



Fifth Session- Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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The Honourable Louise M. Dacquay
Speaker*



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 13, 1999

The House met at 1:30 p.m.

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee Report

Mr. Marcel Laurendeau (Chairperson): Madam Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again. I move, seconded by the honourable member for Pembina (Mr. Dyck), that the report of the committee be received.

Motion agreed to.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon twenty-five Grade 9 students from Sargent Park School under the direction of Ms. Ricki Syrota. This school is located in the constituency of the honourable member for Wellington (Ms. Barrett).

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

*(1335)

ORAL QUESTION PERIOD

Child Development Clinic Waiting Lists

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, yesterday when asking questions about Manitoba's only centre, the Child Development Clinic, the minister said, in answers to our question, do not worry, everything is fine, a pre-election announcement is going to take care of this after four years of making the other pre-election announcement.

Then he said he did not know about the situation, and then he said there are \$35,000. I would like to know: given the problem had been identified in January of 1999, why is the minister not aware of these waiting lists for kids, and why is he not taking action to deal with these waiting lists for children?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, the member's preamble is mostly wrong as usual. The amount that I referred to was \$385,000; I remind him that he was only out by \$350,000 or thereabouts. We recognized that these waiting lists were too long and these waiting lists needed to be reduced. That is why we dedicated \$385,000 more last year to do just that, to reduce the waiting lists.

In terms of the physicians at the Child Development Clinic, I think as he himself said in Question Period yesterday, he said that there are two and a half doctors at the centre, and he expressed concern about the one doctor that is actually leaving to go and continue her education by becoming a child psychologist, I believe. The WHA and the clinic will not only be filling those positions, they will actually end up with three and a half positions instead of two and a half positions. So there will be an additional equivalent of a full position to do the very thing that he is asking about, to continue to work on those waiting lists, to bring them down, because we agree they are unacceptable and that is why we put in place the money to address that important issue.

Mr. Doer: Madam Speaker, I know the minister talked about \$380,000 in the House yesterday, and I also know that he talked about an additional—and in the media it was another \$35,000 from WHA who said they had no money to deal with this problem, after the minister had to revisit this issue for the third time in less than an hour.

Madam Speaker, I am very concerned about the fact that the minister did not know about these waiting lists yesterday, that he hung onto

his pre-election announcement. We have heard it before, by the way. We did have a similar announcement from the member for Brandon West (Mr. McCrae) in, I believe it was, March of 1995.

I want to know: why is there such an information vacuum between the front-line parents and people who are working with kids to deal with the waiting lists and the minister? We note that 900 children are currently on the speech list. It is a real situation. Again, we have had other announcements over and over again. Why is this minister not aware of the long waiting lists for families and parents, in spite of his pre-election announcements?

Mr. Stefanson: These additional funds were put in place last year, as I have said to the member for Concordia, an additional \$385,000 for the Winnipeg Hospital Authority to address the very issue that we are talking about today. We recently approved some additional \$950,000 for speech therapy services across all of Manitoba to all of the regional health authorities, again to continue to work at providing those services, to reduce the waiting lists in this very important area. So we have recognized that this is an area that needs to be addressed, and we have taken action by putting those resources in place. I am assuming that the Leader of the Opposition supports those actions by his recent actions in terms of supporting and voting for the budget that includes these additional funds to continue to maintain these services and reduce waiting lists.

Mr. Doer: Well, presumably this was in the budget in 1995, or was the government not telling the truth when they announced the specialists in 1995 and made their announcement and the Premier made the announcement? Of course we know what he stands for when it comes to the truth.

Point of Order

Madam Speaker: Order, please. I would remind the Leader of the official opposition to pick and choose his words very carefully. "To tell the truth" and directly attributable to a member of the Assembly has been indeed called unparliamentary, and it has been ruled out of order.

The honourable Leader of the official opposition, on the same point of order.

Mr. Doer: I think if you would peruse Hansard you would find, unlike the Premier who has had to apologize in this House for breaking the rules 15 times in the last couple of years, that I was maintaining the rules of this Chamber.

Madam Speaker: Order, please. On the point of order raised by the honourable Leader of the official opposition, I will indeed take it under advisement, and I will check the comments made in Hansard and report back to the Chamber.

* * *

Madam Speaker: The honourable Leader of the official opposition, to pose his question.

Mr. Doer: Thank you, Madam Speaker. I would note that the 900 kids waiting on a waiting list had been informed that the staffing for the speech therapy will not be hired until June. Of course, that is what we heard in March of '95, and then in June of '95 the staff were not hired by this government. So we have a history of broken promises from this government.

Madam Speaker, I would like to know why the front-line staff and people are not being dealt with by the two regional health authorities in Winnipeg established by this government, the two separate regional boards of people. Why do we have seven vice-presidents in the WHA, and why can we not get doctors working with kids to lessen the waiting lists?

Mr. Stefanson: Well, Madam Speaker, the Leader of the Opposition is feeling feisty today now that he has his election billboards up around the city with his face—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Stefanson: Just to conclude, Madam Speaker, I saw the Leader of the Opposition's smiling face as I drove in this morning. I am sure he is smiling because he supported our 1999 budget. At least he had the wisdom to decide to

vote for this year's budget. This budget includes the support for the health authorities that he is talking about, the health authorities that are co-ordinating services right across Manitoba, co-ordinating the best use of our facilities, our equipment and our people.

When it comes to the issue that he asked about earlier, again, we have put in place significant additional resources to address the very important issue of providing services to children in the whole area of speech therapy and speech services. That is why we have enhanced the funding. That is why we did it last year. That is why that money is rolling forward into this budget, the 1999 budget, and I am sure that is one of the many reasons why the NDP finally had the wisdom to support our 1999 budget.

Licensed Practical Nurses Recruitment Policy

Mr. Dave Chomiak (Kildonan): In the gallery today are several LPNs, some of whom the minister personally phoned and indicated they probably should not talk to me because I might make the issue political. So I will try to make the issue as nonpolitical as possible to the Minister of Health.

The LPNs are very frustrated because, despite the government's recent conversion to the understanding that LPNs are an integral part of our health care system, the government and some of the government agencies have not given an outright commitment that LPNs are an integral part of the acute care sector and ought to have roles and functions and jobs and opportunities in our acute care hospitals. My question to the Minister of Health is: will he categorically today state that the government's policy is—as it is the government policy—to allow LPNs to function up to their capacity in the acute care hospitals of the province of Manitoba and the city of Winnipeg?

Hon. Eric Stefanson (Minister of Health): The member for Kildonan, who I like to think usually tries to be accurate with his preamble, is not accurate today. I do not know whether he is just trying to play politics in terms of discussions that I had or did not have with any individuals. Those comments were absolutely wrong, I tell

him, for which I would expect he should apologize or withdraw.

* (1340)

We certainly are very committed to licensed practical nurses here in Manitoba. That is why one of the many things that we are doing is the expansion of the educational program through the Assiniboine Community College, through Misericordia Hospital, where last year there were 90 students coming into the program. This year, with the additional support of our government, we are now up to 190 students coming into our program.

I have also indicated very clearly that if there are licensed practical nurses who left the profession in the early '90s, for a number of reasons, the nurse retention and recruitment fund of \$7 million is certainly available to them if they need some retraining, recertification, anything to bring them back into the system if that is their wish or desire. We certainly encourage them to do that, and licensed practical nurses have a very important role to play in our entire health services provision, whether it be our acute care facilities, our personal care home facilities or our home care services.

Acute Care Facilities Staffing

Mr. Dave Chomiak (Kildonan): Will the minister, who did not make an outright commitment, which we are asking for, recognize that many, many LPNs are underutilized, working several jobs? Many are out of the system because of lack of training. Will the government commit to hire full-time LPNs in our acute care facilities? Very precise question, Madam Speaker.

Hon. Eric Stefanson (Minister of Health): I think what the member recognizes is that decisions in terms of the staffing requirements are done at a combination of the individual facility level with the regional health authorities that are in place. I have already indicated very clearly to the member opposite that we believe licensed practical nurses have a role to play across the spectrum of health care in Manitoba, whether it be in our acute care facilities, whether it be in our personal care home facilities or

whether it be in our Home Care program or other health care services.

They are certainly a key part of it. That is why we are committed to bringing more into the system through our educational programs. That is why we are committed to bringing more back into the profession through any recertification, any retraining. They are a very important part of our health care system. That is also one of the many reasons why we are also going to be introducing amendments to their act, The Licensed Practical Nurses Act, which I have referred to the member opposite that there will be some changes to that act, that we have worked with the profession itself to continue to identify the very important role that LPNs play in our health services in Manitoba.

Recruitment Policy

Mr. Dave Chomiak (Kildonan): Will the Minister of Health categorically commit today that the LPNs, who are underutilized, some are working several jobs, 11 of the 14 that were let go at Misericordia still do not have jobs, I am informed, and many, many others who require upgrading will be provided that prior to the government embarking on a massive foreign recruitment campaign of LPNs, that we will look to our LPNs who are underutilized and have been unappreciated in this jurisdiction?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, as I have indicated to the member opposite, the 1999 budget which they voted for includes \$32.5 million to fill 650 nursing positions. We have discussed this in the Estimates process. Those positions are going to be filled from nurses of all types, whether it be LPN or the Bachelor of Nursing program and so on. We need 650 nurses into our system.

We are also going to fill them in a number of ways. We are going to fill them through issues like our educational program, whether it be our program for LPNs through the Assiniboine Community College or whether it be the Faculty of Nursing at the University of Manitoba. We are also going to fill them through our nurse recruitment and retention fund, the \$7 million that we have set aside. We have also been working with all of the

employers. We continue to see more permanent positions being created in our health care system, and there will be more and more permanent positions created in our health care system. That is something that nurses tell us is needed, and we support that and employers are doing just that.

Certainly, one piece of that total equation to bring 650 nurses into our system is immigration, which, again, I would imagine members opposite would also support as a part of the solution to bring more nurses into the system in Manitoba, which we all recognize we want to see done.

* (1345)

Crown Land Purchase Requirements

Mr. Clif Evans (Interlake): Madam Speaker, on Tuesday of this week the Minister of Agriculture stood before this House and said the record shows that Walter Malkowich "at all times lived up to full compliance of his lease requirements, was an exemplary lessor and, as such, was the qualified purchaser of the land." That is a quote.

This statement by the minister completely contradicts what the Ombudsman said. The Ombudsman concluded that Mr. Malkowich sold his cattle and his equipment, noted that Mr. Malkowich did not provide the department with all of the information required by the branch and said the sale was wrong.

Madam Speaker, I want to ask: why did this minister, through Order-in-Council and the government, permit the sale of nine quarters of land when in fact the lessee did not qualify? Who is telling the truth in this matter, the minister or the Ombudsman?

Hon. Harry Enns (Minister of Agriculture): The honourable member for Interlake is taking selective quotations from what I said the other day. I specifically said and acknowledged and the department acknowledged that there was a period of time when the lessor of this land was not in full compliance of the lease. I also put on the record that for 23, 24 years of the time that he held the land, he was in full compliance and

not a single complaint had been registered against him. Any examination of people leasing land shows from time to time lessors have that problem. It can be for reasons of a disease coming into a cattle herd where the entire herd is removed for a number of years. There can be economic reasons where a cattle producer or a rancher sells off a number of his cattle. Subsequently, the lessor was visited by the department and were satisfied that additional cattle were being purchased.

Mr. C. Evans: Madam Speaker, I want to ask the minister: under the regulations governing the sale of agricultural Crown land under Crown lease, the purpose of such sales is to assist—

Madam Speaker: Question, please.

Mr. C. Evans: —the growth of the agricultural industry through the sale of land. Madam Speaker, can this minister tell the House how he could support this sale to an unqualified purchaser, a retired agricultural person, sold all his cattle, and in March of '94 advertised the same land that he applied for less than a year later to buy, to get rid of because he was retired, and I will table it.

Point of Order

Mr. Enns: Well, Madam Speaker, I firstly rise on a point of order.

The honourable member made a relatively serious allegation about who is telling the truth, and I refer you, Madam Speaker, and all members to page 1109 of the Hansard, May 11, where I clearly state: "Records show that he at all times lived up to full compliance of his lease requirements . . . except there was a period of time when, as a result of one family member leaving, he did not have sufficient cattle on the farm." I clearly acknowledge that there was a period in that—

Some Honourable Members: Oh, oh.

Mr. Enns: That is not the impression that the honourable member for Interlake left, and I would ask him to withdraw that.

Madam Speaker: The honourable member for Interlake, on the same point of order.

Mr. C. Evans: Madam Speaker, on the same point of order.

The Ombudsman clearly stated in his letter that the lessor had sold his cattle, not as the minister says, that he had some troubles.

Madam Speaker: Order, please. The honourable government House leader, on the same point of order.

Hon. Darren Praznik (Government House Leader): Madam Speaker, we all in this House from time to time have issues on which there is a dispute over the facts. But it is incumbent upon all honourable members—and I think this is the point that is being made very strongly by the Minister of Agriculture with respect to the quotation from Hansard of the member for Interlake—that if members are quoting, they have an obligation in the interests of fairness and honesty to put the quote in the proper context and to quote it all.

It is very evident that the member for Interlake selectively chose part of the line and omitted the qualification to the statement that led the impression that the Minister of Agriculture has misled the House, which is clearly not what is on the record. The member for Interlake should be cautioned, when he is quoting, to make sure that he does quote accurately in the interests of honesty and fairness.

* (1350)

Mr. Steve Ashton (Opposition House Leader): Madam Speaker, on the same point of order. We do not need any lectures from this minister and this government about honesty and fairness.

I would point out that we have raised numerous questions on this matter, and it is the minister and the government that continue to try and deflect from the fact that the Ombudsman said that the sale that was made was totally inappropriate. That was a comment that we had put on the record. It is a comment that this government has yet to acknowledge.

Not only was the member for the Interlake correct in raising these issues, he is correct in continuing to ask the Minister of Agriculture and

this government to adopt fair practice when it comes to the disposal of sale of Crown land and not this kind of situation where we see a retired farmer purchasing land when we have evidence he was not in keeping—

Madam Speaker: Order, please. I would remind all honourable members when either raising a point of order or speaking to a point of order to explicitly state the point of order that they feel has been violated and speak to that point only and not debate the potential issue at question.

I will take the matter raised by the honourable Minister of Agriculture under advisement. I will check the transcript from Hansard and report back to the Chamber.

* * *

Mr. C. Evans: Madam Speaker, the Ombudsman in his letter told it like it is.

Madam Speaker: Order, please. The honourable member for Interlake was recognized for a supplementary question to which there should be no preamble. I would please ask the honourable member's compliance in posing the question now.

Mr. C. Evans: I want to ask the minister: why when the Ombudsman in his letter told it like it is, that the purchaser simply did not qualify when the sale went through, it was wrong to sell this land—how can this minister defend the action of himself, his department and the government by misleading the people of Manitoba?

Mr. Enns: I do not currently have the copy of the Ombudsman's letter before me, but I do recall it. The Ombudsman points out that there was a time, which I acknowledged, that Mr. Malkowich was not in compliance with his lease. The Ombudsman, in that letter, also acknowledges there was a lot of time when he was in compliance, Madam Speaker, and that is the end of the matter.

Crown Land Sales Forensic Audit

Mr. Steve Ashton (Thompson): We have raised some serious questions about this

particular matter. We are still left with the situation, we have the Ombudsman making a very clear statement and we see the minister, and through his silence the Premier (Mr. Filmon), continuing to not recognize the very real concerns we have about not only this matter but the entire fairness of the way such matters are dealt with across the board, because we know many people who cannot get the same kind of treatment that this person got, the person that flipped land to Cubby Barrett.

That is why I would like to ask the Premier if the Premier will conduct a forensic audit, an investigation by the Auditor, not only into this matter but the many other examples where land has been given—by the way, many cases in which the Barrett family has been able to purchase land. We want to know whether our processes in this province are being treated fairly. Fairness for everyone, Madam Speaker.

Hon. Harry Enns (Minister of Agriculture): Let us be very clear about the process, which I tried to explain yesterday. The Department of Agriculture—and this is not avoiding the issue—as such does not sell any land. The Department of Agriculture makes recommendations that then go to a land classification review which involves a number of departments.

If the land is subject to flooding, it is not available for sale. If there are other assets that are in the interest of the public good, like gravel deposits, the Department of Highways may put a caveat against and advise the land not be sold.

If there are specific wildlife, that is a very major reason why very often people requesting the purchase of Crown land do not get it because of particular wildlife interest. Currently, the Minister of Natural Resources (Mr. Cummings) is correctly addressing the issue of the value of aspen, of hardwood, on a lot of Crown land that heretofore had no value until this government brought the economic opportunities for that operation into play.

So that is the process, and if the honourable member wants to open that to review, certainly there is no problem doing that.

* (1355)

Mr. Ashton: Madam Speaker, I want to ask the Premier again, because I mean it took us three and a half years to get to the bottom of what happened in the vote-rigging scandal in 1995. I want to ask the Premier, in this case, whether he will authorize this audit, given the obvious conflict we are in, in terms of the minister who made this decision, who is a close personal friend of Cubby Barrett, now defending this position. When will we get an audit to find out what is going on with this sale of Crown land in this province?

Point of Order

Mr. Enns: There was no land sold by this government, by this minister, to a Mr. Cubby Barrett. There was land sold to a legitimate long-term 25-year lessor holder, and there is a deliberate attempt—you talk about smear campaign, you talk about red herrings, you talk about McCarthyism. There you have it across the floor.

Let us be clear about this. Land was sold to a legitimate lessor holder by the name of Walter Malkowich.

Mr. Ashton: Was that on a point of order, Madam Speaker, or on an answer to a question? Is that a further question?

Madam Speaker: I was not aware he was on a point of order. I assumed it was a response to the question. I did not hear the honourable member indicate he was up on a point of order.

An Honourable Member: I was rising on a point of order.

Madam Speaker: Pardon me?

An Honourable Member: On a point of order.

Madam Speaker: It was a point of order?

The honourable member for Thompson, on the same point of order.

Mr. Ashton: On the same point of order, Madam Speaker, I take great offence to the minister's comments, and by the way, a minister whom I respect. But if the minister does not

understand the obvious conflict and a situation here where he made the decision, his department made the decision where he is now dealing with an Ombudsman's report that says that that was not an appropriate position, where he indeed does have a very direct association with Mr. Barrett who, by the way, purchased that land within I believe eight months afterwards, when there have been many purchases by the Barrett family of Crown lands. If he does not understand that what we want is we want the Ombudsman, we want an objective report. That is no McCarthyite tactic. That is somebody I respect, the Minister of Agriculture, but he should not be involved in answering these kinds of questions. We need an independent audit of what has happened.

Madam Speaker: The honourable government House leader, on the same point of order.

Hon. Darren Praznik (Government House Leader): Madam Speaker, on the same point of order. The opposition House leader gets up, and you just listen to what he says and the logical inconsistencies. They are trying to accuse the minister, who admits his department made a decision which they believe was within the rules to sell property to someone who had worked that property and leased it for a quarter of a century, 25 years, and they by their own admission say eight months later he sells it to an individual who happened to own more land in the area, and somehow that is all linked to an impropriety.

Madam Speaker, there are huge leaps of logic. Clearly here members are out of order in making those kinds of assumptions.

* (1400)

Madam Speaker: The honourable Leader of the official opposition, on the same point of order.

Mr. Gary Doer (Leader of the Opposition): On the same point of order. Madam Speaker, we asked twice to the Premier (Mr. Filmon) to proceed with an audit and using a forensic auditor to follow the trail. Now that is the same thing we needed to do to deal with the allegations that we were accused of playing politics with that led to the findings in the

Monnin inquiry. We had to follow the money in order to identify the vote-rigging allegations and conclusions. We are asking the Premier nothing more or nothing less than asking the Auditor to conduct a forensic audit on the money. Now that is all we are asking for—nothing more, nothing less. Let us get on with having the forensic audit.

Madam Speaker: Order, please. On the point of order raised by the honourable Minister of Agriculture, I will take the matter under advisement to research Hansard and report back to the Chamber.

* * *

Mr. Ashton: Madam Speaker, I will ask the Premier one more time: will the Premier do exactly what was referenced in the point of order by our Leader and conduct the kind of independent audit that we need of this to look at the role not only of the minister, not only of the eventual purchase by Mr. Barrett, but all the transactions, all the involvements of everyone in this particular case, including the flow of money on this purchase, because we want to ask this Premier to take some action to restore some confidence in the fairness of our sale of Crown lands in this province?

Mr. Enns: Madam Speaker, once again allow me to simply say that the appropriate procedure was followed throughout, and I will invite any inquiry that anybody wishes to pursue.

Government Business Loans Release of Information

Mr. Kevin Lamoureux (Inkster): Madam Speaker, on Tuesday I asked the Premier for information in regard to polling and surveying. The Premier attempted to convey that this is an open government and earlier today in the Industry and Trade Estimates, we find that a loan, in essence, of \$2 million and a good portion of that, \$1.6 million has already been funnelled over to the company, yet we do not know the company and the minister.

His minister is not prepared to tell us what company this government is loaning money out to. Is this in fact the policy of this government

to start giving out money and feeling that there is no obligation to release that sort of information?

Hon. Mervin Tweed (Minister of Industry, Trade and Tourism): As I suggested to the honourable member in committee, when we make these types of agreements, quite often there are negotiations between the government and the people involved. We ask and seek approval from both sides before we make a public announcement. I suggested to the honourable member at that time that when the agreement was made we would make the announcement.

Mr. Lamoureux: Madam Speaker, I guess we will wait for the election.

Madam Speaker: Order, please. Would the honourable member please pose his question now.

Government Polls/Surveys Release of Results

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I go to the Premier and I ask now how many polls and surveys were in fact done in the last six months, and how many of these have had their results released?

Hon. Gary Filmon (Premier): I will take that question as notice, but as the member knows, the one area of polling that has been publicized was that which was done in the lead-up to the preparation of the budget. It was released some time within the last month. That is the only one that, at this point, I have knowledge of. I will do investigations and bring back a response to the member.

Mr. Lamoureux: Madam Speaker, we look to the Premier to ask if he would be prepared to bring those results before the House by Monday.

Mr. Filmon: Madam Speaker, is there something magic about Monday?

Madam Speaker, I have indicated to him, when he asked a similar question earlier this week, that we do have a policy that provides for the timely release of that information. That policy I believe is 90 days, is the normal time for

release, unless there are matters outstanding of policy decisions, which was the case with respect to the budget that, until the budget was made public, the polling was not released until after that. Based on an application to the Clerk of the Executive Council, that extension was granted. So that policy is in place and that policy will be enforced and implemented in the case of any other polling that may be outstanding.

Freshwater Fisheries Board Member Appointment

Mr. Oscar Lathlin (The Pas): My questions are directed to the Minister of Natural Resources. Could the minister advise the House what rationale he used when he recently appointed a board member to FFMC, rather than putting in a request that the position, as well as all other board members' positions, be elected by the fishermen, as was recommended by the central Canada's freshwater fisheries report of last year?

Hon. Glen Cummings (Minister of Natural Resources): My answer is no.

Mr. Lathlin: Okay, Madam Speaker. If he is not going to tell us the rationale that he used for appointing the board member, perhaps I could ask the minister then to tell us if he inquired or asked for this Manitoba board member, this newest board member, for a confirmation of reports that over \$500,000 was wasted in the appointment of former M.P. Ron Fewchuk to the FFMC so that Jon Gerrard could run in the Selkirk-Interlake riding in 1997.

Mr. Cummings: Madam Speaker, first of all, perhaps my first answer seemed abrupt. I misunderstood the question, and my answer in fact is that we chose someone who was of broad knowledge in the fishery and in fact was reappointed from his previous appointment on that board.

On the second answer, however, I think that we are equally concerned about the fact that there was an appointment made recently and now reversed whereby the appointment seemed to follow more of a political rather than an experience and expertise background.

Mr. Lathlin: Madam Speaker, I am glad that the minister shares my concern about that appointment, the way it was made, and also the musical chairs that have been happening at FFMC. So, therefore, in that vein, could I ask the minister then, if he is that concerned, that that \$500,000 expenditure be sent to the federal Liberals for payment rather than being paid for by the fishermen of Manitoba?

Mr. Cummings: Well, Madam Speaker, I think Manitobans should be comforted. We have considerable harmony in the House.

An Honourable Member: First it is the budget.

Mr. Cummings: First it is the budget, and now it is the fisheries.

Madam Speaker, I share the concern of the member inasmuch as the efforts of Freshwater Fish need to be made on behalf of the best interests of the fishermen in this province and across western Canada. They, in fact, have and have had—on my behalf, I have sent forward numerous concerns about the manner of the appointment of the chair. The Province of Manitoba has, by the constitution of the Freshwater Fish, responsibility to appoint a person to the board, and that is what I did on behalf of this administration, chose someone to represent us on that board.

Health Care Facilities Patient Services

Ms. Becky Barrett (Wellington): Madam Speaker, I would like to quote from a May 4 letter to the Minister of Health, a letter that I will table, sent by a constituent of the member for Inkster (Mr. Lamoureux) who says, and I quote: "All in all"—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

* (1410)

Ms. Barrett: The letter states, and I quote: "All in all, my week stay at the Grace was the worst time in all my 41 years on this earth. I hope never to have to return. "

These are the words of a woman who spent almost four days in the hallway of the Grace Hospital emergency room. I would like to ask the Premier (Mr. Filmon) what he has to say to this woman and the thousands of other patients, families and staff of hospitals in Manitoba who have been forced to live and sometimes to die in the brave new world that this government has given us of hallway medicine and frozen food.

Hon. Eric Stefanson (Minister of Health): Madam Speaker, again, we have discussed this issue and other health issues on many occasions. Certainly the member for Wellington is well aware of some of the challenges we face like other provinces right across Canada, the significant funding reductions from the federal government, the federal Liberal government. In fact, her former colleague the member of Parliament, former Health critic, Judy Wasylycia-Leis, on many occasions has raised that very important issue.

During all of that time here in Manitoba we backfilled every cent that the federal government took out of health care in Manitoba and still put more money into health care. In fact, in this budget that they voted for, we have increased funding by \$194 million with the very objective about the issue that she has raised here today, that we continue to make improvements to reduce having any people in hallways in our hospitals. That is something that is unacceptable to us. With the resources, with the plan we have in place, we will eliminate having that happen.

Ms. Barrett: Madam Speaker, would the Premier (Mr. Filmon) explain the outcome of his government's policies where hospital patients, as Ms. Morrice in her letter states, have to urinate and defecate under the covers in public, where people lie under cold vents, cold air vents for days at a time, and where, during her stay, there were between 14 and 17 stretchers in the hallway of Grace Hospital emergency every single day? Will he explain where that comes from?

Mr. Stefanson: Well, Madam Speaker, the whole issue of people in hallways obviously was at a level back during the peak of the flu season that was absolutely unacceptable. We have said on many occasions, having people in hallways in

our hospitals is something that is unacceptable to our government, and that is why we are taking a number of steps to eliminate having that happen. That is why we are putting in place now over 850 net new personal care home beds. That is why we are spending \$147 million on our Home Care program in the province of Manitoba. That is why we have a bed co-ordination unit to co-ordinate the best use of our beds right across our hospital system here in the city of Winnipeg and across Manitoba, a number of initiatives to be sure that these kinds of things do not happen.

I remind the member of the many thousands of people who go through our hospital system and receive absolutely outstanding care and service, and that is a tribute and a compliment to our nurses, our doctors, our health care aides and everybody who works in providing quality health care to all citizens in the province of Manitoba.

Ms. Barrett: Madam Speaker, would the Minister of Health or the Premier respond to Ms. Morrice's statement, and I quote, which says: "Your staff, however, are wonderful; although I don't believe that you know it. Many could not look me in the eye because they felt so bad about having me lay in the hall while I received my much needed treatment." How can the Minister of Health stand in his place and say that the health care system is fine in the province of Manitoba when this is not an unusual circumstance?

Mr. Stefanson: We are doing more procedures through our health care system where our volumes are up in terms of acute care services and so on, Madam Speaker. We have significantly reduced waiting lists for a whole range of diagnostic tests from CT scans to echocardiograms and so on.

So, again, in terms of the total levels of service in the province of Manitoba, they are of a very high quality. I have said on many occasions, one of the issues that we are addressing is that we find it unacceptable to have people spend any time in a hallway in our hospital system. Those numbers have come down significantly, and with the plan and the resources that we have in place, Madam Speaker, that will be eliminated.

Again, I just ask the member opposite to acknowledge many of the challenges that have had to be faced, challenges like her own colleague points out, having \$260 million less every single solitary year for health care services in the province of Manitoba. During that period, this government was backfilling that entire amount and still putting more money into health care. Today, we are spending \$800 million more than we spent 11 years ago, a 60 percent increase, and I am sure that is one of the many reasons that those people opposite chose to vote for and support the 1999 budget of our government because of \$194 million more for health care services in Manitoba.

Security Guards Training Program

Mr. Gord Mackintosh (St. Johns): Madam Speaker, to the Minister of Justice. This week, we were perilously close to losing another Manitoban to our record robbery threat. This time it was a security guard, Trevor Tillett, who chased two suspects, I understand, and almost got struck by a car and was shot at, but fortunately the hand gun, which was loaded, malfunctioned.

I ask the minister if he can explain, with a quarter of all security guards getting no training whatsoever in this province and 92 percent getting one day or less training, why has this government not mandated training and safety standards for security guards as we have demanded, as the industry has demanded, as public and guard safety demands?

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I am certainly in touch with the Winnipeg Police Service and other police services in the province of Manitoba. I am advised that gang activity, especially in respect of violent gang activity, is substantially down in 1998, and I want to commend the Winnipeg Police Service and the RCMP. That addresses the preamble that the member had.

The second issue, in respect of the training of the security guards, is an issue that the member knows that my department is studying. At present there are only two other provinces

who have programs in various degrees of success, and there are some serious concerns about those particular programs. When we implement a program, we wish to do it right, and we think we are on the right track in implementing a program.

I also understand in this specific case, if what I read in the paper is correct, the security guard specifically disobeyed the training that he had received by the employer.

Mr. Mackintosh: Would the minister who should know, as we understand, that this particular guard had about a one-day information session three years ago—would he explain, if he wants to do it right, why is he studying this matter? He has been lobbied for five years; they have been dithering for three and a half years. Why is he putting at risk public and guard safety in Manitoba?

Mr. Toews: Madam Speaker, as I understand it, in respect to the specific training that this guard received, he did not comply with the company's specific training. In respect to the issue that the member has raised, there is great debate within the community, not only among employers but others in the community, as to what type of training should be given and how standardized that can become, and that is something that we are working very diligently on. I know that the other two provinces that have that in effect are finding some serious difficulties which may in fact even contribute more to the problem, and I want to avoid that.

* (1420)

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Canola Oil

Mr. Jack Penner (Emerson): Madam Speaker, I rise today on a point of concern. When I read on May 10 an issue on the front page of the Winnipeg Free Press, the headline said: Health issues hound canola—Vegetable-oil concerns pose risks for \$2.5-billion industry. It really caused me a great deal of concern when I read

the article, first of all, and I questioned the data that was used to determine the quality that was raised by the Japanese in demonstrating that there had been some risk to rats that had been fed canola oil.

Three days hence, on May 13, there was another article and the headlines of that article said: Canola oil gets clean bill of health. That clean bill of health was derived out of a study and test done by the Department of Health in conjunction with funding from the farm community through the Canola Council whereby they contributed \$285,000 to this testing.

What amazed me and astounded me was when the NDP Health critic, Judy Wasylcyia-Leis, questioned the partnership of the Canola Council and the Department of Health in determining and doing tests to determine whether in fact the canola industry and the canola products were safe, and the testing has clearly demonstrated the safeness and the quality of the product. She added that she believes that Health Canada alone should do the testing.

Well, Health Canada alone does the testing. The agricultural industry, through the Canola Council, does support and fund this industry. There are two things that should happen: No. 1, an apology from the federal member in regard to the questioning of this; and secondly, that the Free Press probably do a converse on its publishing on issues such as this whereby they should probably do the positive story on the front page and the negative story on the third page.

Election Call

Mr. Steve Ashton (Thompson): Yesterday, Madam Speaker, the Premier (Mr. Filmon) said he felt like Mick Jagger. I have news for the Premier. Not only is he not Mick Jagger, it is the people of Manitoba who are singing "can't get no satisfaction" when it comes to this government.

Madam Speaker, since elections are called on Tuesday, we hope that next Tuesday will be a Ruby Tuesday, and we are hoping the Premier will get off of his cloud and, in the spirit of the song Start Me Up, perhaps actually call the

election that the people of Manitoba want right now. Thank you.

Emergency Preparedness Association

Mr. Ben Sveinson (La Verendrye): Madam Speaker, I would like to take a moment to speak about an important organization, the recently founded Manitoba chapter of the Canadian emergency preparedness association.

Madam Speaker, the purpose of the organization is to be a respected voice and resource promoting emergency preparedness through partnerships and dialogues with our communities. The membership base includes representatives from all levels of government and their respective departments, business, non-governmental agencies, education institutions, as well as emergency managers, planners, responders and the general public.

The Manitoba chapter of the Emergency Preparedness organization has several objectives including:

Promoting better knowledge, understanding and co-operation in emergency preparedness matters in the region; raising public awareness and involvement in the role and importance of emergency planning and community preparedness for natural and human disasters; enhancing through continuing education the knowledge and skills of persons involved in the provision of emergency preparedness services; encouraging and facilitating emergency preparedness training and research.

Manitobans have risen to the challenge of natural disasters and other emergencies on many occasions. Indeed, we have become experts in many fields of emergency management. Madam Speaker, every response to an emergency situation requires the highly co-ordinated team effort of several agencies, organizations, government departments and the community itself.

I would like to congratulate all those involved in the founding of the Manitoba chapter of the Canadian emergency preparedness association and wish them well. Their efforts are appreciated by all Manitobans. Thank you.

Susan Morrice

Ms. Becky Barrett (Wellington): Madam Speaker, I would like to read into the record the entire letter that I talked about in my question in Question Period.

From Susan Morrice to the honourable Minister of Health. "On March 28, 1999, I was admitted to the Grace Hospital for shortness of breath and severe pain in my leg. There were no beds for me, so I was moved to the hallway in emergency. I lay there for almost 4 days. apparently there was room for 14 stretchers in the hallway, however, most days there were 17.

"The purpose of my letter is to try to explain exactly how it feels to lay in the hallway of one of your great institutions. The indignity one feels at having to urinate and defecate under the covers in front of everyone. The pain one feels lying on the stretcher with a 3 inch mattress worn thin where the buttocks has indented a pothole in the mattress from too much use. I don't think you realize that a hallway was made for busy people to walk through not for sick people to lay in day after day. The ventilation is such that it blows cool air. I lay under one of these vents. I was in pain and had a fever. With the cold air blowing on me I became sick with a cold on top of all my other pain. There was no sleep in the hallway to help relieve the pain and cold.

"During my stay, I watched people come and go. Staff had to constantly move stretchers out of the way in order to move down the hall. Most of the patients were elderly and confused. Some were terrified, not knowing where they were and why they were there. I must say I consider this to be elderly abuse.

"Your staff, however, are wonderful; although I don't believe that you know it. It takes a very special person to work in the health field and under such conditions. The way you treat them and the atmosphere you make them work in is atrocious. You have made them feel guilty about their work, I saw it in their eyes as they passed me in the hallway. Many could not look me in the eye because they felt so bad about having me lay in the hallway while I received my much needed treatment.

"Not one hour passed without patients complaining about being in the hallway. The abuse your staff receives because of your decision to reduce funding, lay off staff and close beds is horrible. People yell at your staff and they take it daily, all the while maintaining composure so they can move on to the next patient and be caring and compassionate in their daily commitment to help ease the pain.

Accountability for Funding

Mr. Kevin Lamoureux (Inkster): Madam Speaker, in listening to Question Period today, there were two issues which I wanted to comment on.

One is in regard to a document that we received from the Minister of Industry and Trade (Mr. Tweed) in which it is very clear that the government should be releasing and we believe is holding back for more political reasons than anything else. I look to the Premier (Mr. Filmon) to show some leadership on this particular issue and indicate who it is that is receiving the \$2-million loan of which \$1.65 million has already gone out.

Having said that, the other issue which the New Democrats brought up was Ron Fewchuk, the severance package of \$300,000. It is interesting that they would pose that question. I wonder if the same principle would apply to the individual that Bucklaschuk is responsible where the taxpayers had to foot a \$2-million bill because of neglect from the NDP.

I wonder if the New Democratic Party should be held responsible and accountable for that as opposed to the taxpayers paying it. Then you would see, no doubt, it would likely financially bankrupt the New Democratic Party. So then you would not only have a financially bankrupt party, you would also have a morally bankrupt New Democratic Party.

MATTER OF GRIEVANCE

Issue of Personal Integrity

Madam Speaker: Order, please. The honourable member for The Maples is up on a grievance.

Mr. Gary Kowalski (The Maples): Yesterday, the member for Crescentwood (Mr. Sale) called me a coward. I have been called many things, but a coward is something that I have never been called before. I debated to do a matter of privilege today, not because I was called a coward but because of the reason I was called a coward.

Just to put it in context, yesterday during the committee hearings of the Estimates of Industry, Trade and Tourism, near the end, there were a few minutes to go and I and my colleague for Inkster (Mr. Lamoureux) were hoping to get to the line that the member for Crescentwood had wanted to remove \$5 million from. So, when it got to within four minutes of five o'clock, they had finished the page, and they asked if there was agreement to call it five o'clock, and we said no.

So I think the member for Crescentwood was a little bit disappointed that he could not get out of there on time. So when it was called five o'clock, he came over to talk. There was myself, the member for Inkster (Mr. Lamoureux), there was the minister's staff present, there was the Minister of Housing (Mr. Reimer) present. I started questioning him how he could have the inconsistency of voting for the budget and then trying to change the budget. He said: well, at least I was not a coward that avoided the vote.

Then, a few minutes later, while the member for St. Norbert (Mr. Laurendeau) was there, when the member for St. Norbert questioned him, he said: well, we were not going to vote for the budget and have you saying at the door that we are against tax cuts. So that is the principal position they took. That is the principal position he took, that he voted for the budget based on the upcoming election. That is a principal position.

Still, being accused of being a coward by the member for Crescentwood (Mr. Sale), I do not take seriously. I come from a very macho environment, the police force, where I have had bullets miss me by inches, I have been a skydiver, so I do not take it seriously from the member who, when someone mentions that they are going to punch his lights out, he comes running back in here doing a matter of privilege.

So I do not take it too seriously, although I felt like punching his lights out at that point, but it was for the fact that my privilege, my right as a member to use a long-standing parliamentary tradition of being paired.

Now they have 23 members to do party duties. You know, if they have a personal commitment, if they have a constituency commitment, that they could take turns in pairing and that. We only have two members here, and if I am going to be intimidated from using my privilege, my right as a member to pair with someone, maybe I should have done a matter of privilege and the member should have been censured. But I will continue to use my right as a pair.

I will not take the comment from the member for Crescentwood, a member who has countless numbers of times been found to bring information into this House that was later found to be inaccurate, the member who the Free Press editorials questioned his accounting practices and his judgment, the member who Judge Monnin questions his judgment. I am going to worry about that? No, and I am going to continue to use the practice and the fact that he would question my integrity, my intestinal fortitude to vote.

When have I been reluctant to take an unpopular viewpoint? I went against the Leader of the Liberal Party of Manitoba on principles. I am not scared to vote with my conscience and I will continue, and to be called a coward by the member for Crescentwood, I find repugnant. Then to admit that his principles are, well, we will vote for what will win us an election.

* (1430)

I know we are coming up to an election and things are getting pretty heated, but let me remind people that when the member for St. Boniface (Mr. Gaudry) passed away and I said remember you are human beings, and to get personal. You know, politics is one thing, to disagree with an issue, but to call someone a coward, to question their integrity. You know, I am leaving this place and when you leave here one thing you want to leave is your good name. You want to be known for having good integrity.

So for the member for Crescentwood to question my integrity, to question my motives for pairing is not acceptable, Madam Speaker.

When I was going through the difficult times I did because I could not agree with some of the directions that the Leader of the Liberal Party was going, and I had to take a very difficult position, I have to admit I considered going to another party. I always said that quite often I agreed with the policies of the New Democratic Party, but I never agreed with their tactics. I found working with the Conservatives, them to be honourable, respectful people. Okay. [interjection] See, this is typical. This is typical. Now the member mentions my wife. Can you get more personal?

Is that the type of tactics the NDP, that is after mentioning—years from now when she meets my wife, my daughter, me on the street, will she be proud for political purposes, instead of understanding the difficult position I am in as a human being and as a person, that she would acknowledge that, but for political purposes, the self-righteousness of these members because they have 23 members that could yell louder than the two of us, that eventually they get to believe themselves. You know, because if you say it often enough and you yell loud enough, you start to believe yourself.

So, after the member for Crescentwood (Mr. Sale) tells me the reason he voted for the budget was because it would gain him votes in the next election—this was a party that I thought was a principled party. Well, now I believe the NDP stands for no damn principle party.

So I will continue to pair. I will continue to do my job. I remember before the '95 election there were a number of members that were leaving, Jerry Storie, I think, John Plohman. I remember they were allowed to leave with dignity. They maybe did not put as much time into the Chamber as they normally would have because they were preparing their exit, but they were fulfilling their duties, and I am fulfilling my duties. I am fulfilling my duties just as they did, and if I am going to be paired, no one better question my integrity.

Thank you, Madam Speaker.

ORDERS OF THE DAY

House Business

Hon. Darren Praznik (Government House Leader): Madam Speaker—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable government House leader was recognized to address the business for this afternoon under Orders of the Day. [interjection]

Mr. Praznik: Madam Speaker, would you call the member for Transcona (Mr. Reid) to order.

Madam Speaker: Order, please.

Mr. Praznik: I would ask if you could please call for introduction for second reading Bills 18, 20 and 21. If we could call those bills for introduction for second reading, and then we will proceed into Committee of the Whole to give consideration of Bill 22, I believe it is, the taxation bill.

SECOND READINGS

Bill 18—The Correctional Services Amendment Act

Hon. Vic Toews (Minister of Justice and Attorney General): I move, seconded by the Minister of Rural Development (Mr. Derkach) that Bill 18, the Correctional Services Amendment Act (Loi modifiant la Loi sur les services correctionnels), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Toews: Madam Speaker, during the last sitting of the House I introduced a new correctional services act to replace The Corrections Act in related regulations. I mentioned then that the current act was over 30 years old and does not provide the legislative base that is needed to adequately deal with the current issues and corrections. The new act will provide the necessary direction authority for the administration of community and custodial

services for both adult and young offenders that this government believes is necessary to enhance public safety.

The Correctional Services Act was subsequently passed, but it has not been proclaimed pending a detailed review and overhaul of the related regulations, a process which I am pleased to say is very near completion. During the course of this work, it became apparent that there were some technical deficiencies in the new act. The purpose of this amendment is to address these deficiencies now and in a timely fashion rather than at some later date.

* (1440)

Most of the changes are of a technical nature. Some simply correct punctuation, grammatical and typographical errors. In other cases, words are substituted to correct drafting errors or to ensure greater consistency between sections or between the section and the section heading. Other changes are intended to clarify the meaning of a section or to provide greater flexibility. Some of the amendments, for example, eliminate the need for regulations where they are not necessary or were not contemplated in the first place and allow the commissioner to establish criteria rather than having these fixed in regulations

The most substantive amendment will correct a drafting oversight and provide the necessary legal basis for provincial inmates, that is, inmates convicted of provincial offences and the question of remission. Most adult prisoners, adult male prisoners and female prisoners, are prisoners within the meaning of the federal Prisons and Reformatories Act. Those people who are prisoners pursuant to Criminal Code sections are entitled to remission or the taking away of remission under the terms of that act. However, a very small percentage of inmates serving sentences for provincial offences are not prisoners within the meaning of that act. Therefore, the issue of remission, both the granting and taking away, is not dealt with legislatively.

For reasons of fairness and consistencies, these inmates have always been permitted to be dealt with in terms of remission in the same way

as prisoners who have been sentenced under the federal Criminal Code. This amendment will simply provide a legal basis for continuing to do so. This provision is modelled on legislation from the other provinces.

With respect to this amendment, I wish to point out that all inmates must earn remission. That is conditional on both good behaviour and program participation. I also want to point out that when I introduced the new Correctional Services Act during the last session, I referred to a new provision that could keep selected offenders in custody for the full time imposed by the sentencing court, even if they fulfilled all good behaviour expectations and would otherwise be released on the basis of earned remission. This would apply to offenders where there is reason to believe they are likely to commit a serious offence or a sex offence involving a child. This new provision would also apply to inmates serving sentences for provincial offences, so that any dangerous inmate regardless of offence or sentence length would remain in custody until warrant expiry date. Although most of these amendments are technical in nature, I would rather, as I said before, correct any deficiencies before rather than after the proclamation of the new Correctional Services Act.

This concludes my opening remarks about Bill 18, Madam Speaker, and I would be pleased to discuss the provisions further at a committee stage. Thank you very much.

Mr. Gord Mackintosh (St. Johns): I move, seconded by the member for Transcona (Mr. Reid), that debate be adjourned.

Motion agreed to.

Bill 20—The Chiropodists Amendment Act

Hon. Eric Stefanson (Minister of Health): Madam Speaker, I move, seconded by the Minister of Environment (Mrs. McIntosh), that Bill 20, The Chiropodists Amendment Act (Loi modifiant la Loi sur les chiropodistes), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Stefanson: Really, this is a very simple amendment to this act. It has to do with the whole issue of mobility of chiropractors and meeting the mobility requirements under the Internal Trade Agreement. That really is the whole focus of this amendment, Madam Speaker. So I would encourage members of this House to support the amendment to this act.

Madam Speaker: Is it the will of the House to adopt the motion?

Some Honourable Members: Agreed.

Madam Speaker: Agreed? Agreed and so ordered.

**Bill 21—The Ophthalmic Dispensers
Amendment and Consequential
Amendments Act**

Hon. Eric Stefanson (Minister of Health): Madam Speaker, I move, seconded by the Minister of Finance (Mr. Gilleshammer), that Bill 21, The Ophthalmic Dispensers Amendment and Consequential Amendments Act (Loi modifiant la Loi sur les opticiens d'ordonnance et modifications corrélatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Stefanson: Madam Speaker, really the explanation for this bill is the same as Bill 20, The Chiropractors Amendment Act. It, too, has to deal with the whole issue of mobility and the issue of meeting the requirements of the internal trade agreements across Canada. So, once again, I would also recommend that members of this House support the amendment to this bill.

Mr. Daryl Reid (Transcona): I move, seconded by the member for Elmwood (Mr. Maloway), that debate on Bill 21 be adjourned.

Motion agreed to.

Hon. Darren Praznik (Government House Leader): Madam Speaker, I would move, seconded by the honourable Minister of Health (Mr. Stefanson), that this House now resolve itself into a Committee of the Whole to consider

Bill 22, The Statute Law Amendment (Taxation) Act, 1999.

Motion agreed to.

* (1450)

COMMITTEE OF THE WHOLE

**Bill 22—The Statute Law Amendment
(Taxation) Act, 1999**

Mr. Marcel Laurendeau (Chairperson): The Committee of the Whole will come to order, please. The committee has before it for its consideration Bill 22, The Statute Law Amendment (Taxation) Act, 1999 (Loi de 1999 modifiant diverses dispositions législatives en matière de fiscalité).

Does the minister responsible have an opening statement?

Hon. Harold Gilleshammer (Minister of Finance): Mr. Chairman, I did make my comments on Bill 22 with the introduction for second reading. I am pleased to be here today to have it come to Committee of the Whole.

This bill before us will enact the tax changes that were announced in the budget speech, changes to do with The Corporation Capital Tax Act, The Income Tax Act, The Mining Tax Act, The Motive Fuel Tax Act and The Retail Sales Tax Act.

I do have an amendment that I had indicated in my speaking notes that I would be making, and that I, at a later time, will share with members of the House. But we are ready to proceed with it, Mr. Chairperson.

Mr. Chairperson: Thank you. Does the critic from the official opposition, the honourable member for Brandon East (Mr. L. Evans), have an opening—

Mr. Gary Doer (Leader of the Opposition): I would like to make a brief opening statement on behalf of our caucus. We are going to deal with this bill at committee stage today. We are working with all members to ensure that these matters can be dealt with in a way that is

consistent with the best interests of Manitobans, but we believe that we could make better choices within the revenue changes proposed in this Bill 22. We, of course, supported the changes in last year's budget taxation bill and pointed out to the government in our public comments that the budget itself is a range of expenditures and a range of revenue, but we are still able to make different choices within those ranges.

Yesterday we moved a specific change on an expenditure item, looking at the corporate grants and suggesting that some of those corporate grants that have been criticized by the Canadian Federation of Independent Business and been criticized by many of the business community, that those decline by \$5 million and that be allocated to kids living in poverty to deal with the 25 percent poverty rate of children in Manitoba. We regret that that was not the choice made by this government.

We would note when dealing with revenue items that the Canadian Federation of Independent Business last year suggested that the small business tax rate in Manitoba go from 9 percent to 5 percent, but they also suggested that be paid for, not by potential service losses in our communities but rather be paid for by a reduction in the corporate grants which they identified is up to \$45 million in the budget of Manitoba. In other words, less money for Shamray and a reduction in small business tax in Manitoba.

We supported that idea and put it in our alternative budget, and we note that the Minister of Finance (Mr. Gilleshammer) has reduced the small business tax over a four-year period in his budget this year. However, we regret that the recommendations made by the Canadian Federation of Independent Business—and we do not always support their recommendations, but in this case we thought it made good sense—[interjection]

As my spouse is a member of some of these organizations, I resent the heckling from members opposite, particularly the member opposite who still cannot tell us where our \$7 million in the Shamray kind of fiasco went without due diligence. Perhaps, if he wants to heckle in the House, he will come back here

with answers to questions instead of heckling from his seat, Mr. Chairperson.

We support the small business tax reductions, but we would have followed through on the alternative budget that we proposed last year and had that amount being paid for out of the corporate grants. So one way we could achieve some of the options that we prefer was to make the expenditure reduction in the I, T and T department which we proposed yesterday and was defeated on procedural grounds by the majority against our families here in Manitoba.

We supported the tax reduction last year and voted for it. It was a modest tax reduction. We know that in the 1990s governments have reaped considerable revenues over the last number of years. They have received the benefit of bracket creep, a change made by the Mulroney government in the late '80s that means that the revenue from income tax goes up every year even if the tax rate does not go up. So, in fact, when governments nowadays talk about lowering the tax rate or freezing the tax rate or opposition parties promise to freeze the rate, we know that there is a built-in increase in revenue for the government with the existing rate because of the Mulroney government taxation changes, the so-called bracket creep changes, that have meant that revenues go up substantially with the same rate in income tax.

We would also note that the government of the day is receiving considerable revenues from gambling. Gambling revenue now has gone from \$40 million a year to \$240 million a year and overall revenues for the province of Manitoba since the recession in the early '90s has gone up close to a billion dollars. Overall revenues have gone up close to a billion dollars, and so there has been real concern out there about the tax levels of Manitobans, and particularly after the GST was brought in and after the bracket creep was brought in. We had a further downloading onto families and communities with the increase in property taxes made directly and indirectly by government action by members opposite.

Two decisions made by this government have directly impacted on property taxpayers in Manitoba and have directly impacted on the

burden of taxation which we feel the government should deal with. One is the property tax credits were clawed back in 1993 budget, some \$50 million was clawed back. We are not sure of the amount today because of the income tax variation for the seniors clawback, but most families lost \$75. Most seniors lost up to \$150. Most seniors, who feel they have paid a long time for their children to go through school and are on fixed incomes, now are paying a terrific amount of money for property taxes, and it has been partly due to members opposite in the property tax credit side.

*(1500)

I note that the councillor is here today and I say hello to him, but in the 1993 civic budget and in the tax bills that people received in 1993, the bills went up \$105 per home on average, \$16 was the Winnipeg School Division No. 1, \$14 was the City of Winnipeg and \$75 was from the provincial government's clawback on the property tax credit.

The government says read my lips, no new taxes. Well that was a tax increase, plain and simple. If you have a \$75 increase based on provincial government action on taxes, that is a tax increase, and it was a real tax increase for seniors. I know the government had ads in 1995 for seniors, saying we are not going to forget the people that built this country, but I do not understand now, when the government is running a surplus because of bracket creep and revenues from gambling and other sources of income, why we are not making some kind of relief for the property tax payers, seniors and others, that was increased by a government action in '93.

Now I understand I did not support the decision of members opposite in '93, now the member of the taxation commission, Mr. Manness, but I do know that they were running a record high deficit in 1993. The deficit was, according to Harold Neufeld, \$862 million and, according to the Auditor, \$762 million, but clearly now, with bracket creep revenues, the government is running a surplus, and so we have choices to make on taxation decisions. We think that the property tax credit issue should be addressed by this government.

We would also note that the amount of money paid for by property tax payers to deal with the education funding of this government has gone from \$200 million province-wide to \$400 million province-wide in the last 10 years, a shift, a considerable shift onto the property taxpayers again, and that is why in Brandon you have a 9 percent increase in property taxes levied by the school division, St. Vital is 5 percent, Seine River is 5 percent, River East at 3.9 percent, Seven Oaks at 3.7 percent, Winnipeg School Division No.1 is 3.5 percent, and this is all because of minus 2, minus 2, zero, minus 2, plus 2 by this provincial government, and when they say they are not responsible for property taxes and say it is up to the municipalities, I think they have been very unfair.

They condemn the federal government for offloading \$260 million in health and post-secondary education costs onto this province and they are right to condemn them. We are with them on that point. But then to turn around and do something in an insidious way that has equal impact on property taxpayers, I think, is very unfair.

So what do we do about it, Mr. Chairperson; what do we do about it, Mr. Minister? Well, we are suggesting that the property tax credits—that were lowered and therefore an increase in property taxes—be reinstated in the year 2000 in this budget. We support the 1.5 percent in July. I note the government is using the federal tax reductions to get kind of a good number that families would see potentially in their July pay cheques. It will deal a little bit, a little bit with the bracket creep that has gone on since 1989 in Canada and since 1989 here in Manitoba.

So the '90s have been a period of time where governments automatically have had an increase in revenues with either a freezing of the tax rate or a decline in the tax rate. Where the real increase has been is in this bracket creep to the provincial government and, I would argue, a property tax load precipitated by the provincial government on to municipal governments across this province.

So our alternative is simple. We will have a balance, if you will, between income tax reductions scheduled July 1, which we will

support, and our alternative to reinstate the property tax credits for people in Manitoba as our alternative amendment that we will be moving later. You have seen the commentary about income taxes and whom they affect and who are the winners and losers in income tax.

One way of balancing that issue is the property tax credits. A property tax credit reduction of \$75 for a person in St. James is worth about a 6 percent decline in property taxes versus somebody in Tuxedo, which may only be 1 percent.

So I would ask the Minister of Finance (Mr. Gilleshammer), the First Minister (Mr. Filmon) may be not in favour of this or may be in favour of this, but look at the people in Minnedosa, look at the people in Brandon, look at the people in St. James, look at the people in St. Vital, look at the people in St. Boniface, and other communities. This would be a nice balance between those people who make higher income in Tuxedo and get a 1.5 percent tax reduction with this budget. Everybody will get a 1.5 percent tax reduction based on the federal taxation in July. Our proposal would then be very fair. I would suggest it would have economic impact beyond this budget to go with the property tax credit proposal that we are suggesting.

We have a situation in parts of Winnipeg, parts of downtown Brandon, and parts of downtown communities in places in Thompson and other communities where there is a real need to rebuild hope in our communities and rebuild investment in our communities and in our neighbours. This would be a tremendous benefit for a homeowner in Point Douglas. This would be a tremendous benefit for a homeowner in the inner city.

I live in Elmwood, and we have a variety of incomes in the Elmwood area and a variety of values for homes. In the community of Elmwood, a property tax credit would make a real difference to people feeling confident and hopeful and to work with a council and councils in Brandon, Winnipeg, Thompson, and other communities that are looking for ways to make a difference for property tax payers but not cut the quality of services that are so important for all

our citizens, the quality of our recreational resources, the quality of our police and fire and other services that are so vital.

So let us get together. Let us not just pretend that property taxes are a municipal problem and a school board problem and income tax is a provincial problem. We are all one taxpayer. We all feel the brunt of the GST brought in by the Mulroney government. We are all one taxpayer. We all feel the pressure of expanding the sales tax as members opposite did in the '93 budget. In fact, I asked somebody on Broadway: what do you think is going to be in the budget? They said: I just hope they take the tax off this hot dog that they brought on a few years ago. Well, we did not do that in this budget, although Saskatchewan has a much narrower base of sales tax.

We could look at all kinds of taxes, the corporate tax structure, the payroll tax structure, the income tax structure, the sales tax structure, we can look at all kinds of issues. But we think property taxes directly from this provincial government in property tax credits indirectly through the education grants is the major issue of taxation. It is the major concern that people have.

I am glad the Minister of Finance changed the terms of reference for the so-called low tax commission because, when we first suggested that, the Premier rejected it or was quoted as rejecting it in one column. Now I am glad that the decision made last week was to include it. We would have somebody who may be more property tax sensitive deal with the issue than the person who raised property taxes last time around, but that is not an issue for this debate on this bill. So we believe we can support some relief in the bracket creep that has gone on with families.

* (1510)

The late '80s and early '90s have had a tremendous shift of taxation burden with the GST, the spread of the PST and the income tax creep that has gone on. It has had a real impact on people, the property tax credits and the education offloading, and our alternative is to say yes to the July 1 change and let us change the second one and a half to deal with property

taxes. I think it is a more balanced approach; I think it gives hope to more families; and I think it will help us rebuild some of our communities that in the end will contribute more taxation to the levels of government and create more economic activity by feeding some of the breaks at the lowest end along with the break that is proposed on this at the higher end. It will be a good balance to get all of us working together in Manitoba for hope and for fairness in taxation. Thank you, Mr. Chairperson, for allowing me to make this statement.

Introduction of Guests

Mr. Chairperson: Before we continue, could I draw your attention to the loge where we have with us today the former member for St. Norbert, my city councillor, Councillor John Angus.

* * *

Mr. Chairperson: The bill will be considered clause by clause. During the consideration of a bill, the title and preamble are postponed until other clauses have been considered in their proper order by the committee.

Clause 1—pass.

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Chairperson, I, in debating this in second reading, had posed a number of questions to the Minister of Finance in terms of concerns that we had within the Liberal Party, the biggest one being that of the whole issue of property tax.

I had asked the Minister of Finance or at least appealed to the Minister of Finance to show any shred of evidence or anything that would indicate that the provincial government was in fact looking at the whole property tax issue, in particular with respect to the school levy. Now I realize that it might not necessarily be specific to this particular line, but I would very much appreciate some sort of feedback from the Minister of Finance on this issue.

Mr. Gilleshammer: When we did our pre-budget consultations throughout rural Manitoba and the city of Winnipeg at the end of last year and the beginning of this year, the previous

minister and myself and others met with many, many Manitobans to discuss the budget, what spending priorities Manitobans had and what advice and information they had for us in terms of tax reductions. Throughout the course of those meetings, some 1,200 Manitobans came forward to be heard either at these meetings or by mail on subsequent days and indicated very clearly to us that their preference was for an income tax reduction. We followed that advice, and as a result we have reductions to the provincial income tax within this budget.

There were people who mentioned other taxes and gave advice on that. Not a lot of comment at those hearings and meetings on property tax, but we have indicated that we are prepared to move to put in place the Lower Tax Commission which was announced last week. Mr. Chairperson, part of their mandate is to look at the whole tax regime within the province of Manitoba and report back to us, to speak to experts, speak to Manitobans and come back with recommendations to government later this year. Within that mandate, they have been asked to look at not only the income tax and sales tax but also property tax and all other taxes.

Mr. Lamoureux: Mr. Chairperson, can the Minister of Finance indicate whether or not there has been any polling that was done that would have included some sort of a question on the property tax issue in comparison, let us say, to the personal income tax issue?

Mr. Gilleshammer: The one piece of research that we did was a piece that was tendered and was done for the Department of Finance and for the government. That was presented to government a number of months ago. The day after the budget it was released to the public and is available to the member to look at the style of the research and the compilation of results that this research brought forward.

Mr. Lamoureux: Mr. Chairperson, as opposed to going into too much depth in terms of the polling, I still am very much interested in knowing how the government solicited input on the whole issue of property tax. The reason for that is—I will give an example. In Winnipeg School Division No. 1, you will likely find the highest level of property taxation, and how many

individuals did you actually get that would have lived in Winnipeg No. 1 where I believe, truly believe, that we are very close to a lot of people just boycotting paying property tax.

Does the Minister of Finance have any idea or has he gauged in any way some of the people who are so upset with property tax, in particular, in different sectors? I would suggest to you, Winnipeg School Division No. 1, if you are a property owner in Winnipeg No. 1—and I will give a specific example. Someone who lives in Winnipeg School Division No. 1 who has a house of \$100,000 of value will pay \$400 more—

Point of Order

Mr. Tim Sale (Crescentwood): A point of order, Mr. Chairperson.

While I have some sympathy with what the honourable member for Inkster is questioning, I think we are on clause-by-clause debate, and I think we are on Clause 2 which is the corporate capital tax clause.

I believe that if the honourable member wishes to address the broad question of what should be included and what should not be included, he could perhaps do it on third reading, he could perhaps do it under some other heading. But at this point, I believe we are supposed to be moving through the bill on a clause-by-clause basis, and I believe he should be relevant to the clause under debate.

Mr. Chairperson: The honourable member for Inkster, on the same point of order.

Mr. Lamoureux: Mr. Chairperson, I think that what we have to do is we have to look at what precedents we have seen happen inside this Chamber before.

There is absolutely nothing wrong with posing questions of this nature. The Minister of Finance was prepared to answer the questions. It has happened on numerous occasions where the New Democrats have asked questions. Because it is an important issue for the Liberal Party, I do not believe there is anything wrong with posing the question, given the minister is prepared to answer the questions. I told the minister and the

Chamber in second reading that I was going to be posing questions, and I was hoping to get a response. We have an obligation to try as much as possible to find out to what degree the government is in fact looking at the property tax issue.

I would suggest to you that it is indeed based on a tradition that has been established inside this Chamber. These questions are in fact valid and definitely worth their while in terms of being answered. I appreciate the Minister of Finance's co-operation in answering the questions, and I trust that we will be able to continue on having this dialogue. In fact, it would have been ideal right after the Leader of the New Democratic Party spoke on the bill; I attempted to stand up at that point in time. This is an issue which we believe has to be addressed, and I appeal to the Minister of Finance to allow us to continue the questioning.

Mr. Chairperson: The honourable Minister of Finance, on the same point of order.

Mr. Gilleshammer: Mr. Chair, I do recall the member for Inkster asking during second reading if he could pose questions, and I certainly do not mind. He was the only one who voted against my budget, and I do feel that perhaps with a little more discussion he would come onside and make this a unanimous support for the budget within the House, but he does pose reasonable questions. He had signalled that he wanted to do this. Certainly we are prepared to proceed.

* (1520)

Mr. Steve Ashton (Opposition House Leader): Mr. Chairperson, on the same point of order, I think the real question here is not so much the question, but I think, as our member pointed out, the point we are dealing with, I can indicate we will actually be having an amendment that will deal with this subject area. We have concerns in terms of that ourselves. So I think we may want to just either revert back to a situation where we are not dealing with it clause by clause or, perhaps, identify the appropriate clause. I think, you know, if we can go one or the other route, but I do not think it is appropriate to ask questions on specific line items.

If the member wants to ask on a general basis, I do not think anybody would object to that. As I said, we will be moving an amendment on property taxation in a few minutes as well. It is an issue that is very important to us. We may just want to revert to general discussion before getting into clause by clause, if that is acceptable to members of the House.

Hon. Darren Praznik (Government House Leader): I notice the comments from the member for Crescentwood (Mr. Sale) about the strict adherence to the rules of this committee. Given the request to strictly adhere to those rules, I would think that that is important they be respected. Whenever we have bent our rules it was because there has been a general consensus. Strict adherence to the rules has been asked for.

Mr. Chairperson: I thank the honourable members for their opinion on this. I would rule that the honourable member for Crescentwood (Mr. Sale) did have a point of order. We were varying away from the—[interjection] If I could finish, I will get back to the honourable member. Just let me finish my ruling.

The honourable member did have a point of order, as I stated. We were moving away from the area that we were discussing with the honourable member's question. If there was a willingness of the committee to have that latitude, we would have to do it by unanimous consent. That is my ruling.

* * *

Mr. Lamoureux: Well, Mr. Chairperson, I guess I would challenge your ruling.

Mr. Chairperson: The ruling of the Chair has been challenged.

Voice Vote

Mr. Chairperson: All those in favour of the ruling of the Chair, please say yea.

Some Honourable Members: Yea.

Mr. Chairperson: All those opposed.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Yeas have it.

Mr. Lamoureux: Yeas and Nays, Mr. Chairperson. I request a recorded vote.

Mr. Chairperson: Does the honourable member for Inkster have support? For the honourable member's advice, he needs four members.

Mr. Lamoureux: Mr. Chairperson, if I may, I would rise on a matter of privilege. I rise on a matter of privilege because I do believe that my rights and the rights of my constituents are in fact being infringed upon.

Mr. Chairperson, I listened to the Leader of the New Democratic Party give a speech. I then came down to my seat, stood up. You, as the Chairperson, read the lines. I was standing. When you looked up, I then was addressed. I posed a question to the Minister of Finance (Mr. Gilleshammer).

I would challenge any member of this Chamber to stand in their place and say the types of questions that I was trying to pose to the government, maybe not on this particular bill, but on other bills, was disallowed, that it never occurred. What a bunch of hypocrites, if someone can honestly stand up and say that that has never occurred inside this Chamber, because I have seen it occur. It has occurred.

The Minister of Finance was in a position in which he was answering the questions. I do not know what the motives of the member for Crescentwood (Mr. Sale) were in terms of, Mr. Chairperson, trying to interrupt and try to allow me to get the type of answers that I had indicated to the Minister of Finance. I had indicated to the Minister of Finance in second reading that I had, on behalf of the Liberal Party, a number of concerns with the way in which this government was not addressing the property tax issue.

Mr. Chairperson, I believe that all of us have rights inside this Chamber. Those rights have

been seen in the past inside this Chamber where there has been a general feeling of good will. When a member is sincere with what it is that they are attempting to do, they are allowed the opportunity to go ahead.

I have seen in second reading where someone will stand up in hopes of asking a minister, the opportunity to ask questions on a particular bill. Yes, at times, procedurally, they would ask for leave, leave would be granted, and then they could pose the question. At times, that is in fact what has occurred.

I have seen in committee where we have been on lines, whether it is in committees of Estimates, and the member—you know, the member and I were in committee earlier today, and we were posing questions on different lines where we were debating.

Mr. Chairperson, if I had the budget in front of me, we were actually I think it was on line 10.2.(a), and he was asking questions on line 10.2.(b)—[interjection] Not with the committee's permission, no. Review the Hansard. Then, after you asked your questions on Vision Capital, we went back, and then—

Mr. Chairperson: Order, please. Could I ask the honourable member to put his comments through the Chair and not provoke debate in the Chamber.

Mr. Lamoureux: Mr. Chairperson—

Point of Order

Hon. Darren Praznik (Government House Leader): On a point of order.

Mr. Chair, if this may accommodate matters so that this point may be dropped, I did hear the opposition House leader indicate or suggest that there was a willingness. I mean rules are rules. If we agree to waive them, we do. If we do not, we do not.

The opposition House leader did suggest that we could revert back and allow some general discussion. This side of the House has no objection to that. If the opposition House leader is speaking for all of his members, there is

no objection there. Perhaps the member for Inkster, if he would suggest that or accept that as a means of dealing with this issue, we could get on with discussing the matters of the tax bill rather than dealing with a point of privilege.

Mr. Chairperson: The minister is recommending that I ask if there is a willingness of the House at this time to allow general questions at this point in the bill. Is there leave of the House? Is there leave, or do we just revert back to No. 1 so that the honourable member could put his questions the way the opposition had their opportunity? Would that be agreed? [agreed]

* * *

Mr. Chairperson: We will revert then to Clause 1 of the bill, and this will, I take it, resolve the matter which we were dealing with.

An Honourable Member: If the member withdraws the motion.

Mr. Chairperson: He did not have a motion. We did not get that far. We are back to Clause 1. We have approval. The honourable member for Inkster is recognized to ask his question of the minister.

Mr. Lamoureux: I thank you, and I thank all members for allowing us to go back to be able to pose the questions. I appreciate it very much.

Having said that, Mr. Chairperson, I do want to ask the Minister of Finance, given the concerns that I had raised on behalf of the party during second reading, when we look at the issue of property tax, the example that I was using at the time was someone who owns a house in Winnipeg School Division No. 1 of approximate value of let us say \$100,000 would pay \$400 more in net dollars than someone who would have a house of a similar value who would live, let us say in a Transcona area of the city.

So I have raised that up, Mr. Chairperson, because, depending on where you look will determine quite often the type of response that you will get in regard to taxation and the different types of taxation that are out there. So if, for example, in seeking that grassroots input,

that that input was marginalized in one part, whether it is in the city of Winnipeg, or was overemphasized in other areas, that it could have an impact on what the government believes is a priority issue in terms of taxation reduction. Now you have really two things.

You have the polling and the surveying that is done across the board. To what degree was there any issue with property tax? How did the government try to portray? You can try to get the results you want if you do not pose specifically questions that might bring an issue top to mind.

* (1530)

An example of that would be, if you do a phone poll and you say to the person on the telephone: which tax would you like to see decreased, sales tax, personal income tax or property tax? Well, you will get a fair idea in terms of what the priority is on those three taxes, and those three taxes, if you exclude, if you do not ask the question about property tax, well then it is not going to be anywhere near as much emphasis put on the property tax issue.

So that is why I asked the question in terms of what sort of polling did the government do? There was a prebudget brochure, from what I understood, that went out. What emphasis was put onto the property tax? If you do not make any sort of an emphasis on property tax that will have an impact. That is the point one.

The point two has got to be where it is that you are drawing it from. If you do all of your polling—and I am simplifying it here—in one sector of the province, it does not necessarily reflect the discrepancies or the problems that other large areas might experience. I say that because I really believe that if you canvass the constituents that I represent, you will find that the property tax issue is huge. If it is not No. 1, it is definitely No. 2. That is why I find it very difficult to support or to be sympathetic even to a budget that completely ignores an important issue of this nature because I think the Minister of Finance and his government has really missed out on an opportunity, the opportunity of trying to ensure a fairer taxation because the property tax is a fairly regressive tax.

So I look to the minister because I gave the minister notice—was it yesterday or the day before when we actually debated the bill in second reading—of the concerns that I am posing right now. So I specifically look to the minister to ask: if there was poll work done, was the issue of property tax in the polls?

Hon. Harold Gilleshammer (Minister of Finance): I thank the member for Inkster for his questions. He asked a number of them there, and I will try and recall them all in my answer.

We did send out a prebudget consultation pamphlet that went province-wide, and Manitobans I think took that very seriously and had an opportunity to respond to government.

There were 10 meetings held across the province, I believe six in rural and northern Manitoba and four in the city of Winnipeg. I know that these were widely advertised to be as inclusive as possible. I recall very much the one I attended in Souris, Manitoba. There were people from the entire southwest region of the province representing school division personnel, trustees, members of the RHA, members of the Chamber of Commerce, members of town councils and municipal councils and members of the general public who came.

I can assure you and I believe that this was quite similar to the other nine that were held, that there was wide-ranging discussion on both the expenditure side of government and the revenue side, and people had an opportunity either in a plenary session or in small groups to interact with staff from the Department of Finance, the Minister of Finance, and with each other.

Many questions were asked, and direction was given. This has been going on for a number of years. I recall attending one in the village of Ste. Rose the previous year, and, again, there were people from the various school divisions there and councils and members of the public. Again, just a tremendous interchange between members of the public and members of government and government departments where they, I think, came away with a better understanding of how budgets are put together.

Certainly, the expenditure priorities that we heard from Manitobans were that we should spend more money in Health, and very pleased and proud that in this budget we could increase health care expenditures by \$194 million, which is a 10 percent increase. I think that, with the exception of the member for Inkster (Mr. Lamoureux), there has been wide acceptance of the budget. Part of the budget, too, is not only the expenditure side but also the tax reductions that we indicated and advised on in the budget. We are bringing them forward in this bill. So I think what we tried to do was follow the advice of Manitobans across the province. If you are asking, did we have a meeting and say that this is specifically for Winnipeg No. 1 parents and property owners, that was not the case, but there were four opportunities across the city of Winnipeg for members of the public, members who are involved with school divisions, councils, to attend.

We feel that, in putting together the budget, Mr. Chairperson, we followed the advice of some 1,200 Manitobans who participated or responded, and clearly the advice we got was that the income tax adjustments that followed income tax adjustments we made the previous year was the place we should go. There were people who talked about property tax at those meetings, and I think our commitment, somewhat different than the other two parties represented here, is to continue to reduce taxes in this province. We believe that taxes are too high, and because of discussions and debate that takes place within this Chamber and in the public and in the media, we have put out there, it was announced in the throne speech, the Lower Tax Commission where three well-known and prominent Manitobans have been tasked with meeting with experts across the province, with the public, to hold hearings and bring advice back to government.

We very much look forward to that advice. Part of the mandate does include property taxes, and we expect that Manitobans will have an opportunity to make their feelings known on that just as they did during the budget consultation process as we look to starting next year's budget, probably in the fall, and the advice we get certainly will be incorporated into the planning and the preparation of next year's budget.

Mr. Gerry McAlpine, Acting Chairperson, in the Chair

I would indicate to the member that certainly the questions he is asking and the direction he is suggesting is one that people can suggest to the Lower Tax Commission. I would say to him, however, that expenditures in the area of city government, municipal government and school divisions probably are not going to be reduced. If he is suggesting that some of the burden be taken off the property taxpayer, he might also suggest where the revenue shortfalls will be made up. I think that is a debate that can take place, a discussion that can take place. I can tell the member we would be very open to hearing from him, from his party, from all Manitobans through the vehicle that we have put out there in the form of the Lower Tax Commission.

I do say that there were Manitobans that did make representation on that issue, but what we heard most often was adjustments to the provincial income tax were preferable.

* (1540)

Mr. Lamoureux: When the Minister of Finance makes reference to the fact that he had prebudget consultations in the budget pamphlet—no doubt, if I look in my files I will be able to find that, so I will not ask for a copy of that—I trust it made reference to the property tax issue. If it did not, I would be interested in hearing that from the Minister of Finance; otherwise, I am really interested in having some dialogue on the six and four, like there were six meetings in rural Manitoba and four in the city of Winnipeg.

Can the minister give any indication in terms of numbers? He talked about the Souris meeting in which he had indicated that he was quite pleased with it, Mr. Chairperson. Well, quite pleased. Does that mean in terms of the numbers of people who showed up or the content of what was expressed? There is the issue of six in rural, four in the city of Winnipeg. A majority of the population is in Winnipeg. Is it a fair assessment to say that a majority of the cases that were heard came from the city of Winnipeg? Do we have any form of a breakdown that would clearly illustrate that in

fact there was fair representation that was actually made to these prebudget hearings? In particular, I would ask for the minister first to comment on whether or not in that prebudget pamphlet property tax was even mentioned.

Mr. Gilleshammer: Mr. Chairman, we tried to be as open and available as possible. In fact, in reading a more comprehensive note here, there were in fact 11 workshops and hearings across the province, and the budget consultation piece was mailed out province-wide. So I think every Manitoban had an opportunity to respond. If he feels that in future consultations there should be more events in the city of Winnipeg, that is advice I am prepared to listen to.

I think he would have to appreciate that we try to go to where the people are as best as possible, in northern Manitoba and in rural Manitoba. There were no limitations on who could attend. If he is saying, in his mind, that four of these meetings in Winnipeg were insufficient, I am prepared to talk to staff and review that for another year.

When I said I was pleased, I meant that I thought that the people who attended were there prepared to participate. They had an opportunity both in the general sessions and in the small group sessions where people had been approached to be facilitators, and from my recollection people were quite prepared to listen and to advise and to examine the budget and the budget preparation. If he is being critical that more of these should be held, that is a criticism I am prepared to look at. I think we wanted to be as inclusive as possible, to allow as many Manitobans as possible to have their input, and I believe, from the processes that I saw, that the participation was wide open to the public, that advertising was done to make people aware of it. I know that the previous minister was on the radio and in the paper on a number of occasions indicating that these consultations were taking place. They have taken place for a number of years now.

Mr. Chairperson in the Chair

So this was not a new process. This consultation has been going on for a number of years. I know that some of the individuals who

attended do represent municipal councils and school boards and other interest groups. I think they look forward to it.

If the member for Inkster's criticism is that the consultation should be broader, I will look at that and see if we can be more inclusive. The Lower Tax Commission has not started to advertise or give detail about where they are going to meet and how people can interact. I think there has been a fair amount of interest and a fair amount of publicity, but no matter how much you do, you are probably still going to have some people say: I did not know about it. We will make every effort to be as inclusive as possible. I can tell you that we not only had workshop participants but we did receive written correspondence from Manitobans as a result of the pamphlet. We did have people phone in.

We did not try and steer them, as the member was maybe suggesting, to say: do you want this tax reduced or that tax reduced? We just talked about tax reduction and left that open-ended. Similarly on the spending side, we did not say: choose three departments that you think require more expenditure. This was left open-ended and Manitobans I think spoke their minds and spoke from the heart and said: this is what we see as the priorities. I can tell you that the priorities that were suggested in these consultations are not different from the priorities that this government has chosen over the last 11 years, where 90 percent of our new expenditures have been to health, family services, and education.

So I would invite the member to maybe look at the pamphlet that was put out, to look at the research document which was made available the day after the budget to analyze for himself whether he felt Manitobans had an opportunity to be heard on this and whether it is a fair process. As far as I am concerned it was, and it was an open process and people were quite free to speak their mind.

I can tell you that outside in rural Manitoba probably one area we hear a lot about is transportation infrastructure. We met with AMM earlier this week. There is a huge interest out there to have another infrastructure program and to devote more of our expenditures to

highways. That organization as well as every provincial government has been urging the federal government to spend some of the gasoline tax that they collect, \$150 million in Manitoba on an annual basis, to put that back into the road system. I know when the Liberal task force that is out there led by Mr. Harvard trying to find out what Canadians think, western Canadians, highways infrastructure is up near the top of the list. I am heartened by some of the comments he made in Brandon, that they were perhaps leaning that way and thinking of getting into another infrastructure program specifically for highways.

I would urge him when he meets with his federal Liberal members that he encourage them as well to think in those terms. If the member has any advice or information that we might put in the next pamphlet or where these initiatives should take place, I would be happy to receive that advice.

Mr. Lamoureux: In one of the statements that the minister made, I think it gives a good summation. The minister says that he is quite happy and content with the taxation policy for the last 11 years. Mr. Chairperson, this is a problem that even goes beyond 11 years. For the past 15, probably even closer to 20 years, we have seen a continual reliance of funding more and more public education through the property tax which has created the inequities that so many people in the province of Manitoba are facing today.

* (1550)

When the minister makes reference to Ottawa versus Manitoba, imagine if you will the inner city or north end trying to get their side of the argument heard by government, but they are not being listened to. They might be smaller in number overall in terms of the province compared to everyone else in the province, but it makes up a significant percentage of the province's population. It goes far beyond just the people that live in the north end.

It was two days ago I had a call from a lady, I believe she was in her mid-80s. She lives on Alfred Avenue. She receives home care, and her property tax was almost \$3,000. This is not an

extravagant house. It is in the Shaughnessy-Mynarski area, an individual who has to rely on government home care services. These outrageous property taxes have to be addressed, and over the last decade we have not seen any movement from the government. In fairness, it is something that was even been happening prior to 10 years or 11 years ago, but the government has really let down many Manitobans by not recognizing the importance of this particular tax.

The minister did not answer the specific question. The specific question was: inside that pamphlet that they circulated, was there mention of property tax in that pamphlet? I believe in all likelihood, and I say I would have it on file somewhere, so I am not asking for the minister to table it. I will assume, and the minister can please tell me if I am wrong, that it did make reference to personal income tax, but it did not make reference to property tax. So I would appeal to the minister to answer that specific question.

Second, the minister said: well, it was not 10 it was actually 11 meetings. You know, if it is six or four, what is more important than the numbers because the government could be applauded if it is going out to rural communities and it takes 10 meetings in order to reach the different rural communities. That is wonderful. We applaud the actions of the government in terms of trying to get input from rural Manitoba. What we are talking about was in the city of Winnipeg. If you have one meeting in Winnipeg and 12 meetings in rural Manitoba, it could still be okay. It depends in terms of what actually takes place at the meetings, right?

So if in fact you have—and I should be talking through the Chair, I guess. Mr. Chairperson, if in fact you have four meetings, as I believe we had in the city of Winnipeg, how many presentations would have been heard in comparison to rural Manitoba? Was it roughly the same? I would assume that the department has some ideas in terms of actual numbers. Could the minister enlighten the House in regards to that, please?

Mr. Gilleshammer: I thank the member for Inkster (Mr. Lamoureux) for his questions. I can tell you that a number of the things he is putting

on the record I think will be beneficial when we review our position as we go into the next budget consultation.

The meetings were well attended in all jurisdictions. You know, I think the member was in the House—maybe it was part of even the constitutional round of discussions that took place. He will remember that we tried to hold as many meetings across the province as possible. I am not sure he was on the committee, but I remember some of his colleagues. I was on the panel in Brandon, Dauphin, Swan River and The Pas, also here in the Legislature. People were given an opportunity to come forward and comment. You always try and strike that balance so that people all over the province have that opportunity.

In fact, I can remember members of the opposition saying that the committee, after second reading on other bills, should not just be in the Legislature here in Winnipeg, but we should go on the road. I think he has heard that comment. We have always said in those cases that this is the seat of government. This is where historically, traditionally, over many, many years in Manitoba, where we have the most open process in terms of government of any province in the country, where we have committees on all of our bills. The tradition is to hold the meetings here.

I can recall seeing my constituents and, even before I was a member, hearing about my constituents travelling to Winnipeg and waiting in the committee room for an opportunity to present on a particular bill because they felt strongly about it. I guess I had not heard, to any great degree, a criticism that the Legislature should be a travelling road show as opposed to sitting here in this beautiful Legislative Building in Winnipeg.

But I think it is easy to always say: did you give every Manitoban an opportunity to comment? Did everyone in the province have an opportunity for input? I dare say, even if we try our very hardest and our very best, there are always going to be some who are not able to come to committee, come to a meeting on that particular day, because of other conflicts with their schedule. So we just have to try our best.

Even on election day, only 60 to 70 percent of Manitobans get out to vote, even though there are advanced polls and travelling polls and so forth. Compared to other jurisdictions, that is a pretty good turnout. So I can tell the member that these 11 meetings that were held across the province, I believe, were well attended.

I do recognize that there may have been a conflict in any one of our communities. I think it was incumbent on us to have more than one meeting in Winnipeg, so four meetings were held, and I believe that all citizens had an opportunity to attend and to participate.

Also the research that was done that we talked about before was conducted throughout the entire province. With any good research, I think the researchers will be sure that they prorate their questions to respect the different levels of population in the city of Winnipeg and in rural Manitoba so that they can have credibility in that research.

We actually tendered that project, and the corporation, the company, that did have the lowest tender and was awarded that piece of research work is well known. If the member has not received a copy of the results, our policy is that it is available. It was released on the 30th of April, and I would be pleased to get the member a copy of it, if he is so interested. As well, I would get him a copy of the document that was sent out prior to the budget consultations that was distributed across the province.

But the member does want to talk about, I think, the expenditures of municipal government and the expenditures of school divisions, and there is no question that they have pressures on them. We recognize that, and we have increased funding to municipalities, for instance. In 1987-88, when we first came to government, the total grants and payments and transfers to the municipal level of government were just over \$100 million, and 10 years later that number is close to \$200 million.

So there has been a tremendous increase in the amount of provincial funding that flows through to municipal levels of government.

* (1600)

The federal government, of course, who has been a partner of sorts by flowing money to provinces, went through a period of time where they drastically reduced the transfers to provinces and took billions of dollars out of the transfers from the federal government to the provincial governments. I can tell you that we are the only jurisdiction in the country—and just going back to that, I would say that during that time when the federal government became less of a partner and less of a funder to the provinces, we backfilled that and more to be sure that our expenditures in health care, in particular, and social services did increase year over year.

I might also say that we are the only jurisdiction that has a provincial-municipal tax-sharing plan where I think in the last budget year some \$71 million was flowed to municipal levels of government and, because of the population ratios, the majority of that was to the city of Winnipeg. There was a dramatic increase in funds transferred because of provincial income tax to the municipal levels of government.

In addition, we, of course, have seen some introduction and growth in gaming revenue in the province, in all provinces across this country, and again we have chosen to share that with the municipal governments across the province. I know I represent almost 20 municipal governments, and they look forward to that revenue stream every year because it is money that comes to them that they have a little bit of flexibility with. It enables them to do some projects that they normally would not do, very much similar to the infrastructure program where three levels of government became involved with infrastructure programs.

That program has just come to an end, by the way, at the end of the last budget year, but it has enabled a number of infrastructure programs across the province to take place. I know that groups in the city of Winnipeg and across this province have been very thankful for that infrastructure program because it enabled them to do projects that were needed, and it was not only the traditional infrastructure. We tend to think of roads and sewer and water as the traditional infrastructure programs, but there was enough flexibility within that infrastructure program to allow municipalities and municipal

groups to do a variety of programs and projects that normally they would not have gotten done, because they could do them with 33-cent dollars.

I can tell you again, I indicated a little while ago we met with the Association of Manitoba Municipalities earlier this week. That is a prime request that we have coming from them. I can tell you that Premiers and Finance ministers across the country agree with them that we would dearly love to get into another infrastructure program. We need the federal government to get on board with that. Again, I said earlier that I am heartened by some of the comments I heard from the member, Mr. Harvard, who is out trying to find out what western Canadians have on their minds. We would very much like to see them get into that, whether it is through the gasoline tax on highways, or whether it is the same type of infrastructure program that they put forward the last time.

I would also comment that probably Manitoba put in place the best process in Canada for the decision making that was done on which projects should be identified and which projects we should go ahead with. I can tell you that any time that I have met with municipal leaders, whether it is reeve and council, or whether it is the AMM, or before that the UMM, the Union of Manitoba Municipalities, they were just extremely, extremely appreciative of the fact that this was not a top-down program that was determined in Ottawa or here in the Manitoba Legislature, but they had a major, major input into how that infrastructure program would take place.

I hear that time and time again. I hear that from other provinces as well that the programs did not flow as well. There was a feeling that all areas of those provinces did not participate and have an opportunity to have projects done in their area of the province. So Manitoba, I think, can be very proud of the fact that this was a true partnership from three levels of government, and that this was well received. We look forward to the next round.

You know, the member took some umbrage with some comment I made on taxation. We have not raised our major taxes for 12 years, and

we are very proud of that. Our commitment through the balanced budget legislation, the debt repayment and the responsibility that we take to taxpayers is that we will not do that. In fact, in the last two budgets, we have been able to, rather dramatically, decrease the provincial income tax rates.

Again, I say to the member, our commitment is to continue to look at ways to make Manitoba more competitive. Part of our decision making would be to continue to listen to Manitobans, to hear from them. Again, if the member for Inkster (Mr. Lamoureux) has ideas of how we can better communicate and listen to taxpayers and citizens across this province, I am more than open to his suggestions. I think he has made some good ones. I would urge him—and I know that in his own constituency he is well respected and listened to, and I know that he will have an opportunity, however he communicates with his own constituents—if they have ideas, if they have feelings about lower taxes, urge them to make representation to the Lower Tax Commission. Because I think they are starting with an open mind and with, you know, the feeling that they, too, want to bring back the best advice to government.

They know that responsible governments across North America are balancing their budgets. Mr. Chairperson, they know that responsible governments in this country have balanced budgets, most of them, that they are trying to reduce taxes to recognize that we are in a global economy, that we have to trade with other provinces. We are competing with other provinces. We are competing with people around the globe. Time and time again, you hear comments about productivity in this country and the fact that we have to become more and more competitive. I say that we stand on our record over the last 12 budgets. We stand on our record and our commitments that we have made to reduce taxes and become more and more competitive.

We can contrast our record with the government that was in power during most of the 1980s. I mean they raised the retail sales tax from 5 percent to 7 percent. They introduced and increased the payroll tax to 2.25 percent of payroll, raising \$230 million for Manitobans. I

can tell you that was one of the most devastating taxes that was ever introduced to the people of Manitoba. Small companies with six employees who wanted to expand and hire other people could not do it because of the fact that new taxes were put upon them. They introduced the personal net income tax and the surtax. Manitobans just are taxed to the hilt, and they simply would not accept a government of that stripe in this province over the last 12 years, and I can tell you that they will not do it again.

In fact, as they try to reinvent themselves as today's NDP and are talking about supporting balanced budgets and lower taxes, I think reference has been made to two of the bigger provinces in this country who suffered through just one term of NDP government and the tax-and-spend mentality was there not only in the 1980s but also in the 1990s, and I know that the Choices group that the member for Crescentwood (Mr. Sale) was a founding member of, just before our budget put forward their budget and it was full of tax increases, again increasing the existing taxes and creating new taxes. They were going to introduce a large car levy so that there would be an incremental tax on the purchase of larger vehicles. Again, that is the mentality of the opposition party in this province, and it is very similar to the way they govern, not only in the 1980s but also in the 1990s where they bring the economy of a province like Ontario to its knees.

* (1610)

Another idea that the member for Crescentwood and his group had was to put a tax on overtime hours, and I can tell you that again this would drive business out of this province. This would be a tax on jobs. This would make our companies and our industries uncompetitive. We are going in the other direction. They also were going to increase the gasoline tax by three cents. I mean, the mentality is still there whether it is Choices or whether it is the NDP. They are indistinguishable. They are one and the same thing, and I do commend the member for Inkster (Mr. Lamoureux) for standing up for his principles. We may not always agree with him, but he does ask good questions about the budget and I think makes an honest attempt to understand it.

Mr. Lamoureux: Mr. Chairperson, you know it was probably a 10-minute question, I think. I do not know how long the answer was, but in listening to that complete and thorough answer, there was no answer. The actual question that I asked—there were two of them, if the minister will recall. The first one was: was it in the pamphlet, referring to the property tax issue? Well, I know somewhere I have a copy of that pamphlet, so we are going to forgo that particular question. I will concede that I do not think I am going to be able to get that one answered.

For the member for Wellington (Ms. Barrett), who is hoping to be the member for Inkster, she should not be taking people for granted and should not be imputing any sort of motives because it could come back to haunt the current member for Wellington.

Having said that, let me give some advice to the individual who wants to be the MLA for Inkster.

Point of Order

Mr. Leonard Evans (Brandon East): On a point of order, Mr. Chairman, it is quite clear that the member for Inkster is not addressing his remarks to the Chair, to yourself. He is having side attacks on another member here, and it is totally out of order.

Further to my point of order, I would urge the minister to keep to the specifics of the bill at hand and not wax eloquently on rhetoric and political ideology because that is what we have been hearing rather than dealing with the specifics of a bill. It would seem that the minister and the member for Inkster (Mr. Lamoureux) do not want this bill passed so there will not be any tax relief after all because together they will filibuster it maybe till Tuesday, and maybe it will be too late. Who knows?

Mr. Chairperson: Order, please. The honourable member for The Maples on the same—I am not sure if that was one or two points—

Mr. Gary Kowalski (The Maples): On the same point of order.

Mr. Chairperson: Same point of order.

Mr. Kowalski: On the same point of order, I have to agree with the member for Brandon that indeed the member for Inkster was not addressing his comments to the Chair. So I would concur with this point of order. I understand the member for Inkster when there are a number of other members heckling him and there are many more voices. The voice of the member for Inkster is trying to be heard, and when he is berated and heckled, it sometimes maybe draws his attention away from the Chair. The member for Brandon is correct, but I have another point of order after that.

Mr. Praznik: On the same point of order.

Mr. Chairperson: The honourable government House leader, on the same point of order.

Mr. Praznik: Mr. Chair, I note again the members of the New Democratic Party insisting on strict adherence to the rules. Of course that is a very important part. When members agree that rules should be taken with more laxness, there always has to be a consensus. That not being the case, then the member is certainly right in requesting adherence to the rules.

Mr. Chairperson: I thank the member. The honourable member for Brandon East did have a point of order. I had brought to the attention of all members prior to that, that the members should put their comments through the Chair. I would ask all honourable members if they could refrain from carrying on conversations. If you so choose, please do so in the loge or out in the halls.

Point of Order

Mr. Chairperson: I do believe the honourable member for The Maples has a point of order.

Mr. Kowalski: Yes, in the member for Brandon's point of order, he did impute motives to the minister and to the member for Inkster (Mr. Lamoureux) in that believing that asking of the questions, the motive was not to let this bill pass. I believe that he is imputing that they have some motive for that, and I do not think that is allowed.

Mr. Chairperson: The member for Thompson, on the same point of order.

Mr. Steve Ashton (Opposition House Leader): I think the member should reflect on the fact that suggesting that another member, in this case the member for Inkster, anybody might be wishing to delay a bill. I mean, that is a parliamentary tactic that is open. I know I and my colleagues have used it on occasion—

Some Honourable Members: Oh, oh.

Mr. Ashton: Well, okay, once or twice anyway. But the point is—

An Honourable Member: Let us know how many times you have used it.

Mr. Ashton: That is right, but what I am suggesting is that it is imputing unworthy motive. If the member for Inkster is trying to filibuster or get involved in extensive debate, that is his business, but it is not for us to suggest that is not an unworthy motive. That is his choice. I think in fact the member for The Maples (Mr. Kowalski) does not have a point of order.

Mr. Chairperson: The honourable member for The Maples did not have a point of order. It is clearly a dispute over the facts. The honourable member for Inkster, to continue with his line of questioning.

* * *

Mr. Lamoureux: I respect the fact of having to put questions through the Chair. I will attempt to do that and hope that other members would refrain from trying to grab my attention, so that I actually end up being drawn into something that maybe I do not want to get drawn into. You notice I say that, Mr. Chairperson, while looking at you.

Equally in terms of the whole issue of motives, there is no hidden motive on my part. I can assure you of that.

Wanting to address you, I hear more heckles trying to get me involved in there, but being an individual that can resist those heckles, I will try

to stick to the issue at hand and assure all members of this Chamber that in fact these are legitimate questions.

I ask for some sympathy from the current member for Wellington (Ms. Barrett) because if the member for Wellington had any idea of what the people of the riding of Inkster were wanting, I can advise her because I, on a regular basis—and I say this to the Minister of Finance (Mr. Gilleshammer)—have surveys that go into my area.

Back in '97, one of the questions I posed on the survey was: in order to reduce our property tax, should the provincial government gradually take over financing of education through general revenues which means it would have to come up with money from somewhere else? Health care is currently funded through general revenues. Well, 49.1 percent said yes; 28.8 percent said no; 15.8 percent said no opinion; and there were 6.3 percent that did not have a reply.

Mr. Chair, this is the reason why I brought up the second question. Everything depends on where you ask and who you ask. You know, because the minister is not giving me the numbers, I can assure the minister that the constituents that I represent are deeply offended by the amount of property tax that they have to pay.

* (1620)

I made reference to the constituent that I had yesterday or two days ago, a constituent that could not even afford to get her lawn cut. I have to get my assistant to go and cut her lawn because of the cutbacks from this government, because of the level of taxation that she is having to pay on issues like property tax. She lives on Alfred Avenue, and her property tax is approaching \$3,000. That is gross abuse, and it has to be addressed. This particular and many north end residents, their homes are way overassessed, whether it is through the city or through this government.

Mr. Chairperson, I am telling, through you, all members of this Chamber that there is gross injustice in our property taxes and the amount of property taxes that are being paid. This morning

I had another constituent from The Maples give me a call, and that constituent was absolutely fed up with the property tax that he was paying. I did not prod it. This is someone that obviously just got his property tax bill in the mail. They came out yesterday for some. Again, Mr. Chairperson, were they upset? Well, I am telling you, they are upset.

This one happens to live in the Seven Oaks School Division, so it is not just Winnipeg School Division No. 1. The other is in Seven Oaks. The biggest concern is the property tax. What is this government doing? Well, the government said that, well, you know, in the last 11 years, we are quite content with what we are doing in the taxation issue. They had a clawback. They have worsened the problem. They made the problem worse—[interjection] That is why I changed the phrase.

Mr. Chairperson, I said it before and I will say it again and again, that we have to address the issue of property taxation. This government has failed miserably in doing that. They should not be proud of their track record. When the minister said: we have never increased major taxation, well, it kind of makes you want to shake your head. How can you say that? It is beyond me. It is like the NDP saying that they support your budget. It blows your mind away. How can one on one day support the budget and then move an amendment the following day in committee?

Mr. Chairperson, you know, it is something in which I believe as legislators, as political parties, that we have got to get our priorities in order, that we have got to start listening to what the constituents of all MLAs are saying, not cater to certain areas or certain sectors of the province. The constituents in my area are saying that they are paying too much property tax and they want the provincial government to do something about it. It is not something—[interjection] Well, by God, it will not be the NDP, for the person that suggests that it might be the NDP. Well, you know, I have to go through the Chair, even though the heckling again occurs.

Let us not forget, Mr. Chairperson, that the gradual increasing or the reliance of the funding

of public education has not just been for the last 10 years. This government has been incompetent in dealing with that issue, but so has the former administration. Look at what the property tax bills are. It is outrageous, absolutely outrageous.

When we have people who are on fixed incomes in which we have to go and cut their grass and they are paying \$3,000 in property tax or close to \$3,000 in property tax, that has to say something. It is an issue that has to be addressed, and this government has been negligent in addressing this issue. This issue alone is a good reason why this budget is not worth the paper it is written on. This is a good reason alone why it is a budget that cannot be voted for. There is a responsibility of this government and the Minister of Finance—[interjection]

I am helping. For the person who says "I am helping," you are the one who voted for the budget. I almost said an unparliamentary word there. It is a good thing I have a good temperament.

One has to realize, Mr. Chairperson, that the Minister of Finance who says we have not increased major taxes, in the eyes of many, I would suggest to you in the eyes of most, the property tax is a major tax, and you not only have directly but you have also indirectly raised that tax. It is the provincial government, not the city government—their role is much smaller than the provincial government in addressing that issue—it is the provincial government that has to deal with that issue. That is why I am very much interested in knowing who are the people whom the minister is talking to. How can they present a budget that does not address that issue? It is beyond me.

There were four meetings in the city of Winnipeg, so we are told, and I believe the minister that, yes, there were four meetings. I would want to know, and I believe that the government probably would have had one in each region of the city, at least that is what I would expect—[interjection] Well, who from where made presentations? How did the government come to the conclusion that the property tax issue was not the issue that needed to be addressed in this budget? I find it too

incredibly difficult to believe that this government did not address this issue, given the importance that Manitobans have placed on it. I have indicated through some of the surveying that I have done inside my constituency. The minister says, well, not to fear. The government says: Look, do not worry about it. We are going to address the problem. We are going deal with it. We have now—what is it?—the Lower Tax Commission. Well, the Lower Tax Commission is headed by Clayton Manness—

An Honourable Member: An honourable Manitoban.

Mr. Lamoureux: An honourable Manitoban in the eyes of many, no doubt, but not necessarily all. One of his first comments that I read—and, hopefully, it was taken out of context—that was in the paper the following day, was belittling the importance of the property tax issue. I would hope that the Minister of Finance and the government in reading that would have done something to see if in fact that was a predetermined position in which Mr. Manness is going to be taking before he even goes into these commissions. Quite frankly, if he does not feel property tax is an important issue to Manitobans or a low priority for him personally, then my suggestion to you is it is time to replace Clayton Manness on that particular commission.

An Honourable Member: Ask the big question again: Is it going to be a spring election or . . .

Mr. Lamoureux: The question was: Is it a spring with Filmon or fall with Manness in terms of the election?

Mr. Chairperson, again, I am going to appeal to the Minister of Finance to tell and to actually answer this question now. On several occasions—and I have given up on the one, I am giving up on the pamphlet information. I see he has one in his hand currently. He can maybe quickly browse—no, I am going to give up on that question. Mr. Chairperson, I would rather have an answer to the question in terms of attendance, of individuals that participated. I am very much interested in that because I am trying to understand how a government can present a budget in which it does not deal in a very tangible way with what is in absolutely no doubt

in my mind a very important issue for the constituents that I represent, and I think it goes further than that. In the discussions that I have had with our Leader, Jon Gerrard, there is no doubt in the next provincial election, whenever it does come, the Liberal Party will be taking a very solid position that is going to ensure some tax relief at the property level.

* (1630)

I look forward to that election whenever it might be called. I think, quite frankly, that it is overdue. I would like to see it being called this Tuesday. I would like to be able to take this budget to the electorate. In particular, personally, I am looking forward to taking this budget more and more to the doors in Inkster and explain to them that there was only one party that opposed the budget and explain some of the reasons why, like the property tax issue, we opposed this budget.

Well, I know that many of the candidates that are there today, and those who are looking to run under the Liberal banner, also want to be able to show that there is a difference. We see a government that is prepared to totally ignore an issue which so many Manitobans want to see the government address, and that is the issue of property tax.

So, Mr. Chairperson, I would conclude this particular comment or this particular question by specifically asking the Minister of Finance: can he indicate in terms of numbers or percentages, numbers would even be better than the percentages, quite frankly, of individuals who would have made presentation at those meetings that the Minister of Finance held leading up to the budget?

Mr. Gilleshammer: I do not have that information with me today, but I will endeavour to get it for the member.

Mr. Lamoureux: The only problem with that sort of commitment is the timing. You know, I have asked many questions of ministers, in fact I asked one question this morning of a particular minister, the Minister of Industry and Trade (Mr. Tweed), about something that was happening within the department, and his response to me

was that he would get back to me on it. I quickly then posed a question, well, you know, define "get back to," like are we talking a day, an hour, a week? When could I anticipate because I would like to see to what degree the government has actually looked into this whole issue. I think it is a fair question. When can I anticipate that we will be able to get some of those numbers?

Mr. Gilleshammer: I am sure that I can get information for him by next week.

Mr. Lamoureux: I guess I would look to the minister and ask that if by chance we are not sitting later in the week, can I get the assurance from the minister that he will ensure that it is brought, or sent to, mailed to my house so I will physically have what I have been asking for by the end of next week?

Mr. Gilleshammer: Yes, I have indicated that I do not know just what form that information is in, but I would endeavour to fulfill that promise to the member and be sure that he has a response from me directly next week.

Mr. Lamoureux: Mr. Chairperson, I appreciate that, and I look forward to getting the response.

The government, over the years, has put a lot of emphasis on personal income tax, and we recognize that Manitobans also want to see the personal income tax go down. We have seen two consecutive budgets where we actually see the decrease. Can the minister indicate in terms of what the government's intentions are in terms of future priorities, or what does it see its future priorities are with relationship to the issue of personal income tax in comparison to, let us say, property tax?

Mr. Gilleshammer: I think quite clearly it has been indicated that the Lower Tax Commission is going to have that mandate to consult with the experts, consult with Manitobans, and give us direction on that. We believe we must be more competitive. We will continue to reduce taxes to the degree we are able to do it.

Mr. Lamoureux: Mr. Chairperson, in going into that Lower Tax Commission, there was an appointment of three members to it. I am wondering if the minister can indicate to us in

terms of its frequency. Has, for example, the committee met? When do we actually see it having public—is there some information that—and the minister will have to excuse me if in fact he has already released something to the public, but I am interested in terms of what guidelines it might have. If so, if it has not released anything, would it be prepared to table that sort of information so that we can know when and where it will be going, or is that something which the commission itself would determine?

Mr. Gilleshammer: A little bit of both, Mr. Chairman. There were some parameters within which that committee was going to work released with the press release and the announcement that day. I do not know whether they have met yet or not. I can find that out, and as soon as there is information available, I would be pleased to be sure the member for Inkster (Mr. Lamoureux) had a copy of it.

Mr. Lamoureux: In determining where this particular committee—because I spent a great deal of time talking about where the government went in terms of preparing its budget. Is the government's intention to ensure that that particular commission gets fair representation from all regions of the province? How would the government go about doing that? Does it play any role in terms of where it will be going, or is that something that is completely up to the commission?

Mr. Gilleshammer: I believe that is a fair and reasonable request that the commission do consult widely. To a large extent, those decisions were left in their hands, but I would be pleased to pass the member's comments on to the Chair.

Mr. Lamoureux: You know, the make-up of the committee, there were Professor Cameron, Clayton Manness, and the third one escapes me—

An Honourable Member: Evelyn Jacks.

Mr. Lamoureux: Yes, Evelyn Jacks, as a tax expert. It has some credibility with some of the members who are on that particular committee. The question I have is: Why would we not have someone who is from an antipoverty organization, someone like a David Northcott?

That whole area seems to be missed. I know in the discussions, for example, when it came to talk about MLAs' salaries and pay and benefits, it was felt there that we should have representation on what happened to be the Wally Fox-Decent committee. It was important from our perspective that we had good representation from different areas of the population.

Does the Minister of Finance (Mr. Gilleshammer) not believe that that would be a positive thing for this particular commission to have someone there from antipoverty or Winnipeg Harvest, someone who is more familiar or working with the lower income? Their costs and lifestyles, quite often, vary significantly. Taxes could have more of an impact. It is not to discredit individuals who are currently on the committee, but, in terms of the size and the make-up of the committee, does the minister see any benefit of enlarging the committee to take that into consideration?

Mr. Gilleshammer: Certainly there are many, many qualified Manitobans who would do an excellent job. It was felt that the individuals who have been named have, as you said, a lot of credibility. It was felt that the group should be kept small. It is difficult to bring people together from time to time, but I think the important thing is that they are open to all of those groups who wish to make comment or reference to the tax system, and they will have an opportunity to be heard.

Mr. Lamoureux: Mr. Chairperson, I would suspect that whoever is on a committee would be sympathetic to whoever is coming before the committee to make presentation. That is a major part of actually being on a committee and going out and getting public input, but after the public input is gone, when you sit inside a room, I think that you are forgoing a fairly important and significant component by not having someone, whoever that individual might be, sitting on that committee so that when it does have the closed-door discussions, it brings a different and most important or valuable perspective. That is the reason why I pose it.

You know, there are many, including myself, who would argue that I would rather see that than a Clayton Manness. Many would

perceive Clayton Manness as a Progressive Conservative, of someone that—you know, he was Minister of Finance for years under this particular administration. Does it have an impact? Well, I believe it was the following day that the Leader of the official opposition had indicated that, whatever the report comes with, we are not going to buy into it. At least, I believe that was my interpretation. I could be wrong on that.

* (1640)

But, if you had a commission that had a make-up that was not quite as political by having Mr. Manness on there, there is a better chance that the thousands of dollars that we are going to be spending of tax dollars on this commission, that the results or the recommendations will be that much more widely accepted. If this commission comes back, for example, Mr. Chairperson, and their recommendation is that property tax is not an important concern or important issue, I am going to call into question the commission. I am going to say that the commission does not know what it is talking about. I am not going to give any credibility to it. I will not give credibility to it because of an individual who happens to be on it. How reflective was it really?

I am sympathetic to the Leader of the official opposition when he says: well, look. We are not going to be held to whatever that commission comes back with.

Again, I believe that is what he said. I do not want to put words in the Leader of the official opposition's mouth. But I do believe that having someone with a different background can ultimately change the outcome of the commission's recommendation. That is all they are—recommendations.

So you as government can opt to take them or to leave them. You can change the priorities, but if your commission is more apolitical, it has a better chance of having some of those recommendations fulfilled, whether it is a Conservative, NDP or Liberal administration. A good example of that was the nurses where there was a tentative agreement that was achieved. It was not this government, in my opinion, that

achieved the tentative agreement. It was the credibility and the integrity of Wally Fox-Decent that achieved, and his abilities that achieved, that agreement in principle, and hopefully it passes.

So I think that the Minister of Finance needs to look at the make-up of the commission and whether or not we could do a better job in terms of seeing those recommendations turn into reality if it was made up of some different people. Personally, I do not have any problem with Evelyn Jacks and Norm Cameron from the university, but I would feel a little bit better if we had someone who was sitting around the table when the door closes and that individual has a different perspective, that they deal with individuals on a day-in, day-out basis of people who have a household income of less than \$20,000 a year.

I know the individual, the senior that I have made reference to earlier, would feel that much better if in fact that perspective was not just being listened to but that perspective was sitting at the table, and that is why I think it is important for the Minister of Finance to give reconsideration to the make-up of the Lower Tax Commission.

So again, I ask the minister: is he prepared to, at the very least, entertain looking at adding another individual who would bring that perspective to the commission? The name David Northcott has been suggested from the member for The Maples (Mr. Kowalski) which I think is an excellent suggestion. I believe that the ultimate report, it would be a much better report if we have that perspective sitting around the table bringing forward the recommendations.

So I look, and he might—[interjection] Oh, definitely. David Northcott might make more than 20. I do not know how much he makes, but I can assure you that the people who he is dealing with on a day-in, day-out basis are not all making more than \$20,000 a year, and that is the sort of perspective. [interjection] No, no. It is a question—

Mr. Chairperson: Order, please. I asked the honourable member not to go on his fishing expedition, but I would also ask members not to join into the debate. The honourable member for

Inkster does have the floor. The honourable member, to continue.

Mr. Lamoureux: Mr. Chairperson, I will leave the question at that, but ask the minister to give a response to it.

Mr. Gilleshammer: Mr. Chairman, I do not want to prejudge the outcome of the process. I think we have appointed three very prominent Manitobans who will take the job seriously, and they will not only consult with experts but have the opportunity to listen to individuals and groups who can come before them and present. Thank you.

Mr. Chairperson: Could I ask honourable members wanting to carry on a conversation to do so in the loge. We are having trouble hearing the minister at this time. The honourable minister, to continue.

Mr. Gilleshammer: I was finished.

Mr. Chairperson: The honourable member for Inkster could not hear you. I was wondering if you could repeat the answer, Mr. Minister.

Mr. Gilleshammer: I will try and repeat the substance of what I said. I indicated that I did not want to prejudge the results of the Lower Tax Commission, that we have appointed three prominent Manitobans who will take the job very seriously. They will consult with experts, but they will also give all Manitoba individuals and groups a chance to present, and they will have a chance to be heard at that time.

Mr. Lamoureux: Mr. Chairperson, I am wondering if the Minister of Finance, as a compromise then, would be prepared to let that decision be made by the commission if representation was made to the commission, if they believed that it was warranted to have another member put on the commission, if the Minister of Finance would be supportive of that?

* (1650)

Mr. Gilleshammer: Mr. Chairman, again, I do not want to pre-empt the commission and start saying we are changing the rules, we are changing the composition. We want to give

them an opportunity to get up and running, and I know that they will be open and available to Manitobans and the ideas of Manitobans, private citizens. I am sure the member for Inkster will have an opportunity, if he so wishes, to make representation to the committee. We want them to consult as widely as possible and bring the best advice they can back to government.

Mr. Lamoureux: I guess I disagree with the minister. I think that we have been trying to be sympathetic to what it is that the government has been saying. I have commented about the commission. I do not understand why the Minister of Finance was not at least prepared to entertain the commission, if the commission feels that it would be beneficial for the commission to have another person sitting on the commission, why the government would, in fact, oppose that.

I do not think the minister realizes that the current make-up of the commission and the recommendations that it brings forward could potentially be jeopardized 100 percent if, in fact, you do not get a level of comfort that the commission is supported by all political parties inside the Chamber.

From what I understand, the opposite has been the case. You already have one opposition party that says it does not feel obligated to adhere to any sort of recommendations. The more credibility that you can give to this particular commission, the greater the likelihood of this commission's being successful in presenting or getting its recommendations accepted.

You know, I look to the Minister of Finance and try to appeal to the Minister of Finance to recognize that there are some problems with the current make-up. Maybe what I will do is just focus some attention on the current make-up. Mr. Manness, I believe it was on the day after, and I do not have the quotes in front of me, but had implied that the property tax issue did not appear to be that important of a priority.

You know, I look to the Minister of Finance, and correct me if I am wrong, because I know that he has heard the reports. Maybe something was taken out of context. Maybe I have taken it,

and that is quite possible, a little bit out of context. Maybe the media had taken it a little bit out of context. I trust that the Minister of Finance might be able to alleviate some of the concerns that I have personally or members of the Liberal Party.

Would the minister respond to that, please?

Mr. Gilleshammer: Mr. Chairman, I think the member asked that question in Question Period a couple of days ago. Someone who was at the announcement gave him the information that he asked for. I do not think his question today is any different than what he asked in Question Period, and I would refer him to Hansard, but I would be pleased to be sure that his comments, opinions, and ideas are passed on to the commission.

Mr. Lamoureux: Mr. Chairperson, I have been very vocal in terms of my opinions on the property tax issue. The minister says that he will pass on my opinions to the commission or at least that is what I believe he is suggesting. I appreciate that.

I trust, as long as I know when they are going to be presenting, that I will be able to pass on my opinions first-hand to the commission, or at least I trust I will as long as I am aware of when and where it is going to be meeting. I will be putting a great deal of effort and time into ensuring that the commission is aware of the inequities that are there with respect to the property tax. That is something that I am quite prepared to do.

You know the minister, and Finance ministers prior to him, continue to really avoid the question in terms of the property tax or that reliance of funding education on property tax. It would be wonderful to see the government make some sort of a bold statement while in government on this very important issue. Give us some reason to be optimistic that the government is at least prepared to look at the issue outside of the commission. You know, the commission, many could say that the minister is just sidestepping it. We are not getting anything from the Minister of Finance that says here is what we are going to do with respect to the issue of property tax.

So I am very much interested in hearing—unless I have missed something, and I hope he does not fall back on the commission—I am interested in knowing, because they have been in government for 11 years, how Manitobans can feel at all remotely optimistic that this is a government, that this is a party in government, that is prepared to deal with this position while in government. We know when they were in opposition they were prepared to deal with it. I can remember, while in opposition, one of the Conservative critics made reference to the fact that we want to see general revenues cover 80 percent of the funding of public education.

Well, that was good reason to be optimistic. If you were a property taxpayer, and you believed if the Conservatives were going to be in government, that they would do what they could in terms of having education financed or 80 percent of education financed through general revenues, that means property tax relief. When they were elected some 11 years ago, and had they taken action back then, well, then we would not have the problem that we have today. So, in opposition, they gave Manitobans good reason to feel optimistic about the future of property tax, but when it came to going over to the other side of the floor in the House and become government, if anything, they have done the very opposite.

The Leader of the New Democratic Party in his opening remarks talked about the decreases and the freezes to public education which meant the school divisions had to increase their property tax. That is something that people were quite disappointed in, I believe, because if you are a citizen of the province and in opposition you hear that they are going to address the property tax by having more funding through general revenues—and I believe the figure was 80 percent—one would feel relatively optimistic, relatively optimistic, that in fact we would see some movement in that direction, and that has not been the case.

So the simple question to the Minister of Finance (Mr. Gilleshammer) is: he can address the issue if he so chooses about the commission that I alluded to earlier, but how does he justify a government today that was in opposition 11 years ago saying that they were going to

finance—I believe it was 80 percent—public education through general revenues, to the position that they have today?

* 1700)

I do not necessarily understand that, and I am hoping that this particular Minister of Finance will clarify that. If so, the Minister of Finance will at least give us some reason to be optimistic. If he does not, then I am afraid that all that I have done thus far in the questioning of the minister on this bill is just made reference to a very important issue, and maybe more MLAs are thinking about it.

I do not know if the New Democrats are prepared to take—I believe they are going to reinstate the clawback that your government—I think that is the position that they have taken on the property tax issue. [interjection] Well, I would suggest to you that is nowhere near good enough, but we will wait and see. There is no sign. Do you know the Conservatives are the only party that potentially are going into an election—

An Honourable Member: Do I hear the word "election"?

Mr. Lamoureux: —potentially, going into an election potentially, and not have any sort of a platform that will have Manitobans, our taxpayers, to be optimistic whatsoever that this party is going to provide any sort of property tax relief. You are going to be the only party. If that is what you want, I believe that issue is going to cause you to lose a lot of votes, so I am trying —

Mr. Chairperson: Order, please. I hate to interrupt the honourable member, but the hour is getting very near to five o'clock. I wonder if there might be a willingness of the committee for us to recess and go back into the House to ask for leave to waive private members' hour. Is there leave?

Some Honourable Members: Leave.

Mr. Chairperson: Leave. In that case, we will recess this committee and go back into the House and waive private members' hour. Committee recessed.

IN SESSION

Madam Speaker: Order, please. Is there leave of the House to waive private members' hour?

Some Honourable Members: Leave.

Madam Speaker: Leave? [agreed] Leave has been granted.

Hon. Darren Praznik (Government House Leader): Madam Speaker, I believe it is also the willingness of the House to return to Committee of the Whole for consideration of Bill 22?

Madam Speaker: Is it the will of the House to return to Committee of the Whole to consider Bill 22? [agreed]

COMMITTEE OF THE WHOLE

Mr. Chairperson (Marcel Laurendeau): Committee will come to order.

Mr. Kevin Lamoureux (Inkster): Before I was interrupted, I was kind of [interjection] Yes, it was five o'clock, committee had to rise.

Mr. Chairperson, before the interruption I was trying to give good solid advice to the Minister of Finance.

Mr. Jack Penner, Acting Chairperson, in the Chair

You know with the speculation of a potential election, I really believe that the government is missing the boat on what is a very important issue, and I give this free advice because I believe that the government, the Minister of Finance should give reconsideration as to what sort of a platform the minister should be taking going into a potential election. If it takes an election to motivate the government to say something positive on an important issue, then I will be for it, I guess, on this particular issue, but the Minister of Finance, I am sure, is very much aware that the New Democrats are taking a position with respect to property tax. Not as good as our position, I can assure you of that. [interjection] Oh, I am being baited again, Mr. Chairperson. Remember Ed Mandrake—and

that is to reinstate the clawback. I am giving some good solid advice. We are going to also be taking a very solid position, and people will see their property tax bills go down under the Liberal Party's proposal.

Having said that, Mr. Chairman, this Minister of Finance and all these backbenchers are relying on you to do something on this particular issue. If you do not do something on this particular issue, there is a number of them that could lose a lot of votes because this government is not prepared to listen to what many Manitobans are actually saying is an important issue. The reason why this government does not realize in all likelihood the important issue is because they have kind of closed their eyes and dunked their head in the sand. I do not believe that they have done any real canvassing on the property tax issue, because if they had done some serious canvassing on this particular issue, they would have realized the importance of providing some sort of glimmer of hope at the very least.

If you are not going to institute something today in it, provide some form of glimmer of hope dealing with property tax, and the tax commission just does not cut it. That is more of a political agenda, quite frankly, from the government. I think that, I believe that, you know.

An Honourable Member: Because Clayton Manness is on it, it is political?

Mr. Lamoureux: Some member suggested because of Clayton Manness being on the committee. Well, that is what I would argue too. But if the government, if the Minister of Finance would have done due diligence in ensuring that the property tax issue was raised, that they would have realized that it is indeed an issue. If the Minister of Finance talked to our mayor or to any one of our city councillors, I am convinced that he would then be of the opinion that something has to be done with property tax. But Mr. Chairperson, not only do we not see it being addressed in the budget, not only do we see nothing but negative signs from the past, such as the clawback and the offloading, but we see a government that is showing absolutely no inclination to reducing property tax for

Manitobans, and I believe that is a very serious mistake. I appeal to the Minister of Finance (Mr. Gilleshammer) to do what I have done, and kind of tip the hat of the Liberal Party, and maybe tip the hat of the Filmon team, if it is in spring, that is, of course, and give Manitobans some reason to be optimistic, much like when you were in opposition. When your party was in opposition, you gave Manitobans reason to feel optimistic. That was probably heading into an election. Well, we are heading into an election again.

You have to present to Manitobans, I believe, some sort of an explanation, because you at least owe them an explanation. If you have no intentions of decreasing property tax, at least then give an explanation. Tell Manitobans why it is you feel the property taxes are quite justified at their current rates. If you really believe that—actions speak louder than words—then go ahead and tell us why you feel property taxes do not need to be addressed in this budget.

* (1710)

Hon. Harold Gilleshammer (Minister of Finance): I thank my honourable friend from Inkster for his suggestions and advice. Again, what he would have us do is pre-empt the process that has been put in place to consult with Manitobans. I am pleased to hear that he is starting to enunciate Liberal policy for the upcoming election, and I encourage them to have a full policy schedule ready to go.

I recall the last election, where their leader started his day on Corydon Avenue and got into policy discussions. Then I think he went out to the race track and enunciated some more policy. Then he announced taxation policy for municipalities here at the Legislature. In three days, the policy announcements by the leader had pretty well done them in.

So I would encourage the member for Inkster (Mr. Lamoureux) and his entire caucus to think seriously about policy and development, and put it forward for Manitobans. I can tell you, our party believes that taxes have been too high. We have worked very, very hard over 12 budgets to put the finances of this province in a place where we can start reducing taxes. We

have done that. We have been the party who is committed to lower taxes. We have included property taxes in the mandate for the Lower Tax Commission. We are quite prepared to have Manitobans speak on that issue. We will look forward to the report brought back by the three-member panel.

I would urge the member for Inkster not to attack panel members. They will do a good job. They are experienced—been employed by the City of Winnipeg, one of them has, in the not-too-distant past, to look at revenues and expenditures. We fully expect a report that will bring good ideas to government when we craft the next budget. If we are able, we are committed to making taxes lower in this province so that people will have more of their own money to spend, to balance off the taxes that are in existence.

I could tell you that he should not put forward simplistic solutions without putting the entire solution forward. If any government moves from reliance on one form of taxation by dramatically lowering it, the obvious point is that that revenue has to come from somewhere. So perhaps he would comment on whether he would like to see the sales tax increase from 7 percent to 9 or 10 percent. Would he like to see the income taxes go up? That revenue has to be replaced. So while he is in his policymaking mood, maybe he would like to fill out the entire policy to let us know just what replacement revenue he would see coming into government and municipalities and school divisions.

Mr. Chairperson in the Chair

Point of Order

Mr. Gary Kowalski (The Maples): I see there is a great deal of agitation here about the questions and the length of time. We have not been informed of any agreement with the opposition and the government to pass this bill by a certain date or time. If there has been, I know the government and opposition have worked together to pass the budget, but I know that neither the critic from the opposition nor the minister nor the House leaders have told us there a certain period of time that this bill has to pass by. Is there a limit, is there closure or are

we okay? We do not want to impede this bill passing if there has been some kind of agreement already reached.

Hon. Darren Praznik (Government House Leader): Mr. Chair, just first of all for the information of all members, there are not deals made between opposition House leaders. In the management of House affairs, it is customary for representatives of the parties to talk. We have had talks with the two Liberal MLAs, previously three members before Mr. Gaudry passed away. We try to do it in a manner that manages not to come up with some sort of deal, or backroom deals may be implied, but rather to manage House business in a manner that allows for it to proceed in, I think, a fashion that is productive, makes best use of members' time and ensures that we proceed with some mutual knowledge on both sides of the House among the parties as to the expectation of a day's or a week's work. From time to time, the opposition House leader and I speak, speak with members opposite as well. There is no deal around the passage of this bill.

I detect what has happened in fact is that members opposite would like to have seen the speeches and the work of this committee planned or take place in such a manner as the matter could have been brought to conclusion today which would have allowed it to proceed to third reading, et cetera, and passed Monday and become law, should an election be called next Tuesday. The member for Inkster (Mr. Lamoureux) has asked the indulgence of the committee, even though we were past the point in the rules where such opportunity was available, asked the indulgence of this committee to be able to put some general questions, et cetera, about the intent of the bill, et cetera, to the House.

Members on both sides of the official opposition and government agreed at the suggestion of the opposition House leader with concurrence of this side of the House to allow him to do that. That exchange has gone on for several hours now, and I think has, if it continues—and the member, because we have done that by leave, I guess we could always revoke the leave if we so chose. But in the interests of giving members, the member for

Inkster in particular, the opportunity to put legitimate questions to the minister and have the minister respond and have an opportunity to deal with the issues that he has raised, we have accommodated that. If the member for Inkster believes that the questions he wishes to continue asking are of sufficient importance for that process to continue, I am sure it will be accommodated.

If he believes that seeing passage of this bill through clause by clause today to allow for its passage on Monday and to be in place should a general election writ be sought on Tuesday, then that is a judgment call that the member for Inkster will have to make and will have to live ultimately with the consequences.

But I do not believe that any member of this House—and I have no right to speak for members opposite, but I would suspect they would concur—wants to interfere with his right as a member to ask legitimate questions, seek legitimate information. But if his view is that that is more valuable than seeing this bill proceed today through this committee, then he will live with whatever consequences, whatever they may be, there may be none at all, they may be very significant, but he will have to explain that to the people of Manitoba.

There is no deal to which members opposite—and we will accommodate the answering of questions if he views that as being of such importance as to continue.

Mr. Chairperson: The honourable member for Thompson, on the same point of order.

Mr. Steve Ashton (Opposition House Leader): On the same point of order, but I suspect it is more a discussion of House business. I would just like to put on the record there is no deal. I would like also to put on the record that we were certainly prepared to deal with this today. We have a motion that we are prepared to move which would put into force our specific proposals on having a balanced approach to taxation which would deal with property tax relief for Manitobans. Certainly, and I want to put this on the record, there is no deal of this nature, but we very much hope that there is going to be an election next Tuesday. We feel it

is important to have the tax bill, which is the companion piece of legislation, passed before that election because it does put into place, obviously, the tax portions of the budget.

* (1720)

I just want to say very clearly to the member for The Maples (Mr. Kowalski), there is no deal. We just think that is the appropriate thing to do, rather than have the tax bill held in abeyance. Whether people decide to debate or not, we have no problems, and I am surprised that the member was suggesting there was any agitation. We gave leave to revert to the portion of the agenda which the member for Inkster can debate, and quite frankly, he can debate as long as he wants. We prefer to see it in place before a potential election call next Tuesday. We want the election call on Tuesday, but the member for Inkster can talk as long as he wants. We are not agitated. We are just here waiting and once the member for Inkster has made his comments, we will move our amendment.

Mr. Chairperson: The honourable member for Inkster, on the same point of order.

Mr. Lamoureux: Mr. Chairperson, I realize that you are being very—

Mr. Chairperson: I am being very lenient.

Mr. Lamoureux: —generous in terms of the comments and so I would give the same courtesy. It is somewhat discouraging. You know, every few minutes my colleague for The Maples (Mr. Kowalski) says, Kevin, they are asking—I do not know if I can say my first name—are you going to be passing it, are you going to be pass it, are you going to be passing it? When he disturbs me, sometimes I am not able to hear the comments coming from the Minister of Finance.

Now, let me tell you something. There is no hidden agenda here, I am not trying to filibuster. I hear the comments that are coming. This is a very important issue; it really and truly is. If you check Hansard, I think it would be pretty tough in Question Period to find an MLA who has probably asked more questions on the property tax issue and the inequities than I have over the

years. You have to realize that this is a great opportunity for me to get rid of a lot of frustration that I have in dealing with this issue. There is no hidden—I am not trying to stop a bill. Oh, heck, I will sit till midnight. If you want leave, I will give you leave. We can sit till midnight. Let us not try to impute motive.

This is an important issue for me, and I say it with all sincerity. I am not kidding. I want to try to trap this minister—if there is a strategy, yes—to trap this minister into coming clean and telling Manitobans that he is trying, that there is going to be a reason for Manitobans to have hope. So if there is a hidden agenda, you have found it. That is the hidden agenda, Mr. Chairperson.

So if people are out there trying to spin the media that I am trying to filibuster, they are wrong. They are wrong. [interjection] I do not know.

As I say, every so often the member for The Maples (Mr. Kowalski) comes to me, and I am trying to listen to the whatchamacallit. I am constantly being heckled about filibustering from other members. I am not filibustering. I can assure you of that. I am prepared to sit till midnight. If that is the will of the committee, if you want to pass the bill, no problem. I will give leave, and if you want to ask for the leave now, I am prepared to do that. I am not trying to filibuster the bill. All I want to do is express some frustration, express some concerns that my constituents have had because year after year, for more than a decade, they have been grossly abused in terms of the amount of property tax that they have paid.

Mr. Chairperson: Order, please. Thank you very much.

The honourable member for The Maples (Mr. Kowalski) did not have a point of order, but I do believe he asked a question, and I do believe the members gave you the advice to your question that you put forward.

* * *

Mr. Chairperson: The honourable member for Inkster, to continue with his questioning.

Mr. Lamoureux: Mr. Chairperson, I know that while someone was standing on the point of order, people had said, oh, no, it is a filibuster. I do not think people realize the importance of this issue to me, and I want to give a good example.

Three days ago, I got a call and some of you were here when I first made reference to it. It was from a constituent. That constituent was receiving home care on a fixed income who could not afford to get her lawn cut. I had to ask one of my assistants to go out there in order to cut the lawn. Her property tax is getting close to \$3,000, and she lives on Alfred Avenue.

Mr. Chairperson, there is so much abuse, overassessment that is out there in the north end. It is real. In Winnipeg 1, we pay a disproportionate amount of property tax. That was a call I had just a couple of days. I did not initiate the call. I did not knock on the door. The person brought it to my attention.

Mr. Chairperson: Order, please. I hate to interrupt the honourable member when he is in full flight, but now I am having trouble hearing you put forward your question. Could I ask honourable members to carry on their conversations at a lower decibel, including both sides, not just the one?

Thank you. The honourable member for Inkster, to carry on.

Mr. Lamoureux: I thank you, Mr. Chairperson, for that. Then earlier this morning, I get another phone call, again, completely unsolicited, and the constituent said to me that he is fed up with the property tax. Now, this was one that lives in The Maples. You know, it is something which I know is a very important issue, and I told that constituent earlier today that this is an area of gross neglect from this government and even the previous government. It has happened for the last 15 years, where we have seen the neglect. I suggested to him that if he would like, I would send him a copy of my budget speech, but it was unsolicited.

It is an issue which I have brought up, I believe, on the property tax in Question Period more than any other MLA. It is a question of priorities. This is a very important priority for

me. It is important for me because it is important to my constituents.

I look to the Minister of Finance, Mr. Chairperson, because I want the Minister of Finance to be able to give my constituents a chance to be optimistic that their property tax is going to be addressed. It has got to be the provincial government that addresses it. City Hall might be able to do it by a percentage point or 2 percentage points, but if we are ever going to address it, it has got to be the provincial government. This budget, like previous budgets, all of which I voted against, has never addressed it.

So I should be frustrated. I need to be able to express that frustration, because this is a wonderful opportunity. You know, the Minister of Finance and others and even to a certain degree our party are saying: yes, it is a good bill, we support the bill, let us pass the bill, and all this kind of stuff, because we support the decrease to personal income tax, but it is also an excellent opportunity to be able to talk about an issue that upsets a lot of my constituents.

So if I have been repetitive, if people feel that, look, I am filibustering, you know, I am telling you with all sincerity that I am not filibustering. I am prepared to sit till midnight, till one, whatever time. I am trying to get the Minister of Finance, and what I will do is, I will ask—this will be really short and right to the point. Hopefully the Minister of Finance will be equally short to the point. Then I can continue doing some follow-up questions as I try to understand the government.

The only position that this government in the last 11 years has given that gives any glimmer of hope that they are going to deal with the property tax is the appointment of this commission, this commission which is headed by Clayton Manness, the individual that crafted the first of how many number of budgets that never addressed the issue of property tax; that has had questionable quotes in the paper. The official opposition has said they are not going to respect the recommendations necessarily, that already it is being perceived as a bias, not because of the professor or the other individual, but because of Clayton Manness being on it.

That is why I ask: why not have someone else brought onto the committee? Let us see if we can make the committee that much stronger so that all of us can believe that they are going—
[interjection]

You know, to give an example of a filibuster, Mr. Chairperson, someone made reference to Ron Fewchuk and the \$300,000. Maybe there is a valid argument. Should the Liberal Party pay for it? You know, there was the New Democrat—

Mr. Chairperson: Order, please.

Point of Order

Mr. Praznik: On a point of order, Mr. Chairperson.

Mr. Chairperson: The honourable government House leader, on a point of order.

Mr. Praznik: Mr. Chair, I am sure that we would all appreciate hearing Liberals try to explain how they hired someone who had no managerial experience to run a multimillion-dollar corporation and pay him over \$100,000 a year who just happened to vacate his seat to make way for Dr. Jon Gerrard to have a constituency to run in. I am sure we would be interested in hearing that explanation, but, quite frankly, I do not think it is really germane to the matter at hand, which is the tax bill.

* (1730)

Mr. Chairperson: The honourable member for Inkster, on the same point of order.

Mr. Lamoureux: On the same point of order, oh, but how wrong the House leader is. The official opposition was saying that the taxpayer was affected. It should not be the taxpayer; it should have been the party.

The point, of course, that I am referring to is that there was a \$2-million lawsuit on MPI because of an NDP. Does that mean the \$2 million should be covered? Well, that is all tax dollars. Maybe the New Democratic Party should be covering that bill. So that is the relevancy of it.

Mr. Chairperson: Order, please. The honourable government House leader did not have a point of order. It was clearly a dispute over the facts.

* * *

Mr. Lamoureux: So I try to give good, solid, sound advice to the Minister of Finance (Mr. Gilleshammer), and I look to get an answer that is very specific from the Minister of Finance. What is the Minister of Finance prepared to do to ensure that my constituents, the constituents that I represent—and I would suggest that many Manitobans would like to see is a glimmer of hope outside of that commission that this government is prepared to deal with the property tax, the outrageous, unacceptable amount of property tax that people have to pay today.

Mr. Gilleshammer: Manitobans know that we are the only party in this province that has consistently talked about lowering taxes. We have not only talked about it; we have done it. This budget—[interjection] Well, the member for Crescentwood (Mr. Sale), the founder of Choices, wants to talk about taxes. His fellow travellers just a few days before—

Mr. Chairperson: Order, please. Could I ask the honourable minister to put his comments through the Chair. If we start going after individual members, we will be here for a long time, even though that is your choice.

Mr. Gilleshammer: I thank you, Mr. Chairperson, for your good advice. I simply wanted to say to you and members of the House that the NDP government of the 1980s was known as a reckless tax-and-spend government. There are all kinds of evidence that they have not changed from that position. Their left-wing policy group announced days before our budget that they would raise personal income tax by \$30 million, that they would create a green tax that was going to raise \$115 million, that they were going to raise gasoline taxes, adding another \$40 million. They were going to create a large car levy by putting a levy on large cars in society. They were going to tax overtime hours. That is the vision of the individual that was referenced earlier and the policy group that he was a charter member of. Our party has consistently talked

about lower taxes, being competitive, and we have done that.

We have lowered taxes, and I can assure the member for Inkster (Mr. Lamoureux) that we will continue to look at ways to lower the taxes on Manitobans in all forms. That is why we have put in place the Lower Tax Commission. Rather than pre-empt their advice to us or direct our suggestions to them, I suggest we give them the freedom to go out and consult with Manitobans and bring their advice back to us. In subsequent budgets we will have the opportunity of the benefit of that advice and will continue to make every attempt to lower taxes in this province to make Manitoba competitive.

I can tell you Manitobans are optimistic. There are more people in Manitoba working today than ever before in history. We have the lowest unemployment rate in the country. There are jobs being created out there, and the economy of this province is booming. If he travels across Winnipeg or rural Manitoba, he will see more construction today than he has seen in a long time. So there are all kinds of reasons for optimism in this province.

I am encouraged that the Liberals do have policy, that they are going to be able to bring to the people next week or later on, and we look forward to the debates that will ensue. But I can tell you that we will be the party that can truly champion the cause of the taxpayer. We have lowered taxes in this budget. We lowered taxes in the last budget and our commitment is to continue to do that.

Mr. Leonard Evans (Brandon East): How can he participate in this debate after at least two hours of repetition ad nauseum from the member from Inkster (Mr. Lamoureux)? I agree with his position on property taxes being a burden to people in this province, but at the same time, I do not know how many times you say the same thing in a thousand different ways. I think that is what we have been hearing for the last two hours.

Mr. Chairman, I have a few remarks to put on the record, and then I would like to move an amendment which I would wish the committee to consider.

Point of Order

Mr. Lamoureux: On a point of order, Mr. Chairperson, I know in the past what has happened is when someone is in the line of questioning that they are allowed to continue on and—

An Honourable Member: That was in the past.

Mr. Lamoureux: I guess we are talking about today's NDP, and I know it takes it another step, but Mr. Chairperson, I do have some more questions I was hoping to be able to get on. I am quite prepared not to, to continue my questions, but I would just ask that the member for Brandon does not attempt to impute motives on my behalf as a courtesy, and I will leave it at that.

Mr. L. Evans: On the same point of order, I would like to suggest to the committee that after dealing with our particular amendment, there will be lots of opportunity for all members, including the member for Inkster (Mr. Lamoureux), to talk as long as he wishes on the bill because you seem to be taking a very liberal approach to this matter, if I can use this phrase. We have been all over the surface of this Earth, it seems this afternoon, on this introductory portion of the bill. But we—

Mr. Chairperson: Order, please. You are finished on the point of order, I understand?

Mr. L. Evans: Well, my point of order, Mr. Chairman, is I am not suggesting—I certainly do not want to impute any motives—for one moment that we are cutting off debate of any member. We simply want to proceed and provide an opportunity for this House to vote on a motion and we can certainly continue on with the rest of the bill.

Mr. Chairperson: The honourable member for Inkster (Mr. Lamoureux) did not have a point of order. He is correct that the honourable member for Brandon East (Mr. L. Evans) was recognized because he was to his feet first.

I am not impeding his opportunity to ask questions. When the member for Brandon East has concluded his line of questioning, we can

then return to the member for Inkster if he has not concluded.

Just to let the honourable member be aware of the situation, we are on Clause 1 at this time. You have to wait until we get to the clause which is affected by your amendment prior to your moving it.

* * *

Mr. L. Evans: I wonder if we could quickly go to Clause 5, and we can deal with our amendment. Again I suggest to the member for Inkster, in fact, every member here, he or she will still have opportunity to debate the bill and raise matters. So I would suggest that and further, I would point out that the member has had ample opportunity. In fact I would suggest it is really abuse of the privileges extended to him by members of the House to go on for two and a half hours or more on one particular topic when other members of the House wish to participate in the debate, not preventing the member—but you know, it is a matter of having a little courtesy to other members. There is such a thing as the tyranny of the minority, as well.

What I would like to suggest is we proceed passing Clauses 1, 2, 3, 4, get to Clause 5, I would like to make a few comments, put the amendment, have our vote, and then we can continue our discussion on any part of the bill.

Mr. Chairperson: Is it the will of the committee to pass Clauses 1 through—no?

Mr. Lamoureux: Thank you, Mr. Chairperson—

Mr. Ashton: Thank you for asking for leave to proceed to that clause. I would point out that we had given leave to have general discussion which accommodated the member for Inkster. We are asking for the same consideration in return, and I would suggest that we can then revert to the general discussion. We have no difficulty with that. We are not asking to pass the previous sections. We are asking to go straight to this section, in the same spirit that we gave to the member for Inkster the opportunity to go back and speak for the last two and a half hours and he will be able to talk afterwards, Mr. Chairperson, there is no problem with that.

Mr. Chairperson: Is there leave to proceed to Section 5 to deal with the amendment being brought forward by the official opposition? No? Leave has been denied.

* (1740)

Mr. Lamoureux: You know, Mr. Chairperson, my question was going to be very short and brief to the Minister of Finance but how quickly we forget, you know. I sat in the Chamber when Jay Cowan walked along the back here for hours and hours, and the member for Thompson was in there. If you want to see an art to filibustering that is what you should have seen. [interjection] Now, I would suggest to you the actions—

An Honourable Member: And abuse. Abuse.

An Honourable Member: It is an abuse.

Mr. Chairperson: Order, please. Could I ask honourable members who want to carry on this conversation to do so very quietly. I do believe the honourable member for Inkster is putting forward a question at this time.

The honourable member for Inkster, to continue.

Mr. Lamoureux: Mr. Chairperson, you know the temptation to get into this is quite strong. There are just so many examples of abuse that I could bring up, and I could talk about Sharon Carstairs in '86 in the way in which the party has been treated. Having said that, I do want to actually pass on some of the clauses, and you know it is really unfortunate that we are not seeing the patience that I think is important.

The question to the Minister of Finance is: Does he believe his government is going to have continual decreases in personal income tax?

Mr. Gilleshammer: Mr. Chairman, we will strive very hard as we go into our next term of office to reduce taxes for Manitobans to continue to take that burden of tax off our citizens and we will, as I have indicated earlier, listen very carefully to what Manitobans have to say to the Lower Tax Commission. We are in a competitive situation with other provinces who

are reducing taxes with other jurisdictions. We must do the same. We have committed in this budget to reduce income tax and other taxes. We will strive to continue along that path, and I know that the member is fixated on property taxes. We have included that in the discussions that the Lower Tax Commission is going to have with Manitobans.

Mr. Lamoureux: Mr. Chairperson, I would ask the minister: Is it then safe for us to put the word "property" tax wherever he used income tax in his last statement?

Mr. Gilleshammer: Mr. Chairperson, I know the member for Inkster is a wily debater, and he said he wanted to trap me earlier. Our commitment is to look at lowering taxes and we have included all forms of taxes in that statement. We have given that mandate to the Lower Tax Commission to look at property taxes, income taxes, sales tax, all of the taxes, I think, are on the table, and we have asked the Lower Tax Commission to deal with all of them in their discussions with Manitobans.

Mr. Lamoureux: Mr. Chairperson, I had hoped to be able to address the issue into which I believe my constituents would have liked to have seen me address it. I detect that there is an overwhelming amount of agitation inside the Chamber. Having said that, no, and I do take it a bit personal, I really do. I think that you are imputing things that just are not there. I believe it is an important issue.

I detect the agitation that is here, and that is the only reason why I am going to allow this particular line to continue on, but I advise the Minister of Finance to make note of the importance of the property tax issue. I have done it over the last 10-plus years ever since I was elected. It is always going to be a priority issue for me personally. I have been very strong in terms of advocating from within my own political party. We are going to address it in a very substantial way, a way that I believe my constituents will be very pleased to see. I would hope, I trust that at least this government, and I do not buy into the argument that the commission—this will be my last question—is going to resolve the problem. What I want to see is the Conservative Party make a very clear

indication that it is going to deal with property tax and bring down our property taxes. There are far too many inequities. It has been abusive, Mr. Chairperson. It is an issue that has to be addressed, and I will leave it at that.

If individuals feel that I have inappropriately used this Chamber, I say shame on them. I did what I feel was right for my constituents, and I will continue to do what I feel is right for my constituents.

Mr. Gilleshammer: I thank the member for Inkster. He has always represented his constituents well and forcefully put forward his ideas. I had indicated earlier that maybe he should complete the scenario and indicate what taxes he was going to raise to allow us to reduce property taxes. It is a debate that has to take place. I can tell you that we will not prejudice the Lower Tax Commission. We want them to do their work and look forward to their advice.

Mr. Chairperson: Clause 1—pass; Clauses 2 and 3—pass; Clause 4—pass.

Mr. L. Evans: Clause 5.

Mr. Chairperson: Clause 5.

Mr. L. Evans: Mr. Chairman, this is the portion of the particular bill in question that provides for the reduction of the income tax in this province spread over two periods, July 1 and January 1. While, as our Leader has stated, we are in favour of some income tax relief, because, as our Leader has stated, the fact is that over the years, because of the phenomena of bracket creep, tax revenues have indeed grown very substantially. Thanks, also, of course, mainly to the federal government tax system. But, nevertheless, even with this proposed tax cut that the minister is bringing forward in this bill, there is still a substantial increase in income tax revenues for the year 1999-2000. So the fact is that there is a bit of relief here, but Manitobans are still collectively going to be paying more income tax next year.

I also want to put on the record that we have a record in government, the New Democratic Party has had a record in government, of bringing about a fair taxation system in this

province and particularly with regard to alleviating property tax burden. I was very pleased to be part of the government that introduced the property tax credit system that we still have today but was cut back a few years ago under Clayton Manness to the tune of \$75 per property, involving \$53 million, which was equivalent to raising income taxes at that time by two and a half points.

That is the research done by the Department of Finance. When you reduced the property tax credit from \$325 to \$250 in 1993, you cost Manitobans \$53 million, equivalent to raising their taxes, their income taxes, by two and a half points.

Another point I would make: Go back to the Schreyer years when we brought in a very excellent equitable property tax credit system. In addition to that, we brought in a cost-sharing system with the municipalities of this province: two points of income taxes to be dedicated to municipalities of this province.

This was brought in in the Schreyer years and has been maintained and fortunately continues because it is a main method by which we can assist municipalities to provide the services at the municipal level to their residents without excessive burden of property tax itself. So, to that extent, the provincial government has—and going back, as I say, to the Schreyer years—provided this type of tax relief.

I heard the member for Inkster (Mr. Lamoureux) repeat over and over his concern about property taxes being a burden. Of course, we agree with that. We have stated that. My Leader stated that. Others on our side have stated that the fact is that the property taxes have become a great burden in this province. We see that, even in the city of Winnipeg, the average home has seen an increase of over 55 percent in school division taxes since 1990.

And you can quote other figures showing in the city of Brandon, for example, the Brandon School Division taxes jumped 14 percent in 1998 and then 9 percent this year. So there is no question that the increase in school division taxes was caused by cutbacks of this government previously and has had the impact of raising the

tax burden on property owners throughout this province.

I might also note, Mr. Chairman, talking about tax increases, the minister always likes to brag that they have not brought in tax increases. But I would remind him again that in 1993 the sales tax was broadened. This cost Manitoba, and according to the Finance department's own records, \$48 million, which was equivalent to another two points of income tax. So, in effect, the offloading that occurred back in 1993 combined was equivalent to a rise of 4.5 percent in income tax points in this province.

* (1750)

At any rate, I want to say that our party believes in a balanced approach. We are prepared to support some of this income tax reduction, but we feel that there is room for property tax relief. To that extent, I would like to move an amendment. I just might point out that the impact on the economy of a property tax cut is far more positive than simply lowering income tax rates because the fact is that the property tax reduction we are proposing will affect people from the average and the lower income groups more so than the average to the higher income groups.

To that extent, when you provide greater monies for people on lower incomes, you have a greater impact on the economy because, as economists would say, people on lower incomes have a higher marginal propensity to consume. They will more likely spend that additional dollar, or most of it, more so than a person on a higher income level who, by all statistical measurements, does have a lower level of marginal propensity to consume.

So, if you want to stimulate the economy, you give money to people on the lower side of the income scale. That is the proposal we are bringing forward today. It is a balanced approach, Mr. Chairman.

Having said those few words, and to be expeditious in this matter, I would now move an amendment to Clause 5. I hope and believe the staff would have a copy of it, and I would read it.

THAT the proposed clause 4(4)(e), as set out in section 5 of the Bill be amended

(a) by striking out "47%" and substituting "48.5%"; and

(b) by adding ", 1.5% for the purpose of property tax relief" after "provincial purposes".

[French version]

Il est proposé que l'alinéa 4(4)e, énoncé à l'article 5 du projet de loi, soit amendé:

a) par substitution, à "47%", de "48,5%";

b) par adjonction, après "fins provinciales", de ",1,5% à l'allègement de l'impôt foncier".

That is my amendment, Mr. Chairman. I have explained the intent of the amendment. It is to maintain income tax relief as of July 1, but beginning in the year 2000, instead of the second 1.5 percent relief, we would be allocating those monies for property tax relief. We believe, as I stated earlier, that this is far more equitable and will have more impact on stimulating the economy of this province. So we put forward this amendment in the best of spirits. Mr. Chairman, we think it is a balanced approach, and it is an approach that I believe that the people of Manitoba would be more ready to accept than what is being suggested in this particular bill.

With those few words, Mr. Chairman, I trust that this committee would now consider and pass this proposed amendment.

Point of Order

Mr. Praznik: Mr. Chair, I mean we are all aware that, despite the fact the New Democrats supported this budget, supported it with their votes just a few short days ago, they supported the general intent, which included the full income tax reduction, the time to have probably made their point was on the budget, if they view there are other ways of doing it.

Having said that, and having this afternoon heard the New Democrats on at least two occasions rise in this House—

An Honourable Member: On a point of order.

Mr. Praznik: —and talk to this. I am getting to it. On two occasions the New Democrats rose in this House and stressed the strict adherence to the rules of this House. They should know, the member opposite for Brandon East should know very clearly that this amendment is out of order, that it is not within their purview to make. Clearly, Rule 60.(2) indicates that "No Member, who is not a Minister of the Crown shall move any amendment to a Bill or to estimates that increases any expenditure or varies a tax rate or a rate of tax or provides an exemption or increases an exemption." So it is clearly out of order. I refer the member to that part of our rule.

As well, Mr. Chair, clearly with respect to Beuchesne, that an amendment is out of order if it imposes a charge upon the public Treasury or if it extends the objects and purposes or relaxes the conditions and qualifications as expressed in the Royal recommendation.

Members opposite have known that. They have known that this would be out of order. Their opportunity to have put this forward would have been in the debate on the budget to have voted against the budget. Instead, they have picked an opportunity that they have clearly known was not an appropriate amendment. I would remind, particularly the media here today, that twice in the course of this debate they have insisted on the strict inherence of the rules of this House, and then they come here with an amendment that they know is quite frankly out of order.

Mr. Ashton: On the same point of order, I suspect, Mr. Chairman, that a majority of the comments that were made by the minister would have been better made in debate on this motion. We are quite prepared to debate this motion, but I point out to the minister that we just sat here and listened for two and a half hours to the member for Inkster (Mr. Lamoureux) based on giving leave, based on the will of this Committee of the Whole of this House to listen to the concerns of the member for Inkster.

I would suggest to the government House leader that if he has concerns about the rules in terms of this matter, we are more than prepared

to apply the same sort of principle that we did for the member for Inkster for two and half hours to have this motion dealt with because we believe Manitobans would like to know, not only where we stand—this is our proposal—but where the government would stand. This is the same government that has done nothing for property tax. We want to see their vote on this particular motion.

Mr. Chairperson: The amendment, as put forward by the honourable member for Brandon East (Mr. L. Evans), is out of order. It contravenes subrule 60.(2) because a member, who is not a Minister of the Crown, cannot move an amendment to vary a rate of tax.

* * *

Mr. Ashton: I respectfully challenge your ruling.

Mr. Chairperson: The ruling of the Chair has been challenged.

Voice Vote

Mr. Chairperson: All those in favour of sustaining the ruling of the Chair, please say yea.

Some Honourable Members: Yea.

Mr. Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Yeas have it.

Mr. Ashton: Yeas and Nays.

Mr. Chairperson: Yeas and Nays. A recorded vote having been requested, call in the members.

Formal Vote

Mr. Chairperson: The ruling of the Chair has been challenged. A recorded vote has been requested.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 26, Nays 18.

Mr. Chairperson: The ruling of the Chair has been sustained.

The hour now being at six o'clock, committee rise.

Mr. Praznik: Mr. Chair, would there be a willingness to have the committee sit until 6:30 p.m. to complete the clause by clause?

Mr. Chairperson: The hour being at six o'clock, we cannot do that.

Mr. Praznik: That is fine. I understand.

Mr. Chairperson: The hour being 6 p.m., committee rise.

Call in the Speaker.

IN SESSION

Mr. Deputy Speaker (Marcel Laurendeau): Order, please. The hour being 6 p.m., this House is now adjourned and stands adjourned until Monday at 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 13, 1999

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