

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

Official Report
(Hansard)

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

MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 29, 2013

The House met at 1:30 p.m.

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

Good afternoon, everyone. Please be seated.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 205—The Election Financing Amendment Act

Mr. Brian Pallister (Leader of the Official Opposition): I move by myself, seconded by the member for Tuxedo (Mrs. Stefanson), that Bill 205, The Election Financing Amendment Act; Loi modifiant la Loi sur le financement des élections, be now read a first time.

Motion presented.

Mr. Pallister: Mr. Speaker, this is a bill which would result in the elimination of an undeserved subsidy paid to political parties under the current vote tax arrangements established by the government and will give members on all sides of the House the opportunity to express their views in respect of the merits and encouraging Manitobans to be part of political organizations who sustain their own operations as opposed to having to be subsidized by the voter at large.

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

Any further introduction of bills? Seeing none—

PETITIONS

Provincial Sales Tax Increase—Referendum

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by R. Fouillard, D. Deschambault, L. Hrybrecht and many, many other concerned Manitobans.

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

Further petitions?

St. Ambroise Beach Provincial Park

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

And this is the reasons for the petition—these are the reasons for the petition:

The St. Ambroise provincial park was hard hit by the 2011 flood, resulting in the park's ongoing closure and the loss of local access to Lake Manitoba, as well as untold harm to the ecosystem and wildlife in the region.

The park's closure is having a negative impact in many areas, including disruptions to the local tourism, hunting and fishing operations, diminished economic and employment opportunities and the potential loss of the local store and decrease in property values.

Local residents and visitors alike want St. Ambroise provincial park to be reopened as soon as possible.

We petition the Legislative Assembly of Manitoba as follows:

To request the appropriate ministers of the provincial government consider repairing St. Ambrose provincial park and its access points to their pre-flood conditions so the park can be reopened for the 2013 season or earlier if possible.

This petition is signed by C. Moffit, L. Nichol and M. Grant and many, many more fine Manitobans.

Provincial Sales Tax Increase—Referendum

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by I. Kotyk, M. Kotyk, W. Schnellert and many, many other fine Manitobans, Mr. Speaker.

Municipal Amalgamations—Reversal

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

The background to this petition is as follows:

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by E. Prestan, P. Doroharuk, G. Sloboda and many other fine Manitobans.

Provincial Sales Tax Increase—Referendum

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

And this is the background for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by B. Schwittek, T. Cianflone, A. Stoesz and many, many more fine Manitobans.

* (13:40)

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this is signed by A. Bugujuci, K. Morina and A. Morina and many others, Mr. Speaker.

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by A. Skardal, H. Stewart, M. McLaren and many other fine Manitobans.

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

These are the reasons for this petition:

Provincial government promised not to raise taxes in the last election.

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Submitted on behalf of B.L. Jeske, B. Eskilson, W. Lekmann and many other fine Manitobans.

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And, Mr. Speaker, this petition is signed by R. Kauenhofer, H. Barkman, J. Barkman and many other fine Manitobans.

Municipal Amalgamations—Reversal

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

The background to this petition is as follows:

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by M. Guber, R. Chartier and C. Couvier and many more fine Manitobans.

Provincial Sales Tax Increase—Referendum

Mr. Reg Helwer (Brandon West): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by F. Mitchell, B. Turner, B. Cochrane and many other Manitobans.

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This is signed by S. Prill, J. Krul, J. Kuha and many, many other Manitobans.

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And, Mr. Speaker, this petition is signed by R. Shenkarow, J. Dimerman, A. Ferguson and many, many other Manitobans.

Municipal Amalgamations—Reversal

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

And the background to this petition is as follows:

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

(2) The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement of November 9th, 2012, and has further imposed unrealistic deadlines.

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed, Mr. Speaker, by A. Webb, K. Carefoot, R. Gibson and many others.

* (13:50)

Introduction of Guests

Mr. Speaker: Prior to oral questions, I'd like to draw the attention of honourable members to the public gallery where we have with us today Karen Boyd, Maclean Boyd and Sheila Barker, the mother, brother and grandmother of our page Connor Boyd. On behalf of honourable members, we welcome you here this afternoon.

Also seated in the public gallery, we have from Elmdale School 40 grade 4 students under the direction of Bethany Dueck and Mike Martens. This group is located in the constituency of the honourable member for Steinbach (Mr. Goertzen).

Also in the public gallery—also seated in the public gallery, we have 12 visitors under the direction of Mr. Nick Janzen. This group is located in the constituency of the honourable member for St. Norbert (Mr. Gaudreau).

And also in the public gallery, we have with us today from the Canadian Parents for French, Catherine Davies, Janet Steinthorson, Stephanie Verbong, Raissa Verbong and Camille Pabalan, who are the guests of the honourable member for Kirkfield Park (Ms. Blady).

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

ORAL QUESTIONS

Budget (2012) PST Application

Mr. Brian Pallister (Leader of the Official Opposition): Mr. Speaker, did the Premier broaden the PST, the application of the PST, in the budget of 2012?

Hon. Greg Selinger (Premier): Mr. Speaker, we've had several weeks of debate with respect to what's happened with revenues in Manitoba, and the member opposite knows that all Manitoba families are paying less taxes now than they did in 1999.

For example, a family of \$60,000, four members in the family, pays about \$2,500 less in taxes. And that is the case for every family type in Manitoba; they pay significantly less in taxes and their cost of living remains among the most affordable in the country, and in some cases now is No. 1 for affordability in Canada.

Mr. Pallister: And the highest inflation rate in the country.

Mr. Speaker, did the Premier broaden the application of the PST to cover home insurance and increase the cost of Manitobans' home insurance by 7 per cent in the 2012 budget?

Mr. Selinger: Mr. Speaker, the member knows full well all the measures that were taken in the last several budgets.

He, however, neglects to mention the things we did that reduced the cost of living for Manitobans. Including in this budget and in the last budget and in the last four budgets, we've increased the personal exemption for every individual, for every spouse and every dependent in Manitoba. That's a thousand-dollar increase in personal exemptions over the last four budgets. The member's aware of that.

I only wish he would take a more balanced approach when he raises questions about affordability and taxation in Manitoba.

Mr. Pallister: Sixteen hundred dollars per household of four, Mr. Speaker.

Now, did the Premier broaden the application of the PST to include haircuts and colours for women, Mr. Speaker?

Mr. Selinger: Mr. Speaker, the member knows we've tabled a report in the Legislature that demonstrates that our auto insurance rates, electricity rates and home heating costs are the lowest in the country by a significant \$500 lower than the next closest competitor anywhere in Canada.

This is just one example of the things we do to keep Manitoba affordable, and we will continue to look for ways to make sure Manitoba's affordable. Even the government of Saskatchewan in their budget indicated that Manitoba was one of the top places to live in Canada for affordability, Mr. Speaker.

Mr. Speaker: The honourable Leader of the Official Opposition, on a new question. On a new question.

PST Increase NDP Election Promise

Mr. Brian Pallister (Leader of the Official Opposition): Yes, low costs for small pieces of the pie chart, but big increases in the big piece of the pie chart that is taxes.

Did the Premier promise not to raise the PST prior to the last election, yes or no?

Hon. Greg Selinger (Premier): Mr. Speaker, we said—and we have said this dozens of times if not more than that—that we would keep Manitoba the most affordable—among the most affordable places to live in Canada, which is exactly what we have done.

Seniors' personal tax credit—seniors' tax credit has gone to \$1,100 this year. Small businesses have the largest tax-free zone in Canada, \$400,000, going to \$425,000, and the personal exemption for individuals, spouses and dependents has been increased by \$250 every budget for the last four years, Mr. Speaker.

Mr. Pallister: The highest taxes west of Québec and getting higher, Mr. Speaker.

Now, prior to the last election, the Premier went—in response to the allegation that he might raise the PST, he replied, and I quote: Ridiculous idea we're going to raise the sales tax. That's total nonsense. Everybody knows that.

Is that quote accurate, or is it not accurate?

Mr. Selinger: I was pleased to be part of an announcement this morning that follows up on the two independent reports done on Lake Manitoba and Lake St. Martin.

This morning we announced we will invest in the order of one-\$250 million for flood protection for the people in the Assiniboine valley, Lake Manitoba and Lake St. Martin. We are going to move forward with the kind of protection that we provided in the Red River Valley when we provided a billion dollars of investment for ring dikes around communities, for lifting homes above the '97 level by 2 feet and \$670 million for the floodway around the city of Winnipeg.

And you know what? Winnipeg is at flood-level conditions right now and people don't notice it because the floodway's fully functioning and people are well protected. That's the commitment we made that we would protect people, and we followed through on it, Mr. Speaker.

Impact on Manitobans

Mr. Pallister: Old projects reannounced and reannounced, Mr. Speaker, do not make a plan. Thirteen years of neglecting flood preparation doesn't get made up in a few weeks. This is a rationalization for a PST hike. Everybody knows that.

The reality is that families are feeling the pinch of this government's tax hikes, Mr. Speaker. And the unwillingness and the inability of this Premier to identify with the real hurt he's causing is bothering Manitobans, and the damage he's doing to our competitiveness as a province is as well.

But the major issue here is the lack of integrity—not just the broken promises, not just the diversionary tactics, not just those things—the simple inability to answer straightforward questions so that the people of Manitoba can have an honest–honest–discussion about what the government is doing.

Will the Premier simply admit that he really believes that \$1,600 is better in his hands than it is in the households of this province?

Mr. Selinger: Mr. Speaker, this is a continuation of a pattern we've seen through several question periods. The Leader of the Opposition is arguing that a 1 per cent increase in the sales tax is equivalent to \$1,600. If 1 per cent is \$1,600, you have to spend \$160,000 to incur \$1,600 of additional expenditure. There are very few people in Manitoba—very few people—that would do that.

The largest risk to Manitoba families on affordabilities is the Leader of the Opposition's commitment yesterday to two-tier health care. He said in public yesterday that he believes a two-tier delivery system for health care in Manitoba is the way to go. That will ensure Manitobans pay more for an essential service, Mr. Speaker.

Mr. Speaker: Order, please.

And I'm sure honourable members will have heard this from me before. We have a lot of guests with us in the gallery here again this afternoon, which we appreciate. And I'm sure honourable members—all of us—would want to leave a very good impression for our guests. Especially, we would want them to return to see us performing our duties here.

So I'm asking for the co-operation of all honourable members. Please keep the level down a little bit so we can allow for our guests to hear clearly the questions posed and the answers provided.

Flooding Compensation Programs

Mr. Ian Wishart (Portage la Prairie): Mr. Speaker, Melinda Moch and her family thought they were getting a chance to live their dream when the opportunity arose to move back to their home

community of St. Ambroise and purchase the local general store. This was in 2010 and then came the flood of 2011.

The community was devastated. The provincial park, beach and campsites closed. Hunting, guiding and fishing lodges suffered and sales in the store plummeted. In short order, the business failed. Support programs rejected her claims and bankruptcy followed.

I ask the Finance Minister: How is this real-life example possible given the grand promises made by this government in front of cameras during the flood?

Hon. Steve Ashton (Minister responsible for Emergency Measures): Well, Mr. Speaker, we faced unprecedented flooding in this province. We put in place \$1.2 billion to both fight the flood and provide compensation and assistance. In fact, the assistance alone is about \$840 million.

And I say, Mr. Speaker, not only did we put in that kind of commitment during the flood, we made a historic announcement today. Our Premier announced that we're going to move to the next step, which is to have an additional outlet for Lake Manitoba, make the Lake St. Martin outlet permanent and provide permanent protection for the hardest hit communities.

I thought the member opposite, representing some of those communities, might have actually asked a question about that today, Mr. Speaker.

* (14:00)

Mr. Wishart: Mr. Speaker, I'd love to ask the question if there were any real details in the announcement.

This young family with three small children could have been part of the revitalization of this small Metis community. Compensation programs, announced with much fanfare, have not worked. This government has failed them. It is one thing to make grand announcements and quite another to take action in a 'kimely' manner.

Mr. Speaker, the Finance Minister, the member for Dauphin (Mr. Struthers), stood up at numerous meetings and said there would be programs in place.

Will this minister admit today that compensation programs have been lacking and have failed to meet the needs of the flood victims?

Mr. Ashton: Well, Mr. Speaker, perhaps the member opposite would care to talk to some of the municipal leaders and First Nations leaders that I had the opportunity to talk to right after our announcement.

And they all indicated that it's good news, because during the flood, Mr. Speaker, they made it very clear. There was a clear message. They said, don't forget us after the flood in terms of flood mitigation.

We did—not only did we not forget them, today, Mr. Speaker, we announced our commitment: \$250 million for an additional outlet for Lake Manitoba, and then making the Lake St. Martin outlet permanent.

Mr. Speaker, we are going to make it a lasting commitment to those people. Why again is this member opposite not only not asking a question, he votes against the budget that would allow us to finance it?

Mr. Wishart: Mr. Speaker, Melinda Moch showed a lot of wisdom. When her claim for losses for her business were rejected, she recognized that this government lacked real commitment. She and her family pulled up their roots and moved on, saying she couldn't afford to wait until a government program batted about their claim endlessly.

Two years have passed, and it would seem she was right. People like Melinda suffered the consequences so that others could live in comfort. No apologies have been given.

Would the Premier (Mr. Selinger) stand up today and at least apologize to this family for the mishandling of the 2011 flood claims?

Mr. Ashton: I want to remind the member again that we've put in place \$840 million of assistance that goes far beyond the federal-provincial disaster financial assistance program. In fact, during the flood period, we put in place upwards of nine stand-alone provincial programs. And I do want to say, by the—we're still seeking federal cost sharing for some of those programs, because we feel that's one of the reasons you have a federal government, to be there to provide that kind of assistance.

So, Mr. Speaker, if you add it up, in terms of our commitments—the \$1.2 billion going into the flood, the \$250 million today—I say to the member opposite: This government has taken the courageous step with this budget of standing up for those flood

victims. Why did he vote against the budget that would do something in the future for those flood victims?

Children in Care Information Management Systems

Mrs. Leanne Rowat (Riding Mountain): What we're seeing are more and more Manitobans who were inflicted by the 2011 flood giving up because this government is ignoring them.

Mr. Speaker, yesterday the Phoenix Sinclair inquiry heard from an out-of-province independent expert who said that Manitoba has the highest rate of kids in foster care in Canada. The numbers speak for themselves: 18.4 children in care per 1,000 compared to the national average of over eight kids. We know that this equates to more than 10,000 kids in care and more than 6,200 families supported by CFS, yet serious concerns about the informational management system within the child welfare system is not a priority for this government.

Does the minister responsible for child welfare system not understand? Or maybe she just doesn't care that by her—

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

Hon. Jennifer Howard (Minister of Family Services and Labour): Of course, we're all listening very closely to the testimony at the inquiry. We know that it's now looking at the third phase of its mandate, which is to look at all of those things that happen in communities that contribute to the neglect and abuse of children. I think this is a very important phase of the inquiry because, certainly, it is beyond any system in any government to take on by itself the ability to care for our children, to make sure our children are loved, cared for and respected. So I think this is an important part of the inquiry.

We'll look forward to those recommendations. Action is ongoing on increasing staffing and making sure those staff have modern tools to do the job that they need to do.

Mrs. Rowat: Mr. Speaker, five ministers of Family Services under this government, no oversight, complete negligence and no accountability.

Mr. Speaker, in 2006 the Auditor General identified that there was limited monitoring of financial and statistical information such as caseloads, case file notes, compliance issues and efficiencies. And the AG's 2012 report, which was a

follow-up, showed that it was—there was a complete—and there was apparently no completeness and accuracy in the case management files.

Mr. Speaker, when does this minister think that she can get away with not being able to have information at her fingertips? She's making decisions within her department without information so important to the well-being of Manitoba's vulnerable children.

Ms. Howard: Certainly, Mr. Speaker, in the aftermath of the murder of Phoenix Sinclair there were several reviews that took place. There were 300 recommendations that came forward. There was resources provided to implement those recommendations. Many of those recommendations have been implemented; many others are ongoing. Some will take some time to implement.

Some of the immediate things we did was recognize that we needed to increase staff in those agencies to deal with high caseloads. Over 200 new people are working in those agencies to do that.

We knew that they needed better tools. We've brought in tools that help workers assess risk in a much better way to make sure that they can respond.

We knew that we needed to negotiate funding agreements with the federal government to make sure that agencies had access for the first time to funding to do prevention work.

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

Mrs. Rowat: We've seen a decade of neglect by this government within Child and Family Services. The numbers don't lie: more than 10,000 kids in care, 6,200 families needing support, and the highest rate of foster families in Canada, Mr. Speaker.

It is obvious that this minister is making departmental decisions without the important information systems in place so important issues can be dealt with for the well-being of Manitoba's children, the most vulnerable children in Manitoba.

Why is she refusing to track, why is she refusing to protect all of Manitoba vulnerable children she is responsible for, Mr. Speaker?

Ms. Howard: One of the things I get to do is go and visit with agencies and learn about the things that they're doing, and when you talk to agencies out there, they will tell you that the investments that we have made have enabled them for the first time to

work with families before those kids come into care, to intervene, to strengthen those families, to deal with families in crisis. That's very important work. They will tell you that having access to modern tools, modern risk assessments has helped them.

I also sit down and talk to foster families, the Foster Family Network, an organization, Mr. Speaker, that that government cut when it was in office. When the Leader of the Opposition was sitting around the Cabinet table, that's how they valued foster families. They cut funding to their organization. They cut funding to rates for foster families.

We have a lot of challenges, a lot of work to do to take better care of children, but we won't get there by—

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

Horse Racing Industry VLT Funding Changes

Mr. Cliff Cullen (Spruce Woods): The Minister of Finance (Mr. Struthers) was caught red-handed withholding 2 and a half million dollars of funds under The Pari-Mutuel Levy Act. This money was to be used for horse racing promotion in Manitoba. Judge Dewar found the minister guilty under the current legislation and ordered the minister to forward the money to the Manitoba Jockey Club.

Well, the Minister of Finance has also stated in his budget that he will be changing the VLT funding to the \$50-million horse racing industry here in Manitoba.

Mr. Speaker, I'd like to ask the Minister of Finance how he intends to do that. Will he (a) be renegeing on the existing contract between the Manitoba Jockey Club and the Manitoba Lotteries Corporation, or (b) will he be reducing the number of VLTs at Assiniboia Downs?

Hon. Greg Selinger (Premier): Mr. Speaker—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. The honourable First Minister.

Mr. Selinger: Thank you, Mr. Speaker. Any Minister of Finance and any government every year has to find ways to allocate resources from lower priority items to higher priority items. And we have said that the No. 1 priority in Manitoba is health, No. 2—No. 1 priority is also education, and so the

minister has proceeded by—with what exactly—he has proceeded with what exactly was stated in the budget.

We will reduce public subsidies to horse racing and direct resources to priority services through legislative changes to The Pari-Mutuel Levy Act and the Manitoba Jockey Club VLT site-holder agreement. That's what he said in the budget; that's what he intends to do. We will support it because we think that hospitals and schools are a higher priority for \$5 million of public resources.

* (14:10)

Bill 43 VLT Funding Changes

Mr. Cliff Cullen (Spruce Woods): Mr. Speaker, this is about NDP backroom politics and it's about the integrity of this government. Clearly, the minister was caught red-handed and acting—not acting under The Pari-Mutuel Levy Act. The Minister of Finance and this NDP government are also named in a \$350-million lawsuit because of this. The Minister of Finance is also potentially in breach of the conflict of interest legislation on this file.

Mr. Speaker, I want to say, under the new liquor and lotteries act—that's Bill 43—section 128 gives the executive director sweeping powers in terms of removing VLTs.

Mr. Speaker, is this how the Minister of Finance intends to reduce the funding to the horse racing industry?

Hon. Steve Ashton (Minister charged with the administration of The Manitoba Lotteries Corporation Act): Mr. Speaker, I think it's important to put some facts on the record, that—something members often have failed to do.

First of all, since we came into government, we've actually provided over \$75 million to the Jockey Club for the maintenance of Assiniboia Downs. On an annual basis we have been providing \$9.5 million, both through the VLTs and the parimutuel levy. That's about 90 per cent of the funding for the Assiniboia Downs.

During the budget address, the Minister of Finance addressed the fact that we simply can't afford to be providing that kind of subsidy, and what we're doing is reducing it by \$5 million. That still leaves in place the parimutuel levy, still leaves in place money for Assiniboia Downs, but reallocates

that \$5 million from horses—prize money for horses to hospitals.

Ministerial Immunity

Mr. Cullen: Clearly, the minister and the government have broke the law under the parimutuel act. The minister and the government are facing a \$350-million lawsuit. The minister and the government are forging ahead on Bill 20 with no regard to the law, Mr. Speaker.

Bill 43 gives the minister sweeping powers to remove VLTs from facilities. And also under that legislation, a new section, section 156 in Bill 43, also provides the minister and staff retroactive immunity in any civil proceeding arising out of such actions.

Is this the legislation designed to give the Minister of Finance a get-out-of-jail-free card?

Mr. Ashton: I—once again, members opposite completely fail to put on the record that the current gaming agreement with Assiniboia Downs, with the Jockey Club, provides a far greater percentage of return and various other provisions that, again, have provided upwards of 9 and a half million dollars' worth of subsidy to Assiniboia Downs, the Jockey Club, on an annual basis. We're not eliminating the support to the horse racing industry of Manitoba. We're reflecting, by the way, the reality that's taking place across North America in terms of horse racing. We're maintaining that.

And what's happening, Mr. Speaker, we announced it in the budget, we're bringing in the enabling legislation in the budget. And what the end result will be, will be we'll have VLT agreements that are very similar to everyone else in the province, nothing untowards.

The fact is, again, reallocating—

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

PST Increase Call for Referendum

Mr. Kelvin Goertzen (Steinbach): I hope we're able to smoke out the Finance Minister so we can find him pretty soon. We've been looking for him.

Now, we were able to smoke out the Premier (Mr. Selinger), who this morning said that he's not going to invoke closure to pass Bill 20, and I might give him some credit if it wasn't the same person who said he wasn't going to bring in the PST increase to begin with.

But for the moment, I'm going to accept the possibility that maybe sometime in the last few weeks, the Premier's had a conversion when it comes to issues of democracy. And if that's true, will he call a referendum before he increases the PST?

Hon. Jennifer Howard (Acting Premier): Certainly, we will continue to allow for debate of Bill 20. As it's been happening in the House, I've been eagerly listening; haven't heard a lot of substance yet, but I've been eagerly listening to the debate of the members opposite, and that debate will continue, Mr. Speaker. The bill is working its way through the Legislature. That will continue to happen.

We continue to believe that, although it was a very difficult choice to take, it is a responsible choice to make sure that funding is there to build hospitals, to build daycare centres, to build roads, to build bridges and to protect the services that matter most to Manitobans.

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

Mr. Goertzen: I must've missed the news release on the new triple P program, the Premier protection program.

The Premier's developed a series of excuses in terms of why he won't call a referendum. One of them, he says, is because there hasn't been enough time. Well, that's a little rich coming from a Premier who had the padlock on this Legislature until April 15th, one of the later dates for coming back into session. But now we hear—and he wants to assure us and we want to assure him we have lots of time now that we're here. We've got nothing but time, Mr. Speaker.

So why doesn't he use all the time that we have in the Legislature and call a referendum, Mr. Speaker?

Ms. Howard: Well, you know, Mr. Speaker, we do have a lot of time together, and I look forward to every moment of it.

I would say to the member opposite, if he is so interested in hearing what Manitobans have to say, the bill can go to committee any time he's ready. In fact, his—his members—they want to delay those

committee hearings by six months. That's the motion they brought.

Bill 20 Committee Presentations

Mr. Kelvin Goertzen (Steinbach): I'm—

Some Honourable Members: Oh, oh.

Mr. Speaker: The honourable member for Steinbach has the floor.

Mr. Goertzen: I'm not surprised the government's rushing to have committee hearings at 3 a.m. in the morning, Mr. Speaker. I mean, this is a government that doesn't want to have a respectful debate to allow Manitobans to come here at a decent time to present on Bill 20. The Premier (Mr. Selinger) himself, who's gone missing in action, who won't stand up and ask any—answer any questions, the Premier invited Manitobans to come here and make presentations on Bill 20, and now they're saying that they're going to ram them through the night at 3 a.m. in the morning.

If the Government House Leader or the Premier wants to actually hear Manitobans, I would ask them: Will they allow it to happen at a respectful time, Mr. Speaker?

Hon. Jennifer Howard (Acting Premier): Mr. Speaker, well, I don't think a respectful time is six months from now. That is what they are arguing for, to delay that bill to come to committee to have Manitobans have their say by six months. That bill will come to committee.

But I have to tell my friend from Steinbach, I spend a lot less time worrying about what he is doing at 3 in the morning than he seems to worry about what we're up to.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. Order, please. Order, please. The clock is ticking, folks. We're wasting precious time in question period.

Children in Care Policy Direction

Hon. Jon Gerrard (River Heights): Mr. Speaker, Nic Trocmé, the director of McGill Centre for Research on Children and Families in Montréal, testified yesterday at the Phoenix Sinclair inquiry that Manitoba has the highest number of children in foster care in Canada, with more than double the national average. He says that the system responds—

he's talking about poverty and neglect—by removing the child. This is a point which I've brought up many, many times in this Legislature.

I ask the Minister of Family Services: Will the minister admit that 10,000 children in care, a number equivalent to the population of Steinbach, is not a good example of excellent family support policies and tell this Legislature when she will change the direction of her policies to keep families together?

Hon. Greg Selinger (Premier): It is a good question. One child in care is too many children in care, Mr. Speaker.

We want all families to have the supports they need to function in their communities, which is why we have put prevention programs in place, which is why we restored funding to the Foster Parents Association after it was cut by the members opposite, which is why we increased the rates for foster parents so we could recruit thousands of more in Manitoba under previous ministers of Family Services, which is why we've expanded training and support for children to go to school and provided support to families to have support from the very day their child is born.

We have prenatal benefits, Mr. Speaker, home visiting programs and nurses that work with families every step of the way.

We want families to have the support they need to succeed in Manitoba, which is why we've made very significant investments in these areas—

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

Child Apprehension Alternatives

Mr. Gerrard: Mr. Speaker, it is not only traumatic for a child to be removed from home. A child will learn that instead of dealing with family issues, the child can come to CFS and will be removed from the home.

* (14:20)

As Tracy Booth, who's executive director of the Elizabeth Fry Society, indicated at a forum on CFS, which we held March 24th, removing children from families on just the slightest concern is actually a big problem, because it teaches children to run away from problems instead of addressing them and resolving them, and that latter is an important life skill.

I ask the minister: What is she doing to make sure that every other alternative is used instead of first apprehending a child and being absolutely sure that every child who is apprehended—

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

Mr. Selinger: Again, Mr. Speaker, we've made a very significant in child—investment in what we call early childhood education and early childhood support. The healthy families programs that we have in place provide prenatal benefits. They provide nurses to 'mame' home visits. They provide paraprofessionals, parents themselves who are trained in the community to work with other parents. We provide daycares and early—and even prematernity daycare programs in Manitoba, and we provide support for young families to be involved with schools before their children are ready to go to school. So we're very strongly supportive of the kinds of initiatives that will help families be strong at every step of the way.

And also, when they come in contact with the child welfare system, we have very strong risk assessment tools that are used. They are internationally validated instruments that are well regarded around the world—

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

Mr. Gerrard: Mr. Speaker, as Nic Trocmé points out, one of the really relevant things here is this, and I quote: Better functioning families access services. The ones who need them the most don't get them under this government. End of quote.

One of the major issues in our province is how poorly this government has supported families, particularly those families who are vulnerable and do have low incomes.

I ask the Premier: What measures will he take this week—it's very important—to ensure that children and families who need the help the most will get it so that fewer children have to come into care?

Mr. Selinger: The expert that spoke from McGill University that said that the families that need the help the most are often the least able and in a position to ask for that help is often the case, Mr. Speaker.

So the most important response is to go to the homes, to know the families in their home setting, to be out in the community, to be doing what we call

home visits and get to know these people and build a trust relationship with them so that when they need help, Mr. Speaker, they know the person that they can ask for help from, whether it's a paraprofessional, whether it's a social worker, whether it's a child welfare worker, whether it's a nurse. We want them to know the care providers in the community and we want them to have access to them.

And that's why, Mr. Speaker, we've done a very significant investment, over \$11 million in prevention programming, along with the federal government, to get supports right at the neighbourhood, community level and right close to the homes and right at the home at the doorstep.

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

Education for Sustainable Development Greenhouse Pilot Project

Ms. Erna Braun (Rossmere): Mr. Speaker, Education for Sustainable Development teaches our children to care for the environment by reducing waste, by recycling and composting. ESD has been the focus for our government, and our educators are world leaders in developing high quality, innovative approaches to ESD.

Could the Minister of Education update the House on some exciting recent achievements in Education for Sustainable Development?

Hon. Nancy Allan (Minister of Education): I was delighted to be invited by the principal of the Landmark Elementary School, Principal Val Ginter, to join the community in Hanover School Division to celebrate the opening of an Education for Sustainable Development pilot project, and that is a greenhouse that they have, and the young people in the school have built soda pop can heaters and they are heating the greenhouse with solar panels and they have—they're growing plants and they're using those plants to contribute to their community by helping a project in the community who need to access fresh vegetables and herbs, and they've reduced—

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

Flooding (2011) Compensation Claim Settlements

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, on the eve of the second anniversary of the Lake Manitoba disaster, this NDP government has

not yet settled with over 500 victims—flood victims, mostly around Lake Manitoba.

However, many young farmers in the Assiniboine valley are seeding their first crop in four years, Mr. Speaker. And, in spite of the NDP admitting flood compensation from artificial flooding will be forthcoming, no compensation has been advanced to these Assiniboine valley flooded farmers.

I ask the minister: Why hasn't he flowed this long overdue compensation, or was his February edict just another announcement, just more talk, Mr. Speaker? What's he waiting for?

Hon. Steve Ashton (Minister responsible for Emergency Measures): Mr. Speaker, one thing I'm waiting for is members opposite actually to speak out in favour of our announcement today in terms of the Lake Manitoba and Lake St. Martin initiative. We're still waiting.

And I say to the member opposite that we have significantly moved in terms of compensation in the affected areas. In fact, what we've also done in other areas, Mr. Speaker, in terms of the Shellmouth Dam, we brought in statutory compensation. In terms of the 2011-2012 flood, we put in place \$840-million worth of assistance.

But, again, Mr. Speaker, they voted against everything we did in the past, and they voted against the budget that our Finance Minister brought in that's going to finance fighting the floods and providing permanent flood mitigation in the future. That's their record.

Mr. Maguire: Well, Mr. Speaker, I'm glad to see the minister is finally acting on what we called for over two years ago.

The Shellmouth Dam and Other Water Control Works Management and Compensation Act of 2008, Mr. Speaker, once passed, took the NDP government three years to even proclaim and another two years, in the case of the 2011 disaster flood—disastrous flood, to admit artificial flooding had even taken place. More talk, no results.

Now we see the same thing with hundreds of victims around Lake Manitoba. Nearly three years after the Emergency Measures meeting, Mr. Speaker, before the two thousand and election, in this very Chamber, called by this minister and his Premier (Mr. Selinger), a drain was announced from Lake

Manitoba to Lake St. Martin, \$60 million for the part that never happened—

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

Mr. Ashton: Mr. Speaker, I think I said this before, but I know members opposite believe that the moon landing was filmed in a back lot in Hollywood.

But, Mr. Speaker, for the member opposite to say that the drain—the emergency drain out of Lake St. Martin made no difference in the 2011 flood is absolutely unbelievable. It dropped the level of Lake St. Martin by 3 feet. It dropped the level of Lake Manitoba by 2.2 feet. It brought those lakes back within operating range.

It worked, but we're going one step better. We're going to make it permanent and we're going to add additional outlet from Lake Manitoba. That's the reality, Mr. Speaker. It's time for a reality check on the—for members opposite.

Mr. Maguire: Well, Mr. Speaker, as the minister continues to throw out large numbers of dollars in announcements to try to justify his government's budget, his lack of compensation for the over 500 claimants speaks louder than his idle words.

With so many broken promises on infrastructure announcements over the past 14 years, Mr. Speaker, the minister now says he'll build a channel. I say he's just changing the channel to dial Manitobans' attention from his ineptness and broken promises.

Mr. Speaker, why has he so disregarded these flood victims from 2011's flood?

Mr. Ashton: You know, Mr. Speaker, since we came to government, we put in place \$1 billion in terms of permanent flood mitigation. The member may want to take a tour of the Red River Floodway and the ring dikes that protected the Red River Valley.

What we did in the flood, Mr. Speaker, we put in place \$1.2 billion—that's a billion with a b. And it included \$840 million of direct compensation and assistance. What we did today is we announced another \$250 million. That's a quarter of a billion, again with a b.

The difference between the NDP and members opposite, we deliver for flood victims, Mr. Speaker; all they do is vote against it.

Emergency Room (Beausejour) Closure

Mr. Wayne Ewasko (Lac du Bonnet): Mr. Speaker, speaking of backdrops to Hollywood, I believe this minister feels he's still there or something, the way he's acting.

Mr. Speaker, there are 17 health-care facilities in Manitoba currently faced with emergency department closures or downgrading of emergency services. On Victoria Day, that number increased to 18 when the Beausejour ER was closed because there was no doctor available.

Can the Minister of Health (Ms. Oswald) please indicate to the constituents of Lac du Bonnet whether this is the new standard of health care the RHA amalgamation has brought upon communities in the North Eastman area, Mr. Speaker?

* (14:30)

Hon. Dave Chomiak (Acting Minister of Health): One can detect the 'prioritization' that members opposite have on health care by where they're—by the way their questions are asked and when their questions are asked. They haven't shown much interest in health care; they didn't when they were in government, Mr. Speaker.

And yesterday the Leader of the Opposition made it very clear that they wanted to go back to the privatization. They wanted to go back to the old, cut, Tory era of privatizing health care, having a two care—a two-tier health-care system. In fact, the Leader of the Opposition said, quote, I am a guy who believes that the private sector offers some competitive advantages.

The private sector won't be going into those hospitals where we've trained an additional 500 doctors to go into hospitals around Manitoba since the members opposite closed—

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

Mr. Ewasko: I echo the sentiment of the House. Where are they, Mr. Speaker?

This is a beautiful area of the province and, as such, its population triples, if not quadruples, during the summer months. Given that Beausejour's ER was closed on holiday Monday just days ago, should residents and tourists expect the emergency room to be closed when the next holiday rolls around, Mr. Speaker?

If a resident or tourist experiences a medical emergency, I ask this minister: What are they supposed to do?

Mr. Chomiak: Mr. Speaker, the—today there are a hundred more doctors in rural Manitoba than in 1999, and we filled over 1,100 rural and northern nurses vacancies. That's three nurses for every nurse members opposite fired during the lean, mean Tory years.

And it's very clear where they want to go in the future. They want to go to the future because the Leader of the Opposition said yesterday where they want to go. They want to go back to private health care, to cutting costs, to laying off nurses and doctors, and that's while they speak in—

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

Time for oral questions has expired.

MEMBERS' STATEMENTS

Concours d'art oratoire

Ms. Sharon Blady (Kirkfield Park): Yes, Mr. Speaker, in today's fast-paced world, communication skills are becoming more and more important to learn. In particular, learning a second language is a great way to enrich our communication skills and broaden our horizons. Today, I am pleased to recognize the Concours d'art oratoire that took place in Manitoba schools this spring. Concours is a competition in which students research, write, practise and perform short speeches. For 30 years now, the Canadian Parents for French have organized Concours to give Manitoba students the opportunity to showcase their public speaking skills en français.

Cette année, environ 8 000 étudiants de troisième à douzième ont pris part au Concours. Ils ont participé à diverses catégories d'Immersion française, Français de base et Francophone, d'abord dans leurs salles de classe, puis au niveau de l'école, au niveau de la division, au niveau provincial et, enfin, dans une compétition nationale.

Translation

This year, about 8,000 Manitoba students from grades 3 to 12 took part in Concours. They competed in various French Immersion, Basic French and Francophone categories, first in their classrooms and then at the school, divisional, provincial and finally the national level.

English

St. James-Assiniboia School Division has a rich tradition of French education, and I want to recognize those students from our schools who participated. Almost 50 of these students took part in the divisional event held in March, representing Voyageur, Bannatyne, Stevenson-Britannia, Bruce, Assiniboine, Robert Browning, Golden Gate, Ness, Lincoln and Sturgeon Heights.

Beaucoup de ces élèves ont continué à la compétition provinciale qui s'est tenue ce mois-ci, et ils ont très bien fait. Félicitations à Charlotte Peace, Sarah Janzen, Ryan Hay, Keira Nichol, Paige Curell, Jamie Cardona, Liam Hay et Lucy Asante, qui ont tous placé dans leurs catégories respectives. De plus, nos étudiants nous avaient très bien représentés à la compétition nationale à Ottawa cette fin de semaine. Lucy Asante, Jaelyn Flom et Emma Gehrs-Whyte ont toutes gagné des bourses à l'Université d'Ottawa pour leurs discours.

Translation

Many of those students went on to do very well in the provincial competition held this month. Congratulations to Charlotte Peace, Sarah Janzen, Ryan Hay, Keira Nichol, Paige Curell, Jamie Cardona, Liam Hay and Lucy Asante, who all placed in their respective categories. Furthermore, our students represented Manitoba very well at the national competition held this weekend in Ottawa. Lucy Asante, Jaelyn Flom and Emma Gehrs-Whyte all won University of Ottawa bursaries for their speeches.

English

Learning French is a great way to enrich our children's educational experiences and open up more opportunities. I want to thank those involved in the Concours d'art oratoire for their hard work in ensuring that our young people have every chance possible to develop their language skills. To all those who participated in Concours across the province, félicitations.

Merci, monsieur le Président.

Translation

Thank you, Mr. Speaker.

**Lois Fowler, Gwen Wooley,
Lori Manning, Joan Robertson**

Mr. Reg Helwer (Brandon West): I would like to take a moment to recognize four Brandonites who

have great dedication and prowess in the game of curling and have done very well at representing Manitoba on multiple occasions: Lois Fowler, Gwen Wooley, Lori Manning and Joan Robertson are their names, Mr. Speaker, and throwing rocks are their game. Between the four of them they have represented Manitoba a total of 12 times at nationals and this time in the Canadian Senior Women's Curling Championship.

In the opinion of curlers, the Canadian Senior Women's Curling Championship is every bit as competitive as the Scotties, but in a much more relaxed and friendly atmosphere. It isn't uncommon for opposing teams to get together after a long, hard, yet fun day of curling and socialize to get to know one another. Isn't that a surprise for curling? In this group, who has attended—for this group who has attended and participated in this event in the past, it could have been like playing against familiar faces and familiar friends.

The team and their coach, Brian Moffatt, made the trip to compete in the 2013 Canadian Senior Women's Curling Championship in Summerside, Prince Edward Island. Unfortunately, their fifth, Jill Hazelwood, was not permitted to attend and was—that was a blow to the team's spirits as she had helped them out while many had suffered an injury and some members had to abstain from a few games. Even so the team persevered and played very well in this year's competition. Alas, the four were eliminated in the semifinals by Alberta, but were able to come back for a win and claim third place for our province. Although they wish to have done better, they can hold their heads high with their bronze medal.

I invite all honourable members today to join me in congratulating and celebrating their win and their efforts in representing the province of Manitoba.

Thank you, Mr. Speaker.

International Trade

Mr. Bidhu Jha (Radisson): Before I make my statement, I request the leave of the House because this could be a little bit longer than the allowed time. I hope I have got the leave. I'm talking about international trade.

Mr. Speaker: Leave has been requested for a member's statement that may be a little bit longer than normal.

An Honourable Member: Leave.

Mr. Speaker: Leave has been granted.

Mr. Jha: [*inaudible*] for granting me that.

Mr. Speaker, Manitoba has huge potential to become a hub of Canada's international trade. As the special envoy for international trade, I know the importance of working together to build a strong and lasting international trade relationship with the emerging markets.

Since 2010 I have been working with the Premier (Mr. Selinger) to develop new opportunities to build bilateral trade with Brazil, Russia, India and China, the BRIC countries. We have witnessed success in working with these emerging economies. In the past two years Manitoba's export to BRIC countries have increased by over 55 per cent. Last year our export to BRIC totalled about \$1.2 billion. I am, in particular, pleased that Manitoba has very close ties with India, and we are working to make that strong relationship much stronger. Over the past decade overall trade with India has grown by 115 per cent, including 60 per cent increase in our exports.

Mr. Speaker, I am pleased to report to the House that the recent mission to Manitoba led by Business Council of Manitoba CEO, Jim Carr, was supported by our Premier and other business organization executives, such as CentrePort Canada CEO, Diane Gray; Winnipeg Chamber of Commerce, Dave Angus; Yes! Winnipeg leader, Bill Morrissey; and our new World Trade Centers CEO, Mariette Mulaire. Visiting a number of key provinces in India, I joined the Premier in meeting the Chief Minister of Gujarat, the Honourable Narendra Modi, who is considered a dynamic leader throughout the country for his emphasis on building the country on economic and social development. Moreover, we toured the Tata facility that produces the internationally acclaimed NANO car, one of the most economical automobiles produced in the world. It was a state-of-the-art manufacturing facility. During our meeting with Chief Minister Modi, he informed us that Gujarat welcomes a deeper relationship with Manitoba and we have extended an invite to the Chief Minister to visit us here in Manitoba.

Manitoba can prosper from the growing trade relations with India. Manitoba companies have expertise in specialized businesses such as food processing and grain storage as well as in engineering and power which will further strengthen our relationships and ties with the emerging markets

like India. In this vein, I would like to congratulate Manitoba firms like Westeel, Micro Tool & Machine Ltd., Challenger Manufacturing Ltd., among others, which contribute to our growing relationship with that country.

* (14:40)

I would like to commend AmbuTech, a manufacturer from the St. Boniface Industrial Park, in my constituency of Radisson, which made a generous donation of canes to the Blind People's Association in Ahmedabad.

Mr. Speaker, our international trade mission to India was a great success. During our trip, we were able to make new trade contacts and learn about India's steady growing economy and opportunities that our growing relationship with Manitoba and India can offer businesses and citizens of Manitoba—great opportunities.

Thank you, Mr. Speaker.

Dr. Francis Patrick Doyle

Mr. Dennis Smook (La Verendrye): Mr. Speaker, community physicians are a vital part of growing up in rural Manitoba. Rural hospitals allow residents to remain in their community without having to drive long distances to receive health care. Doctors in small communities are often involved outside their practice and are leaders in the communities that they come from.

The community of Ste. Anne has been privileged to work with Dr. Patrick Doyle. Over his five decades of work as a physician, he was key in establishing health-care services in the community, including building the community hospital, a pharmacy and one of Manitoba's largest personal care homes.

He began as a pioneer doctor and has worked to improve both health and the education services in this province.

Dr. Doyle's community involvement has included numerous community organizations, the founding of the hospital and clinic in Ste. Anne, the consolidation of area elementary schools and the promotion of French language education. Dr. Doyle's dedication to health care in his community was only matched by his dedication to education, as he has served—chairman of the Seine River School Division.

In 1992, Dr. Doyle was named physician of the year and in 1996 was made a member of the Order of

Canada, the highest civilian honour that one can receive.

This year, Dr. Doyle was named as one of the recipients of the Order of Manitoba and will receive his designation on July the 15th, for his work both in the fields of health care and education in the province and in the community of Ste. Anne.

Dr. Doyle, throughout his career, has demonstrated leadership and his deep commitment and dedication to helping others has truly shown in everything he has accomplished.

Mr. Speaker, Dr. Doyle has contributed a large portion of his life to helping others; both through the health and education areas of society. The people of Ste. Anne are incredibly lucky to have him.

I would ask all members of this House to join me in congratulating Dr. Doyle on his lifetime of community service and on his being named to the Order of Manitoba, a truly well-deserved honour.

Thank you, Mr. Speaker.

PST Increase—Panel

Hon. Jon Gerrard (River Heights): Mr. Speaker, for the last two weeks, I've used my member statement to highlight the poor fiscal management of this NDP government and their imposition of an increase in the PST from 7 per cent to 8 per cent on July 1 of this year.

Two weeks ago, I highlighted a panel we held May the 11th in River Heights to examine the implications of the PST increase on students, on seniors and on those with low incomes. On the panel Martina Richter of Agape Table, who is seated in the gallery today, revealed that the increase in the PST will hurt those in low incomes the most because they live on the edge and any extra expense is most difficult for them to handle.

The forum also revealed that the NDP have overspent their expenditure budget by more than a hundred million dollars in each of the last—in 10 of the last 13 years.

Seniors like Muriel Koscielny, who's sitting in the gallery today, were horrified to learn that this government was so poor at financial management it would overspend so easily. Even a fraction of more than—of the more than \$2.5 billion in total overexpenditures since 1999 would have been sufficient to provide the \$200 million which the NDP

want to raise through their increase in the PST this year.

Today I want to highlight that the government is misleading Manitobans. Yesterday, the Minister of Finance (Mr. Struthers) said that the government doesn't charge PST on new homes. However, the government does charge the PST on the purchase of almost everything that goes into a new home, from lumber to light fixtures and even on the insurance on the new home. By the time a new home is built, the government has collected a lot of PST.

The Finance Minister's comments are disingenuous at best. It's an example of how the government is misleading Manitobans.

Who will the PST on home construction impact the most? Why, those with the lowest incomes, because they can least afford the increase in the cost of lodging which will result from the increase in the PST. Since the NDP have hardly raised the shelter rates for those on EIA in their 14 years, those on low incomes will no-have no help from this government in dealing with the increased costs the government is imposing by increasing the PST July 1.

Mr. Speaker: Grievances? See no grievances—

ORDERS OF THE DAY GOVERNMENT BUSINESS

Hon. Jennifer Howard (Government House Leader): Would you resume debate on Bill 20, please.

DEBATE ON SECOND READINGS

Mr. Speaker: We'll now resume debate on the Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended), and the amendment thereto, standing in the name of the honourable member for Spruce Woods, who has two minutes remaining.

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

Mr. Cliff Cullen (Spruce Woods): I thank my colleagues for that support; I appreciate that. Maybe we can wind the clock in and get another 30 minutes.

Mr. Speaker, I just want to conclude my remarks on the hoist motion brought forward by the member for Arthur-Virden (Mr. Maguire). And it—I think what it does, it gives the Minister of Finance (Mr. Struthers), the First Minister a chance to have a sober

second look at their PST—proposed PST increase. The hoist motion will give us six months for him to go out and really consult with Manitobans, and we hope that he would take us up on this particular offer. We certainly look forward to members opposite having a discussion about Bill 20 and possibly having some comments on the hoist motion that we've brought forward, Mr. Speaker.

Now, and I said yesterday, I can't blame the Minister of Finance for our—entirely for our current financial situation. I know the First Minister, who was the previous minister of Finance, certainly got us a long way to where we are now in terms of our total debt and, of course, our ongoing deficit situation, Mr. Speaker. And I think it's something that Manitobans should be aware of, and—just how tough a situation we're in.

And clearly, Mr. Speaker, when we look at increased taxes, I look to motive, and we wonder what the motive is for the government here to increase their taxes. And certainly I hope the minister will be coming forthwith on this with us in terms of what the motivation is behind in terms of increasing these taxes. And still, at the same time, increasing taxes and still running a \$500-million deficit.

So with that, I just want to conclude my comments and say I hope that the government on the other side of the House would consider the hoist motion currently before us. Thank you.

Mr. Cliff Graydon (Emerson): It gives me great pleasure today to rise and speak to the host—hoist motion of my esteemed colleague from Arthur-Virden. It's actually a sad day in the province of Manitoba when a government goes out before an election and makes promises. And these promises a lot of people built their futures on, and one of the big promises was that there would be no raising of taxes. The next huge promise was there would be no increase in the PST.

And what we seen, Mr. Speaker, is that it was totally false—it was totally false. The government of the day had no intentions of keeping those promises—none whatsoever. So what they did is they came in with the first budget which just broadened the PST to cover many, many different things, and it raised a lot of money for them. It raised close to a half a billion dollars with that. And what we've seen now are—as the increase of the PST which completes that, it's over a half a billion dollars, and still run a deficit—a huge deficit of another half a billion dollars.

That's not what Manitobans expected. That's not what Manitobans need in this province. That's not the leadership that we need to go from a have-not province to a have province. What we have is a government that's totally out of control and totally out of control with their spending.

They made a lot of promises, and, as a young man, I was taught that you had to honour your promises. You couldn't just make a promise and not keep it, and so let's take a look at the promises that—and these are just a few of the promises that have been made over a number of years by this particular government.

* (14:50)

They promised things like ending hallway medicine with \$16 million and six months; six months there would be no hallway medicine. Now, I want to ask this House today in this Chamber if there's anyone in here that believes that hallway medicine doesn't exist today, 13 years later. Is there anyone here that believes that there's no hallway medicine? *[interjection]* So we have one person, perhaps, and—but, of course, he was on that side of the government and he's from that government that said that they weren't going to raise the PST. *[interjection]* He needs to be in Selkirk, my colleague said. I'm not exactly sure what he means by that.

The—one of the other things that they said they would do is that they would honour the balanced budget act. This was a solemn promise made by the former premier of the province, and basically he kept his word for as many years that he was the premier. We didn't always agree on things, but at the same time his word was his bond and he lived by that. It was only after that he'd seen that the left wing of his party was going to drive him into bankruptcy, or drive the Province into bankruptcy, that he decided to abandon the ship and he turned that ship over to some people that really have no integrity.

We've seen the integrity in this Province just plummet, and when I say plummet it fell like a stone. When the members on that side of the House, when the members of the NDP government went out prior 2011 and said to the people: we will not raise taxes—the Premier (Mr. Selinger) of the province said, read my lips, we are not going to raise the PST—and turned around and did this, the integrity of all politicians went down. But more especially on that

side of the House. Now, no one seems to pay any attention to what they say, and what they say and what they do is going to be, and is, two different things constantly.

They never said anything prior to the election that they were going to amalgamate the municipalities in the province, and let's just look at the structure of these municipalities. The structure is simple. The municipalities are a creature of this House. They're the creature of the government. They have—the rules are set out. They're clear to what they can do and what they can't do. They can only borrow so much money. They have to pay that money back. They have to show their debentures that—and how this will be paid back over a period of time. It can only be spent on certain capital projects that are going to benefit all of the people that live in that municipality. But one of the big things that they're mandated to do is that they're mandated to balance their budget. They have to balance their budget on a yearly basis. And they go to the polls every four years the same as we do in this House, and they have to say to the people: We have balanced our budget; this is what we're going to budget for; we are going to maintain our roads in our municipality, because if they don't they're not re-elected. They don't go out and borrow more money to balance their budget at all. They don't say that we are going to forgo the debt payment as the NDP did in 2009 and say we're not going to pay the debt for three years. That's going to help us in a tough situation.

And then in 2010 the NDP said we're going to do that again. We are not going to—we're not going to pay our debt for the next three years. So now we have six years of debt that piles up. But the municipalities can't do that; they don't have that benefit. They have to live within their means. They pay their credit cards every year. And so all, all of the municipalities in this province have, under the direction and the mandate that has been given to them by this government, balanced their books. And all of a sudden along comes big, bad government and says, well, no, you're not doing a good job. You're not doing a good job doing—running your municipalities. You're not effective. You're not economically viable. However, they've been able to pay all of their bills. They've been able to balance their books. They answer to all of their constituents on a daily basis for all of the drainage issues, the gravel on the highways, the bridges and the culverts that are necessary for the people in their municipalities to operate—our government doesn't do

that; the NDP government doesn't do that. They say, no, we're not going to pay our debt; we're not going to pay that, we're going to put that out there—for six years. We're not going to pay the debt, we understand that we can do that and just borrow more money to make up the difference.

But, when they do that, when they push that debt out there and they push it out six years, seven years, eight years, nine years—they push that debt back, that's money that's still owed. That's money that, while we're paying interest on that, is money that is not going into any capital projects, isn't going into infrastructure, isn't going into new roads, isn't going into hospitals, isn't going into schools, isn't going into daycare, isn't going into the rent for the poor that hasn't been adjusted for many, many years. And it was only because this side of the House has said we need to pay 75 per cent of the going rate in order to help out the poor so that they don't have to go to food banks in order to have money to live, to pay—to support their families.

But, Mr. Speaker, the big, bad government says we know best—we know best what's good for the municipalities, and they need to amalgamate. Any of those that are under 1,000 in numbers have to amalgamate. And it doesn't matter if they were 999, they have to amalgamate.

These municipalities all have a history. They have a history of a hundred years, 125 years, 135 years. This government has a history of 13 years of deceiving—of deceiving Manitobans, of making Manitobans poorer. That's what they have a history of. The municipalities have a history of supplying services—services that benefited all of the municipalities.

And so, when I take a look, just in my constituency, I see a town like the town of Plum Coulee that has grown from—over 130 years now, has grown from just a small settlement to being over 850, maybe 900 now—in the new census could be more, because it's growing exponentially. And they're forced to amalgamate with someone else.

What we've seeing in the crescent in southern Manitoba, whether that crescent starts in Darlingford and works its way through Morden, Winkler, Altona, Letellier, Dominion City, right around to the big town now of Steinbach—what we see is exponential growth in spite of—in spite of the heavy hand of the government; in spite of not having bridges.

And when I speak of bridges—and I'm probably going to go back to that. I'll digress and go back to the bridges that have been neglected in my constituency and in the constituencies next to me that has hindered some of the development.

But the development that is there and the innovation and the technology that's is taken place, and the people have went out and found—they've found jobs. They have found markets for their products and they've developed products that they went out around the world to ship these to, but with no help—no help from the government, no incentive.

When I look south of Winkler on an international highway, a highway running to the border, and the potholes are big enough to hide buses, it's horrible; 35 miles an hour on a major highway is deadly in places. They can cause accidents; people are dodging the potholes in the road. That, Mr. Speaker, is not service; that's not providing service.

What we've seen in other parts of our province, where we have very innovative individuals who have started businesses from nothing—they've started them in the Interlake riding, for example, and with no encouragement, I might add, from the member from the Interlake. The member from the Interlake said to them, when they asked for some upgrades to the service and the roads, that, I'm sorry, but you built in the wrong place.

These companies are international companies; they ship all over the world. They started with very, very little. They asked for nothing except the bare service, and that's what we should do. That's what should—the government should be supplying is the services that will facilitate growth in our communities, that will facilitate the economic boom that we should be doing.

*(15:00)

And instead, what we're doing is we're discouraging these companies from building in Manitoba. We're discouraging them from expanding in Manitoba. And a member from the Interlake says, ha, you built in the wrong place, go somewhere else. Or, if you pay attention to what the member from Swan River says—member from Swan River said, hey, the lights are brighter in Saskatchewan; why don't they go there? Why don't they all go to Saskatchewan?

Well, he's right. The lights are brighter in Saskatchewan, and they're brighter because they only have a 5 per cent PST. They have a booming economy, and it's part of that booming economy that gives this subsidized government the opportunity to operate, even though they still have to borrow a bunch and they run a deficit.

And we've heard the member for Dauphin (Mr. Struthers) stand up and say any company that needs to be subsidized should be eliminated. And he said this about the Jockey Club. He said the Jockey Club need to be subsidized and they should be eliminated. They shouldn't have the money. He withheld the money. The judge said to him, Mr. Minister, you have to sign the cheque and you have to hand it over to them. Well, he refused or—he didn't agree with the judge. But at the same time, he tried to discredit the Jockey Club, and I'm not sure where this is going to end up, but it doesn't look very good for that particular member from Dauphin.

But the member from Swan River has been very plain that it's better for some of these companies just to move out of—or move into Saskatchewan. The lights are brighter there. They wouldn't trouble him then. They won't trouble him around Ethelbert for better roads. They won't trouble him for drainage. They won't trouble him for bridges over the Mossey creek. No, they won't be a bother to him at all. He can sit in here and not do anything.

He's probably still doing—well, he is doing that, as a matter of fact, because his government has promised a slaughter facility in the province for many years now, since 2003. May 20th, actually, is when BSE hit, and he's collected over \$6 million from the producers, was supposed to be matching that, but apparently it's only matched—I'm not even sure that it is matched on paper; I think that the paper trail now is drying up or has been burned or something, we can't seem to find it, probably shredded. But there's been very little help to establishing a slaughter plant.

What we have seen, though, is that they spent some money, they spent a million and a half dollars, bought some equipment, they parked it in a hay shed, didn't look after this equipment at all, and anyway—*[interjection]* What did they get for it, my colleague says. Let me see. I believe that they sold it in Saskatchewan, and of course it was a very shrewd businessman in Saskatchewan that's used to making money and knows what the value of used, rusty equipment is, and so what he did was he bought it for

scrap. He bought a million and a half dollars of equipment for \$15,000. Can you believe that? Fifteen thousand dollars. But this is—that's the type of business people that are on the other side of the House.

My colleague is shocked by that. I'm shocked by that, and so are the people in Manitoba shocked by that. The people in Manitoba don't believe—even my colleague from Lac du Bonnet is shocked, and it takes a lot to shock him. He's a very learned man. He's a very, very learned man.

But it's clear that the people in the province of Manitoba have asked for a referendum on the PST. The law requires a referendum on the PST. Many of the people—500, 600, I'm not sure how many were on the front step, but I probably got a better idea of what was on the front steps than the members opposite, because it was tough to see the front step as they slid out the back door. They sneaked out the back door. Well, there was one looking out his window, apparently, and we're not sure if he was just—he was moving the curtain or someone else moved the curtain for him, because he always has help and he never knows what's going on in his department, which is clear from some of the past actions.

And just speaking of those past actions of that individual, that individual from Thompson has made a lot of comments on the record for a long time and I'm not sure that all of them were factual, but one of the things that I do know for sure is that he has no control over his department. And I'll give you an example of that, Mr. Speaker. Not so long ago, his department spent upwards of \$800,000 on a bridge—on a bridge over the Red River, and he brags about how much money he's got in his—in the budget and how much money he spends on infrastructure every year. We know that he took \$300 million out of that—or \$300,000, whatever it was, it was 300-something out of the budget last year that he didn't spend. But I can tell you what he did do—he spent over \$800,000 on a bridge and the bridge had three inches' clearance.

And, all of a sudden, a pier moved that three inches—and, my goodness, now they closed the bridge because it wasn't safe. There's a bit of a crack in the one pier and so after a lot of soul-searching, what he said was, is we're going to lift the sections off, we're going to set them on the side, we're going to repair that pier and we're going to set the sections back on, so the good folks of St. Jean Baptiste—on both sides of river—can commute back and forth to

school, to church, to the bank, to get all of the services, their stores and haul their produce to the elevators on the other side.

Well, what took place after all of the promises I had—I have no bridge. I have no bridge. I was so sad that day, Mr. Speaker, I wore my big hat with the earflaps down so that I wouldn't hear the crying from the people in St. Jean and also because it was probably 28 below. I had on my big skidoo mitts because that's the only way we could get across the river; we couldn't go across on the bridge.

And I'll tell you why we couldn't go across on the bridge. They had dynamite—they had dynamite all over the bridge. Well, I was confused, so I tried to walk down to the bridge, just to better understand what they were going to do with the dynamite. I thought maybe that they were going to put it in the water and push the bank back. But I almost got arrested for that. And, you know, there are some colleagues on the other side that have come close to getting arrested, too, for different things, I understand, and might still.

But, at any rate, I was told that I couldn't go down to see the placement of this dynamite. So I had to stand back with a lot of other people that had big tears on their cheeks—they were frozen, too, by the way, Mr. Speaker. I mean, the tears were frozen.

And they blasted it, one blast. One blast and the bridge is gone; one blast. But two days prior to that, I went to the minister responsible—the member for Thompson (Mr. Ashton)—and I said to him, you told me you were going to lift these off. You were going to lift these sections off and set them on the side. And you were going to replace them, a minor repair; that's what I was led to believe.

Well, he said, they can't be dynamiting it. No, no, he said, I don't know anything about that. I said, Mr. Minister, you're trying to pull the wool over my eyes and I don't have a sweater on. Mr. Minister, I don't think you're telling me the truth.

So he said, just a minute—I'm going to call the deputy minister. And the deputy minister says, Mr. Minister, I don't know what he's talking about.

Well, now, I'm sure that the deputy minister is not going to tell me a false story. He's not going—it's not going to be a falsehood, I'm sure. But at the same time, we'd have to know what's going to happen. The bridge is going to blow up in two days; I've got to make sure that all of my constituents are away from it, that they're not going to be hurt. And, Mr.

Speaker, we find out that it was the assistant deputy minister that made the decision to blow up the bridge.

So we wonder where the money goes that they have. There—they've got plenty of money—and we've showed that more than once in this House, that they wouldn't have to raise the PST to save the money that they are suggesting they have to raise.

But the money is not spent by the minister; the minister doesn't have control of his department. The decision was made to spend \$50 million on a new bridge without the minister knowing. And so now he says, well, I didn't make that decision; I don't know when the bridge will ever be replaced.

Is that how the government is supposed to run?

When we start talking about amalgamating municipalities, they don't run like that. They're—they are responsible to the people that elected them. If they made a decision like that, the big hand of the government here would step in and say you can't do that, you can't do that. And they would make them reverse their decision.

But this government thinks they can do whatever they want. They think that they know best. They know that they can take money out of our bank accounts and put it wherever they want, but it isn't going where it's needed. It's not going to make the province better. It's going into a dark hole.

* (15:10)

And so, Mr. Speaker, when we look at this hoist motion, we're giving this government a second chance—a second chance to go out, apologize to the people that they lied to. The government lied to the people about the PST, about raising taxes, about broadening the PST. We're giving them that second chance to go out and make things right. I know that a lot of those backbenchers over there don't feel comfortable, especially. I know that especially the member from St. Norbert, the member from Interlake had no idea when they were out there talking to their constituents and said we will not raise taxes, we will not raise the PST, our leader has been on television, he has been in the newspaper, he is adamant we will not raise taxes. I'm sure they had no idea at that time that they were not telling the truth to the people out there, and today they're embarrassed. Their integrity is at stake—not only their integrity. I believe that the position they hold today in this House, which I think all of us are very, very fortunate to have—I think that the positions that they hold are in jeopardy. And I

understand that some of them are too embarrassed to say anything even to their constituents. They wouldn't walk out on the front steps when there were 500 of them out there. They went out the back door. Thank you.

Mr. Ralph Eichler (Lakeside): I wanted to give the government an opportunity to be able to stand up and talk about this hoist motion that in fact was brought forward by the member from Arthur-Virden. And I can assure you that the way things work in this House we like to be able to discuss things in an open and democratic way. And I know the six-month period that what we're offering the government the opportunity to do is to talk to fine Manitobans. In fact, I'm going to give him some names that they'll be able to go and talk to.

In fact, the first one that I would like to suggest that the government actually talk to is a fellow by the name of Jim Carr, the president and CEO of the Business Council of Manitoba. I know he has some very good suggestions of what this government can do with the PST.

In fact, I have another one that he can talk to, and that would be Dave Angus, the president of the Winnipeg Chamber of Commerce. In fact, I know what he would like to be able to share with this government; would be the fact that whenever this PST was brought forward by the government, he had—in fact, his organization suggested very strongly what this 1 per cent PST would in fact have for Manitobans and what it would do for Manitobans if it was in fact used for infrastructure of which they had asked. So I suggest that they talk to Dave Angus, the president of the Winnipeg Chamber of Commerce.

Also, Todd Birkhan, secretary-treasurer with the Brandon Chamber of Commerce—I think they should reach out to Todd and find out exactly how he feels about the 1 per cent PST increase. Also, Mark Stefeson from the Brandon School Division, the chair of the school division there—why would they not want to reach out and consult with somebody like Mark that has the opportunity to be able to actually have some input into what this government is doing to affect schools within the Brandon area? And as his position is very important, it's an opportunity for them to be able to in fact make that happen.

Another fellow, by the name of Jack Moes—he's with the Assiniboine Community College, he's the vice-president there. In fact, I know if they don't have the number we'll certainly be able to forward it,

get them that number, so they'll be able to reach out and hear what Jack has to say. In fact, whenever you look at the Assiniboine Community College, the impact that the 1 per cent has on that organization alone is enormous—whenever you look at the actual cost that's going to be there for them alone.

Also, what about Deborah Poff, the Brandon University president? What have they been—what do they have to say about the 1 per cent when it comes to the 1 per cent increase?

So these are just a few of the names that come to mind. I have a couple of others that I will want to suggest as well. What about a fellow by the name of Dan Mazier? He's the vice-president of the Keystone Ag Producers. What impact does it have on the farm organization? What impact does it have on those producers when they reach out and have to pay the extra 1 per cent in the PST increase?

Mr. Tom Nevakshonoff, Deputy Speaker, in the Chair

Also, the mayor from Brandon, Shari Decter Hirst, what about reaching out to Shari and saying: Shari, how's this going to affect, how's this going to impact the folks in Brandon? What's it going to do to your overall cost? Your budget's been set. Your budget's been set for the municipality. So what are you going to have to cut out of those costs that you've already budgeted for to make up the 1 per cent increase in the PST that's been brought forward by this government, a tax that was declared by the leader of the New Democratic Party in 2011 that, whenever he was asked about it, very clearly said it was nonsense. There's a lot of opportunity for this government to out and consult with those individuals.

Also, what about Michelle Gawronsky, the president of the Manitoba Government and General Employees' Union? What did Michelle have to say about the tax increase? In fact, I would reach out to that organization and I would say, what impact will this have with your organization? How do you see this impacting fine Manitobans? Would you be able to give us some advice? Give us the opportunity to be able to reach out and say, really, what is the impact going to be?

I have another name, Dwayne Marling, of the Canadian restaurant and food association. What impact is this going to have on them, on their ability to be able to sell more food, to help those people that like to go out for a meal? What's the impact going to be? Will they be able to eat out twice a week? Three

times a week? One times a month? What's it going to be? *[interjection]* Well, the Minister of Agriculture (Mr. Kostyshyn) said it'll be more money for the farmers. No, it's not going to be more money for the farmers. There going to be less for the farmers because now they're going to have to export more products outside the province, maybe to Saskatchewan. Maybe those folks over there that are paying 5 per cent on their tax, maybe they'll come over and take some of our agricultural products and be able to sell it over there.

Now, what about Lanny McInnes from the Retail Council of Canada? What is this going to impact on the retail folks within the province of Manitoba? What impact's it going to have on those folks in the retail business? And we all know how the business works. Yes, they pay the tax if they don't have a tax number. They apply for it, batter at back or add it on to the cost of the product. Either way, what happens is the end of the day those taxpayers of Manitoba are still footing the bill.

So, therefore, what do we see? We see less disposable income for those folks within Manitoba, and I know a lot of families that are struggling to make ends meet, and I've talked about this before. But I also have another name I want to come back and make reference to, another supporter that would be able to give the government some advice. What about Doug Dobrowolski from the associate of Manitoba municipalities?

Now, we know, just there alone—I mean, last year—they keep saying this number of \$1,600 is not real. It's a number that's made up by us. No, it's the numbers from the government. Whenever you look at the PST: last year increase on insurance; whenever you look at the increase on haircuts; when you look at the increases on the fuel tax; when you look at all the dollars—all the dollars—over the last two years it adds up to \$1,600 for a family of four, and it's true. It's real. And all they have to do is look at their own numbers in order to make that justifiable so they can explain it to their own caucus members.

And I know the member from Dauphin was a teacher, and it wasn't math. It wasn't math, but it was a—he was a teacher and he does have the ability to be able to learn. Let's hope that he's able to be able to learn, and basic math is still basic math. It comes back to the three Rs that we were taught whenever we were growing up. Now, it's a little more advanced than that, but still the basic thing is still the three Rs. And we've got to be able to learn to do our basic

math. So what happens a result of tax increases? It takes more money out of pockets of fine, hard-working Manitobas.

Now, I still have some more I want to be able to suggest that the government—*[interjection]* No, I got a whole list—I got a whole list. It's not going to be just that easy to run me off roughshod on me and get me to sit down because I've got a lot of good advice.

What about Charleswood-'Tuxeeler' Paula Havachuk. What impact would this have on her as a councillor? What would happen to a councillor in the city of Winnipeg—be able to go up to her taxpayers and say, what is this going to do for us? What impact is that going to have?

* (15:20)

What about Mayor Sam Katz? What impact is it going to have on Sam Katz? What's it going to do to the City budget? Their budget's already set, what's going to happen? Like it or not, the guy is a mayor of the city. I would want to know what he thought of the impact of the 1 per cent PST. I would say, Mr. Katz, what do you think—what do you think this is really going to be able to do?

They asked—they asked for the 1 per cent, but they had parameters on it. They said very clearly, we want it for infrastructure. Do you want to help the city? Do you want the city to grow? Obviously they do, but they're not putting their money where their mouth is. They're putting it in their own little piggy bank to be able to go out and make announcements to say whatever they want to say, whatever project that they announce over and over again. And I did talk about this before in some of my other 'spresentations', but we know very clearly that they're not going to do the right thing.

And the right thing is to talk to fine folks, and with this six-month lead time that they're going to be able to come back to in six months and say, Manitobans—we did truly talk to them. And this is where we want to go, this is what we want to do, and this is how we're going to do it.

I know the member from Charleswood has asked the Finance Minister time and time again what the money is going to be spent on, because we very clearly see—very clearly see that there's only—using the Winnipeg Sun and Free Press numbers, that there's 80 million. I'm the critic for Infrastructure and I can tell you, in the line by line, there's only 20 million. But we'll give them the benefit of the doubt because they did roll some hospitals and some

schools in there, so we'll say, yes, there is the 80 million. We'll just give them the benefit of the doubt. But we're still short—we're still short. We don't have any clue from this government—I don't know if they really have a clue about where the money is going to be spent. Where's it going to go? What's it used for? What are we going to actually be able to say to all Manitobans—to all Manitobans, where in the world did that money go?

And the Finance Minister's going to go next year in the Estimates, he's going to say, I don't know. Go ask the critic in Infrastructure; go ask the Ag Minister; go ask the Department of Education; go ask the Health Minister. Golly, it's got to be somewhere; I don't know where it's at.

I don't think it's all going to the Ag. I looked at that one, too, and I can assure you—I can assure you that it's not going into Agriculture, because I looked at that as well. Now, maybe this is part of their dream. Maybe they're going to give the farmers a big rebate that—I don't know what they're going to do, whether—or how they're going to spend it, but maybe that's where it's at—*[interjection]* Yes, well, actually they did. Actually, they cut \$6.2 million out of the farm tax rebate, capped it at \$5,000, and I can tell you that the producers I've been talking to certainly want to know where the consultation was on that—didn't really have any consultation. Was the fact that anyone—anyone within this government reach out to farmers and say, what impact is this going to have on you? Did they consult with cap? Did they actually go out and talk to producers? What impact is this going to have on you?

Also, on top of the cap of the \$5,000, put the 1 per cent of the increase in the PST. Very clearly, it's going to give them more—less disposable income, which is again going to have the ripple effect. It's going to be able to come back and say to their families who—a lot of them work on the farm—is going to be able to say, guess what? We don't have enough income. We're not going to be able to make it.

And maybe it'll be like the Minister of Agriculture (Mr. Kostyshyn) now. Maybe he'll run—they'll all run for political office and hang the cows out and put them on sale—who knows? I don't know what he's doing with them. I hope that he kept them, but he might want to be able to go back—might want to be able to go back to farming just real soon.

In fact, if we have anything to do with it, we'll—might help him get back to the farm just a little

sooner, and we might want to be able to have a backup plan—a backup plan that—be able to come back and farm with their family farm. And I certainly encourage him to do that, because I know how important it is for the farming sector that we have good farmers, and I have no doubt that he's not a good farmer.

I know very—I know a lot about cattle business—I don't know a lot about vegetable farmers. A lot of things I don't know a lot about, but, cattle farming, I know that it takes years and years to be able to build up a good herd. In fact, the genetics—it's easy to get rid of them. It's just like cutting down a tree; takes forever to get the tree to grow, but whenever you get your genetics built up in your herd and you're so proud of wherever you're at—

An Honourable Member: Don't make excuses for them.

Mr. Eichler: I'm not making excuses—I'm not making excuses. I'm just putting facts on the record that whenever you look at the genetics in a herd, it takes a long time to be able to get it to where you want it.

But I want to come back to more people that I want to give advice to members opposite, who they could talk to. What about a fellow by the name of Colin Craig? A fellow by the name of Colin Craig—

An Honourable Member: Who?

Mr. Eichler: Who? He's the Canadian Taxpayers Federation. I think the Minister of Finance (Mr. Struthers) met him once in committee. In fact, I think I was at that committee. It was Bill 17. And I can tell you, the minister then was the minister of Conservation. He ripped him a new one and said, you have no credibility. And I can go back and probably get the Hansard for the minister, because he didn't want to listen to him then, and I don't know if he wants to listen to him now.

But I would say to the Minister of Finance, would you reach out to a fellow like Colin Craig and say, really, I would like your input on what the PST increase is going to do?

What about a fellow by the name of John Gray? He's with the Creative Retirement—how seniors are going to be impacted. What is it going to do to seniors within Manitoba? So I'd reach out to somebody, somebody like John Gray, and say, as seniors, what do you see happening to fine Manitobans as an increase on the PST?

I've got a couple more names before I wrap up. What about The Knowledge Bureau? What about somebody like Evelyn Jacks that understands taxes, that understands the impact of fine Manitobans? Whenever you go back and you look at what the net cost is going to be, the net disposable income for fine working Manitobans, how do you see that, Evelyn? How do you see the impact on Manitobans?

I have another one that I would like to bring forward. What about Make Poverty History? What about somebody like Kirsten Bernas? What about somebody like that that reaches out and touches people that has just not quite as much as the next person? What about those folks that are impacted? They're already in the bottom barrel of the income level. And how's this going to impact those folks?

Also what about CAA? Somebody like Mike Mager, what—why do you not want to reach out to these folks?

I mean, you do your homework; you do your due diligence. All these people are in their positions for one reason, and that's because they're successful. They're leaders within their communities, within their organization. So we can be very clear, very clear that we need to reach out. We need to rethink. We need to be able to sit down with hard-working Manitobans and say, what is the impact?

This hoist resolution makes it very simple for the government to put this on hold. We're looking for support for the government to be able to help this motion carry. And I support not only this motion, I'm asking members opposite to rethink their bill on Bill 20, and support this hoist motion.

Thank you, Mr. Speaker.

Mr. Blaine Pedersen (Midland): And certainly good to rise and speak to the hoist motion brought forward by the—my esteemed colleague from Arthur-Virden.

And this hoist motion would give the government six months to reconsider their motion—or their bill here, Bill 20, and it would give them time to actually go out and consult with taxpayers out there. Because I know that when I go home to my constituency and I talk to my constituents, one of the very, very first things that comes to them is the proposed sales tax increase, and they're not at all happy about this.

And I do have a lot of very successful, fiscally successful people in my constituency who realize the

damage that this increase in tax—in the sales tax, not only in the increase in the sales tax, but in the increase in the taxes and fees over the past year or two years adding up together, the damage that this is doing to the Manitoba economy.

So, you know, the—I would certainly welcome the chance to go door to door with some of the members opposite. I know the member from Dauphin, the Finance Minister, if he would like to do door to door in Dauphin, I am volunteering today to go with him to do door to door in Dauphin.

* (15:30)

And when we go knock on the door, we'll ask the person at home, are you in favour of a 14 per cent increase in your sales tax? How do you feel about the sales tax going from 7 to 8 per cent, and, you know, let's honestly see how they feel about this and—because we know Manitobans are honest. We know that they will tell the member for Dauphin (Mr. Struthers) and myself what they really think about the sales tax increase. And I will be there to make sure that the member for Dauphin hears this, and if they're—as they explain how they feel about this sales tax increase, I—of course, I just wouldn't want to let the opportunity pass, I would also ask the person at the door how they feel about giving \$7,000 a year to the—to this particular member and to all of his colleagues.

For—\$7,000 a year just so their party—because their party is too—either too lazy or too tired or afraid to go and ask for donations to their party. And instead of asking for donations like we do, they are intending to implement a vote tax, and that vote tax will cost each and every Manitoban a quarter of a million dollars to the NDP party. But, you know, when you're at the door and you talk about quarter of a million, you know that the number may escape them. But the member from Dauphin, he's going to—that particular person at the door is going to have to write him a cheque for \$7,000, and that will certainly affect their finances.

And so—when—now, when we're at the door and I—hey, I've got lots of time; I can spend as much time at every door as we need to do, because when we're at the door, then we'll ask people. Because it's the increase in fees and the increase in—from last year's budget and the proposed increase in the sales tax this year, if they don't accept this hoist motion—they seem to be intent on trying to push this through, but we'll just ask those people at the door, then, how—what are they going to give up, because it's going to cost them

\$1,600 per family—per family of four, it's going to cost them \$1,600.

So somewhere out of their household budget they're going to have to pay the \$1,600. Now, is it—if the kids are at home, are they going to have to cut a sports program for the kids? Are they going to have to not take a vacation at all? Even the staycation gets to be a question mark of whether they can even do that. If it's grandparents at the door, are they not going to be able to go to that other province to see their grandchildren? They're going to have to give up something; they know they'll have to give up something.

And so, I certainly look forward to spending some time, whether it's the member from Dauphin, the member from St. James, St. Vital, I—it doesn't matter to me. I've—I'll have time to do this, because I am certainly interested in talking to Manitobans and I am not afraid to go and talk to Manitobans. And it seems that this government has forgot to consult with Manitobans and—not only consult, but forgot to listen. If they were—because I know firsthand the example of consultation from this government.

When the mayors and reeves were having their meetings across the province this spring, the Minister of Local Government (Mr. Lemieux) was at these meetings, and municipalities were quite clear about the problems they had with the proposed amalgamation bill that the minister was threatening to bring in then, and what subsequently he has brought in. And they were very adamant about their concerns about it, and the minister would stand there and then he'd turn around and say, make no mistake; we're going to make this happen and if you don't agree, we're going to force it on you. And so I guess that's their version of consultation.

And so, you know, that's—I would—I'd like to see how this works at—door to door with the NDP party. Do they go to the door and say, hello, I'm from the NDP party and I'm going to charge you \$7,000 so that I don't have to go out and raise any more money because I'm too afraid to ask you for money, so I'm just going to—you'll get the bill on your tax bill. But then they—they're—it just seems that this government is—has lost touch completely with Manitobans, and so, when you look at this Bill 20, there's some real concerns in this bill in that it rips up the taxpayer protection act and, you know, in doing this—this opens the door to even more tax increases in the years to come, because right now, they're—they would have imposed the sales tax on already if it

wasn't for bill—for the taxpayer protection act in place right now. And so once they get rid of it, they will be very clear in—that the sky's the limit when it comes to increasing taxes after this.

We're already the highest taxed province west of Québec. Our sales tax is three points higher than Saskatchewan, which makes it very uncompetitive for our neighbours along the Saskatchewan border and we've already heard from a number of colleagues that the impact this has on businesses that are close to the US border. I know, Highway 75 will certainly warm up from Winnipeg residents heading south to avoid this increase in the sales tax. And it was—that's the problem with this government, is that they don't seem to have any understanding of the damage that they're—they are creating.

Not only are they raising taxes and fees and all sorts of new revenue for them, expanding the PST last year, increasing fees and then, now, with the proposed sales tax this year, they've—it's a \$500-million windfall for them. And quite often when they're—when a person or a company runs into extra money, that means that they're able to put away some money, that they'll be able to prepare for future—prepare for the future. But, however, this government doesn't seem to be able to do that. They've had a 500–\$500-million increase in revenues, last year and this year, they continue to run the \$500-million-plus deficit last year, this year, future years. They have no intent of ever balancing the budget ever again on a year-over-year basis. And if that isn't bad enough, now, they even are going to borrow over \$2 billion more this year and they're going to push our provincial debt to over \$30 billion.

And, right now, with the interest rates where they are, there isn't as much concern by people about the level of debt but then we know that interest rates are at record low. The only place interest rates can go to is higher. We're at—is it \$850 million a year we're paying in interest costs right now? Now, when interest rates rise, and they will rise somewhere, it's over \$200 million for every 1 per cent that the interest rate rises. So, the interest rate goes up 1 per cent, we're going to be over a billion dollars, just in interest payments. That's just interest payments only that—you're not even touching the principal.

So, obviously, in this Bill 20, that's why they want to get rid of debt repayment requirements because we're going to be just—very difficult to even pay the interest on this—on the money that the Province has borrowed. And they're—they seem to

have no fear of debt, or I'm not sure whether it's no fear or just plain ignorance of debt because there is a real cost to this and anybody who has ever borrowed money in their life knows that money—when you borrow money, you have to repay it and there is interest costs on this, so there's this—there's—in private business, we're not able to not repay the loans. And there's certainly interested—this government is only interested in raising the debt load.

They're on the fast track to bankrupt Manitoba Hydro at the rate that they're going here right now with their \$20-billion-plus capital program that they're proposing. And, now, that would be different if they were actually making money and a—not that many years ago Manitoba Hydro was making good money year over year because any time they had any surplus money, this government certainly snatched it away and spent it on their own pet projects.

* (15:40)

But Manitoba Hydro is losing money right now. They're selling power at a loss in the US on the cash market, and so—now, let's understand this. They're selling power at a loss on cash markets. So now their idea is, well, let's sell more power on the cash market and then we'll—somehow they have this idea that it's going to bring Manitoba Hydro in some revenue. But, obviously, they—math is not—is definitely not their strong suit because they're only going to create more losses for Manitoba Hydro by this plan. And either they are not aware of the changing energy markets out there, or just flatly refuse to admit that the energy market has changed.

And so it's a serious issue that we're facing with Manitoba Hydro. I am very familiar with the Bipole III line, a proposed Bipole III line. We continue to wait to see what the Clean Environment Commission has in mind when they issue their report; sometime in June we expect it to come out. And this hydro line is just a perfect example of the ineptness of this government in that you take—you start a line that is somewhere north of—straight north of Dryden. You head over to the Saskatchewan border. You go almost down to the US border in southern Manitoba and then wind your way back to northeast of Winnipeg, and the—you know, like, to this government, what's an extra billion dollars in cost?

And we've already seen the projections of what the costs will be to build this line. We know Hydro's record of—all we have to do is look at Wuskwatim: it started out at \$800 million and they ended up with

\$1.6 billion. So, if this line is beginning at \$4 billion, then where is it actually going to end up in terms of cost if they continue on this path that they're doing here? And this is—this makes no sense at all, and yet, apparently, common sense doesn't matter to these—to this government.

And so we'd really like to see them just step back and re-examine the priorities that they've—they're forcing on Manitoba Hydro. They have many unanswered questions in terms of the Bipole III line, in terms of reliability, in terms of the technical issues of it by rerouting it around the wandering path through Manitoba and, of course, the issues that landowners are facing with the proposed line—a choice of line here. Many landowners through southern Manitoba, through my constituency and my neighbouring constituencies have expressed real concerns about the impact that this line will have on their farms, on their homes, on their livelihoods, and yet this government has turned a deaf ear to them and refuses to even acknowledge the issues that they have brought forward. So there is—and there are many issues, and it's Manitoba Hydro, through—the NDP government, I should say, through Manitoba Hydro, has just proposed that while a one-time compensation small payment will do, landowners are just supposed to accept this and then suffer the consequence for the years to come. And landowners in the farming community in—throughout southern Manitoba, across all of Manitoba are very shrewd business people. They know how to run their business. They know the impact that this line will have on their business and on their—whether it's crop production, whether it's livestock production—and their homes, because this line comes right beside homes.

And I still—and I continue to want to tell this story to any—everybody and anybody about driving into this person's yard, and it was—they're one of the landowners affected by Bipole III, and this young woman was out there and she was in the yard, her kids—two young children, playing in the yard. And I told her—I actually went door to door here, and I went and I met her. And I introduced myself and I said I was here, I understand Bipole III is coming across your land. And right away the tears come to her eyes and she says, they're going to tear out—and she pointed just to the west side of her yard. She said, they're going to tear out all that bush and we're going to have to live with that line beside our house.

And that has an impact, and apparently that impact escapes members opposite because they

either refuse to go and talk to people, or they refuse to listen to people, or they want to bully people—Manitobans—into what they believe is best.

And that is—that's a sad commentary on a government of any description and it's a sad comment on Manitoba values, because that is not the way we do things here in Manitoba. At least that's the way that I was raised and that we were raised and we'd—how we did business through south—through Manitoba.

And, you know, the—just the crassness of this government is really disturbing, and they—how they've just totally ignored Manitobans concerns on any issue. And so, Mr. Deputy Speaker, this hoist motion, again—I just want to go back to explaining the purpose of the hoist motion, and it is to give second thoughts to a proposed bill. It would give this government time to go out and do the door-to-door, to explain why they think this is the step to go.

And, you know, the quickest way—in that six months, we could have a referendum—we could do a referendum. I again pledge support that I will do everything I can to help with that referendum. I'll make sure that we get the message out to people that the—how important it is to have a—to vote in this referendum.

And, you know—and I'm sure the member from St. Norbert will be there with me as I'm knocking on doors in St. Norbert. *[interjection]* The member from St. Norbert is worried about the cost of a referendum. Let's go to the doors in St. Norbert and ask them, do you have a concern about the cost of a referendum or do you have the cost of paying this member from St. Norbert \$7,000 because he's too ashamed to go out there and ask you for money to support his party? But no, no, he wants to tax you through the taxpayer, through the tax system, for him—so he doesn't have to go there.

And, when we're at that door with the member from St. Norbert, let's ask them what they're going to have to give up for that \$1,600 they're going to have to pay in additional taxes and fees. You know—and the member from St. Norbert apparently is—he doesn't think it's important to ask constituents what they think about this. But, you know, we still feel it's important to talk to Manitobans.

We're hearing all the time about the concerns that Manitobans have on this, where the money's going to come from to pay for this. Not only the

costs that they see right now in terms of additional fees and taxes—and they are right; Manitobans are right to fear the unknown, because if that's what they'll do—if that's what this government will do when they promise not to raise taxes and then they go out and raise taxes to the tune of \$500 million in—within the last two years, think of what they'll do to Manitobans in the next couple of years when they've—when they don't have to even promise anything and they don't have to even break any provinces—promises.

Mr. Speaker in the Chair

We know that they will go out and raise taxes, raise more fees; they will hurt everyone in Manitoba with this. And that's why—Mr. Speaker, that's why it's important that we have a referendum. Let's put it out to the people. If you really, truly believe in listening to people, you would put it out to a referendum to the people. This hoist motion allows you to do that. It gives you six months to have that referendum. Let's see what the people of Manitoba have to say.

Thank you, Mr. Speaker.

* (15:50)

Mr. Stuart Briese (Agassiz): It's a pleasure to rise today and speak to the hoist motion that has been put forward by the member for Arthur Virden (Mr. Maguire).

As the member for Midland was just saying, the hoist motion is put forward to give the government a chance for some sober second thought, a chance to possibly hold a referendum and do what the law says should be done at the present time, and right now the legislation says that the—to raise taxes such as income tax and sales tax, a referendum is required. That's the balanced budget, debt repayment and taxpayer protection act.

Now they want to tear up the taxpayer protection act, throw it out the window, take away the democratic right of every Manitoban to have a vote on raising a major tax in this province. They say they believe in democracy. The NDP say they believe in democracy. The Premier (Mr. Selinger) on CJOB radio said he thought the BC election was democracy in action, and it was democracy doing what democracy's supposed to do. So democracy's fine in BC. Obviously, it's not quite as good in Manitoba. In Manitoba we're going to throw out the taxpayer protection act and move on from there.

You know, when you look at this—and I keep hearing various members in here. The member for St. Norbert (Mr. Gaudreau) makes a big noise about having to make X number of dollars to be—for a family to be paying that much in taxes. He's not listening to what's being said. There's \$500 million more revenue going into the Province this year and every year forward. You take \$500 million divided by 1.25 million people; you've got \$400 a piece, and a family of four it's pretty simple math: \$1,600.

But you know what's even more alarming, is with \$500 million more in revenues we're still projecting to run a deficit of \$502 million. Last year without quite that much extra revenue we ran a deficit of \$560 million, but, you know, if you take in—it almost makes sense. You have other increases in budget that are normal. The revenues do grow for provinces. But they take in an extra \$500 million, and yet the deficit's \$500 million. Like, couldn't we be paying down some of that deficit at least? No, we're going to get us further and further into debt and move on and on until we're in such a position that we're paying a huge part of our revenues in this province to servicing debt.

You know that we used the figure of \$1,600 a family, and I just explained it fairly clearly. But when you add in the other \$500 million of deficit, you just added another \$1,600 a family for this year, and so the numbers just keep going up.

It's always interesting to me how this NDP government inflates numbers to their advantage. They're talking about the flood costs at \$1.2 billion when almost \$400 million of that was out of insurance programs: AgriStability, crop insurance, it all got added in. It really misdirects the numbers.

The other thing we're not hearing when they're talking about that number is they're taking credit for everything the feds are putting into flood costs, and we don't know for sure where that number will end up. In the Red River flood in '97 it was about seven or eight years before all the money and the deals were made between the federal government and the provincial government and the—all the money was paid to the Province that the province deserved or was subject to. But in a flood situation what happens is—or should happen is the Province is responsible for looking after its citizens. The Province is responsible for rolling out the money at the time of the flood, and the Province is also responsible for fulfilling their promises.

Now, I know that's a pretty steep task for an NDP government, but in the flood of '97, the claims were dealt with. They were dealt with fairly quickly; it took about eight years before the Province got all their money from the federal government that they were entitled to, but the Province did handle the claims at the time and handled them well. A massive flood in the Red River Valley, and they were handled well, and a lot of the 'frud' proofing was started at that time under the Filmon government, the Filmon government that this NDP government likes to allude to, but I hope they're alluding to them with envy, because they should be. They handled the flood in '97 very well, and did it in a lot tougher economic time than we have right now.

But the one–two–point–two billion dollars of the flood costs in the province includes the Hoop and Holler water release, which didn't have to happen. I think everybody's fairly agreed, now, that, except maybe the people opposite, that it didn't really have to happen. It was a good photo op for the Premier (Mr. Selinger) who was flitting around the province all over the place at the time, doing photo ops of the good spots. I didn't see him up on the west side of Lake Manitoba doing a photo op, because it looked pretty tough up there. And it wouldn't have looked like he was out saving the world at the time, and with an election coming up, you really do want to look like the great white knight riding in and saving the world. So they very carefully chose those photo ops.

I'd like to see him make one more photo op. I'd like to see him go up to the people in the Reykjavik area of the province, stand in their yards with them and do a photo op apologizing to them for the treatment they've got. One young rancher up there, Joel Delaurier, four young children, quite a large ranch. They had 600 cows; 6,500 of his 7,000 acres was under water. No options, really—he chose. He made a decision, but I don't think he had a lot of options. He sold the cows. And then he sold the machinery. He didn't have feed. He didn't have pasture. He didn't have any place to put these cows. He sold the machinery. And then he went back to Alberta with his welder to work on a pipeline.

So, now—I was actually just talking to Joel on Saturday night. I was at the ranchers' bash in Eddystone and the big steak supper they have every year to raise money for their hall. Actually, I believe Eddystone's in the constituency of the member for Interlake now. But I didn't see him at the ranchers' bash. Tremendous political opportunity, there was

300 people there, and they, I think, some of them, kind of noticed he was missing.

I, by the way, have been at it for six years in a row, ever since I became an MLA—*[interjection]* And I think they would love to see him there, too. But, anyhow, he couldn't make it. I expect he had other things on the go, and,

It was interesting, also, today, to hear the member for Thompson (Mr. Ashton), and we've had an ongoing argument over here. I think some of my colleagues have certainly noticed it. He has been saying up 'til now that, well, the numbers vary. Him and the Premier (Mr. Selinger), one will say the ditch out of Fairford—or out of—the new ditch, up—that they dug at flood time. They claim—the claims have been it's taken down Lake Manitoba anywhere from three to—

An Honourable Member: You're still thinking of Eddystone.

* (16:00)

Mr. Briese: Yes, that was such a good time. But it's taken it down anywhere from three to five feet. And I've talked to experts, I've talked to engineers. Engineers tell me the real number should be about one and a half feet. And I noticed today, the member for Thompson, when he was answering questions had reduced the number to 2.2 feet now. So he's gradually bringing it down to what the engineers have actually told me.

So, you know, and I have heard the Premier on the radio and in other places take credit for bringing Lake Manitoba down five feet with that new ditch. What a wonderful thing.

And the other anomaly they put on the books all the time is they call it a hundred-million-dollar ditch. When you look at all the costs and all the prices they've got out there, it's considerably less than a hundred million. In fact, it's probably about half of that. So they're inflating one number, deflating another number and making things look better for them than they really are.

You know, the member for River Heights (Mr. Gerrard) was asking in question period some questions on CFS today and getting a knee-jerk reaction back from the minister that—I was the critic for Family Services when I first came in here, and at that time there was—probably that was six years ago, and there were probably a little over 6,000 children in CFS care. That number's ballooned to 10,000 now,

and how anybody cannot see it as a failed program, I fail to comprehend. The—there's been millions and millions and millions of more dollars spent into CFS programs, and they're not gaining. The problem isn't improving. The results aren't there. And so many times I stood in this House and asked questions, and the answer would be, well, we put another \$40 million into that, or we put \$7 million into this or \$10 million here. But they don't check results; they don't follow through and check results.

I heard the member behind me from St. Norbert asking about—talking about the possible referendum and using the figure \$12 million. Where are you going to find the \$12 million? Well, you know, there's a lot of places they could find \$12 million. *[interjection]* Yes, like the—simply, the west-side bipole line at a billion dollars extra. You know, there's a lot of \$12 million in a billion dollars.

But the forced unionization of the floodway cost a hundred million dollars; that's six referendums. The forced unionization of the east-side road—probably going to be another \$50 million. Floodway cost overruns were \$135 million, but they cut it back and didn't build two bridges so that they could make it look like they were closer to budget; the WRHA building, the new one in Winnipeg here, \$30 million; the funding the Hells Angels' defence through Legal Aid, \$2.2 million, and then the charges were dropped—like, you wasted a lot of money there—enhanced driver's licences, \$13 million. *[interjection]* Yes, Mr. Speaker, student financial aid program, \$17 million wasted.

So there's lots of ways you could actually pay for a referendum. Advertising—*[interjection]* It's not the Student Aid program. It's the program that they can go online—or are supposed to, but there was information sneaking out and they—it didn't work well, and so they've just continued to waste money over and over again on that Student Aid information package.

You know, the \$500 million of new taxes, it impacts everyone, especially the increase in PST, the 1 per cent—or 14 per cent of PST increase. It impacts everyone that buys a good and a service in this province. Every single one: young, old, rich, poor, rural, urban—it impacts all of them. You know, last year, in the tax increases in this province, I had one farmer tell me last year his taxes—tax increases by the Province cost him \$3,000. He said this year's wouldn't be quite as bad, but, you know, when we talk about \$1,600 for a family, when you get into a

business or something else like that—farming, a business, whatever—it—the costs are a heck of a lot higher.

You know, they continue to do some very strange things out there. I heard the Minister of Finance (Mr. Struthers)—we were talking back and forth here a while ago—or the Minister of Ag, pardon me—and they put a cap on the school tax rebate on farmland. Absolutely the wrong way to do it—they drag back \$6.2 million. But, if you're going to drag it back, which they seem to feel they had to do, then you should lower the percentage across the board. We're at about 80 per cent rebate on farmland right now, and they—the promise was that by now we would be at a hundred per cent rebate on school tax on farmland, but they forgot that promise, as I presume they will forget the promise on the seniors' school tax too.

But anyhow, if they're going to draw money back out of it, they should do it by lowering a percentage; that's the only way it could be done fairly. Now you've got the anomaly of one quarter beside another quarter, one with the school tax on it, the other with a rebate on it. And it's just not a fair system. It could go so far as to impact farmland prices.

You know, the other thing that obviously bothers me a little bit is the vote tax proposal. It's a vote tax that if you divide it up by the members on that side of the House, it's \$7,000 per member.

An Honourable Member: Each one?

Mr. Briese: Yes. And it—\$7,000 per member, and, you know, and they're not—can you not raise \$7,000 apiece? Actually, if you do the maximum donation and you have a spouse, you've got \$6,000 of it already. You don't need—really need that seven—the—to go out and vote tax people. It's not that difficult to raise money, just pure laziness that they're not doing it.

You know, we're seeing some strange things being done with Hydro and we've heard questions in the House here lately on the Keeyask Centre. And—another particular one where, because of a political decision, Manitoba Hydro is putting out money. You know, Manitoba and Hydro employees are pretty interested in that \$6 million that appears to have gone down the drain, and some more going again this year. The employees are pretty interested in that because a year ago they were told there would be no overtime. They were told they had to get their act

together and save money for the company, and then they see something like this: \$6 million dumped down the drain, nothing to show for it, and, on top of that, more funding going forward to—for operation of a centre that isn't even there. Like, how sensible is that?

* (16:10)

So, you know, they—we talk about Hydro and the mistakes that are being made there, and we've seen the Wuskwatim Dam double the budget. We've seen a proposal to do roughly 21 or 22 billion dollars' worth of expansion on a perceived sale. There's no sale there yet. There's nothing to show a sale. There's nothing to say there will be a sale, and we're running up the cost to where we now have an 8 per cent increase in our hydro bills in the last year and escalating. We're talking about roughly 3 and a half, 4 per cent every year for the next 10 years on our hydro bill and, once again, that's compounded. The percentage goes on what's already there. If I could invest my money that well, I would certainly do it. The cost of producing power right now is probably running 10, 12 cents, and we're selling our surplus power for about 2 and a half cents. It just doesn't make sense.

And the other one that I've often wondered about, we just recently built another wind farm in this province, and it was a California company that built a 300—roughly \$350-million wind farm. And with a loan of \$250 million from Manitoba Hydro, California company built a wind farm to produce power to sell back to Manitoba Hydro at about 13 cents a kilowatt when Manitoba Hydro is getting about 6 cents. Once again, it doesn't make any sense. We're probably better off using that revenue, that money, or whatever we're spending to actually put it into hydroelectric, because that's what this province has. Wind operations are undependable. They—they're not efficient. They're about 40 per cent efficiency on them, where a hydro dam is a lot more efficient.

Now, you know, the policies that this government puts in place and forces political decisions on Manitoba Hydro, Manitoba Hydro is very capable of managing their own affairs and doing a very good job of it, a very successful company when they're allowed to do that. But, since this government came into power they—they've forced the Manitoba Hydro to bend to their will, and it's not always the best moves for Manitoba Hydro to be making.

I think we do have a couple more members here that want to speak. I notice the member over here has got his thumb up. He's ready to go.

So, with those few words, thank you very much, Mr. Speaker.

Mr. Cameron Friesen (Morden-Winkler): It's my pleasure to stand this afternoon and to speak to this hoist motion on Bill 20 and put some comments on the record with respect to this.

And I was surprised to hear earlier this afternoon the member for Fort Rouge (Ms. Howard) had said at one point that she had been listening, but she hadn't heard a lot of substance. And I'm shocked to hear that kind of comment, because listening here this afternoon in the Chamber to my colleagues, one after one, putting thoughtful and considerable arguments on the record, talking about themes that resonate with Manitobans from side to side, from east to west and north to south, talking about themes like the importance of consultation, talking about themes like integrity and honesty and standing by your word, and doing what you said you would do. Actually, it reminds me of a saying made famous by an educator in the US by the name of Barbara Coloroso, who famously said to parents: Do what you said you would do, and say what you mean, and mean what you say, and do what you say you would do.

Wow, I think, you know, Professor Coloroso could've had been of so much benefit to this government were she able to come into this place and make clear that argument to this government just in terms of being able to stand and say, this is what we're going to do, and then actually accomplish it. That would give Manitobans such a great deal of confidence. But, sadly, Mr. Speaker, it has not been with tremendous confidence that Manitobans have received the message of this government, oh, clearly over the last 14 years.

As a matter of fact, more and more Manitobans suffer from a confidence deficit in this government. Just a complete understanding on the part of the Manitoba—part of Manitobans that there is huge chasm, this break, this wide space between what this government says and then what they do, and that theme is played over and over again in this mandate and in their previous ones as well.

Earlier this afternoon, the Leader for the Opposition stood in this Chamber and he asked some very basic questions of the First Minister. He asked him to answer whether, in fact, he had raised the tax

on home insurance. He asked the Premier (Mr. Selinger) to be able to confirm that he had indeed raised the tax on fuel for Manitobans last year. He asked him to indicate—and indicate whether he had raised the rate of MPI registration for vehicles. He asked whether the Premier had indeed raised the price of a haircut over \$50 by increasing the tax, and he asked if he had raised the price of hydro rates. And the Premier had no clear answer for any of these very clear and straightforward questions. Instead, he hedged and he went off in other directions, and it just showed the extent to which this government is not prepared to offer either the Leader of the Opposition or Manitobans any clear rationale. Even now, I think this is made most obvious, Mr. Speaker, with the complete inability or unwillingness of this government to indicate to Manitobans in any substantive or real way what the reason is behind this PST increase. And we've seen over the last number of weeks how the rationale for that increase has changed and changed and changed again over time.

I mean, it started out when I read the budget—I think the first three pages of the budget speech were entirely or almost entirely dedicated to building an argument, that the reason for the PST hike would be a flood mitigation effort. That was the case they built, and it was a case built on opportunity. Someone in the backroom says, I've got the perfect case to be made. It will be flood mitigation because, man, it's looking like a flood. Now, obviously, no one in the room was a farmer, because as I went back to the constituency and talked with the farmers in the coffee shops in that period of time, in late April and mid-April, and I said, well, guys, is it looking like a major flood? And they would shrug their shoulders because farmers aren't—you know, they're not bombastic and they're—you know, they're thoughtful, and time and time again the farmers would say, you know, that's a very porous snow mass. You know, there's been a lot of evaporation into the atmosphere. It's been interesting to see how quickly it has actually leaked away into the surface water, and so they said, I don't know, it's not looking like a flood.

And yet, oh, this NDP party was so quick to build that rationale: there will be a flood and this will be for flood mitigation. And, as it came into May and it became clear that there would be no catastrophic flood, then, all of a sudden, just like that and overnight on a whim, the rationale for the PST increase changed. It just changed course just like that, even though the first three pages of that budget speech was entirely dedicated to building a rationale

for the PST increase on the basis that it would go to flood mitigation efforts—it changed.

And it should be said, actually, that when we did conduct that review of the expenditures, when we opened the books, when we got the calculators out—something that this Finance Minister would be advised to do more often and with more accuracy—but we took out that calculator, we looked back and we said, all right, what is this government's record on infrastructure, or let's say, flood mitigation efforts?

* (16:20)

And it's always good to ask questions, Mr. Speaker. I know the member for Steinbach (Mr. Goertzen) always tells me it's good to ask questions and be open and honest and ask questions but then also be prepared to provide a response, and I think that this government would be well advised to both ask questions but then also keep their ears open to listen for the responses.

So, as we went back and looked at these expenditures, we realized, oh, well, no, it—we thought we might find maybe 5 per cent of expenditures maybe allocated towards flood mitigation. That would seem like a number that might be reasonable, considering how floods affect us in the province of Manitoba year after year. But it wasn't 5 per cent, so we thought, well, perhaps it's closer to 2.5 per cent which, you know, year after year, would still indicate some kind of a—you know, maybe a less significant but still a significant, in some respects, investment in infrastructure mitigation efforts. But it wasn't 2.5 per cent. We thought, well, could it even be 1 per cent? Surely, surely it would be 1 per cent, when you consider how much revenue the Provincial government takes in and what they have available through—to them through the general transfer from the federal government, as well as the special transfers; surely, their efforts in flood mitigation would be reflected in the expenditures in that area. But it was shocking to find that that amount wasn't 1 per cent. Neither was it 0.5 per cent. It wasn't even 2 per cent. As a matter of fact, I believe—and my colleagues will correct me if I'm wrong—but I believe the amount was 0.18 per cent. It was less than 0.5 per cent, even if you calculated in all the work done on the diversion around Winnipeg with the floodway.

So it was not substantial. And so the government quickly scurried away from building a rationale of their—of that manner. Instead, they came back a number of days later, we had a weekend in between,

their communicators could go back into the backroom and say, okay, let's get this right, we're kind of off message here, let's get our act together, let's get all these ducks in a row. What is the reason for the spending on the PST increase? We need a new rationale.

Well, it was clear; it wasn't flood mitigation. Flood mitigation was gone, and now we're on to infrastructure. And, you know, the matters we deal with here, Mr. Speaker, are serious and we understand that and—but, you have to kind of chuckle at the fact that they couldn't have timed that strategically any worse. They really couldn't have timed it any worse. And you must imagine that there was some considerable hand-wringing going on in the backrooms, because no sooner had they come out and said, oh, we got it wrong, it wasn't flood mitigation, it's infrastructure, no sooner had they said that then you had mayors from the major communities all across Manitoba lining up, right here in the city of Winnipeg, and I actually believe the timing of their announcement was actually exactly equalling what the minister on the other side was saying about his new-found rationale for spending, and all of a sudden what we had was a new rationale and that was one based on infrastructure.

Only the mayors were saying, no, it's not. The mayors were saying, there's no clarity, there's no transparency in this plan, we have no degree of confidence that this government will actually spend those funds on infrastructure.

Oops, there we go again. That was a beautiful picture in the Free Press, as well, and you could just see all these mayors lined up, the mayors for the city of Portage La Prairie, the mayor for the city of Brandon, the mayor for the city of Morden, which is Manitoba's newest city, the mayor for the city of Winkler, the mayor for the city of Steinbach, the mayor for the city of Thompson and, of course, the mayor for the city of Winnipeg, all standing up and with one voice, in unanimity, saying, this can't be for infrastructure because their past record does not bear out that they are to be trusted when it comes to infrastructure spending.

As a matter of fact, only days ago in this Chamber my colleague, the member for Charleswood (Mrs. Driedger) stood and clearly showed how there was a gap, even now, between expenditures—what they said they were going to spend on infrastructure, what they did spend—leaving a differential of approximately \$320 million in

spending unaccounted for in the area of infrastructure. And this government cannot account for 320—well, perhaps we could help them. Just off the top of my head, perhaps that has gone into a contingency fund for future and possible litigation against government ministers. And, you know what? Perhaps there is some legitimate rationale to be made for establishing a fund. Only, I think, that that would be better if it was taken not from taxpayers and not out of the wallets of taxpayers but some other place. Yes, maybe it's a way to fund some kind of special get-out-of-jail-free card, where ministers can go and make requests to avail themselves of some of those funds. But, Mr. Speaker, it isn't a laughing matter. The fact is it's a very serious matter that over \$300 million was missing from that infrastructure.

Well, no sooner had this case been made by the mayor to this Province when the government had to go back—they had to go back, and they said, well, okay, if it's not for flood mitigation and if it's not infrastructure, surely it is for hospitals and schools and daycares. The only problem with that was when you looked back and started to compare the new announcements that they were making against those previous announcements that had been made, it became clear that this government was recycling.

Now there is a lot of value and merit in recycling. As a matter of fact, Morden boasts one of the province's best recycling centres, and there's some state-of-the-art proprietary technology that has been employed there in a factory called—or in a company called Exner, and they're doing some of the best work in recycling electronics in this province, making sure that none of that product leaches into landfills. It's just a fantastic concept and one I can't wait to tell this Chamber more about.

But in this case, the recycling wasn't so meritorious, because in this case the recycling had to do with promises that had been made to Manitobans. They were recycling announcements about schools that had been long ago announced, just like they are now announcing flood mitigation efforts that were announced long ago that have been on the books for years and years and they've never acted on them.

So really when it comes to what the minister was saying today, the minister of MIT, yes, when it comes to what he's saying today about these kind of announcements, I think it's just another pending broken promise, because it's clearly the case that they have not been able to follow through on what they said before.

And Manitobans have been clear, they do not accept the rationale, they do not accept any rationale that this government is putting forward for the reasons for this PST hike. We have heard that again and again in our constituencies. We understand. These government members must be hearing the same refrain in their own constituencies.

Mr. Speaker, but beyond all these, beyond these rationales that the government is trying to provide for an 8 per cent PST that no one wants, and people have been clear about that they don't want. Still, it bears repeating that we have protections in this province, in law, through the taxpayer protection act, and it is an egregious error on the part of this government to circumvent the protections that we actually have in place in this province. And to say, well, Bill 20 does not need to respect the legislation that is on the books in this province, there—for the very reason of protecting taxpayers against the actions of government.

I've said it before in this Chamber, I will say it again, there needs to be, there need be in democracy, in any form of government, constraint placed upon government, appropriate constraint to mitigate against the endless and perpetual expansion of the enterprise, because that is the ultimate and inevitable work of government. It will get bigger unless it is properly and legitimately and adequately constrained. And without those constraints we see a rationale is built, not on the need to reduce debt, not on the need to match expenditures to revenues, but rather to say, ah, we'll just get bigger and we'll continue to find in more creative ways new sources of revenue.

But that is not sustainable, Mr. Speaker. It is not in the long-term sustainable for a province because this province, just like any other government, must compete. And as much as this government believes they can exist in a bubble, they can exist within a context where they think they can be all things to all people.

They—I mean, they honestly believe that that \$1,600 that they are now removing from taxpayers wallets, all across Manitoba, on the basis of last year's expansion of the RST and this year's hike of the PST, they honestly believe that those dollars are better off in the pockets of government than they are actually in the pockets of ratepayers, of taxpayers, of the people who earn the money and the people who, at the end of the day, do not have the luxury of this government to say it's not a big deal, I've decided not

to match my expenditures against my revenues. That is a luxury that they do not have and it is a luxury that I remind this government they also do not enjoy in perpetuity, because there will come a time I assure you, Mr. Speaker, there will come a time, and at that time—I enjoyed that—and at that time someone will come knocking. Someone will come knocking.

* (16:30)

And even now you wonder if something—if there haven't been groups and agencies who have come knocking, because I attended a couple of weeks ago, and I know some of the colleagues across the way did, the Manitoba Business Council sessions on Manitoba looking back and looking forward, and there was an interesting comment made in one of the plenary sessions by a very, very leading financial figure within Canada, and the comment was made: Why would a government who was so successful—and I only use the word successful in raising additional revenues, in the sense that it tended to fly under the radar; it was a little more hard for Manitobans to immediately spot and calculate and know the actual cost to them over time. In that extent, I think the government last year was somewhat successful in that they were able to keep Manitobans from a complete understanding of how things like a tax assessed against haircuts, and MPI rates, and fuel, and insurance policies, and so many other things, they were not able to immediately understand what that effect may be.

A PST tax—a PST hike is less successful in that regard because it is right in your face. It is very difficult to mistake, and, indeed, there is no mistaking this one. Neither have Manitobans mistaken this. They understand 8 per cent; they understand that it applies to everything; and they understand what the cost to families will be over time.

Anyway, coming back to my original point, Mr. Speaker, the comment was made—the comment—*[interjection]* I was getting there, in a way. The comment was made: Why would this government choose to go there when they were more successful, in a sense, last year from expanding? Well, I guess maybe one obvious answer would be there's very little left to expand to because this government has been so busy, like beavers, expanding RST into all different areas, you kind of run out of room after a point.

But the other possible explanation may be that, on a larger scale outside of the bubble that this

government has created, there could be agencies and groups, and there could be bond-rating agencies saying: You have no choice, and, Manitoba Finance Minister and Manitoba First Minister, your back is now against the wall. And that theme, I can guarantee you, came back time and time again in the context of those meetings by key business and industry leaders. They said: In an \$11-billion budget, a \$500 million—and I'm being generous here. I'm being generous by saying \$500 million—I'm kind of lowballing the figure. I'm taking the number that this Finance Minister has indicated as his estimate for '13-14, and, by doing that, I'm being generous because we all know that, regardless of what the member for Selkirk (Mr. Dewar) might have said last week about his government being so successful in actually being able to, year by year, meet its budget—and, oh, my goodness, did we have a good laugh at that.

You bet they can meet their budget if they can raid the rainy day fund and the Fiscal Stabilization Fund and Manitoba Hydro. Oh, you bet. If I had unlimited access to my neighbour's finances, I guarantee you I could balance my books every single month. I could just go in there and say to my neighbour: Hey, I need a few more bucks; oh, I need a whole lot more bucks. And he might be able to fund me.

But the problem is it doesn't work in this environment, Mr. Speaker. It doesn't work. And you have to wonder—you have to wonder, why now? Why now, why do the 8 per cent now? Why not just expand it? You have to wonder if there couldn't be a rationale that is far more foreboding for Manitoba, that they've actually been told by the higher-ups—they've actually been told by bond-rating agencies: You have no choice. You have no wiggle room. Unless you demonstrate something to show that you will have additional ability to pay off debt, you're going to be in trouble and you're going to have your bond—your ratings reduced.

And so then, with their back up against the wall, they go in and now they're trying to—what is that old expression they use? They're trying to put lipstick on a pig. They're trying to put lipstick on the pig. And all weekend long at convention there they were, trying to put lipstick on a pig. As a matter of fact, I understand that the message given to the delegates at convention was very clear: The PST is a good thing. It's actually a good thing. And delegates came; they said: You're kidding, like, please explain this to us. And I understand that, at certain points, through the

speakers who would come to the mike, the response was given and said: Oh, no, no, no. The PST is a good thing because it clearly differentiates between the parties. It clearly shows the vision that this NDP party has and that the PC Party of Manitoba doesn't share this vision. And what's that vision again? The vision of perpetual tax hikes.

And so I think in that regard there was at least an accurate message delivered because we would be the first to say, yes, that is not a vision that we share. We share—we espouse a different vision. We espouse a vision of a strong and independent Manitoba, a vision where Manitoba kids get educated and stay or return to the province, a Manitoba that shows hope and promise, a Manitoba that our young people are not leaving in droves to go to seek their fortunes in Saskatchewan and Alberta and British Columbia. So, in that respect, there is a clear difference between the messages that our groups are doing.

But, Mr. Speaker, I know that I've got lots to say and the clock keeps going, so I need to really make sure that I put a couple of more comments on the record. So it—I know that really what this comes down to with Bill 20—and the reason for the hoist motion is clearly to do this: to enable the government, to help this government, to give them the assistance they need. We'd like to give them the leg up that they require to build in the requisite time to be able to better gauge the opinion of Manitobans on this matter.

And Manitobans have come back, and with one voice they've—they clearly declared they have not been consulted. They have not been asked. There have been no groups, there have been no constituents, clamouring at the door of my constituency office or the office of any other MLA in this building saying, what we really need in this province is a PST hike.

There is simply not that kind of response happening. We know that, they know that, and so the message coming back is that you have not consulted. And so, Mr. Speaker, clearly, what this hoist motion does is it enables the government to take that time that is necessary to consult Manitobans in this matter, in the same way that this government's record on consultation is not good.

I mean, on the issue of police boards, the issue of consultation came up again and again where mayors said: We weren't consulted; we were not asked. They said this amounts to another

downloading of responsibility onto the municipal governments.

When it comes to Bill 6 and some very contentious conditions for third-party, faith-based and non-faith-based, non-for-profit and for-profit groups delivering services to the RHA on a contract basis and some very contentious provisions for them. And I actually went even to Gimli, even to the constituency for the member of Gimli, and visited personal care homes and talked to those hard-working CEOs who talked about the kind of onerous conditions that Bill 6 created on them, that basically treated them as de facto RHA entities without consultation. And what a loss that there wasn't that consultation in place, what a lost opportunity to proceed in collaboration with these groups that have a record of delivering tremendous services to Manitobans in a way that is respectful and appropriate, that meets all of the conditions put out by Manitoba Health and by the Minister of Health (Ms. Oswald), the Minister of Healthy Living (Mr. Rondeau) and the minister for seniors, and yet, no, they proceed unilaterally, they do not consult.

And we've heard this afternoon again, when it comes to municipalities, no, it's a unilateral approach. It's approach that does not respect municipalities. We know, when it comes to other groups, that they proceed unilaterally and not in collaboration, not in consultation, the exact kind of messages that they want to see take root in our school system. And, you know, the other day, we had the member for Point Douglas (Mr. Chief) stand up and talk about a program that he was mentioning the school system. It was taking roots; there was called Roots of Empathy. It sounds like a great program. And it sounds like a program that would have some merit, but those programs are based in things like creating compassion in people, in stakeholders. Those programs are based on ideas like creating an increased capacity to think about the implications of one's actions. They have to do with creating in an individual this ability to know and to consider another person's feelings.

* (16:40)

Oh, and we know that feelings are very, very important on the other side of the House. As a matter of fact, the threshold to gauge bullying even applies to just feelings, so this government should be more respectful of feelings. And yet, that same program that they say is working so well in classrooms, they're unwilling to emulate those same things here:

being respectful, asking questions about what the ramifications are, trying to gauge their actions and say what would be the implications, asking those same kind of questions that we talked about. But no, they don't ask those questions. They don't engage. They proceed with blinders on, straight ahead, irrespective of the consequences.

And Manitobans have said with one voice, they're not interested—not interested in that kind of approach. More and more they tell us that they're not interested in that approach.

And, Mr. Speaker, I know that there's so much to say this afternoon, but I do have other colleagues who do want to stand and put comments on the record.

Mr. Speaker, I would just sum up by saying we have heard it clearly. There's a good and important argument to be made and, as a matter of fact, we're so pleased to bring forward this hoist motion to allow this government a sober second thought, an opportunity to say maybe there's still time, maybe there's still time to correct the mistakes we've made, to consult Manitobans, to provide a broad context in which they can capture and measure, and that's something that the Minister of Education (Ms. Allan) could do so much more in terms of capturing and measuring and understanding assessment and going there. Here is your chance to capture and measure and to assess what the real impact of this bill would be on Manitobans, to understand it would be detrimental and harmful, to turn back from that path and to turn to something that would lead to a brighter and better day for all Manitobans.

Mr. Speaker, I thank you for the opportunity to put these comments on the record.

Mr. Ian Wishart (Portage la Prairie): Mr. Speaker, and it is a pleasure to rise and put a few comments on record in support of the member for Arthur-Virden's (Mr. Maguire) move to hoist this for six months hence. And, in fact, that's something I think actually we should all consider as a really good idea and something that we would all benefit from.

I think, frankly, we need more consultation in this process. Certainly, there's been no evidence put forward that consultation was actually done on—regarding PST increases during the consultation process that the NDP actually had, running up into the budget. I did manage to find someone who actually had attended one of the ones in Winnipeg, and actually he said there was no reference

whatsoever to changes in the PST, that—in the event that she attended. So, certainly, Mr. Speaker, it wasn't a front-and-centre approach to what they were doing.

There are so many things to talk about in regards to the Bill 20 and the hoist motion but, certainly, when it first came on the table, we need this extra revenue to deal with flood issues. And it's been touched on earlier that this was the most important issue and today we actually went back to flood issues. But, initially, of course, we looked at the numbers, and we could see absolutely no indication that they had been committed to dealing with flood issues. We saw no plan. In fact, we repeatedly have asked for them to table the plan, and now they've gone, of course, to the task force report, and something I'm very familiar with the taskforce report on the flooding issue, because it is a big issue for my constituency. And we'll certainly circle back to it and talk about where the money will be spent, if they actually do spend it.

But flooding, obviously, didn't carry through. In fact, they—as the member for Morden-Winkler (Mr. Friesen) stated, I think somebody actually in the planning department said, well, we're sure to have a flood, and therefore we can use that as the rationale for why we have to increase the PST and why we have to raise so much more revenue.

And, certainly, if you talk to the people out in the landscape, you would've realized that, you know, the snowfall was certainly well above average, but the soil moisture situation was nowhere near like the situation was in the fall of 2010. And, in fact, there were a number of people in the fall of 2010 actually predicting as early as October-November that we have a crisis coming next spring even if we get average snowfall. And, of course, we got well above average snowfall and then rainfall to boot on that, which led certainly to a bad situation. But that was not the case for this last year. In fact, we were—had scientifically measured, which they like to look at all the time, scientifically measured below-average soil moisture through most of the area in question, which is the Assiniboine valley watershed—was actually well below; in some places, extreme, dry conditions.

And so it was quite predictable, really, that we would have, even though we had above-average snowfall, that we would actually have below-average runoff. And we certainly did. In fact, with an ice melt period like we had, we not only had below-average

runoff, we had almost negligible runoff in some regions. So this was—this is not a surprise.

So, once the flood didn't take place, and I know the minister, the member from Thompson, was really fairly desperate to find a crisis that he could actually blame on the flood, so that he could look like the conquering hero. I think, actually, he's got somewhat addicted to that after 2011, so that everyone was hanging on his every word as it related to water, and it just didn't happen. So he moved on to the next rationale, yes, moved on to the next rationale, which was actually infrastructure. Well, of course, when you look at the numbers on infrastructure, the numbers simply weren't there.

Certainly, we would encourage, actually, the need to rebuild the infrastructure in Manitoba; and, in fact, the city mayors and a lot of the municipal officials have been very adamant in their expressing an opinion as to the need to rebuild infrastructure. Not only do we have a \$30-billion provincial deficit, but we have a \$3-billion infrastructure deficit on top of that, which is—never shows up in the calculations. So, certainly, we have major problems in terms of an ongoing deficit that has to be dealt with at some point. You cannot keep deferring infrastructure, as you can't keep deferring debt into the next generation.

And, in fact, before I forget the point, I did a little comparison the other day as to debt per capita, provincial debt per capita, and just compared the western provinces, because that's actually who we generally compete with on issues. And for people that are graduating from university or technical college, or even from high school, this is something that, actually, they probably aren't really looking at, but they need to be aware of. And the debt per capita in Manitoba is \$23,757. So anyone who's ready to come into the business—into the working world, actually, is indirectly responsible for paying that much in taxes back. Not just the current annual deficit, which still exists, but that—actually, an accumulated debt, which interest rates against that, actually, are at record lows now, but at some point they're going to change in the future.

Mr. Speaker, in Saskatchewan, it's a grand total of \$8,900 per person and being paid down. Their budget is balanced. They're making progress on that. And so somewhere in the neighbourhood of the next seven to eight years that'll probably approach zero, which is wonderful. Now, Alberta, which everybody's talking about, the huge deficit, in which

an annual deficit in Alberta, because of—their major change in revenue is from oil. But their accumulated deficit is a grand total of \$2,443 per person, the lowest of any province in Canada. The lowest. So I don't think they're actually in a crisis situation.

However, when you look at BC, yes, they do have an issue in BC. It's not as bad as ours. It's less than \$10,000—or, less—there's a \$10,000 difference. Theirs is about \$13,492. And maybe that was a factor in deciding not to vote NDP in BC not too long ago because, certainly, they didn't want to put at risk their good financial progress that they have been showing in the last few years.

So, certainly, if you move on from that, and look at, back to the infrastructure issue, we had an announcement today that we're going to move ahead with putting infrastructure in place on the flood. And you look at the details, and I had a chance to talk to, actually, a couple of the members of the task force that were briefed. And, though we didn't get a chance to ask the minister questions related to that, and you—he can be sure that we will. But there's certainly commitment to spend dollars. And the timelines were always the issue.

So when will the money be spent? Well, the money in terms of development will be spent next year and the year after. So that will be research, perhaps a little bit of licensing. Certainly, the engineering work. But construction, when's the first construction actually projected to take place? Well, not really 'til 2016 and a little bit iffy even then. So this is really beginning to look a whole lot more like another election promise and not anything that is real and front and centre, that you can actually say, this will happen right away.

So, certainly, for the people around Lake Manitoba who are still in the recovery mode, I hope they feel a little better, but we all have come to know that an NDP election promise, which this appears to be, is not a terribly valuable document. Certainly, we'll have to wait and see whether there's a commitment to follow up, and we will be following that every inch of the way to make sure.

* (16:50)

Now the member from Morden-Winkler actually went into a fair bit of detail about how much money was actually spent on infrastructure and flooding. And we've been doing a fair bit of digging and, in the process, we've uncovered some rather interesting things. Excuse me. They—and one of the issues

during the flood of 2011 was actually the limited capacity downstream from Portage la Prairie on the river dikes. And that's actually the crisis that was—really, anything more than about 18,000 cubic feet per second seemed to be a level that we were not comfortable with and, in fact, there was probably some potential for some overtopping and some breakage. And where that water would go was certainly an issue that people want to talk about, and maybe I'll come back to that a little bit later.

However, when we look backwards, we find that the Province actually took over the management from PFRA actually in the year 2000. So the same government that we're dealing with now was actually in place in the year 2000, and in the process of taking it over, there was actually an agreement to help rebuild those dikes. And the first two years actually came off without a hitch with the Province and the federal government actually cost-sharing some of the rebuild. And we accomplished about 26 kilometres of the 108 that actually exist between Portage and Winnipeg of dike system.

And then, unfortunately, the commitment seemed to evaporate but not from the federal level. But the Province was to get a year ahead in terms of land acquisition, making sure that they had the sites lined up, because, actually, the dikes don't belong to any level of government, they actually belong to the people that live there. Most of those are actually river lots and they are considered old titles. And on—if you look at an old title, they own either to the centre of the river or to the water's edge. So the dike, almost in every case, is actually on private land and getting access to that private land to do a proper rebuild is something that you actually have to work at.

So land acquisition, a branch of the provincial government, actually has the capability to do that. And their job was to get out and get a year ahead of the construction process and make sure that they had this land acquired so they actually had a place to actually do the work and make the improvements, and they didn't do that. That was a lack of commitment. And so the whole agreement kind of fell apart and nothing happened.

But, if you look at what was actually supposed to happen as part of that, is that we would see significant improvements in the channel capacity between Portage and Winnipeg. Something that, frankly, we needed very, very badly during the flood of 2011. In fact, the limited channel capacity was

really the basis for the whole cut at the infamous Hoop and Holler. We just didn't have capacity. And, actually, the number that they targeted was actually 25,000 cubic feet per second. Now when you crunch that back against the inflows that were coming down, that actually makes a balance. It would have been a close number, absolutely. There was a lot of water coming down from the Assiniboine into the reservoir at Portage la Prairie, actually got as high as 53,000 cubic feet per second coming in there. And just for a little aside here, that's half the flow of the Niagara Falls. So certainly a significant amount of water was coming down in there at any one point.

But we would have been able to move at least half of that on into Winnipeg had we followed up on our job in terms of commitments to rebuild those dikes. So I would say that the actual commitment to do this job in terms of water infrastructure or flood infrastructure has not been there since about 2002. And I actually question yet whether it's actually back on the table, because the announcement today was an announcement. There's actually no solid commitment in terms of timelines. And that's when you really—where the rubber really hits the road, you actually have plans that you're moving ahead on.

Now, moving along from that, you go back to this whole argument of PST. On the weekend, I actually had the pleasure of being in Winkler for an event, and stopped off at the coffee shop there and—I actually used to live in that community a number of years ago and ran into a few people that I knew from those days. It was actually pretty interesting to have a chat with them about what's going on and how great things have been moving ahead in that community down there, because they've certainly shown huge progress.

But one of their real concerns was the increased tax load. In fact, though I had somewhere to be, and fairly short timeline, and I had a great deal of difficulty actually getting out of the coffee shop, by the time we got visiting and talking about all of the events, or all of the tax increases, everybody down there seemed to want to talk about that. And I can tell you, they weren't broadly in support. They were very clear to speak against.

An Honourable Member: Did you find anybody in support?

Mr. Wishart: I didn't find anybody in support.

And I know the—some of the members opposite think it's pretty interesting when we reread our

petitions every day and bring up issues that are important to our communities including things like PST. And I would certainly encourage them to actually—and I'm sure the Clerk's office would work with them to put wording on a petition—and encourage them to go out to the coffee shops or door to door, or whatever they want, and actually try and find people that want to sign a petition in support of the PST increase. And, if they can do that, I'm sure that they would be offered the opportunity to read their petitions as well. So I encourage you to go and do that. I'll be looking forward to seeing them in the future.

But, moving on from that, later on the next day, here I am in another coffee shop, and you'll think that's all I do, but I rarely actually find time to do that. Stopped, back in hometown of Portage, on my way to another event, pick up a cup of coffee and there, too, exactly the same thing happened. It was virtually impossible to get out of the coffee shop.

So many people are upset and want to speak to the issue and really feel that they're not being heard. So this hoist motion actually encourages people. Six months hence, we have lots of time now to do the referendum, so I would encourage the government across the way to actually rethink their position on that and support our hoist motion and moving into the future. And give us the opportunity to be heard—for everyone to be heard on this issue, because certainly there is time if you do that, and there are clearly a lot of people out there who want to speak to this issue. And, when I can't even go in and out of a simple coffee shop without being overwhelmed by the number of people that want to speak to this issue, clearly, there's a pent-up demand to do that.

Now PST is just part of this, and I know that the members opposite really don't like it when we look at the total numbers that are out there, but there are a whole lot of tax increases that have come into place. Not only have we seen a broadening of the retail sales tax, commonly known as the PST, along with the proposed increase, but we have seen an increase in gas taxes, which was supposedly dedicated for infrastructure but we really can't find that number in there.

We've seen increase in liquor prices. We've seen an increase in cigarette prices and taxes. We've seen an increase in beer prices. And certainly that has an impact. *[interjection]* Yes, has an impact in every household. And, of course, there's been a wide range of fees that have been increased as well. So this

certainly comes to a very significant cumulative total, and I have talked to a number of people that work in the income tax field, and they're certainly of the opinion that this will cost a lot of people a lot of money and will certainly change their economic situation, put them on the borderline between being able to carry on with the standard of living that they're looking at now, particularly a lot of seniors who are on fixed income, it'll have an impact on them.

And I know everybody says, well, we don't put PST on food, and we don't. And we don't put it on rent, but the dwelling that you're living in was built with materials that you do pay PST on, but that's actually only in Manitoba because in Saskatchewan they don't charge PST on that type of material. So their dwellings are actually cheaper because of that, but their market demand is so much stronger that the price is higher out there. So they're in a better position to look at that in the future, and in fact will make them very competitive.

And we hear a lot of comments, and I have family that live along the border with Saskatchewan, and, frankly, unfortunate for the local communities, they do a surprising amount of their business across the border in Saskatchewan these days, and that is before the increase in retail sales tax, or PST, actually occurred here.

And that is not going to work great for Manitoba's economy. It'll bleed in another direction. It bleeds in the direction of the US now, and certainly we see that. Very little we can do about that because certainly that's quite a different marketplace and we cannot impact. But any increase in retail sales tax here in Manitoba will certainly not put us in the right direction. So all of these total come up to quite a significant amount, and for the average family of four, when you total them all together, \$1,600 is certainly in the range that they would pay. Now, I know that they don't like to hear that. They don't like to hear that because reality is not something that they really feel comfortable with.

You get back to talking about the campaigning during the election, and I know the members opposite, every one of them had a chance to go door to door, as did we, and make our cases as to, you know, what we were going to do on behalf of the party. And I know that the candidate I ran against, the NDP 'candigate' I ran against in my constituency, is an honourable man, and we actually had a chance—

Mr. Speaker: Order. Order, please.

When this matter's again before the House, the honourable member for Portage la Prairie (Mr. Wishart) will have 12 minutes remaining.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 29, 2013

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