regards to the referendum. They're going to wipe that out so that they can just go ahead and make whatever changes they seem to want. It's a tad scary because who knows what's going to happen next year.

Last year, you know, six months after the election, they sort of sneakily brought in some tax hikes and fee increases to a tune of \$184 million. So they were a little sheepish about it because, just six months prior to that, they were going around door to door hoping for Manitobans' votes and saying that they weren't going to raise any taxes, and then, all of a sudden, here came these fee increases and tax increases, Mr. Speaker.

Then this year it started to show the level of arrogance in this government, and what did they do in 2013 budget? They increased the PST by 1 point,

or 14 per cent. The combination of the two is \$1,600 per family of four, Mr. Speaker. Now what are they going to—what are those people going to do with \$1,600 less in their pockets this year? Well, it very well could be the fact that maybe they were struggling already. Maybe a lot of these hard-working families were using KidSport and other grants and possible bursaries or things along those lines to help fund their kids in extracurricular activities, whether it's sports or the fantastic arts that we have in this province.

But \$1,600 is a lot of money, and I would really like this government to consider not doing the PST increase come July 1st because I do remind them, and I know all the members on this side of the House have been reminding them for the last few weeks, that they would be breaking the law if they bring in the PST increase on July 1st without holding that referendum.

* (16:50)

Now, we've already talked about—a little bit about the door knocking, Mr. Speaker, and some of the door knocking also goes with—you know, when you're door knocking, you're asking for support. And support comes in many ways. Support can be that you're asking them to vote for you in the next election. You can be asking them if they would like to volunteer for you within the constituency or during elections.

You could also ask for financial support, and I know that the members on this side of the House have no problems going around and asking Manitobans for support, whether that's for their vote or their volunteer efforts or financial support, but now the members across the way in the government, not as if it's enough that they're being arrogant and they're bringing in a—the PST or doing the hidden taxes and fees and taking hard-earned money from kids and grandkids and that, they're now going to be taking \$7,000 of vote tax money out to each and every member on that side of the House, and that's every year.

So they're not even giving the people the choice. They're going to actually just go ahead, and they're going to line their pockets, they're going to line their constituencies, \$7,000 per member, per year, right up until the election.

And, to me, that just seems an unfair way about doing business, Mr. Speaker, or sneakily as well; it's just plain wrong. Go out and ask for that support. I

know that, if people had come and asked me for support and if I like your platform or ideas in regards to your political party, at least it would be my choice, whether to support them financially or not, but this way, going to the—each and every Manitoban and simply saying: You know what? We don't care which party you choose to favour; we're just going to take \$7,000 per member right out of your back pockets each and every year for who knows how long.

Who knows what's going to happen because they're going to squash the taxpayer protection act, and we don't know what's going to happen. As I keep telling my constituents, hold on to your wallets because they're coming for them, and they're coming more and more each and every year because they're getting more and more arrogant each and every year. And they're not hiding behind curtains any longer; they're doing this stuff right in front of Manitobans' eyes.

So I encourage this government to pull the PST off the table. Don't make hard-working Manitobans fund their financial errors any longer. Try to get a little bit closer to balancing that budget on their own. They have more than enough money coming in, in regards to taxation money, also the money coming from the feds, the transfer payments, and then also now is the time where they should have been possibly paying down that debt because of the interest rates are at a record low.

But what are they doing? They're increasing that debt by probably—it's going to be probably close to about \$3 billion per year, and that's the way it's going. So, again, lead by example. Listen to what the grassroots or all the Manitobans what they have to say. Hear them out and, with that, Mr. Speaker, I'd like to thank you for listening to me and I think I'm going to end there.

No, you know what, no, I'm not going to end there because I look up at the clock and I still have another minute, Mr. Speaker. So I'd like to get to the point of when we have somebody in a higher power such as the government of the day, the spenDP, we're talking about bullying. And, when they bring in a Bill 20 that squashes Manitobans' rights to speak in a referendum, there's no other word for it but bullying. And they're going to continue to bully Manitobans for years to come, especially when the taxpayer protection act is coming in.

I hear the member from St. Norbert talking, and I have about 12 seconds left. I know that because he's so willing to stand in here and talk that, hopefully,

he'll get up and speak to Bill 20, but I know that he won't. Thank you for your time.

Mr. Ian Wishart (Portage la Prairie): Well, and it's a pleasure to get up and put a few words on the record around Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act. Certainly, we've heard a lot of discussion around this area because we've had both amendments and we've had a hoist motion. And the goal of both of those was to give the members opposite a chance to rethink what they're doing, and, particularly, in the case of the hoist motion, to not only rethink it, but to take it back to the people and give them the opportunity to do the referendum, which would certainly be the right thing to do.

But here we are, back to the original bill. And, in The Balanced Budget, Debt Repayment and Taxpayer Protection Act, Manitobans should have had the democratic right to a referendum on major tax increases.

And, certainly, the PST increase falls into that. In fact, one could argue that the broadening and the previous year's budget, which actually increased the amount that we pay, could easily have qualified for that as well. But, certainly, something like increasing the PST by one point definitely qualifies as a major tax increase.

And the opportunity is there even for them yet to go back to the people and talk to their constituents, talk to all Manitobans and find out what people's opinion is on this issue. And, certainly, we cannot help—I know members on this side certainly have had many emails, many phone calls, and, when you go into the community, that's an issue that people want to talk about.

In fact, any event you go to it's absolutely amazing if not at least half a dozen people come up to you and want to say, well, how can they do this? How can they actually avoid following the legislation that exists right now and not take this out in a referendum? It's not an issue of not enough time; it's an issue of not enough willingness to do it, not enough desire to listen to the public.

And it isn't very long ago that we all had the chance on the doorstep during the election to state what our party's position was on a number of things. And, very clearly, the NDP said, well, they would not raise the PST. In fact, not only would they not raise it, they would—that particular tax, but they weren't going to raise taxes at all. And, in fact, they

were going to balance the books even quicker than our party could, because we had certainly looked at the numbers and saw that there would be a real challenge to do it in the three or four years that they had promised.

And now we don't even hear any talk about balancing the books. And, certainly, when you look at the budget that is proposed, the debt continues to grow. Not only annual debt continues to grow, but the accumulated debt continues to grow in this province to the point where, somewhere in the future, it will be very, very difficult to pay back.

And, certainly, comments have been made about the absolutely ideal circumstances that are occurring right now in terms of keeping the debt payments down as low as possible: interest rates as low as we've ever seen them; transfer payments—record—from the federal government; revenues generally on—in pretty good shape, though I understand that probably this year they're going to be trending downward because we're starting to see a significant inflationary factor because of all these tax increases that are encouraging people to tighten up their spending or spend their money elsewhere.

And I know comments have been made related to spending the money elsewhere, about how great Highway 75 is. There are actually a number of roads that go into the US: No. 13 and No. 10. And I can tell you, neither one of those is even close to as good as Highway 75 is. So I think that probably tells you where the priority is, and it's only in one area.

But getting back to the original bill, we look—discussion, I had a look at the accumulated debt and what that means, because that's something that I'll have to take my share in paying back, because it certainly occurred when I was living in the province—but also, my kids. And as the member for Beausejour had said, probably our grandkids will be paying back some of this debt too. And, if you compare that across the western provinces, and that's where we have to do most of our competing, you'll find that we're actually the highest.

The total amount of debt per person, here in Manitoba, is \$23,757 per capita. And Saskatchewan, our next door neighbour, and quite a bit lower in terms of their provincial PST: \$8,932. And it wasn't very long ago that they were a have-not province as well. And they've certainly been able to deal with that and get their numbers much closer, and now have a have province and a surplus every year.

And that's certainly something to be desired. BC, the far west so to speak, where they had hoped—the NDP had hoped to come into power, but that's not quite what happened during the election. People actually looked at the platforms and the policies and decided, no, they'd rather take a chance with the Liberals again, and have done so. But their debt per capita is 13 thousand—

Mr. Speaker: Order. Order, please. When this matter is again before House, the honourable member for Portage la Prairie (Mr. Wishart) will have 25 minutes remaining.

The hour being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow morning.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 3, 2013

CONTENTS

| ROUTINE PROCEEDINGS | | | |
|--|------|---|------|
| Petitions | | Emergency Services | |
| Provincial Sales Tax Increase–Referendum | | Rowat; Oswald | 1888 |
| Goertzen | 1879 | Trust Account | |
| Wishart | 1879 | Schuler; Chomiak | 1889 |
| Ewasko | 1879 | Child and Family Services | |
| Driedger | 1881 | Gerrard; Selinger | 1890 |
| Mitchelson | 1881 | Molson Street Project | |
| Eichler | 1882 | Braun; Lemieux | 1891 |
| Smook | 1882 | Westgrove Learning Centre | |
| Schuler | 1882 | Driedger; Swan | 1891 |
| Stefanson | 1882 | Parimutuel Levy | |
| Municipal Amalgamations–Reversal | | Cullen; Struthers | 1892 |
| Rowat | 1880 | Members' Statements | |
| Pedersen | 1880 | B.O.S.S. Guitar Works | |
| Graydon | 1880 | Dewar | 1893 |
| Briese | 1883 | 4-H | |
| Hydro Capital Development–NFAT | | Pedersen | 1893 |
| Review | | Shakespeare in the Ruins | |
| Cullen | 1881 | Gaudreau | 1894 |
| Maguire | 1883 | Oak River 4-H | |
| Tabling of Reports | | Rowat | 1894 |
| Crown Corporations Council, | | Ann Rallison | |
| 2012 Annual Report | | Altemeyer | 1895 |
| Struthers | 1883 | Grievances | |
| Oral Questions | | Goertzen | 1895 |
| UNESCO World Heritage Site Bid | | | |
| Pallister; Selinger | 1884 | ORDERS OF THE DAY | |
| Arson Increase | | GOVERNMENT BUSINESS | |
| Helwer; Swan | 1885 | Debate on Second Readings | |
| PST Increase | | Bill 20–The Manitoba Building and Renewal | |
| Graydon; Struthers | 1886 | Funding and Fiscal Management Act | |
| Health Council of Canada Report | | (Various Acts Amended) | |
| Friesen; Oswald | 1887 | Pedersen | 1898 |
| Emergency Care Task Force | | Graydon | 1903 |
| Friesen; Oswald | 1887 | Smook | 1907 |
| Bonnie Guagliardo | | Ewasko | 1912 |
| Friesen; Oswald | 1887 | Wishart | 1917 |

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