

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

Official Report
(Hansard)

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authority of
The Honourable Daryl Reid
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, August 12, 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.

MATTER OF PRIVILEGE

Mrs. Leanne Rowat (Riding Mountain): I'm rising on a matter of privilege. Beauchesne section 114(1), precedence of a question of privilege is over all other business of this House, and there are two conditions to that, that this be satisfied in order for the matter raised to be ruled as prima facie case of privilege. According to Beauchesne section 115, a question of privilege must be brought to the attention of the House at the first possible opportunity; I believe I'm doing that right now, Sir. Second, whether there is sufficient evidence provided to establish a prima facie case of privilege, I'm going to do that right now.

Mr. Speaker, on Thursday after question period, I was requested by the media to explain the line of questioning that I had and to clarify some questions that the media had with regard to my press release as well as the questions. I feel that media were not able to deal with my questions specifically and in a sense in that—from that sense, then, the public do not get the full story and the sense of what was being shared in the Chamber and in my press release. It appears and it was clear that the government staff were preventing me from sharing what I believe were details that were specific to the line of questioning that we had in the House which was a very serious matter with regard to Phoenix Sinclair's murder and her case notes. I believe that the government media staff were bullying and trying to physically and verbally interfere with the dialogue that I was trying to have with the media at that time.

I believe that as elected officials we have the right to share with media our concerns with the current government with regard to questions that we're asking in the House which we are asking on behalf of Manitobans and should be allowed to do our jobs, and part of that job is to not only ask questions in this House but also to share with the media what our concerns are and to allow us to have that opportunity to have that dialogue with media. If that is jeopardized, as it was on Thursday, I don't believe that Manitobans were given the full opportunity to learn what the issues were.

So I believe that government staff who are not elected should not be debating MLAs when they are being interviewed by staff. They should not be provoking discussion or trying to discredit the information that we have put forward. That is the responsibility of an elected official, the MLA. If the government side felt that there were issues with what we were asking in the House and the—and what we presented in our press release, then it's up to an elected official to be out in the gal—out in the lobby in the scrum to defend their actions, to defend their government's responsibilities or inaction, Mr. Speaker.

So I believe that my job as an MLA was inhibited by this government, their staff, and I believe that—I think this should be taken as a breach of privilege. And it made it impossible or more difficult to carry out my 'procee'—my duties as an MLA.

So I move, seconded by the member for River East (Mrs. Mitchelson), that this matter of privilege be referred to the Standing Committee of Legislative Affairs.

Thank you, Mr. Speaker.

Mr. Speaker: The honourable Government House Leader, on the same matter of privilege.

Hon. Jennifer Howard (Government House Leader): I listened closely to the member's discussion about the matter of privilege that she's bringing forward. I'm not sure exactly what her concern is. It sounded at one time that her concern was the physical presence of staff and then it sounded like her concern was that staff were

rebutting some of the information that she had put forward. So I'm not sure what exactly the concern is.

Certainly, Mr. Speaker, first of all, just on the procedure, I don't think that you will find that relations with the media constitute privileges within the House, and certainly it is the—as my understanding—it is the practice of both communications staff on the government side and on the opposition's side to talk to members of the media, to have relationships with members of the media, to provide information to members of the media, and certainly it's part of that relationship to talk about—to answer questions that come up either in question period or questions that may come up as a result of press releases.

I've been part of many of those scrums in the hallway. I've been part of those discussions with media when there are clearly members of the opposition media staff, opposition's—members of the opposition media staff in attendance who take the opportunity to talk to reporters to discredit something that I have said. I accept that as part of the political process that we're engaged in.

So when opposition or government put forward a point of view or put forward their particular take on what they think the information is, it is going to happen that members of staff—government staff or opposition staff—talk to the media. And it is going to happen on occasion, especially when there are questions—factual questions—that the best people to answer those questions are people who have that knowledge, who work with that knowledge, who may be officials in department. I believe that was the practice when the members opposite were in government; it has been our practice.

So I'm not really clear on what has transpired here that is markedly different than anything that members of the government deal with on a daily basis when we're in the scrum. But if there are other complaints or issues that the member has had with the conduct of our staff, I'm happy to sit with her in the loge and hear that and certainly take that up on her behalf.

But, certainly, as far as I understand, what was happening on Thursday in terms of media relations is something that happens for members of both our staffs, where people will answer questions and where people will have those discussions with the media. If the position of the opposition is that their staff never talk to the media, I think that that would be very hard to prove and very easy to disprove.

So I don't believe there is a matter of privilege here, Mr. Speaker, and I think that when you reflect on it, that's what you'll find.

* (13:40)

Mr. Speaker: The honourable member for River Heights, on the same matter of privilege.

Hon. Jon Gerrard (River Heights): Yes, Mr. Speaker, and I just want to add briefly that I think that, with the way that the government has ramped up the number of media people, that, you know, this has become sometimes much more than just an ordinary journalistic scrum, but it's gotten a bit more like a football scrum. And I don't think that we need to be in scrum where you have to—MLAs have to take their offensive and defensive teams out there to be able to interact with the media.

And I think it would be smart, Mr. Speaker, if you called a meeting of House leaders and had a discussion about what could be done about this situation. Thank you.

Mr. Speaker: Official Opposition House Leader, on the same matter of privilege.

Mr. Kelvin Goertzen (Official Opposition House Leader): On the same matter of privilege, Mr. Speaker, and just briefly, I think that the Government House Leader (Ms. Howard) is either confused or is deliberately trying, I think, to not put the facts on the record in terms of what the member has raised as a very serious matter of privilege, and that is that it wasn't as though the government spinners—and we know there are lots of them—were after the fact going and trying to spin the media on their particular perspective. We might have disagreement that that happens too aggressively or that there's too many of them or that it's not an appropriate use of taxpayers' dollars. All those things are very valid concerns that we might have as an opposition on behalf of taxpayers.

But I think that the point that the member for Riding Mountain (Mrs. Rowat) was bringing forward is that she was giving an interview with a group of media and then the government staff person began a debate with the member directly while this interaction was happening.

And we, of course, rely on the media to get our messages—MLAs—out, and that is why—and I think it's a clear breach of privilege in terms of her role as an MLA to communicate with the public, and we do

that often with and through the media as a ways to communicate with the public.

And the issue here is that the government staff were directly interfering with the member and her ability to deal with that staff, not that the government staff were trying to spin the media after the fact or after the interview had concluded, but during the interview itself. There was a direct interference.

And so, Mr. Speaker, I think this is—one could argue that in some ways it's a violation of freedom of speech, which is also a privilege. But I certainly do believe that the fundamental test of whether or not it interfered with her role as an MLA is clear, that we cannot have the government staff—paid by taxpayers—trying to interfere and stop an MLA from communicating with the media and then having that information transferred to the public.

So I think the Government House Leader (Ms. Howard) is either unaware of the facts as how they transpired—and perhaps she wants to inform herself of that—or was deliberately trying to put rec—or information on the record that wasn't correct.

Thank you very much.

Mr. Speaker: On the matter of privilege raised by the honourable member for Riding Mountain (Mrs. Rowat), I thank all honourable members for their advice on this matter of privilege.

I'm going to take this matter under advisement and consult with the procedural authorities, and I will bring back a ruling for the House after I've had an opportunity to review it further.

* * *

Mr. Speaker: Now we'll proceed with—

ROUTINE PROCEEDINGS

Mr. Speaker: No introduction of bills, so we'll move on with—

PETITIONS

Provincial Sales Tax Increase—Referendum

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

And these are the reasons for 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 and will harm Manitoba families.

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition signed by T. Stove, E. Rintoul and D. Tully and many, many more fine Manitobans.

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

Provincial Road 433 Improvements

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

The background to this petition is as follows:

(1) Provincial Road 433, Cape Coppermine Road, in the rural municipality of Lac du Bonnet has seen an increase in traffic volume in recent years.

(2) New subdivisions have generated considerable population growth and the area has seen a significant increase in tourism due to the popularity of the Granite Hills Golf Course.

(3) This population growth has generated an increased tax base in the rural municipality.

(4) Cape Coppermine Road was not originally built to handle the high volume of traffic it now accommodates.

We petition the Legislative Assembly as follows:

To request that the Minister of Infrastructure and Transportation recognize that Cape Coppermine Road can no longer adequately serve both area residents and tourists, and as such consider making improvements to the road to reflect its current use.

This petition is signed by A. Stamler, C. Boulanger, J. Law and many, many more fine Manitobans.

Applied Behaviour Analysis Services

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 broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including timely diagnosis and access to necessary treatment such as applied behaviour analysis, also known as ABA services.

The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

School learning services has its first ever waiting list which started with two children. The waiting list is projected to keep growing and to be in excess of 20 children by September 2013. Therefore, these children go through the biggest transition of their lives without receiving ABA services that has helped other children achieve huge gains.

The provincial government has adopted a policy to eliminate ABA services in schools by grade 5 despite the fact that these children have been diagnosed with autism which still requires therapy. These children are being denied necessary ABA services that will allow them access to the same educational opportunities as any other Manitoban.

Waiting lists and denials of treatment are unacceptable. No child should be denied access to or eliminated from eligibility for ABA services if their need still exists.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Education consider making funding available to eliminate the current waiting list for ABA school-age services and fund ABA services for individuals diagnosed with autism spectrum disorder.

This petition's signed by A. Pringle, E. LaPage, K. Marion and many more concerned Manitobans.

Mr. Speaker: Before I recognize the honourable member for Steinbach, I want to remind the honourable member for Riding Mountain not to put editorial comments when we make the closing comments with respect to a petition, please. I know I've cautioned honourable members of the House

about this before, and I'm asking for the co-operation of all honourable members reading petitions.

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

The background to this petition is as follows:

(1) The provincial government broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including timely diagnosis and access to necessary treatment such as applied behavioural analysis, also known as ABA services.

(2) The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

(3) The preschool waiting list for ABA services has reached its highest level ever with at least 56 children waiting for services. That number is expected to exceed 70 children by September 2013 despite commitments to reduce the waiting list and provide timely access to services.

(4) The provincial government policy on eliminating ABA services in schools by grade 5 has caused many children in Manitoba to age out of the window for this very effective ABA treatment because of a lack of access. Many more children are expected to age out because of a lack of available treatment spaces.

(5) Waiting lists and denials of treatment are unacceptable. No child should be denied access to or age out of eligibility for ABA services.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Family Services and Labour consider making funding available to address the current waiting list for ABA services.

And, Mr. Speaker, this petition is signed by S. Guretzki, M. Dupont, R. Mounk and many other Manitobans. Thanks.

* (13:50)

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 an absence of reliable infrastructure funding and timely flood compensation.

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by J. Lindsay, J. Shorty, M. Reimer and many more fine Manitobans.

Applied Behaviour Analysis Services

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

The background to this petition is as follows:

The provincial government broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including timely diagnosis and access to necessary treatment such as applied behavioural analysis, also known as ABA services.

The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

The preschool waiting list for ABA services has reached its highest level ever with at least 56 children waiting for services. That number is

expected to exceed 70 children by September 2013 despite commitments to reduce the waiting list and provide timely access to services.

The provincial government policy of eliminating ABA services in schools by grade 5 has caused many children in Manitoba to age out of the window for this very effective ABA treatment because of a lack of access. Many more children are expected to age out because of a lack of available treatment spaces.

Waiting lists and denials of treatment are unacceptable. No child should be denied access to or age out of eligibility for ABA services.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Family Services and Labour consider making funding available to address the current waiting list for ABA services.

And this is signed by I. Krahn, D. Lavallee, M. Fiebelkorn and many others, Mr. Speaker.

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

The background to this petition is as follows:

The provincial government broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including timely diagnosis and access to necessary treatment such as applied behavioural analysis, also known as ABA services.

The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

The preschool waiting list for ABA services has reached its highest level ever with at least 56 children waiting for services. That number is expected to exceed 70 children by September 2013 despite commitments to reduce the waiting list and provide timely access to services.

The provincial government policy of eliminating ABA services in schools by grade 5 has caused many children in Manitoba to age out of the window for this very effective ABA treatment because of a lack of access. Many more children are expected to age out because of a lack of available treatment spaces.

Waiting lists and denials of treatment are unacceptable. No child should be denied access to or age out of eligibility for ABA services.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Family Services and Labour consider making funding available to address the current waiting list for ABA services.

This petition is signed by K. Cochrane, G. Whiteford, O. Homler and many other fine Manitobans.

Provincial Sales Tax Increase—Referendum

Mr. Ralph Eichler (Lakeside): Good afternoon, 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 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 submitted on behalf of T. Liwolon, D. Daigle, S. McVey and many other fine Manitobans.

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

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 1 per cent 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 this petition is signed by L. Hearman, S. Wiltsey, B. Haskitt and many, many others, Mr. Speaker.

Applied Behaviour Analysis Services

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

The background to this petition is as follows:

The provincial government broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including timely diagnosis and access to necessary treatment such as applied behavioural analysis, also known as ABA services.

The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

School learning services has a first ever waiting list which started with two children. The waiting list is projected to keep growing and be in excess of 20 children by September 2013. Therefore, these children will go through the biggest transition of their lives without receiving ABA services that has helped other children achieve huge gains.

The provincial government has adopted a policy to eliminate ABA services in schools by grade 5 despite the fact that these children have been diagnosed with autism which still requires therapy. These children are being denied necessary ABA services that will allow them access to the same educational opportunities as any other Manitoban.

Waiting lists and denials of treatment are unacceptable. No child should be denied access to or eliminated from eligibility for ABA services if the need still exists.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Education consider making funding available to eliminate the current waiting list for ABA school-age services and

fund ABA services for individuals diagnosed with autism spectrum disorder.

This petition is signed by B. Labossiere, M. Stefanuik, J. Hebert and many, many other fine Manitobans.

Mrs. Bonnie Mitchelson (River East): 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 broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including timely diagnosis and access to necessary treatment such as applied behavioural analysis, also known as ABA services.

(2) The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

* (14:00)

(3) School learning services has its first ever waiting list which started with two children. The waiting list is projected to keep growing and to be in excess of 20 children by September 2013. Therefore, these children will go through the biggest transition of their lives without receiving ABA services that has helped many other children achieve huge gains.

(4) The provincial government has adopted a policy to eliminate ABA services in schools by grade 5 despite the fact that these children have been diagnosed with autism which still requires therapy. These children are being denied necessary ABA services that will allow them to—them access to the same educational opportunities as any other Manitoban.

(5) Waiting lists and denials of treatment are unacceptable. No child should be denied access to or eliminated from eligibility for ABA services if their need still exists.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Education consider making funding available to eliminate the current waiting list for ABA school-age services and fund ABA services for individuals diagnosed with autism spectrum disorder.

And this petition is signed by A. Chiarella, E. Reyes, J. Thomasson and many, many other fine Manitobans.

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

The background to this petition is as follows:

(1) The provincial government broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including timely diagnosis and access to necessary treatment such as applied behavioural analysis, also known as ABA services.

(2) The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

(3) The preschool waiting list for ABA services has reached its highest level ever with at least 56 children waiting for services. That number is expected to exceed 70 children by September 2013 despite commitments to reduce the waiting list and provide timely access to services.

(4) The provincial government policy of eliminating ABA services in schools by grade 5 has caused many children in Manitoba to age out of the window for this very effective ABA treatment because of a lack of access. Many more children are expected to age out because of a lack of available treatment spaces.

(5) Waiting lists and denials of treatment are unacceptable. No child should be denied access to or age out of eligibility for ABA services.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Family Services and Labour consider making funding available to address the current waiting list for ABA services.

Signed by H. Lundberg, A. Albess, D. Gebreezg and many other fine Manitobans.

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

The background to this petition is as follows:

(1) The provincial government broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including

timely diagnosis and access to necessary treatment such as applied behavioural analysis, also known as ABA services.

(2) The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

(3) School learning services has its first ever waiting list which started with two children. The waiting list is projected to keep growing and to be in excess of 20 children by September 2013. Therefore, these children will go through the biggest transition of their lives without receiving ABA services that has helped other children achieve huge gains.

(4) The provincial government has adopted a policy to eliminate ABA services in schools by grade 5 despite the fact that these children have been diagnosed with autism which still requires therapy. These children are being denied necessary ABA services that will allow them access to the same educational opportunities as any other Manitoban.

(5) Waiting lists and denials of treatment are unacceptable. No child should be denied access to or eliminated from eligibility for ABA services if their need still exists.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Education consider making funding available to eliminate the current waiting list for ABA school-age services and fund ABA services for individuals diagnosed with autism spectrum disorder.

This is signed by D. Javes, D. Stepic, T. Donaan and many, many other Manitobans.

Provincial Sales Tax Increase—Referendum

Mr. Cameron Friesen (Morden-Winkler): 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.

(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 this petition is signed by M. Klassen, V. Friesen, V. Noel and many, many others.

Applied Behaviour Analysis Services

Mr. Cliff Graydon (Emerson): Good afternoon, 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 broke a commitment to support families of children with a diagnosis of autism spectrum disorder, including timely diagnosis and access to necessary treatment such as applied behavioural analysis, also known as ABA services.

(2) The provincial government did not follow its own policy statement on autism services which notes the importance of early intervention for children with autism.

(3) School learning services has its first ever waiting list which started with two children. The waiting list is projected to keep growing and to be in excess of 20 children by September 2013. Therefore, these children will go through the biggest transition of their lives without receiving ABA services that has helped other children achieve huge gains.

(4) The provincial government has adopted a policy to eliminate ABA services in schools by grade 5 despite the fact that these children have been diagnosed with autism which still requires therapy. These children are being denied necessary ABA services that will allow them access to the same educational opportunities as any other Manitoban.

(5) Waiting lists and denials of treatment are unacceptable. No child should be denied access to or eliminated from eligibility for ABA services if their need still exists.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Education consider making funding available to eliminate the

current waiting list for ABA school-age services and fund ABA services for individuals diagnosed with autism spectrum disorder.

And this petition is signed by S. Peterson, R. Peterson and R. Bouchard and many, many more fine Manitobans.

COMMITTEE REPORTS

Standing Committee on Public Accounts Second Report

Mr. Reg Helwer (Chairperson): I wish to present the Second Report of the Standing Committee on Public Accounts.

* (14:10)

Deputy Clerk (Mr. Rick Yarish): Your Standing Committee on Public Accounts—

An Honourable Member: Dispense.

Mr. Speaker: Dispense? Dispense.

Your Standing Committee on Public Accounts presents the following as its Second Report.

Meetings

Your Committee met on the following occasions:

- April 25, 2012 (1st Session, 40th Legislature)
- May 23, 2012 (1st Session, 40th Legislature)
- August 23, 2012 (1st Session, 40th Legislature)
- October 24, 2012 (1st Session, 40th Legislature)
- August 8, 2013 (2nd Session, 40th Legislature)

Matters under Consideration

- Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated January 2012
- Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated January 2013
 - Section 9 – Public Sector Compensation Disclosure Reporting
- Auditor General's Report – Annual Report to the Legislature dated January 2013
 - Chapter 2 – Citizen Concerns - “Part 1 - Business Transformation and Technology (BTT)”
 - Chapter 3 – Information Technology (IT) Security Management
 - Chapter 8 – Senior Management Expense Policies

Committee Membership

Committee Membership for the April 25, 2012 meeting:

- Mr. ALLUM
- Ms. BRAUN
- Mr. DEWAR (Vice-Chairperson)
- Mr. FRIESEN
- Hon. Mr. GERRARD
- Mr. HELWER
- Mr. MAGUIRE (Chairperson)
- Mr. PEDERSEN
- Hon. Mr. STRUTHERS
- Mr. WHITEHEAD
- Ms. WIGHT

Substitutions received prior to committee proceedings on April 25, 2012:

- Mr. FRIESEN for Mrs. STEFANSON
- Ms. WIGHT for Mr. JHA

Committee Membership for the May 23, 2012 meeting:

- Mr. ALLUM
- Ms. BRAUN
- Mr. DEWAR (Vice-Chairperson)
- Hon. Mr. GERRARD
- Mr. HELWER
- Mr. JHA
- Mr. MAGUIRE (Chairperson)
- Mr. PEDERSEN
- Mrs. STEFANSON
- Hon. Mr. STRUTHERS
- Mr. WHITEHEAD

Committee Membership for the August 23, 2012 meeting:

- Mr. ALLUM
- Ms. BRAUN
- Ms. CROTHERS
- Mr. DEWAR (Vice-Chairperson)
- Hon. Mr. GERRARD
- Mr. HELWER
- Mr. MAGUIRE (Chairperson)
- Mr. PEDERSEN
- Mrs. STEFANSON
- Mr. MARCELINO (Tyndall Park)
- Mr. WHITEHEAD

Substitutions received prior to committee proceedings on August 23, 2012:

- Ms. CROTHERS for Mr. JHA

- *Mr. MARCELINO (Tyndall Park) for Hon. Mr. STRUTHERS*

Committee Membership for the October 24, 2012 meeting:

- *Mr. ALLUM*
- *Ms. BRAUN*
- *Mr. CULLEN*
- *Mr. DEWAR (Vice-Chairperson)*
- *Mrs. DRIEDGER*
- *Hon. Mr. GERRARD*
- *Mr. HELWER (Chairperson)*
- *Mr. JHA*
- *Mr. PEDERSEN*
- *Hon. Mr. STRUTHERS*
- *Mr. WHITEHEAD*

Committee Membership for the August 8, 2013 meeting:

- *Mr. ALLUM*
- *Ms. BRAUN*
- *Mr. CULLEN*
- *Mr. DEWAR (Vice-Chairperson)*
- *Mrs. DRIEDGER*
- *Mr. GAUDREAU*
- *Hon. Mr. GERRARD*
- *Mr. HELWER (Chairperson)*
- *Mr. JHA*
- *Mr. PEDERSEN*
- *Hon. Mr. STRUTHERS*

Substitutions received prior to committee proceedings on August 8, 2013:

- *Mr. GAUDREAU for Mr. WHITEHEAD*

Officials Speaking on Record

Officials speaking on the record at the April 25, 2012 meeting:

- *Ms. Carol Bellringer, Auditor General of Manitoba*
- *Hon. Ms. OSWALD, Minister of Health*
- *Mr. Milton Sussman, Deputy Minister of Health*

Officials speaking on the record at the May 23, 2012 meeting:

- *Ms. Carol Bellringer, Auditor General of Manitoba*
- *Mr. John Clarkson, Deputy Minister of Finance*

Officials speaking on record at the August 23, 2012 meeting:

- *Ms. Carol Bellringer, Auditor General of Manitoba*

- *Hon. Ms. IRVIN-ROSS, Minister of Housing and Community Development*
- *Ms. Joy Cramer, Deputy Minister of Housing and Community Development*

Officials speaking on record at the October 24, 2012 meeting:

- *Carol Bellringer, Auditor General of Manitoba*
- *Mr. Fred Meier, Deputy Minister of Conservation and Water Stewardship*
- *Ms. Linda McFadyen, Deputy Minister of Local Government*
- *Hon. Mr. STRUTHERS, Minister of Finance*

Officials speaking on record at the August 8, 2013 meeting:

- *Ms. Carol Bellringer, Auditor General of Manitoba*
- *Mr. Doug Harold, Principal*
- *Mr. Fraser McLean, Principal*
- *Mr. Grant Doak, Deputy Minister of Innovation, Energy and Mines*
- *Mr. John Clarkson, Deputy Minister of Finance*

Agreements:

Your Committee agreed to conclude consideration of the following sections of the Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated January 2012:

- *Section 2 – Audit of the Department of Conservation's Management of the Environmental Livestock Program at the October 24, 2012 meeting.*
- *Section 3 – Audit of the Province's Management of Contaminated Sites and Landfills at the October 24, 2012 meeting.*
- *Section 7 – Use of Derivative Financial Instruments in the Province of Manitoba at the May 23, 2012 meeting.*
- *Section 8 – Audit of Mandatory Legislative Reviews at the May 23, 2012 meeting.*
- *Section 9 – Public Sector Compensation Disclosure Reporting at the May 23, 2012 meeting.*
- *Section 10 – Monitoring Compliance with The Ambulance Services Act at the April 25, 2012 meeting.*
- *Section 12 – Personal Care Homes Program at the April 25, 2012 meeting.*
- *Section 13 – Winnipeg Regional Health Authority–Administration of the Value-Added Policy at the April 25, 2012 meeting.*

- *Section 15 – Members' Allowances Program at the August 23, 2012 meeting.*

Your Committee agreed to conclude consideration of Section 9 – Public Sector Compensation Disclosure Reporting of the Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated January 2013 at the August 8, 2013 meeting.

Your Committee agreed to conclude consideration of Chapter 2 – Citizen Concerns - “Part 1 - Business Transformation and Technology (BTT)” of the Auditor General's Report – Annual Report to the Legislature dated January 2013 at the August 8, 2013 meeting.

Report Considered and Adopted:

Your Committee has considered the following report and has adopted the same as presented:

- *Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated January 2012*

Reports Considered but not Passed:

Your Committee has considered the following report but did not pass it:

- *Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated January 2013 (Section 9 – concluded consideration of)*
- *Auditor General's Report – Annual Report to the Legislature dated January 2013 (Part 1 of Chapter 2 – concluded consideration of)*

Mr. Helwer: Mr. Speaker, I move, seconded by the honourable member for Spruce Woods (Mr. Cullen), that the report of the committee be received.

Motion agreed to.

Mr. Speaker: Any further committee reports? Seeing none—

TABLING OF REPORTS

Hon. Christine Melnick (Minister of Immigration and Multiculturalism): Yes, Mr. Speaker, I am pleased to table the Office of the Manitoba Fairness Commissioner's Fair Registration Practices in Regulated Professions Act, A Report on its Implementation and Effectiveness, January 2011 to December 2012.

Mr. Speaker: Any further tabling of reports? Seeing none—

Introduction of Guests

Mr. Speaker: Prior to oral questions, I want to draw the attention of honourable members to the Speaker's Gallery where we have with us today Marlene and Arnold Goertzen, who are the family members of the honourable member for Rossmere (Ms. Braun). On behalf of all honourable members, we welcome you here this afternoon.

And also, in the public gallery, we have Solange L. Garson, councillor from Tataskweyak Cree Nation, and Hannah Garson, Tataskweyak Cree Nation, who are the guests of the honourable member for St. Paul (Mr. Schuler). On behalf of honourable members, we welcome you here this afternoon.

ORAL QUESTIONS

Balanced Budget Government Timeline

Mr. Brian Pallister (Leader of the Official Opposition): Today's release of the 2010-11 public accounts shows that the Premier's five-year economic plan is on track to return the budget to balance by 2014 without raising taxes. That was a quote during the last election campaign. And we're well aware of the Premier's broken promise in respect to the tax hikes, but what I'm questioning the Premier about today is the balanced-budget promise.

He then imposed—went on to impose over \$200 million in tax and free increases in the budget a few weeks after making the no-tax-hike promise, but it counterintuitively then said that it would take longer—not that the budget would balance sooner but that it would take longer—two years longer to balance the budget.

Now he's proposing to add the PST. That'll get the broken-promise taxes up above half a billion dollars a year of additional revenue.

So my question is: When will the budget be balanced?

Hon. Greg Selinger (Premier): Mr. Speaker, the member will know that all governments in Canada are making adjustments due to the slower-than-expected economic recovery, not only in Canada but around the world. For example, the federal government missed their balanced-budget target last year by \$4 billion. That was what they reported in the spring, and they're off on their first quarter this year. So all governments are working to

recover at a time when economic growth has slowed down.

Some governments are putting efforts into stimulating the economy and continuing to build the economy, which is the one of the preferred approaches of us on this side of the government. We think it's important to continue to build hydro, continue to build infrastructure, continue to build those schools and hospitals and housing for people in Manitoba, and we are getting relatively good results.

And, as the member knows, we put a new date in place for the time when the budget will balance, Mr. Speaker.

Mr. Pallister: Well, other governments are making efforts to be clear on when they'll balance the budget, but this government isn't clear on that. And how can it be so? How can it be so that we have half a billion of additional revenue and let the—and yet the date for balancing the books goes further and further back? How can that be?

Less than two years ago, the date was 2014 from this government, and then the Premier was saying he was on track and he promised no tax hikes. A few weeks later, of course, the biggest tax hikes in a quarter of a century, and the budget's going to be balanced not sooner but later.

And this year—this year—he says that he will break his record and he'll add the PST revenues, and now we're over half a billion of additional revenue coming from Manitobans, going to that government, and he won't commit as to the date that he will balance the books.

Will he today commit to a date, or commit to a tax freeze for the balance of his term, or will he simply admit that the more he taxes, the more he spends?

Mr. Selinger: Mr. Speaker, the members opposite said they wouldn't—they said they'd run the deficit out 'til 2017-18. We've committed to coming back into balance in 2016-17, earlier than what they ran on and got elected on in the opposite election.

And, Mr. Speaker, since that date they've promised \$550 million of cuts to core services. They've said they would lay off more nurses and teachers. They've said that they would reduce spending in Manitoba. They have not committed to infrastructure protection to protect communities from floods, which is absolutely essential, based on the independent report we got which indicated we

needed up to a billion dollars of expenditure to protect Manitoba communities from future flood events.

Mr. Speaker, \$550 million of cuts, massive layoffs across the province, when would they ever balance the budget?

Mr. Pallister: Mr. Speaker, the Premier couldn't keep a commitment to balance the books for three months, so why would anybody believe he could keep that commitment for three years? It stretches credibility.

Even without the PST hike, this government gets a 13 per cent increase in its revenues. Now, including the PST haul on top of that, that's an incredible increase in revenues for this government. Yet the Premier sticks to his date in spite of the fact he has over \$300-million annual revenue increase, same date as before, no change. Global uncertainty elsewhere is his excuse, but he creates economic uncertainty here, and that's what concerns Manitobans.

The NDP used to claim they didn't need higher taxes. During the election campaign, they said—they promised they would not raise taxes. Now they're saying 13 per cent increase in revenues isn't enough; now they need more, they need the PST on top of that.

Would the Premier simply admit that his spending addiction is an insatiable one, or will he commit to balancing the books by the next election without another massive tax grab?

Mr. Selinger: Mr. Speaker, *[inaudible]* we said in spite of the global economic slowdown we would continue to protect those services for—matter to Manitobans, in direct contrast to the members opposite that said they would put a chill on those services. They said they would practise tough love in those services. They said they would cut \$550 million from those services. And just like when the member opposite was a senior Cabinet minister in the Filmon government and they laid off nurses and they laid off teachers and they stopped health-care capital spending and they took up to \$40 million out of hospitals and they didn't build the hospital in Brandon they said they were going to build, we're actually continuing to build those facilities.

We're actually continuing to protect Manitoba communities. We're actually continuing to employ more Manitobans, which is why we have the—one of

the lowest unemployment rates in the country and which is why the economic growth in Manitoba is above the Canadian average, and that will allow us to come back into balance and keep Manitobans working, Mr. Speaker.

**Phoenix Sinclair
Case Files**

Mrs. Leanne Rowat (Riding Mountain): In June 2005, 5-year-old Phoenix Sinclair was brutally murdered by her mother and stepfather. Repeated beatings left her with broken bones from her pelvis to her head. Phoenix was forced to eat her own vomit. She was caged and kept in a cold, dark basement. Phoenix was shot with a BB gun and beaten with a metal bar.

Phoenix was found buried at the Fisher River dump. For nine months, while under the watch of Winnipeg Child and Family Services, Phoenix Sinclair's death went unnoticed, not revealed by CFS staff but by Phoenix's 12-year-old brother who went to the RCMP.

Does the Minister of Family Services know why her colleague the member for Riel (Ms. Melnick) failed in 2006 to ask the questions of her department to ensure that the case notes were preserved, to ensure they would not be shredded?

Hon. Jennifer Howard (Minister of Family Services and Labour): Listening to the member opposite recount some of the horrible and tragic details of the murder of Phoenix Sinclair, it is those kinds of details that have driven this government to ensure that there is an inquiry that looks into exactly the question that she raised about why it was nine months that that child—what—that child's death, that child's murder, went undetected. That is in the terms of reference for the inquiry that was covered—that was called by this government.

My understanding of the question that she's asking has to do with testimony at the inquiry. It's very clear when you look at that testimony, you look at the source documents, that that discussion was about notes that were to be transferred. And when you look at a subsequent meeting, it was clear that a protocol was come up to store those notes—

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

Mrs. Rowat: Mr. Speaker, Phoenix was brutally murdered and hastily buried at the dump in river—in

Fisher River. No one noticed that she was missing for nine months.

* (14:20)

The member for—or the minister speaks of case files being—today she has indicated that the testimony on shredded case files at Phoenix Sinclair's inquiry were not specific to Phoenix's file.

Well, Mr. Speaker, in that case, how many files of vulnerable children were or would've been shredded by this dysfunctional government? Who had the authority to make this decision and, ultimately, who made the decision to shred case files?

Ms. Howard: I want to be clear with the member opposite because what is—she is putting on the record is patently false.

What was said at—it was a regular staff meeting of managers within Winnipeg Child and Family Services who were having a discussion about how to transfer files. Part of that discussion, there was a concern about how to deal with those documents. When you look at a meeting that took place 10 days later, it was clear that there was a protocol put in place to ensure that those documents were transferred and were stored and were archived. From what I read in these minutes, I don't read anything that confirms that anything was destroyed, that any files were destroyed whatsoever.

There were—was a concern about supervisors' notes that was brought to the attention of the inquiry. My read of the testimony at the inquiry is that the individual who destroyed those notes said clearly that he knew there was a policy against that. We have—

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

Mrs. Rowat: I guess the question would be: Why weren't Phoenix Sinclair's files kept? Why weren't they secure?

We know that in 2006 the member for Riel had a responsibility, but she stepped away from her responsibility to ensure that staff documentations were not shredded. She had a responsibility.

In 2012, we've learned that the inquiry—from the inquiry that senior management did not ask the questions with regard to Phoenix case files being

secure. We know that; that's in the transcript. It's very clear.

Mr. Speaker, can the minister explain why she and her colleague the member for Riel (Ms. Melnick) failed to ask the questions of the department to ensure case files were not being shredded, that they were secure?

Ms. Howard: I think, as I've said before, the regulation that was in place at the time governing documents and how they were to be kept was a regulation that was brought in by the members opposite when they were government, in the dying days of their government in 1999, Mr. Speaker. Before that, there was no product—there was no protocol.

Now, the allegations that they're making are serious allegations. They have absolutely no evidence for it. They haven't provided any evidence for it, and I know it's frustrating when the facts don't fit your conspiracy theory, but the truth is—here is simple. Nobody from any minister's office ever suggested that any material be destroyed. There's been an exhaustive search for the material, working with the inquiry to find it.

There's been an unprecedented level of openness and accountability with the calling of this inquiry, and we will put in place the recommendations that the commissioner comes up with, along with the recommendations that we've already put in place, to make sure we have a stronger system to protect children.

ER Service Plan Pinawa and Beausejour

Mr. Wayne Ewasko (Lac du Bonnet): Mr. Speaker, on July 18th in response to a question I asked regarding Beausejour and Pinawa's emergency services, the Minister of Health answered, and I quote: Pinawa and Beausejour have physician shifts filled for the remainder of July and August. End quote.

Can the minister confirm with us today that the plan for the ERs in Pinawa and Beausejour are still in place?

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

Indeed, I made that statement on that day concerning information provided to us by the RHA. If there are circumstances that have led a physician to amend a schedule, then certainly the RHA would

have to respond to that, would notify the community, would let them know that nurse-managed care would be in place, and I would reiterate that nurses provide excellent care.

Mr. Ewasko: It seems to me, Mr. Speaker, there's a lot of backtracking going on today on a very serious issue.

Yesterday, August 11th, the Beausejour emergency room was closed. Yesterday a couple called 911 and the ambulance responded immediately, but instead of the one-minute ambulance ride to the Beausejour ER, they had to travel a half hour to the ER in Selkirk.

Mr. Speaker, is this minister starting to even buy her spin? When are we going to staff the ER with doctors?

Ms. Oswald: When an RHA needs to amend service at an emergency room and post that it's under nurse-managed care or post, in some cases, that it needs to be temporarily suspended outright, the RHA will ensure that EMS services are augmented. The RHA will ensure that, if need be in circumstances, that the STARS helicopter ambulance will be available. The RHA will ensure that EMS personnel are among the best trained that they have to provide excellent prehospital care.

Certainly, Mr. Speaker, it is our goal to ensure that we have as many rural ERs open as possible, but the RHA must put patient safety as paramount, and if physician services are not available, they need to amend their protocol as appropriate.

Mr. Ewasko: July 18th, the Minister of Health says one thing; August 11th, the total opposite is happening, Mr. Speaker.

Why should any Manitoban believe what this minister is saying and questioning—and starting to question her ability to tackle this serious, serious problem impacting emergent care in Manitoba today?

Ms. Oswald: Again, I'll say very clearly to the member that if some circumstances occur in a physician's life that require a change in the schedule or in a protocol, the RHA must accommodate that.

But to answer the member's question, Mr. Speaker, I will say very clearly that we have seen a net increase every year that we've been in office, since 1999, for physician services across Manitoba, including in rural Manitoba.

Indeed, Mr. Speaker, the Canadian Institute for Health Information—heaven knows they don't want to listen to me, so maybe they could listen to them, which clearly says that we have the most significant percentage of doctors practising in rural environments in the West.

Further, Mr. Speaker, Manitobans can look to our record of increasing spaces in medical school, not cutting them. They can look to our record of—

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

ER Services Rural Manitoba

Mr. Cameron Friesen (Morden-Winkler): Mr. Speaker, what the minister didn't say is that the Conference Board of Canada gives Manitoba a D when it gets to—when it comes to continuity of care.

Mr. Speaker, the Pine Falls ER was closed for 12 days in July, in the middle of the summer in cottage country, where the population there swells so that it's one of the busiest ERs in the Interlake-Eastern region. The Minister of Health was asked how many community—or how community members were getting the message of where to go if they needed emergency medical services, and she responded that there were bulletins in the newspaper. Yet there—it actually—it's not the case; there are no public announcements in the Clipper or the Winnipeg River Echo.

So, Mr. Speaker, people who live or vacation there need information about how to seek ER services. Why has the minister not given the people the information they need?

Hon. Theresa Oswald (Minister of Health): Again, I can say to the member that there were articles in the newspaper concerning nurse-managed care, working very hard, Mr. Speaker, to work against the rhetoric being provided by members opposite that would suggest that there's no care whatsoever being provided in these ERs.

These ERs are open for individuals that need to come that have situations that require care. Nurses can provide excellent care and can also make judgments to consult with a physician or to seek further emergency services through EMS or even the STARS helicopter, Mr. Speaker.

Once again I say to the members that article was specifically designed not to create a general

disregard for the services that nurses can provide, like we're seeing yet again from members opposite.

Mr. Friesen: The minister talks about rhetoric, yet it is a fact that as of February 17 ERs across Manitoba were either closed or experiencing downgrading of services, and in the weeks since, we've uncovered many more communities that have had their ER services disrupted for up—from one to three days because of a lack of doctors. Those include Altona and Teulon, Boissevain, Killarney and Pine Falls.

When is this minister going to show the level of concern about the sustainability of ER services in this province as the mayors and the reeves and the councils, as the citizens and the families and the businesses who rely on these services?

Ms. Oswald: Well, Mr. Speaker, we know full well that it is critically important that we bring more doctors to Manitoba. That is, of course, why we have promised to bring more doctors each and every year, and we have delivered on that promise.

* (14:30)

Every jurisdiction in our nation finds it challenging to recruit into rural and northern environments, Mr. Speaker. Despite that fact, CIHI certainly shows that Manitoba has the highest per cent of doctors practising in rural Manitoba in the West, and we're going to continue to invest.

Mr. Speaker, during the last election, members' opposite commitment to trying to bring more doctors was to suggest that they would pay at half value. They couldn't do the arithmetic that would show how much one needs to invest in doctors, and they made a promise to Manitobans that they would get their doctors out of the discount bin.

Mr. Friesen: Well, Mr. Speaker, the minister likes numbers so much, here's one for her: 2,200 doctors have left Manitoba since 2000 to practise elsewhere.

And while we're at it, Mr. Speaker, the minister has failed to inform the Legislature that just last week Altona once again had its ER closed for two days on August 8th and August 9th. People in this large Manitoba community had to seek ER services 30 minutes down the road. No notice in the newspaper to the community of the downgrading of services, no radio advertisements—a piece of paper stuck in the window of the ER that says drive to Boundary Trails hospital to get ER services.

Mr. Speaker, we are raising serious, serious concerns about access to medical services—

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

Ms. Oswald: Well, Mr. Speaker, it's not the first time that this member has stood up to provide a number concerning doctor migration. He gets all aflutter to talk about doctors that have departed from Manitoba, but never, not once, not a single occasion, not even for an instant does he ever speak about the doctors who have come to Manitoba, a net increase of over 500 doctors since being in office, and that's a net increase every single year.

Now, Mr. Speaker, contrast that with the decade of the '90s where we saw a net decrease every year, including a record-breaking decrease in 1996, when the Leader of the Opposition was in Cabinet, when we saw a decrease of 75 doctors—

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

Employment Rate Tax Increases

Mr. Cliff Graydon (Emerson): And contrast that with all of the ERs open in 1999, and 18 closed now thanks to the diligent of that individual.

Stats Canada has released its unemployment figures for the month of July, and the spenDP are falling farther and farther behind our neighbours. There are over 4,000 fewer people working now than there were in 1999.

In 1999, Manitobans' employment numbers were the highest in Canada. This government is watching jobs leave this province thanks to high taxes and the spenDP's mismanagement.

Mr. Speaker, why has the spenDP government failed Manitobans? When will they call a referendum to restore some shred of credibility in Manitoba?

Hon. Peter Bjornson (Minister of Entrepreneurship, Training and Trade): Well, Mr. Speaker, July job numbers indicate that Manitoba continues to have one of the lowest unemployment rates in Canada. In the past 12 months, Manitoba's private sector added 14,000 jobs. That's a 3 per cent increase compared to 1.7 per cent nationally. Now, we've also added 9,100 additional full-time jobs in the past year. That's an increase of 1.8 per cent compared to 1.1 per cent nationally.

I don't know where the member opposite is getting his statistics, but I know I've got plenty more in his supplementary questioning.

Mr. Graydon: Mr. Speaker, we have more people unemployed than we did in 1950—or 1999.

We have small businesses shedding jobs while they're increasingly frustrated and losing optimism in this economy. We have a government that doesn't care. Rather than build this economy, the government decided to illegally raise the PST, take jobs out of the economy, while small businesses look to move elsewhere.

Is it a coincidence that 3,400 people lost their jobs this month after the spenDP's illegal PST hike?

Mr. Bjornson: Well, I, like many of my colleagues, will be going to the Investors Group stadium this Friday to cheer on our Bombers. And you know what, Mr. Speaker, the difference is when I go to that stadium with my colleagues, we sit in that stadium—when we look around at over 33,000 people at that stadium—now, 33,000 represents the number of people that left Manitoba when they were in office. And when they go to that stadium, they go, boy, why did we vote against this?

Now, of course, hockey season's starting soon, Mr. Speaker, and the MTS Centre, of course, over 15,008 people attend those games, and that represents roughly how many people have come to Manitoba every year in the last few years.

Our economy is growing, and we're growing it because we're building and investing in Manitoba.

Mr. Graydon: Mr. Speaker, the NDP is operating on an old adage—one step forward, two steps back—in terms of this economy. Even small gain is matched with even greater losses.

While Manitobans try to grow our economy, the spenDP are growing their political bank account with \$200,000 of vote tax money.

With the spenDP's last two years of tax grabs, the Finance Minister's plan has been to keep taxes high and employment low. When will he reverse his course and call a referendum?

Mr. Bjornson: Well, Mr. Speaker, you know, and I talked about the stadium and the MTS Centre. That was in an article that talked about how the downtown was booming in Manitoba. The article also talked about the no-growth '90s.

And also, if you look at what's been happening, Mr. Speaker, the Conference Board of Canada has released a report recently that talked about household disposable income forecast to increase by

3.8 per cent. That's above Canada's 3.4 per cent. Retail sales are forecast to increase by 2.5 per cent. That's above Canada's 2.1 per cent. Private investment is forecast to increase by 6.3 per cent. I know I'm baffling the member with all these numbers, Mr. Speaker, and he's trying to shout them down, but compare that to plus 0.4 per cent of Canada's average.

Manufacturing, construction, agriculture are all forecasting to grow, and that's what we do. We grow the economy.

Tataskweyak Cree Nation Construction Projects Update

Mr. Ron Schuler (St. Paul): Mr. Speaker, families, members and even leaders of the TCN First Nation have been asking for months where (a) their \$7-million Keeyask Centre is and (b) where their \$4-million sewer and water system is.

Perhaps the NDP member for Kildonan could get up and tell this House: Where are those two services that were supposed to be provided to the TCN First Nation?

Hon. Dave Chomiak (Minister charged with the administration of The Manitoba Hydro Act): I welcome the opportunity of discussing this issue with the member because I fear the member may have been misleading people with respect to his comments about what the minister can do with respect to these particular items.

The agreements in effect are between the Manitoba Hydro, the Government of Canada and the duly elected council of TCN. I've asked the member on many occasions to sit down and talk with the council about how the funds are expended, et cetera. I've asked him to review the auditor's report that said the material breaches that had formerly been found have now been created—have now been settled, Mr. Speaker. And I've asked him to do that, to talk to the chief and council, and he's refused to do that.

Mr. Schuler: Well, actually, Mr. Speaker, in an email sent to the minister from members of the council, they write, and I quote directly: Good evening, member from Kildonan. We had an interesting meeting with your assistants. What bothers me is you didn't want to meet us. Just shows what you think of your mess. You should resign as minister of Hydro. It's your mess. And this is from one of the councillors of TCN.

The members of TCN would like to know: Where is their \$7-million Keeyask Centre? Where is their \$4-million sewer and water system?

The minister talks about everything else except for what he should be talking about and that is the over \$10 million that went from Manitoba Hydro to TCN and there's nothing to show for it. Answer the members in the gallery if you don't want to answer us.

Mr. Chomiak: Mr. Speaker, one of the things I'm very proud of, of this government and what Manitoba Hydro's done, is they've looked at building hydro for the benefit of all Manitobans, particularly First Nations and people in the north.

We've seen, since we've come to office, the tripling of First Nations people that are working for Manitoba Hydro from 300 to a thousand. We're looking at production of 44,000 person-years of development in northern Manitoba in communities that don't have any opportunities.

I'm very pleased that the Hydro, the federal government and Keeyask council have sat down and looked at reparations for past damages and looked at future energy efforts and future efforts to build that community and are working together in order to provide benefits to all the members of the community—

* (14:40)

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

The honourable member for St. Paul, with a final supplementary.

Mr. Schuler: First of all, there is no Keeyask council. It's the TCN First Nation council, and maybe that's why he hasn't met with them.

Mr. Speaker, they wish to know—and leadership from the TSCN First Nation is here today in the gallery and they are asking (a) for a meeting, which they can't even get from the minister, over and over and repeatedly—and I've met with them, but the minister won't—and, secondly, they would like to know: Where is their Keeyask Centre? Where is the sewer and water system? Where is all the things that were promised and never delivered?

Why won't this minister stand up and be accountable for once and explain to the members in the gallery where it is that their Keeyask Centre is,

sewer and water and everything else that was promised by this minister and the NDP government?

Mr. Chomiak: That's why I'm concerned that the member may be misleading people with respect to some of the promises that he's made.

Mr. Speaker, I've asked the member if he'd like to sit down with the chief and council up at TCN. Will he meet with them? Because they have a bit of a different viewpoint since they are the signers of the agreement with Hydro and with Canada with the projects that are in view.

I've also understand that they've—they'd like to invite the member opposite to come up for their groundbreaking ceremony for the Keeyask Centre there that's—when it's to be developed in the next few weeks, and I hope he takes them up on that.

And I hope he looks at the future of Hydro as it builds and as we continue to do that. And I wish—and, you know, I'm very pleased and we've been able to sign agreements and go forward so we can build Keeyask and Conawapa—

Mr. Speaker: Order, please. Honourable member's—minister's time has expired.

Stan Sledz Government Meeting Request

Hon. Jon Gerrard (River Heights): Mr. Speaker, Sam Sledz and his family have been trying to get flood protection for their home along the Red River just north of the floodway outlet since 1997. They've waded through the thick and thin of this government's approach to flood protection for 15 years and found it wanting.

The Ombudsman has agreed, saying, and I quote: We are unable to conclude you were treated in a reasonable manner.

I ask the Premier whether he's willing to meet with Mr. Sledz and if his government can now, after 15 years, start to treat Mr. Sledz in a reasonable and common-sense manner.

Hon. Greg Selinger (Premier): Mr. Speaker, I'd be happy to review the information the member has provided for us to see what the process was, to meet with the family, explain to them what has been done and what possibilities there are.

I understand—the member knows there's an independent appeal committee—individual, Mr. Bell, who hears all these matters.

We'll see what the facts are. When—I'd be pleased to meet with this couple to discuss their specific situation.

Mr. Gerrard: Mr. Speaker, Mr. Sledz and his two daughters are here in the gallery. They've been out front all morning—in fact, all day—with all the papers that the Premier needs.

The fact is that they have gone to Mr. Bell's appeal, and he says that there are inconsistencies in the way this government has treated them over the years and that that appeal lacks the full authority to address this situation.

I ask Mr. Premier if he will meet today with Mr. Sledz and his family who are here and treat them in a reasonable and common-sense manner and ensure they have the flood protection they should have.

Mr. Selinger: I indicated in my first answer that I'd be pleased to meet with these individuals, Mr.—and his family, his children, and we can discuss their case, review the facts and see what's possible.

Mr. Speaker: The honourable member for River Heights, with a final supplementary.

Mr. Gerrard: Mr. Speaker, I'm pleased that the Premier is ready to meet with Mr. Sledz and his daughters and to discuss this carefully.

I think it's very important that we have some assurance that issues around the flood do not wait for 15 years. None of us would be happy if the people in Lake St. Martin and Little Saskatchewan were still out of their homes 13 years from now. Let's get this addressed, and I hope the Premier will do so.

Mr. Selinger: I didn't detect a question there, but as I indicated in my first two responses, I'd be pleased to meet with the family and see what the circumstances are and whether or not there's any additional support that they deserve or require.

Spray Pads New Facilities

Mr. Dave Gaudreau (St. Norbert): Mr. Speaker, summertime is a time for families and young people to enjoy the sunshine and the long hot days, and safe recreation spaces are a priority for Manitoba families and this government.

Last week the Minister of Local Government announced new recreational spaces that will help families and young people in three Winnipeg communities beat the summer heat.

Can the Minister of Local Government please advise the House how, once again, we are cutting ribbons and not services by opening exciting new play areas that Winnipeggers will enjoy in the summertime?

Hon. Ron Lemieux (Minister of Local Government): I want to take this opportunity to thank the MLA for St. Norbert for the question.

It was a—my pleasure to be joined by the MLA for Southdale and the MLA for St. Norbert to announce three new splash pads—or spray pads, sorry, Mr. Speaker, \$1.5 million invested in recreation for families, safe recreation opportunities.

And as Chuck Davidson, the president of the Waverley Heights Community Centre, put it, without the hard work from the MLA for St. Norbert, this project would have never taken place. Now, members opposite would know Chuck Davidson, and Chuck Davidson spoke from the heart and he commented and complimented the MLA for St. Norbert for all his hard work.

So, Mr. Speaker, again, we're pleased to partner with the City of Winnipeg to provide recreation for families. Thank you.

Tataskweyak Cree Nation Government Meeting

Mr. Ron Schuler (St. Paul): And yet, Mr. Speaker, no sewer and water system for the TCN First Nation.

In fact, the member—the NDP member for Kildonan refuses to meet with the councillor from the TCN First Nation and other members.

Perhaps the Premier (Mr. Selinger), seeing as now he's on this I'll-meet-with-them binge, maybe he would like to meet with the member from TCN First Nation, the councillor.

Will he actually meet with them today as well and hear their concerns about no sewer and water system and no Keeyask Centre?

Hon. Dave Chomiak (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, as I understand it, the federal government directed Manitoba Hydro in 19—in 2005 to pay funds to Canada under a memorandum directly to the four NFA First Nations. TCN then requested an accelerated payment in 2008; Canada agreed to the accelerated payment.

I'd like the member to understand that that's between Canada, the TCN council and Manitoba

Hydro, Mr. Speaker, and I think he's misleading to say that I could interfere in that particular agreed process.

Flooding (2011) Evacuee Update

Mr. Ian Wishart (Portage la Prairie): Two years and three months after the 2011 flood, nearly 2,000 people are still homeless and 500 claims remain outstanding. Progress is—on providing them with a place to return to has been unacceptably slow.

Can the minister responsible provide us with a progress report and a timeline so that these 2,000 people made homeless by the flood have some idea what the future holds for them?

Hon. Steve Ashton (Minister responsible for Emergency Measures): Mr. Speaker, the flood of 2011, which has continued 2011, 2012 and in 2013, is certainly historic, and not the least is—which is in terms of claims, but I do want to advise the member that of 4,514 claims, we now have paid out fully 87 per cent. The only—there are only 216 that have been subject to appeal; 93 were returned. This is the DFA funds.

And the main area, Mr. Speaker, where there are open claims involve both First Nations and municipalities where both First Nations and municipalities are still in the process of rebuilding. Now, I don't know if members opposite would like us to close off those claims; we will not, because we'll make sure that the claim process is open for those eligible costs until they're paid out.

First Nations Governance

Mr. Wishart: What we'd like to see is them actually resolve the claim, not just leave them open.

Extended periods of uncertainty are hard on people of any community. This situation is also hard on the governments of these communities. On July 29th the Pinaymootang First Nation went into the third—into third-party management. Third-party manager now controls the funding of all Aboriginal Affairs and Northern Development Canada and First Nations and Inuit Health program. This makes two out of the three that were impacted by the flood that have had governance issues.

Will the minister admit that this situation is a direct consequence of this government's slow response to the 2011 floods?

Mr. Ashton: You know, Mr. Speaker, again, repeatedly, the way members opposite ask questions, the first thing they don't do is they don't look at the historic background that these communities never had an artificial outlet until, by the way, we built the emergency outlet in 2011. It was rejected by the Lyon government in 1978 and that created chronic flooding that has impacted those communities for decades.

* (14:50)

We have, Mr. Speaker, always indicated one of the issues has been the fact that there simply aren't flood protected areas that those communities can go back to, and that is why our Minister of Aboriginal and Northern Affairs (Mr. Robinson) has taken a lead role working with, by the way, I know members don't like to use the f-word, but the federal government, which has the fiduciary responsibility for those First Nations. He has taken a lead, along with our Minister of Housing and the Premier (Mr. Selinger), to make the clear message that we have to resolve this, and we are very close—

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

Government Response

Mr. Wishart: We all realize that many of the 2,000 displaced residents are caught in a complex jurisdictional battle between local government, provincial government and federal government. However, more than two years have passed and these displaced Manitobans expect governments to work together.

When will this government do the right thing, show some leadership and commit to working together so that more than 2,000 displaced Manitobans can get their lives back on track and have a real future and not be hung in limbo?

Mr. Ashton: Mr. Speaker, I think it's significant; I think it's the first time that members opposite have even mentioned the federal government in any context regarding flooding.

And I do want to put on the record that one of the issues early on was the fact that there was disagreement in terms of relocation. In fact, the First Nations themselves had very specific concerns about some of the areas that were identified initially. I want to identify also, Mr. Speaker, that we did put in place temporary housing at one site, some of which was

occupied by a different First Nation than the First Nation we dealt with.

And I want to indicate, in addition to the work to getting them back, we've also identified we're going to be putting a permanent—permanent—outlet in Lake St. Martin, because our goal is not just to get them back to flood protected areas but to have one-in-a-hundred-, possibly even one-in-200-year protection. They haven't had that for decades. We're going to do it, thanks to this government.

Lake St. Martin Future Flood Protection

Mr. Stuart Briese (Agassiz): The other day, the member for the Interlake raised concerns about lake levels, and the minister, the responsible minister, laid the groundwork to blame the federal government for future flooding. Many Lake St. Martin residents are still homeless two and a half years after the man-made flood, and the lake is 3 feet over operating range. The window of opportunity is rapidly closing.

Why is this minister refusing to address the dangers of flooding this fall and next spring?

Hon. Steve Ashton (Minister responsible for Emergency Measures): Mr. Speaker, I want to put on the—first of all, that's the second time they've actually mentioned the federal government; we're making some progress.

But I also want to put on the record that we've had a very strong working relation with the federal government on flood issues, and I particularly want to put on the record, by the way, that Vic Toews, the former minister of Public Safety Canada, did an impeccable job in 2011 and 2012 being there for us in this province, and we continue to work with them, co-operating.

In fact, one of the reasons we've contacted the federal government is not to blame them but, as I indicated in response to the member for Interlake (Mr. Nevakshonoff) last week, we want to make sure that we can operate that emergency outlet if we need to protect Lake Manitoba and Lake St. Martin.

That's working co-operatively. That's the hallmark of this government when it comes to dealing with floods.

MEMBERS' STATEMENTS

Great Woods Music Festival

Mr. Wayne Ewasko (Lac du Bonnet): Mr. Speaker, today I rise to pay tribute to the Great

Woods Music Festival which took place this past weekend, August 8th to August 10th, just outside of Beausejour. What started off as a one-day event in 1995 has progressed into a three-day, internationally known music festival. With their traditional blues and roots genre over the last 18 years, Great Woods Music Festival has hosted a wide variety of both international and local artists. From Mississippi Heat to Canned Heat, performers from all over the world have graced the stage at Great Woods Music Festival, making it a favourite among performers and audiences alike.

What makes the Great Woods Music Festival so unique is the intimate setting of their concert area. Situated along the banks of the Brokenhead River and adjacent to the beautifully landscaped Great Woods Park and Campground, the festival site caters both to the audience as well as the performers. Whether you are cozying around the giant fire pit, sitting inside the Moonrise Cabana, or even floating in an inner tube on the river, you have a perfect view of the outdoor star-domed stage. The Great Woods Park and Campground is family-owned and operated by husband and wife Ron Modjeski and Karen McDonald, and after 18 years you could say the festival is their baby all grown up.

The Great Woods Music Festival runs like a well-oiled machine, and that is especially due to the many dedicated volunteers, some who travel back home from across Canada every year just to volunteer their services. Volunteers are the common denominator in any successful event, and we are very fortunate that here in Manitoba we have the best and most dedicated volunteers that this country has to offer.

Mr. Speaker, at this time, I would like all members to join me in congratulating Karen and Ron and all the organizers of the 18th annual Great Woods Music Festival for their continuing dedication and commitment to hosting this spectacular event and for their contributions to Manitoba's culture and tourism by supporting and promoting our arts community. Thank you.

2013 Lacrosse Championships

Hon. Dave Chomiak (Minister of Innovation, Energy and Mines): Mr. Speaker, with the Stanley Cup over, many Canadians are turning to our national summer game, lacrosse. This fast-paced game offers intense physical conditioning as well as drama, excitement, speed and teamwork.

Last week, Winnipeg hosted the 2013 Bantam National Box Lacrosse Championships for the first time. Seven teams of highly dedicated young players came from across the country to Billy Mosienko Arena August 2nd to 8th to play the fastest game on two feet.

Box lacrosse is played indoors on a standard-size arena floor and features a goaltender and five runners on the floor at one time. All five runners play both offence and defence, catch, carry and pass the ball to the opposing goal. A 30-second clock for shots on goal adds to the excitement.

I had the opportunity of delivering a few opening remarks at the championships and was it was an honour to address the group of highly skilled, committed young people. Team Manitoba performed spectacularly well, beating Team Saskatchewan 6 to 4 to win the B-side championship title at the championship game August 7th.

Mr. Speaker, participation in this sport is extremely important for young people the world over, teaching determination, discipline and teamwork. This championship has brought players and their families from communities across the country together, forging connections through healthy competition. All the youth who have participated should feel very proud of what they accomplished.

I've all members of the House to join me in thanking those involved in organizing the lacrosse championships. I also invite members to join me in congratulating the members of this year's bantam box lacrosse team, including Cam Smellie, Kaden Kotowich, Garret Depape, Alex Belyea, Cole Wasnie, Brodie Anderson, Dave Saunders, Kyle MacWilliam, Derik Cook, Austin Dobie, Dayne Gill, Ryan Sasek, Jackson Neufeld, Drake Balantyne, Avery Tighe, Kody Johnson, Lyle Morrisseau, Jaxin da Roza, as well as the coaches, Lyle Sasek, Ken MacWilliam and Dave Gill, on a superb achievement.

Thank you, Mr. Speaker, and I ask leave to have the names be recorded in Hansard.

Mr. Speaker: I don't think—the minister, I believe, just read the names into the record, so you would not need leave to do that. But I'm sure that we'll include the names, and if he can provide the list to the Hansard recording folks so that we can ensure the correct spelling of the names, that would be appreciated.

Now, the honourable member for Portage la Prairie.

Portage la Prairie Potato Festival

Mr. Ian Wishart (Portage la Prairie): Mr. Speaker, on August 10th, 2013, Portage la Prairie Potato Festival celebrated its 10th year of bringing together people and their families to this community for a day of fun and many activities to participate in.

This annual festival is put on every year by a group of community-oriented volunteers who live in this community and have a passion for it and gain nothing out of it other than the pride of knowing they're able to keep this event alive for the citizens of Portage la Prairie and surrounding communities.

The main event of this annual festival is always the free french fries donated by Simplot Foods that are cooked and given away all day long for people to enjoy. The Portage la Prairie area is well known for its fields of some of the finest potato crops in Canada.

Many local musical performers entertained the guests on Saturday. Besides the music, there were lots of activities for the children attending, with rock climbing, magic shows and hayrides, just to name a few. There is, of course, the annual rivalry baseball game between the two major potato processing plants, McCain and Simplot, where the money raised goes to charity organizations in the community. There are 10 local, non-profit agencies that 'benefit' from this fun-filled festival. I would like in particular to thank the co-chairs, Diane Todurk and Nadine Birston.

The 'organizer'—organizers of this great festival work hard all year to get sponsors so that citizens of the area and guests from elsewhere, who may be in the area during this annual summer event visiting families and friends or people who are just passing through the fine community, can attend this fun-filled, free celebration and meet the friendly Manitobans who are proud to call the city of Portage la Prairie their home.

Mr. Speaker, I would ask all honourable members to join me in 'congratulate'—congratulating this year's organizers for having another spectacular Potato Festival, and I look forward to seeing this festival grow even bigger and better in future years.

International Youth Day

Ms. Melanie Wight (Burrows): Mr. Speaker, today is International Youth Day.

Nothing is more important to our future success as a province than the well-being and success of our children and youth. Young people have the energy, open-mindedness and courage necessary to make positive change in the world. What they need from us is opportunity. Our government is committed to ensuring that all children and youth in Manitoba are able to access the opportunities and supports they need to be prepared for a successful future.

* (15:00)

Our youth are doing great things in our communities this summer, and I have been documenting some of these initiatives. For example, two great youth programs in Burrows are the Community School Investigators—CSI program, a learning enrichment program being run out of Shaughnessy Park and other schools around the city; and Wayfinders, a community-based mentorship program. Local young people have also spent the summer gardening, painting murals, doing arts and crafts, playing cricket and participating in powwow clubs and youth co-ops at Gilbert Park and Elwick community centre.

We as a government believe that investing in education is the best way to help our children and youth. Since 2002 we have seen graduation rates increase by 18.3 per cent. We are continuing to build and fund new schools; we are increasing child-care spaces; we've introduced antibullying legislation which we hope the opposition will vote in favour of; and we are investing in apprenticeship and training seats in high-demand trades.

Mr. Speaker, this past November, I introduced a private members' resolution commending all the students, educators and speakers who participated in We Day for their efforts in making our province and the world a better place. I'm proud to say that the resolution passed unanimously.

Mr. Speaker, youth throughout our province and across the world are working to promote social justice and create positive change. Our international—on youth day we must celebrate our youth—fair—they're not only our future, but our now.

Bill 33—Modernizing Municipalities

Mr. James Allum (Fort Garry-Riverview): Mr. Speaker, our government is working with Manitoba's municipalities to strengthen our communities and enhance the services offered to all Manitobans. Municipalities have made it clear that they need support from senior levels of government to

renew and build their infrastructure. That's why Budget 2013 dedicates \$415 million in funding support for municipalities, including the more than one point of the PST dedicated to critical local infrastructure through the Building Manitoba Fund. Amalgamations promote economies of scale, help reduce administrative and service redundancies, and encourage regional economic planning and development.

When I used to work for the City one of my major files was intermunicipal service sharing and I'd spend many, many hours trying to convince capital region RMs that we could continue to compete against one another or learn to prosper together. I think the same is true for small rural amalgamations.

Through Bill 33 we are making it easier for municipalities to reduce costs and invest savings into better services; fully take advantage of the Building Canada Fund; build roads and bridges; share the construction and operation of major assets like water-treatment facilities and recreation centres; retain current businesses and attract new ones with regional regulations, infrastructures and services; share professional services like accountants and expertise in areas like emergency preparedness and response.

Many of my constituents have family and friends that live in these municipalities and they also like to take advantage of the many recreation and tourism opportunities rural Manitoba has to offer. That is why amalgamations are important, regardless of where we live in Manitoba.

Mr. Speaker, by opposing Bill 33, the Progressive Conservatives are turning their backs on all the positive benefits of amalgamations for communities across Manitoba. Instead of living in the past, we invite the opposition to leave the past behind and help us to build a modern Manitoba for the 21st century.

Mr. Speaker: Seeing no grievances—

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Mr. Speaker: Before I recognize the honourable Government House Leader, I would like to inform the House—for the information of the House, I'd like to make a clarification regarding Bill 4, The Personal Health Information Amendment Act.

When second reading of this bill was debated on August the 8th, 2013, the honourable member for

Steinbach (Mr. Goertzen) moved a motion to adjourn the House. Following the vote on that motion, the honourable member for Steinbach also moved a motion to adjourn debate on Bill 4. This was an error on my part. The member should not have been allowed to move the motion to adjourn the debate because he had already begun speaking to the bill, but since I had already recognized him to move the adjournment, the member will be permitted to speak in the debate. I did not catch this error until it was too late to correct on Thursday. But I want to advise the House that for future reference this was not the proper procedure and would not be allowed again.

This clarification will not affect the bill's status on the Order Paper.

Now, government business.

Hon. Jennifer Howard (Government House Leader): Would you please call for report stage on Bill 20.

REPORT STAGE AMENDMENTS

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

Mr. Speaker: We'll now call report stage of Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended).

Mr. Cliff Cullen (Spruce Woods): Mr. Speaker, I moved, seconded by the member for Arthur-Virden (Mr. Maguire),

THAT Bill 20 be amended by adding the following after Clause 2(2):—and—

2(2.1) The following is added after section 1.2 and before the centred heading that follows it:

Cross-border shopping impact study

1.3(1) With a one—one year after this section is enacted, the minister must cause an independent study to be conducted for the purpose of determining the impact of the increase in the general sales tax rate on cross-border shopping in the United States and neighbouring provinces.

Tabling study in Assembly

1.3(2) The minister must table a copy of the study in the Assembly within 15 days after receiving it if the Assembly is sitting or, if it is not, within 15 days after the next sitting begins.

Publishing study on government website

1.3(3) The minister must publish the study on a government website.

Mr. Speaker: It's been moved by the honourable member for Spruce Woods, seconded by the honourable member for Arthur-Virden,

THAT Bill 20 be amended by adding the following after Clause 2(2):—dispense?

An Honourable Member: Dispense.

Mr. Speaker: Dispense. The honourable—the amendment is in order.

Mr. Cullen: Well, thank you very much, Mr. Speaker. It's certainly a pleasure to resume debate on Bill 20. We're just never sure where the government is going to take us on—day to day in terms of what legislation will be brought forward to the House. So we certainly wake up every morning with some anticipation of where we're going to go on a day-to-day basis. But here we are back on Bill 20.

And, clearly, it was an interesting debate during committee, Mr. Speaker, on Bill 20, where we had, I guess, in fact, probably hundreds of Manitobans came to committee to voice their opinion on Bill 20 and where the NDP is headed in terms of the provincial sales tax increase.

And I would hasten to say that most Manitobans find the increase the NDP are proposing not to their liking, Mr. Speaker. And it's clear—interesting how we got to the point we are. And, certainly, I know the Minister of Finance (Mr. Struthers), he's been the Minister of Finance for a couple of years now, and certainly can't lay all the blame on his shoulders. Certainly, the Premier (Mr. Selinger) was the Minister of Finance for quite a few years prior to when this minister took over.

And, clearly, we're in some interesting economic situations the NDP has got us into. And, clearly, they are a government concerned about spending money, and that seems to be their main goal in life is to spend money, Mr. Speaker. And they clearly believe that spending more money is in the best interests of everybody and the best interests in the economy.

Mr. Speaker, we, on this side of the House, are certainly interested in getting value for the money that the NDP spend. And clearly, I think, the NDP has to bear in mind where their money is coming from. And, clearly, the money that they are spending is taxpayers' money. They have to recognize that more and more Manitobans are forced to dig into

their pockets to help pay for their spending ways. And clearly those—that spending has an impact on Manitobans.

And what we're suggesting by this particular amendment is that the NDP should be aware of how it's going to impact not only Manitobans, but Manitoba businesses as well, Mr. Speaker. And, clearly, when a tax impacts Manitoba businesses it also directly impacts all Manitobans and 'spectally' those Manitobans that work for those particular businesses.

Now, Mr. Speaker, for those of us who have ridings along either the American border or the Saskatchewan border or, I would say, even along the Ontario border, are severely going to be impacted by the increase in the provincial sales tax. In fact, we're hearing from Manitobans already that they are going to be impacted by this increase in the provincial sales tax.

Mr. Speaker, just happened to be over the weekend I had some—actually, my wife's relatives were in from Saskatoon. And it was interesting to have a discussion about what's—great things that are happening in Saskatchewan and certainly in Saskatoon and in Regina. It's certainly interesting to hear all the activities that are going on.

You know, it wasn't very long ago, Mr. Speaker—I know when I first came to the House, we kind of looked down to what was happening in Saskatchewan. We always looked down to Saskatchewan as being a—the have-not province.

* (15:10)

Well, Mr. Speaker, here we are—nine years later, in my case—and things have changed. We are the have-not province in western Canada. And things are happening in Saskatchewan and our Saskatchewan relatives are saying why—what—how come things have gone off the rails here in Manitoba?

Well, you know, we on this side of the House like to point to the NDP government. We think there is blame to be laid at the hands of the NDP, and clearly we are becoming less and less competitive with our neighbours. And the—this particular tax is going to have a direct bearing on those near the border. And, for instance, our relatives who live in Saskatchewan have a 5 per cent provincial sales tax and those on Manitoba now have an 8 per cent sales tax. And clearly the communities—and I look at the Minister of Finance—those communities in his riding such as Roblin and probably even Grandview

and Gilbert Plains to some extent are going to be impacted by this provincial sales tax, and I would expect that the business community in Roblin have probably had conversations with the Minister of Finance (Mr. Struthers) on that. And the point of this particular amendment is to say, yes, this is going to have an impact on Manitobans. It's going to have an impact on Manitoba businesses. We would like to know how big that impact is going to be and I think the Minister of Finance I—would probably like to know how big of an impact that's going to have on people in his community, and that's why we are proposing this particular amendment.

Now, we know the Broadway bullies are going to go ahead and they're implementing the tax as of July 1st. They're out there collecting the tax whether it's legal or whether it's immoral or whether it's both. They are implemented—or have implemented the increase in the provincial sales tax, Mr. Speaker. And, clearly, they're forcing retailers to collect that tax and they're taking the money already to the tune of about \$5 million a week out of the pockets of Manitoba taxpayers. Now, I'm not sure where we're at in terms of the calendar, but we're probably somewhere around a \$30-million impact to the taxpayers of Manitoba since that July 1st date and, obviously, that's a fairly substantial impact to Manitobans and that's \$30 million that Manitobans don't have to spend on other goods and services. It's clearly a tax that has to be turned over to the government of Manitoba and to the NDP party.

Mr. Speaker, you know, we talk about the vote taxes. Well, it's maybe something we can throw in here that the NDP are pretty adamant that they are going to take this vote tax for their own good. They're not going to go out and raise money like we believe political parties should do. They're going to take that vote tax to help look after their own political party. Maybe it would be a good idea instead if the NDP would use the money that they're going to collect in the vote tax to put into a study to see what the impact of the provincial sales tax will have in terms of cross-border shopping. I'm sure they could probably do a fairly substantial study for the \$200,000 a year that they plan to take in the vote tax.

That's why we're proposing this particular amendment, because it is going to have an impact on all Manitobans. And hopefully the Minister of Finance will agree with us on this regard and, you know, it would be great to have him stand up today and say, you know, we believe in what you're trying to promote here. We believe that we should be

standing up for Manitobans, Mr. Speaker, especially the Manitobans along the border who are going to be impacted by the increase in the provincial sales tax.

And the second thing he could say is, you know, I'm thinking I'm going to go to my party and say, instead of collecting that \$200,000 I'm going to take that money and put it into the study and we—because we believe that's the right thing to do on behalf of business in Manitoba and, in fact, Manitobans across our great province. And I think it would be a great thing for the minister to do, so we'll look forward to his comments today.

This amendment is fairly straightforward, Mr. Speaker. It's clearly—I think once the information is put together in terms of the impact on the provincial sales tax relative to Saskatchewan primarily and, of course, into the North Dakota, Minnesota, we should also table that information and make it available not just to us as legislators, but to Manitobans at large so they understand the impacts.

Now, we know Manitobans love to travel and they love to go down south, and now they like to travel out west to spend their hard-earned money on other goods that are, quite frankly, probably now going to be cheaper in other jurisdictions. And Manitobans are known as a frugal bunch and they like to find deals wherever they can find them and, clearly, the Minister of Finance has given them more opportunity now than ever before to travel to other jurisdictions to purchase their goods and services. And we just want to know what the impact of that particular increase in provincial sales tax will be, Mr. Speaker.

You know, we heard some debate today in question period, Mr. Speaker, about the fact of how many doctors we've lost in the province over the last number of years, and it's a substantial number of doctors that have left our province over the last number of years. And clearly I think that points to our uncompetitive nature. When these professionals decide that they don't want to stay in Manitoba, it sends a bad message to the rest of Manitobans.

You know, clearly it's not just doctors that are leaving. Certainly a lot of our youth are leaving and they're seeking other employment opportunities in other areas, Mr. Speaker. And it's a sign of our government not being as competitive—providing that competitive edge that we would hope that we should have in Manitoba to keep our young people here, keep our working people here and certainly keep our professional people here as well.

It comes a point in time when you have to look at your taxes that you're spending, that money you're allowed to keep when you generate income, and that all has a bearing on people's decisions in terms of whether they want to stay in Manitoba, Mr. Speaker.

So I'm certainly hoping the minister and the NDP will consider what we think is a very important amendment to Bill 20, Mr. Speaker.

Thank you very much.

Hon. Stan Struthers (Minister of Finance): Well, well, well. The Conservatives have finally woke up and started to talk about cross-border shopping, Mr. Speaker.

Back in the spring—just think back to the spring, in March, when the federal government came forward with its budget. Amongst a number of measures in that budget, Mr. Speaker, was a nice little clause that had to do with dramatically increasing the value of goods that could be purchased duty free. That to me says that we should be worried about cross-border shopping.

Where were our friends across the way at that time? What did they say? Did they go after the federal government? Did they go after their Tory cousins in Ottawa, saying, you're going to cause cross-border shopping and we think it's bad for the provincial economy here in Manitoba? Did they do that? No, they didn't, Mr. Speaker. That tells me that members opposite are more worried about standing up for their cousins—their Conservative cousins, the Stephen Harper government in Ottawa, than they are about small businesses and consumers here in the province of Manitoba. They can play politics and they can play games with that, but the facts don't bear out their position.

I would invite the member for—and I—maybe the timing on this is good, coming from this particular member, being up there defending the Conservatives in Ottawa these days, Mr. Speaker—

An Honourable Member: Here, here, here.

Mr. Struthers: Here, here—so says the member for Lakeside (Mr. Eichler). He can cheer on—cheer the defence of the federal government he likes. This side of the House is going to protect Manitoba families. We're going to continue to invest in Manitoba families and we're going to invest in the provincial economy and continue to grow the provincial economy despite what we see happening around the world, Mr. Speaker.

Mr. Speaker, I would invite the member for Spruce Woods (Mr. Cullen) to take a trip to IKEA, take a—he doesn't have to go out of the—across any borders. He doesn't have to go out of the province. He can go to IKEA right here in the capital city of Manitoba—right here in Manitoba. He can go to Target right here in Manitoba. He can go to Marshalls right here in Manitoba.

Do you know why he can do it right here in Manitoba, Mr. Speaker? Do you know why he doesn't have to go across a border to the south or the east or the west? He can go right here in Manitoba because everybody has confidence in the Manitoba economy except the members across the way. People at IKEA don't come across decisions lightly of where they locate the—their operations. They put a lot of research into that. They put a lot of forecasting into that. They look at even the past history of a—do we have a stable government that's going to take on courageous decisions? Do we have a government that's going to invest in the economy? Do we have a private sector that's willing to work with the government to make investments in the Manitoba economy? IKEA, Target, Marshalls, others have all said yes to Manitoba.

*(15:20)

And I would invite the member from Spruce Woods, if he does go to any of these outlets, to count the number of Saskatchewan licence plates in the parking lot, count the number of North Dakota licence plates in the parking lot. I've done it. I've been to IKEA. I'm not—you can talk to my wife—I'm not, you know, the biggest fan of shopping ever. But I've been to IKEA and I've seen what's happening there, and that's good for Manitoba and it's good for our economy and it's good for Manitoba families.

Mr. Speaker, members opposite tend to pick a story, pick a conspiracy theory, pick a narrative that they want to talk about. Well, that's fine. I get that. But it's quite sad, time after time, when their narrative does not borne out by the facts, and this is certainly one of those situations. Of course, we need to be concerned with cross-border shopping. Of course, we need to set the kind of atmosphere and environment in our province that—to combat against cross-border shopping.

As the member in Spruce Woods mentioned, my constituency goes right up against that Saskatchewan border. I have a very vibrant community in Roblin and a business community and a very active chamber of commerce in Roblin that has spoken to me about

this very issue, Mr. Speaker. And they understand, although they've been very clear, they understand more, I guess, than what the member from Emerson gives them credit for. They understand that it's not just one tax that you compare. You compare the whole ball of wax. You look at the big picture. You see how we compare against Saskatchewan or North Dakota or Minnesota or Ontario. You take a look at the whole picture, not very narrowly like members opposite do, issue by issue.

And they've been straightforward. They've pointed out the difference in the provincial sales tax here and the provincial sales tax there, but they also know that they pay the lowest hydro rates here in Manitoba. They pay the lowest Autopac here in Manitoba. They pay the lowest heating and—home heating costs, residential costs in the country right here in Manitoba.

They know, Mr. Speaker, that we have, unlike Saskatchewan, we have the only tax-free zone for small business in the whole country. When the member for Emerson and his crew were in government, when the Leader of the Official Opposition (Mr. Pallister) was a key minister with Gary Filmon's government, the tax rate for small businesses was at 9 per cent. It's at zero per cent now, tax-free zone; compare that to Saskatchewan. We even enhanced that in Budget 2013—which members opposite voted against—and we enhanced that to increase the threshold to \$425,000 so that more small businesses could take advantage of that.

By next year the elimination of the small-business tax will save each Manitoba small business with a taxable income of \$55,250. Each year that's what the businesses will save. Cumulatively, that's \$519,400 since 1999. That's a real benefit and a real advantage for Manitoba small businesses.

In more general terms, in 2014 small businesses will save a total of \$233 million annually, and cumulatively they will have saved \$723 million since the time that the member for Fort Whyte was in Cabinet with Gary Filmon. Since 1999 'til 2014 in excess of \$723 million has been saved for Manitoba small businesses because this government provided that benefit to those Manitoba small businesses.

So, Mr. Speaker, I think members opposite maybe can conclude from my comments so far that we will not be supporting this amendment. I hate to break that to the member for Lakeside (Mr. Eichler),

but we will not support this amendment. And I look forward to hearing any more advice from members opposite on this specific amendment.

So thank you very much.

Mr. Cliff Graydon (Emerson): It gives me great pleasure to give the minister some advice if he's willing to hear it. I just hope that he takes it into consideration and puts it into practice instead of just hearing. He has to listen and comprehend, and this here would be a great benefit for the government, every one of the members on that side of the House.

When Bill 20 came to committee, Mr. Speaker, some of the largest committees that Manitoba has seen were there to present. They were there to present to this minister, to give him advice. And I recall one lady saying, you—don't thank me for coming. Don't thank me for coming to present to you, Mr. Minister. You owe me an apology. You owe me an apology for taking money out of my bank account without asking me, without a referendum. Do you recall that, Mr. Minister—or Mr. Speaker? Perhaps the minister will recall that when this individual says, you owe me an apology for taking money from me illegally. Call a referendum.

The other thing that we noticed was—and I—we've seen the Premier (Mr. Selinger) stand up in this House time and time again under questioning about the PST increase, and the fact that he had said that raising the PST was nonsense. And the minister stood up in there, the Premier stood up here in the House and said, we were listening to Manitobans, we were hearing Manitobans.

Well, the fact is he never showed up at committee once, Mr. Speaker—not once. But when I heard the member from Dauphin say that the chambers of commerce were well-informed in Dauphin and in Roblin, he's right. They were very well-informed, and it didn't take them long to tell us what they were thinking. And they said this PST, first of all, the broadening of the PST, was very harmful for them—very, very harmful—where they had a number of communities—Saskatchewan communities close to the border of Manitoba that traditionally shopped in Roblin are now driving the 45 minutes to Yorkton.

And when we raised the PST, the illegal process of raising the PST in Manitoba in the 2013 budget, then, Mr. Speaker, they were really upset. And that's when people like Gerald Stuart said, this is hurting me. This is killing my bottom line. I'm not sure that I

will be able to even continue. Our expansion plans are shelved. That's what the people from Roblin have been very, very clear.

And so if the Minister of Finance (Mr. Struthers) gets an opportunity to take a ride in his riding, he might want to visit some of these border communities. He might want to visit them and actually hear from the mouths of the people that do form the chamber of commerce exactly why they are upset with the policy of this provincial government.

When he talks about IKEA, he's right; it is a big box store and there's probably good deals there. But because Manitobans have had so many more items—so many more items—covered by the PST in the 2012 budget, where it went on so many more things that it hadn't covered before—it went on home insurance; it went on life insurance; it went—the vehicle registration went up, and there were so many other items that are covered that were not covered before that generated a huge amount of capital

We have a lot of people that, first of all, can't drive to the border because they can't afford the vehicle registration or the licence. They don't have the money for the gas because we raised that—we raised the price of gas to go into highways, and we know by looking at the budget that, in fact, Mr. Speaker—that there was a surplus left in that budget that would never—did go into highways. It never went in there; we don't know where it went, but it never went into highways. And that's unfortunate, because that's what the 2-cent gas hike was supposed to do—2 cents a litre was supposed to go in strictly for infrastructure. Well, it didn't go there. It isn't there. We have no idea where it is.

*(15:30)

So there are some people that can't afford to get to the border to begin with, but when you start talking about large items, we start talking about large items like kitchen cupboards, for example. You have to—you can easily, easily, easily pay for the gas to drive down to Grand Forks, go to Menards and pick up the cupboards, and you can bring them back up here and you can pay for that holiday—that holiday weekend that you take your family, who can stay in a motel with a swimming pool and enjoy themselves outside of the province of Manitoba because of the taxation that this government—and they did it illegally. That's the unfortunate thing; they did it illegally. They did it without the referendum—that we know what the law is. And they also did it—the NDP government did this also after they campaigned

rigorously door to door and saying we will not raise taxes. We will not raise taxes. That was the big NDP lie: we will not raise taxes.

And then they followed that up quickly. Quickly the Premier (Mr. Selinger) steps up to the plate and says it's nonsense that we will raise the PST. That was another great big NDP lie. And they went door to door and promoted this, and now they expect Manitobans just to swallow it without looking for places to shop.

And, Mr. Speaker, when we heard the Minister of Finance talking about, oh, what it costs more in Saskatchewan costs more in—I wanted to let him know that job for job, weekly paycheques, every paycheque's a hundred dollars more in Saskatchewan a week than it is in Manitoba. That goes a long way.

And then when we see what the personal deductions are in Saskatchewan. So we will take someone with an income, I would say that's—it's at least one third of the minister's income, about \$65,000 a year. In Saskatchewan he pays \$6,000 less in tax than you would pay in Manitoba. He or she has \$6,000 more money that they can use, discretionary money that they can use for whatever they please in Saskatchewan.

But the minister, he wants to hear, but he doesn't listen. And if he does, he hasn't got the ability to comprehend. This is the reason that people are shopping outside of Manitoba, whether it happens to be from Altona, if it happens to be from Emerson, Sprague, Middleboro, St. Malo. We can go on and on. Altona is a community that really likes to stay within their community, support their community, but they're being driven south by the NDP taxation policies that they have come out with. We take a look at a place like Winkler. Winkler has been growing 'exponentially' as Altona and Steinbach. They have been growth areas because of the work ethic of the people there, the innovation of the people there.

Can you imagine if they had the same opportunity that Saskatchewan has or Alberta has or North Dakota has as far as taxes go? Can you imagine that? We would have a population growth here and you would have money. You would have money to do the things that they say they're going to do. But they don't do them, they just say, oh, we'll do this, we'll do that, we're going to do this. They've never hit a projection. They've never hit a job on time or on budget. No, Mr. Speaker, what they do is

they just tax and spend. They throw it this way. They throw it that way.

And when there's issues—and we'll address some of the issues—and I did this earlier today too. When I see in 1999 that we had—all the ERs were open in the province of Manitoba. But, in fact, now there's 18 that aren't open. I just wish they wouldn't work so hard. I wish they wouldn't try so hard because they've closed most of them and there's very few left to close. Unfortunately, Mr. Speaker, they're going in a wrong direction.

So if the minister really, really, really wants advice, then he should be supporting these amendments, this one particular and many more to come.

Thank you very much.

Mrs. Myrna Driedger (Charleswood): I thought the—some member from the other side would be standing to join in the debate. They seem to have a lot to say in heckling, but I would urge them if they had that much to say then maybe they need to stand and put their comments on the record. This is important legislation. It is legislation that is probably one of the most offensive pieces of legislation that people in Manitoba have seen, and I'm surprised that there aren't more comments from members of the opposite side.

Mr. Speaker, Manitobans were really caught off guard when the government introduced Bill 20, especially after indicating to everybody in this province that they were not going to raise taxes. And a promise was made in the last election, door to door, across this province by every single NDP candidate in Manitoba—57 of them went door to door and told people they would not raise taxes, and, in fact, then, shortly thereafter, they in fact did the absolute opposite.

And it became very apparent then that the NDP government lied to Manitobans, and that is something that Manitobans are not going to forget very easily because that showed a significant lack of integrity by a government. And when they lied to people in Manitoba, they've also done it in a very big way that is actually hurting people in this province. The amount of money that they are now going to be taking out of the pockets of Manitobans is very, very significant, and it is going to hurt Manitobans' ability to spend their own money the way they choose to spend it. We have seen the biggest tax hike, back to back, in the last two budgets, greater than we've seen

in 25 years in this province, and yet there seems to be no shame by this government in what they've done. They stand here day after day and defend their lack of integrity. And they do it so simply, so easily, that it was like it never really mattered that they went out as a government and lied to people in Manitoba.

And they stand here, and their behaviour in this House is really quite appalling. And no embarrassment, no apologies, no shame for what they've done. So it became, certainly, obvious that this government would say anything to get elected, and that has become obvious over many elections. I guess we shouldn't be surprised to see a government that would say anything to get elected.

And it was like, you know, Michael Balagus did indicate in the last election, that when you're running for, you know, a fourth majority, he certainly indicated that they were prepared to go way beyond what was normally acceptable in an election. And certainly he indicated that fear mongering was their modus operandi in the last election and he indicated that they had no choice; they couldn't run on their own record so they were going to run on fear mongering. Not only did the government run on fear mongering, Mr. Speaker, they also ran on deception and deceived Manitobans by making a promise not to raise taxes. And including the Premier (Mr. Selinger) of the province indicating that they were ahead; they were on track to meet their goals, and in fact that was very, very far from the truth.

Mr. Mohinder Saran, Acting Speaker, in the Chair

Also, in many of the last elections they also promised to keep balanced budget legislation. And what we've seen now, over time, is that they've gutted balanced budget legislation in every budget, every election that has come along. And so now we see taxpayers in Manitoba feeling that there's nobody there to protect them anymore. There is no taxpayer protection.

When we look at what the NDP did with Bill 20, it has become much more clear. Not only did they not have a referendum, they have chosen not to listen to anybody. They have ignored—how many people have now signed online petitions? It's probably over 20,000 by now. With two rallies at the Legislature, there's over 700 people that have come to this Legislature and rallied against the PST. Over 200 people signed up for committee and yet this government has not listened to the thousands and thousands of people that have spoken up.

And, Mr. Acting Speaker, certainly by the government's demonstration that they weren't prepared to call a referendum, they obviously also did not want to do an impact study on what the PST will cause, because if they wanted to know we would certainly see that they had several abilities in order to do that. And one of things that they should have done and could have done would have been an impact study. We know there are many, many towns along the US-Saskatchewan border that are going to be very, very affected by this, and an impact study certainly would have shown that to the government. In fact, there are towns very close to the border that are going to be dramatically affected: Bowsman, Swan River, Minitonas, Benito, Roblin, Russell, Binscarth, St-Lazare, Birtle, Elkhorn, Virden, Melita, Waskada, Boissevain, Deloraine, Cartwright, Pilot Mound, Crystal City, Manitou, Morden, Winkler, Plum Coulee, Altona, Gretna, Emerson, Morris and many others.

*(15:40)

We know people in Winnipeg already go to the United States for big-item purchases. I know a number of people that have gone down there to buy windows and doors and appliances and any number of things because it is far cheaper for them to go down there and do that, and that was even before the NDP government hiked the PST. They have gone down there and brought back truckloads of items because they save much more money by going down there and doing that.

So, certainly, an impact study might have given the government an ability to make a more intelligent decision, but they didn't do that. There's even a—you know, we spoke with a woman here who runs a clothing store. She has been trying desperately all summer to find ways to bring people into her store, and she's been forced to try out a whole number of different sales and what she's trying to do is basically make a living. She knows that cross-border shopping is going to have a significant impact even on her store here in Winnipeg. But the—this NDP government didn't really want to do an impact study because they didn't want that information. They wanted the money. They didn't care about taxpayers and they have certainly demonstrated that over a number of years.

So it's a no-brainer when towns are close to Saskatchewan and there's a PST of 5 per cent and now ours is 8 per cent, of course, people are going to go and shop where it's cheaper. That's what people

do; they look for ways that they can save money. But—and, certainly, if the government had bothered to look at some of the information in the United States, whether it was Kansas or Rhode Island or Oregon or California or Maine or West Virginia, every one of them have got studies that have shown where it is costing much more in loss in states because people are cross-border shopping. The information is out there. It's on websites and there are significant losses by certain states when other states have a cheaper sales tax, people are going where they can save money, and it was unfortunate that this government did not do any type of an impact study because it certainly would've shown them that this is happening already, and we can see the lack of respect by this government for taxpayers in Manitoba.

So it's certainly become obvious, with the way they're treating people, they are not listening. They've had many opportunities to listen, but they've become so desperate for more money because of their spending addictions that they don't even know where to stop. They don't even know where to make solid decisions any more. All they care about is tax and spend, and they have demonstrated very, very obviously that they do not have taxpayers' best interest in mind. All they really care about is their own—certainly the vote tax has been the biggest example of the government showing its cards and, you know, not to mention that we also have the highest income tax west of Québec. So this government really has lost sight. They are not for the little people. They have demonstrated that they are for themselves and that's all they really care about anymore, and I would urge them to have a look at this amendment. It's not too late to make some good decisions about hiking the PST.

Thank you.

Mr. Larry Maguire (Arthur-Virden): It's my privilege as well to be able to second the motion brought—this amendment brought forward by my colleague from Spruce Woods today on Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended).

This bill needs some amendments to it and the member from Spruce Woods has brought forward a very sound amendment, I believe, and I believe it's one that the government would be voting for. It's probably just been an oversight on their behalf that they didn't bring this type of an amendment forward because what this amendment does is it talks about

the cross-border shopping impact study. And when you raise taxes—it doesn't matter what tax—but particularly on the three that were under the taxpayer protection law: personal income tax, corporate taxes and the PST, the government needed to have a referendum to do that. And they said they wouldn't increase taxes in the last election many times. Our leader, the member from Fort Whyte, mentioned one of those in his question—in question period today to which the Premier (Mr. Selinger) didn't reply, because he knows that he put an untruth on the record in regards to the actions that he's had since the election. One thing in the—it was one thing in the campaign and it's another one totally in the aftermath of that campaign to be able to do one thing and say another. In this case, he said one thing and did another.

And so I want to say that the situation with this rise in PST is something that I think spurred my colleague from Spruce Woods to bring this amendment forward. And the amendment—because, as I said earlier, any increase in taxation impacts those around us, and because we have boundaries in Manitoba and Canada, we have different tax levels in varying jurisdictions. And by that I mean the US has one sales tax, our neighbours in Ontario and Saskatchewan have another sales tax. It just happens that Saskatchewan's is going to be 60 per cent less than ours after this—with this PST implemented on the 1st of July.

So it stands to reason that one would ask for a cross-border shopping impact study. It should be incumbent on the government, if they were not afraid of the actions that they've taken, to be able to call on a study to be done to show the impacts of the taxation, particularly on the province of Manitoba but particularly on those areas close to the Saskatchewan border and the American border, which is a great big L-shape in Manitoba that takes in about 90 per cent of our population. And so that's a very—so it could be—could have a very severe impact on trade with our—within our province.

And I know that the member from Dauphin spoke to this bill earlier—this amendment earlier today, indicating that their taxation increases had been there in the past and saying that we should get on board with the federal people, that they had a great co-operation. Well, he should really look at what he was saying and the contradiction in his own terms. Because, of course, since the federal government has come in to being, they kept their promise to reduce the goods and services tax, the

GST, by 2 per cent, therefore spurring the economy of Canada, allowing more trade with our nation. Instead, this government has done the exact opposite. They—in spite of the fact that they're getting billions of dollars extra out of the federal government, that no other government in Manitoba's history has ever received, they still cannot balance the books. So they reach in taxpayers' pockets in Manitoba and take out another 1 per cent on the PST hike and don't want to have a study to show that there might be a negative impact.

Now I live on the western side of the province. I live up against the Saskatchewan border. The constituency that I represent is bounded by both the Saskatchewan border and the US border, so if you want to talk about a very bad impact of a raise in PST, then this is the demise of this government by bringing this in. They just don't get it as to how this is hurting business in the southwest part of the province. They think it's just all oil and gravy out there. Well, there are many, many industries and businesses as parts of that industry and the strong agricultural industry that we have, that are not locating in Manitoba right now as we speak, that could be in towns like Elkhorn and Virden and Reston and Melita, Pierson, Boissevain and Deloraine—all of those areas.

Melita had a very successful Banana Days weekend, this weekend, but they certainly do not have the ability to deal with this kind of a tax increase when the border to Saskatchewan is so porous with people driving and back and forth across that border for business every day.

*(15:50)

And so that's why I want to put on the record, that's why I seconded this sound amendment coming forward from my colleague, because he has indicated that within one year after this section is enacted the minister must cause an independent study to be conducted for the purpose of determining the impact of the increase in the general sales tax rate on cross-border shopping in the United States and neighbouring provinces. And so that would just be common sense. I don't know why the government didn't think of this, as I said earlier. I think it's an oversight on their behalf. I'm assuming that they will be voting for this amendment because it makes such good sense to study an impact of a result that you've brought forward.

And so I would say that once that amendment's—go on to say that once that study has been done that it

would be tabled in the House 15 days after receiving it, if the Assembly is sitting, and 15 days after the start of the next sitting, as we do with many other reports if this—if the report comes out when the Legislature is not sitting, and that the minister would publish the report on the—on a—of the study on a government website.

If the government was open and transparent and they knew that this is—this would be an impact on citizens all the way up through to Swan River, because Swan River, Roblin, Russell—all those areas, too, are impacted by this—Grandview, Gilbert Plains—maybe not Dauphin so much, that the minister's home town's in, but certainly all of the towns that represent his area to the west are near the Saskatchewan border. They're going there for health care now in lots of cases. They're working in the mines in the potash industry. They're doing agricultural trade across the border there from Swan River to the west, as well.

And so, I—speaking on behalf of all of the citizens of Manitoba, but certainly those who are in that area of what we would call border areas that are going to be extremely impacted by this. And it wouldn't be so bad if the government had said they wouldn't do this tax, they wouldn't raise this tax. But they did say that they would not raise the tax, and now they have. And so that's why this amendment is necessary.

The government has brought Bill 20 forward talking about The Manitoba Building and Renewal Funding and Fiscal Management Act. Well, there is nothing that this government has done in these areas that would lead to fiscal management. And it's not a renewal of funding; it's not building anything. This government's actions in regards to the increase in the PST do the very opposite; they limit the amount of building and renewal opportunity that this province has.

And the actions taken are certainly not what Manitobans are telling us that they wanted to see. They know that the government has raised—raised about \$30 million already since the 1st of July on this, and Manitoba citizens do not see where this money has gone into infrastructure. The government indicated they wanted to put it in flood mitigation, and we can't have a referendum because we have to get right to the point of tendering for all of these jobs.

Well, my colleagues around the province and the business people that I talk to said they haven't put

any tenders out yet and it's mid-August almost. So, I—obviously, the government didn't have a plan for what they wanted to use these monies for and don't have a plan in regards to how it's going to impact Manitobans.

So that's why I support so strongly the amendment brought forward by the member from Spruce Woods, seconded by myself, today, to be able to just bring some accountability to the government, that we would hope that this cross-border shopping impact study would be done in a timely manner. Thank you very much.

Mr. Cameron Friesen (Morden-Winkler): It's my pleasure to speak to this amendment that has been brought in by the member for Glenboro. And it's a very reasonable amendment and so I'm glad to see that we have a chance to put some comments on the record with respect to this.

And the decision to increase the PST by 14.2 per cent undertaken by this government is a tremendously tough pill for Manitobans to swallow. And this amendment that has been introduced would take a very reasonable step, as colleagues of mine have already explained, simply to require that within a year of this section being enacted the minister has to undertake an independent study to determine actually what has been the impact of an increase in the general sales tax to consumer behaviours, to what extent has that PST increase persuaded or influenced where consumers would buy their products

And as the member for Arthur-Virden (Mr. Maguire) just correctly noted minutes ago, it really does—the PST increase really does put at—in peril, communities and businesses that operate in communities that are located close to the US border.

And as a—as an MLA who represents an area that is exactly right next door to the United States, less than 15-minute travel time from Winkler, from Morden, a major border crossing just south of Winkler on the 32 Highway—this is a real concern to us. We're talking about—the government cannot understate the incredible historic nature of a tax hike this significant. This is the largest tax increase in a generation. Manitobans continue to try to determine what the full extent of this tax hike will mean for them, what the implication will be, and I would suggest that Manitobans do not yet have a full understanding. I think that that understanding becomes more clear every day and we're only a few weeks into the point at which business had—businesses had to start collecting the tax. But I

believe that Manitobans are coming to a better understanding of exactly what this will mean for them.

Last year this government, of course, expanded the P—or expanded the RST and introduced new fees amounting in an increase of \$184 million per year in additional tax revenues flowing to the government. And then on top of that, this year, you know, in excess of \$220 million more per year because of a one point increase to the PST. We're at the point where we have almost \$500 million of additional revenue flowing into the pockets of government in one year. In the course of a single mandate of a government \$2 billion would additionally go to the provincial government. That would account for almost 20 per cent of an entire operating budget of the province of Manitoba.

So we cannot understate—or we cannot overstate how incredibly significant this kind of increase is. And yet, to date, just an hour ago in this House when the Leader of the Opposition posed questions to the Premier (Mr. Selinger) and asked him, so on the basis of all that increased revenue, when are you going to actually pay down the deficit and get out of a deficit position? The Premier would not respond. He would not give a date. As a matter of fact, he didn't even rule out additional tax increases.

So it shows you to the extent to which this government has become reliant on new sources of revenue. Rather than take the difficult course, the course that so many other Canadian provinces are now going, trying to navigate what it actually means to look at their own spending and cut down. I mean, just look to Ontario and look to the example. There was some very difficult decisions. The Minister of Finance (Mr. Struthers) was very quick to blame the opposition and say, oh, they would be reckless and he'd be reckless. Well, look at other provinces. They're not being reckless, what they're being is they're being realistic. They're being realistic and saying, you know what? There is every suggestion that eventually interest rates will move in an upward direction. It does mean very, very real consequences for a government that has borrowed and borrowed.

As a matter of fact, in this province alone, we understand that a one point increase—a 1 per cent increase in the basic borrowing rate could mean—and I'm sure that the Minister of Finance will agree with me—could mean \$200 million per year, give or take, in additional debt-servicing costs. So that should frighten us, or it at least should focus our attention on

doing everything we can to drive down spending, and yet the Premier, sits here only minutes ago, and says, no, I won't commit to a date by which the deficit will be gone and I will not commit to not increasing the taxes further.

* (16:00)

So here we have a government who has increased taxes and increased taxes. They have brought in this tax without the consultation of Manitobans, without the permission of Manitobans. They have gutted the taxpayer protection act. They have gone full speed ahead, and what is the effect of that? Well, I mean, not only are communities like my own near the border in danger in terms of the ability of businesses to operate and flourish—I'm very proud to represent an area of the province where—I believe it was the member for Emerson (Mr. Graydon) who just a few minutes ago talked about the real attention to serving customers and the real attention to doing good business that so many communities across Manitoba exhibit in places like Morden and Winkler, in places like Steinbach and Altona, in places like Portage la Prairie and places like Brandon and in Glenboro and so many more—Carman, Manitoba. These businesses work very, very hard when it comes to trying to create an environment in which the customer can rely on their excellent record, they can supply the parts they need at a competitive price.

But imagine the discouragement that those businesses face now when they find out that this PST is moving up. They see it, of course, as a direct effect on their ability to continue to do business. I mean, taxpayers—or I should say consumers are very frugal with their money, especially in Manitoba. And you think of the way Manitobans will seek for a deal, they will look around to get the best deal they can. And you know what? It is only those Manitobans with just a real tremendously developed sense of loyalty to their local community who aren't really asking themselves questions about what they could save by driving to North Dakota, what they could say by going across the border.

That's why I welcome this amendment, because it just allows for the government to actually measure what the effect of this PST would be on the minds and on the behaviours of consumers in this province. And if the government is confident in the path that they have taken, that they have pulled Manitobans along, if they are confident they will not resist the kind of transparency that this condition would produce. It would simply allow the government to

have access to really credible data. We could measure and understand what consumers are doing.

You know, just south of our place where we live in Morden-Winkler, there's a place you can go just across the line in Walhalla, and I think you could basically see the border from there, and there's a place—it's an entrepreneur who's done an excellent business. The name of the business is called Connie's Depot, and Connie's Depot is a place that is able to—you provide a box number, and many Manitobans will then ship goods to Connie's Depot and then they'll come across the border and pick them up. I think about what the effect will be on Connie's Depot, whether Connie is rubbing her hands together as a North Dakotan and thinking that the Minister of Finance (Mr. Struthers) for the province of Manitoba has just made the best case ever for her to go and do a business expansion.

And that, indeed, is the concern that we have that this PST increase that Manitobans did not ask for, that this NDP government clearly does not need, will spell success, but not for Manitobans—for our competitors to the south and to the west and to the east. And we're not even able to get, in the course of this debate today, to the point where we ask about the effect of this PST on things like Internet shopping and how to measure communities to the west who might be going to Yorkton and to Redvers and to Regina and all kinds of places out of province. The minister is not fully measuring the extent to which his PST will drive Manitobans away from Manitoba businesses, and that is not good for our province.

And I know I look forward to hearing the other comments that my colleagues will put on the record this afternoon, and we call for the government to clearly listen and to respond and to incorporate this very reasonable amendment into their bill as we go forward.

Thank you.

Hon. Jon Gerrard (River Heights): I rise to talk just for a few minutes about the issue of needing an impact study for cross-border shopping. This is an eminently reasonable amendment and requirement to have an impact study of the cross-border shopping done a year after the PST was raised.

I think that one of the most shocking and surprising revelations during the whole discussion that we've had around the increase in the provincial sales tax was the discovery that the government had

never actually done any sort of impact study before deciding to raise the provincial sales tax, as they have done, without even a referendum. And, certainly, that impact study done before making a major move like this with big financial implications for the government and for people in Manitoba would have been a very smart move.

It is a curious fact that sometimes when you make a move, like, for example, increasing the PST in this case, that you have consequences which you don't initially expect, and one of those consequences with raising the provincial sales tax may well be that we have quite a number of people going to Saskatchewan and going to the United States to shop for items, which, if the PST had not been raised, that they would have obtained here.

Mr. Speaker in the Chair

And, certainly, when we had the presentations at the committee stage in—on Bill 20, we certainly heard from people who are concerned, particularly about the Manitoba-Saskatchewan border, about people in western Manitoba going into Saskatchewan to shop for items, and, certainly, it may be something which will increase dramatically. If this has an effect on Manitoba businesses and employment in Manitoba, then the government will have maybe more money from the provincial sales tax overall but less money from income tax because there's fewer people working because of people going across the border and using shops and buying merchandise in Saskatchewan or in the United States, and that's not a consequence that we want certainly. And, hopefully, it will not occur, but what we need to do is to find out what's happening and so that in the future we know—make sure that we are making financial moves which make sense for Manitobans, for the people of Manitoba and for the government of Manitoba.

And I would say that when we're dealing with a situation like this, that being careful and doing these sorts of impact studies is pretty valuable, not only in understanding the impact of raising the PST and what it has had, but also pretty valuable in terms of setting the course for the future. If it has a severe impact, then maybe the case will be a lot stronger for reducing the PST perhaps even sooner. It's not without precedent that there are incidences where you raise a sales tax and actually—or raise a tax and actually get less revenue. This has been one of the arguments in the discussions which have raged back and forth in terms of what level we should have in terms of a corporate tax, because if you have taxes

too high in our jurisdiction, people will move elsewhere, move their businesses elsewhere.

It's certainly been one of the arguments against the tax that we have that was put on to raise money initially for health and is now a tax which we have higher than most other jurisdictions in Canada and therefore has been an effect in business decisions to raise or to move people out of province. If people have got too high a tax here, then it's easy for a business to decide, well, we're going to expand or employ people in Saskatchewan because they have lower payroll taxes or lower other taxes and therefore, you know, it—businesses will decide on what makes economic sense very often, not just on decisions in terms of, you know, where they might like to live or might like to be.

* (16:10)

But, certainly, you know, I remember an instance in talking with a businessman who said that he was looking to move a business here from Calgary, and this was a number of years ago. And when he looked at it very carefully, he said, look, I can't make this work economically. It doesn't make any economic sense to move it from Calgary to here because of the tax structures and so on in Manitoba.

And that—for the Finance Minister's information was Izzy Asper who—if there was ever, you know, a Manitoba patriot, somebody who would do anything that he possibly could to move the business here, that was Izzy. But in this case he said, look, there's just no way that it could work or it could be rationally done from an economic sense.

And so it didn't happen and that business never moved to Manitoba where it would have been, you know— if it had moved and we'd had the different tax structure, it could have employed a lot of people and it could have been a booming business even today, perhaps, but that's not the case.

And it points out, as we've seen on many occasions, that we need to be very careful about how we position Manitoba tax-wise relative to other jurisdictions near us, and that if we do it right, we can have a big impact on building the economy, building businesses, building employment. And in fact, we will get greater revenue because we've got greater business activity and greater employment, and I think that's one of the strong messages here.

And I would just conclude my remarks, Mr. Speaker, by saying I hope the government will support this. This is a reasonable option to do an

impact study and find out what the impact is on cross-border shopping because we should know.

Thank you.

Mr. Stuart Briese (Agassiz): I'm pleased to rise today to speak to this amendment to Bill 20.

What this amendment is asking for is kind of an accounting system to see how competitive our businesses are with the extra sales tax on after one year's time and every year after that, which I think is probably a pretty reasonable amendment, and I think it's something that the members opposite should really consider. It's—obviously they didn't do any impact studies before they put the extra 1 per cent sales tax in place, and this is possibly a way that they can rectify that oversight and actually assess the impacts it does have on businesses in Manitoba.

You know, I was recently up in the Minister of Finance's (Mr. Struthers) riding at a couple of events up there, one being the centennial of the Town of Roblin—which, unfortunately, the minister had some problems that didn't allow him to be there but he did have the bases covered by another very capable minister.

But the—talking to businessmen and then storekeepers in that community, there was some very, very real concerns about—what they were saying to me was people are going over to Saskatchewan to shop once a week, and then they're coming back here and they're using us as convenience stores. And they said we simply can't survive as convenience stores. We need that business here.

And whether there's major savings to that one-week shopping trip or not, the reality is the people are upset. They're upset that we've got 3 per cent higher provincial sales tax than Saskatchewan has. And they're probably going to go there to shop whether they save money or not, simply to make a statement to this government about the fallacy of raising that tax the way they did.

You know, they've tried to sell to us that they absolutely need this money for flood mitigation, for infrastructure, for any number of things, but at the same time, they've made some moves that could offset that amount of money without too much difficulty. The Bipole III line with an extra billion dollars of cost going up the west side as to the east side would be four years of that sales tax increase and give you a whole term extra of not having to raise any taxes because of that revenue coming in.

I think—and I'm not absolutely sure of my number—but I think when the Doer government went in, I think they had 13 Cabinet ministers; it might've been 14. I think we have 18 or 19 now. I think there's a considerable saving by reducing the size of Cabinet back down to what it was originally instead of growing it a bit more every year, and it may be a small amount in the overall picture, but the vote tax certainly is another thing that doesn't need to be there. The money is better spent somewhere else.

I remember at the committee hearings there was a—the CAO for the Town of Plum Coulee made a presentation. She said, I live an hour away from the United States; she said, I live an hour away from the city of Winnipeg. She said, with this extra PST, where do you think I'm going? She says, I'm going to shop in the States.

You know there's any business—any small business away, approximately 80 per cent of our business is in Manitoba. Our small business, they have a tipping point and the people have a tipping point, and you may not know where that would be, but it's starting to appear that raising the sales tax by another 1 per cent might be that tipping point, might be the point where these people are finally in revolt and saying, we can't take this kind of treatment anymore.

You know, businesses are looking for the best place to do business, but it goes beyond that. Businesses—caring businesses look for the best place for their employees to live and work, and they look at Manitoba and they see an 8 per cent PST, certainly tied for the highest in the western provinces. They see our income tax levels as the highest west of Québec, and they say, now we've got a bunch of employees. We want to put them in a place that they feel the most comfortable and probably do the best they can.

The other thing they look at here is rapidly rising rates of hydro which are forecast to continue rising. We had the 8 per cent increase in the last year and they see that type of thing happening, and I know I've done the research and, yes, Saskatchewan has a considerably higher hydro rate than us but they have a considerably lower income tax. They have a considerably lower PST, and, when you start weighing all the factors, those businesses may choose to set up somewhere else.

They—we're hitting the point where we're making our own businesses in this province uncompetitive and that's definitely not a good position to be in, and

businesses look at what they can do to offset these types of things. You know, even the federal government a few years ago lowered the GST from 7 per cent to 5 per cent to stimulate business, and it has worked. It's certainly helped businesses in Canada. Saskatchewan did the same thing. They lowered the provincial sales tax from 7 to 5 per cent, and we've seen Saskatchewan move forward since.

* (16:20)

So sometimes raising taxes doesn't solve the government's fiscal problems. Sometimes letting business—improving the climate for businesses to work in can produce more revenues than—to the government than just raising taxes. And, you know, even on the sales tax to—the provincial sales tax to municipalities, we're told that a 1 per cent increase costs the City of Winnipeg \$1.4 million more. Wouldn't that \$1.4 million be better used in Winnipeg's infrastructure? Does it have to go through the provincial government and back to the municipality? Maybe that appears to be the plan. Why not just leave it there and let the City of Winnipeg decide where they're going to spend it?

They—that same 1 per cent increase in sales tax is costing all the other municipalities, just on their insurance policies, a phenomenal amount of money. Actually, the imposition last year of the sales tax on the insurance with the—that's all handled through the AMM for all the municipalities outside of Winnipeg—resulted in 780—roughly \$780,000 extra cost to the municipalities, and now, with this year's 1 per cent increase, has pushed it up over \$800,000. That's one level of government taxing another level of government.

Why not leave it alone? Leave it there. Let the municipalities spend it on the—their infrastructure requirements. Why is the wish of this government to pull it in and hand it back out? Why not just leave it and let the municipalities spend it the way they see fit on their own infrastructure? It just makes sense to me, but it obviously doesn't make much sense to the people across the aisle, and that's regrettable.

I'd think there's others that want to speak to this, so I'll leave it at that. Thanks, Mr. Speaker.

Mr. Speaker: Any further debate on the amendment?

Is the House ready for the question?

Some Honourable Members: Question.

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

Some Honourable Members: Agreed.

Some Honourable Members: No.

Mr. Speaker: I hear a no.

Voice Vote

Mr. Speaker: All those in favour of the amendment will please signify by saying aye.

Some Honourable Members: Aye.

Mr. Speaker: All those opposed to the amendment will please signify by saying nay.

Some Honourable Members: Nay.

Mr. Speaker: Opinion of the Chair, the Nays have it.

Recorded Vote

Mr. Kelvin Goertzen (Official Opposition House Leader): Recorded vote, Mr. Speaker.

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

Order, please.

The question before the House is the report stage amendment to Bill 20.

Division

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

Yeas

Briese, Cullen, Driedger, Eichler, Ewasko, Friesen, Gerrard, Goertzen, Graydon, Helwer, Maguire, Mitchelson, Pallister, Pedersen, Rowat, Schuler, Wishart.

Nays

Allan, Allum, Altemeyer, Ashton, Bjornson, Blady, Braun, Caldwell, Chief, Chomiak, Crothers, Dewar, Gaudreau, Howard, Irvin-Ross, Jha, Kostyshyn, Lemieux, Mackintosh, Maloway, Melnick, Oswald, Pettersen, Robinson, Rondeau, Saran, Selby, Selinger, Struthers, Swan, Whitehead, Wiebe, Wight.

Deputy Clerk (Mr. Rick Yarish): Yeas 17, Nays 33.

Mr. Speaker: I declare the amendment lost.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, August 12, 2013

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