

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

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
First Session—Thirty-Eighth Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
GERRARD, Jon, Hon.	River Heights	Lib.
GILLESHAMMER, Harold	Minnedosa	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
PENNER, Jack	Emerson	P.C.
PENNER, Jim	Steinbach	P.C.
PITURA, Frank	Morris	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim	Assiniboia	N.D.P.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Joy	Fort Garry	P.C.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 23, 2003

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PETITIONS

Provincial Road 304

Mr. Gerald Hawranik (Lac du Bonnet): I wish to present the following petition. The background of this petition is as follows:

Provincial Road 304 is the main connector road between Provincial Trunk Highway No. 11 and Provincial Trunk Highway No. 59 for residents in Pine Falls, Powerview, St. George, Great Falls, Manigotagan and Bissett who wish to travel in a southwesterly direction to Selkirk and to Winnipeg.

Provincial Road 304 from Provincial Trunk Highway No. 11 is in a southwesterly direction, is travelled by approximately 1000 vehicles daily and shortens the travel time to Winnipeg by at least 30 minutes.

The 14 kilometres of Provincial Road 304 to the south of Provincial Trunk No. 11 is in very poor condition, has no shoulders and winds among granite outcroppings and through swamps, creating very dangerous and very treacherous conditions for the travelling public.

At least six people have died needlessly in the last eight years on the 14 kilometre stretch of Provincial Road 304 south of Powerview.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Transportation and Government Services (Mr. Ashton) consider rebuilding and reconstructing the 14 kilometres of Provincial Road 304 to the south of Provincial Trunk Highway No. 11 at the earliest opportunity. I request this on behalf of Jeanne Dupont, Maria Dupont, Raymond Berthelette and others.

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

INTRODUCTION OF BILLS

Bill 11—The Biofuels Act

Hon. Tim Sale (Minister of Energy, Science and Technology): Mr. Speaker, I move, seconded by the Minister of Agriculture (Ms. Wowchuk), that Bill 11, The Biofuels Act; Loi sur les biocarburants, be now read a first time.

Motion presented.

* (13:35)

Mr. Sale: Mr. Speaker, this bill is designed to encourage the production and use of fuel derived from plant and animal materials in Manitoba. It establishes a fund which over an eight-year period will provide support to producers for ethanol that is produced and consumed in Manitoba. We have consulted with the producers, with farmers, with livestock producers and with the petrochemical industry in the development of this bill. I hope the House will find it a very solid and good piece of legislation to consider.

Motion agreed to.

Bill 207—The Senior Citizens Subsidized Transportation Act

Mrs. Joy Smith (Fort Garry): I move, seconded by the Member for Tuxedo (Mrs. Stefanson), that Bill 207, The Senior Citizens Subsidized Transportation Act; Loi sur le transport subventionné destiné aux personnes âgées, pardon my French, be now read a first time.

Motion presented.

Mrs. Smith: The Senior Citizens Subsidized Transportation Act is intended to achieve the following: To authorize the Government to take any steps it considers necessary to promote and encourage the development of subsidized transportation programs for senior citizens here

in Manitoba. This will include providing training and technical support to enable municipalities and organizations to develop subsidized transportation programs for our senior citizens and establish the Manitoba Senior Citizens Transportation Council that will be responsible for studying the transportation needs of our senior citizens and provide recommendations to the Government.

Motion agreed to.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from Victor H.L. Wyatt School 28 Grade 9 students under the direction of Ms. Judy Yarish. This school is located in the constituency of the honourable Member for Riel (Ms. Asper).

Also in the public gallery we have from Minitonas Middle Years School 15 Grade 9 students under the direction of Mr. Mel Lausmann. This school is located in the constituency of the honourable Minister of Agriculture and Food (Ms. Wowchuk).

Also in the public gallery we have from Gordon Bell High School, Senior Off-Campus Class, Urban Life Skills, eight Grades 9 to 12 students under the direction of Ms. Phyllis Cummer. This school is located in the constituency of the honourable Minister of Intergovernmental Affairs (Ms. Friesen).

Also in the Speaker's Gallery we have with us today members of the Kay Koga rink: Barb Perreault, Helen Nemeth, Margaret Waldner and Kay Koga. Also present is the organizer of the Golden Gals Provincial Playdowns, Florence Albi. These visitors are the guests of the honourable Member for Fort Garry (Mrs. Smith).

Also in the Speaker's Gallery we have Paul Grenier, Celestin Grenier and Henri Talbot. These visitors are the guests of the honourable Member for Carman (Mr. Rocan).

Also in the public gallery we have from Montréal, Québec, Almario Bamba, Purificacion Dela Cruz, Deacon Pedro Tapia, Josephine

Tapia and Mila Lim. These are the guests of the honourable Member for The Maples (Mr. Aglugub).

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

* (13:40)

ORAL QUESTION PERIOD

Economic Growth Employment Creation

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, the Premier showed yesterday his lack of vision for the province of Manitoba. Nowhere in his Budget did we see a plan or strategy to increase the number of people working in this province. According to Statistics Canada, between March 2002 and March 2003, Manitoba's job growth was only 100. Statistically that is a big zero, dead last in Canada. Job growth of 100 people, is that this Government's economic growth strategy?

Hon. Gary Doer (Premier): Mr. Speaker, I would note that today in analyzing the Budget, one of the independent sources of information and analysis on the Budget stated: Manitoba's economy accelerated to 3.1% growth in 2002, twice its earlier pace; job gains and the lowest unemployment rate in Canada fuelled solid growth in retailing construction with real manufacturing output also advancing. Again, solid economic growth. The job record over our three and a half years in office has exceeded by two times that of the members opposite over the 1990s. We feel very confident in our seven-point economic plan, a seven-point economic plan that, first of all, talks about education and training as the first priority in the economy. Those endangered species called building cranes are back at Red River College and downtown Winnipeg and Brandon.

The second priority, Mr. Speaker, is innovation. Biotechnology has increased by 40 percent over three years. Again, a remarkable record. Capital retention has also improved in Manitoba over other provinces. Our fourth priority is to have an affordable government and in that regard we have lowered taxes in our period

of time in a strategic way, more than has been conducted in the 11 years previous.

Our fifth priority, Mr. Speaker, is to use energy and energy developments and energy ideas to build our economy. Members opposite would have sold off Manitoba Hydro. If the member ever gets outside the Perimeter Highway, just west of Portage la Prairie is the largest potato processing plant in North America. It is opening soon, compliments to a government near you.

Mr. Murray: Mr. Speaker, what an incredible speech from this Premier. What about the facts of life?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Murray: Thank you very much, Mr. Speaker. Clearly, only that side of the House, the NDP government, would celebrate a hundred job growth strategy in the province of Manitoba. That is dead last in the country. During the last 12 months, the best that this Government can do is zero job growth in the economy. Even in Saskatchewan, good old Saskatchewan, 11 400 job growth; Prince Edward Island, 800 job growth strategy.

Mr. Speaker, following the release of Statistics Canada, which, by the way, we on this side of the House believe is a pretty darn good document, following the release of Statistics Canada that showed only a hundred job growth in Manitoba, the Minister of Industry said there is no correlation between job growth and low taxes. I would like to ask the First Minister: Does he support the Industry Minister's claim that there is no correlation between low taxes and job creation?

* (13:45)

Mr. Doer: I would remind members opposite of their absolutely atrocious record in downloading taxes onto school divisions.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would like to take this opportunity to remind all honourable members

when the Speaker stands that all members should be seated and the Speaker should be heard in silence. I ask the co-operation of all honourable members. The honourable First Minister has the floor.

Mr. Doer: Thank you Mr. Speaker. The increase with the offloads and the decrease in the property tax credit from 1990 to 1999 on taxes was \$323 for an average homeowner.

Mr. Speaker: Order.

Point of Order

Mr. Speaker: The honourable Member for River Heights, on a point of order.

Hon. Jon Gerrard (River Heights): Yes, on a point of order. I think, in view of the importance of the dignity of the House, the language that has been used in name-calling to the Premier is inappropriate. I would ask that the Speaker pay some attention and ask that a more dignified approach to the English language be used.

Mr. Speaker: On the point of order raised by the honourable Member for River Heights, I had my speaker on so I can hear the questions and the answers and so at times it is hard for me to hear what is going on back and forth. I am sure that all honourable members would want to treat each other with respect, and I just ask the co-operation of all honourable members.

* * *

Mr. Speaker: The honourable First Minister has the floor.

Mr. Doer: Thank you, Mr. Speaker. The average increase in school divisions from 1990 to 1999 with the offloads was \$323 for the average homeowner. There has been a \$60 decrease with the \$80 million we put in, in terms of property tax credits and the ESL reduction.

Secondly, we have lowered personal income tax over the four years we have been in office. We have lowered it by \$220 million in a targeted way, that is the largest tax reduction in the history of a four-year government and it far exceeds the 11 years of Tory records of a hundred-and-some-twenty-million dollars.

Thirdly, we have lowered the corporate income tax from 17 percent to now 15.5 percent, with the plan to go down again in further budgets. More than that, we are not just a one-trick pony. We do believe in keeping Manitoba affordable.

When you look at the numbers on debt with provinces across Canada, our debt record now in terms of payments and the operating budget of government is the second lowest, only lowest to Alberta. This Government does not believe in lowering taxes and increasing debt. We believe in paying down debt, as we have done every year in our Budget. Finally, we believe in investing in children, investing in education, investing in capital requirements and health care. Investing in our future is part of a positive vision for all of Manitoba.

Mr. Murray: Mr. Speaker, my question was about job growth. The fact that in Manitoba, when you look across Canada, we were dead last in terms of job growth. I do not know how the Premier can tell Manitobans who have seen their children leave for greener pastures or have seen a neighbour laid off or see somebody, a neighbour perhaps even lose a farm. His economic plan has been a failure. He had the choice to make Manitoba competitive but he chose not to. He had the choice to give middle-income Manitobans, hardworking middle-income Manitobans, a real tax break, and he has failed them.

We have seen a billion dollars spent from this Government and zero job growth in the last year. My question is very simple to this Premier: Why does he refuse to make Manitoba competitive?

* (13:50)

Mr. Doer: Mr. Speaker, our unemployment rate is the lowest in Canada. Our growth rate is one of the best of all provinces over our three years of record. Our employment records are very positive. The member opposite, the only thing he could do yesterday was have some kind of camera following me around, some kind of American attack ad camera. I would like to ask the member opposite: Did Taras Sokolyk come up with that idea, that vision for the Conservative Party?

Tax Reductions Personal Income Tax

Mr. Larry Maguire (Arthur-Virden): Yesterday's ND—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Maguire: Yesterday's NDP left one-earner middle-income families in Manitoba paying the highest personal income tax west of New Brunswick. Not just west of Québec, but from coast to coast. Why did the Premier choose to continue to drive Manitobans away by not making tax relief a priority for Manitoba?

Hon. Greg Selinger (Minister of Finance): I think the member should work on his geography. Yesterday the Leader of the Opposition (Mr. Murray) said the taxes were the highest west of Prince Edward Island. Today the member says they are the highest west of New Brunswick. I think if he took the time to read *The Manitoba Advantage*, on both taxes and the total cost of living, he would see that Manitoba is No. 1 or No. 2 in every family category for income anywhere in this country.

Mr. Maguire: Mr. Speaker, regardless of the protestations, why, having failed to recognize the connection between lower taxes and job creation, does the Doer government provide no vision by choosing to continue to force its highest tax agenda on Manitoba citizens? Does he believe that roughly a \$14 a year reduction will retain anyone?

Mr. Selinger: Mr. Speaker, if the member is drawing a connection between tax rates and job creation, we created 9100 jobs in the economy of Manitoba last year. On average, during the 1990s, the average job creation was 3000. Our rate of job creation has been over 8000 in each of the years that we have been in office. Obviously our tax regime is more competitive than theirs. It is generating twice the number of jobs.

Mr. Maguire: As I said, Mr. Speaker, the minister does not understand simple math. It is a hundred net jobs. Why, with these massive spending increases, does this Doer government not recognize that meaningful tax relief will help

secure our youth, small business and professionals to Manitoba? Why does he not understand this?

Mr. Selinger: Mr. Speaker, I think meaningful tax relief is exactly what we have seen in our last four budgets in this province. On the business side, there has been a 37.5% reduction in the small business tax rate and an increase in the threshold from 200 to \$320,000 with a doubling to \$400,000 by the year 2005. There has been an 11% reduction in the corporate income tax rate, the first reduction since the Second World War, from 17 to 15.5 percent going to 15 percent.

Yesterday in the Budget, we changed a very anti-growth strategy on the capital tax. We changed it from a deduction to an exemption. Now all companies will have an immediate deduction on their taxes up to \$5 million, and when they go over \$5 million they will not be penalized by having all the tax applied on the first \$5 million. That is an incentive to growth in this province. On the personal income tax side we have seen an 11.5% reduction.

Out-Migration Reduction Strategy

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, we on this side of the House know that economic opportunity makes Canadians move from one jurisdiction to another. The difference between the Government and us is that we believe Manitobans know best how to spend their hard-earned taxpayer dollars and they believe that government knows best. Shame on them.

With the new spending to tax cut ratio of 11 to 1, absolutely unbelievable, does this Government not realize that they are driving more and more Manitobans out of the province? What are they doing to stop the exodus of our young people?

* (13:55)

Hon. Greg Selinger (Minister of Finance): Once again, Mr. Speaker, perhaps the facts would bear some light on the discussion here. The net out-migration dropped from an average

of 601 a year in the 1990 to '99 period to a net of 251 from '99 to 2002. We have cut the net out-migration in half.

We have a policy to bring more people to Manitoba. We are educating more young people than ever in the history of this province with a 23% increase in the last four years. We have kept tuition fees frozen at the '99 levels and yesterday we brought in a co-op education internship tax credit. We doubled the amount of interest rate relief on people graduating on their student loans who remain in Manitoba from six months to a year.

All of those opportunities were available to the members opposite. They never did anything during their period of time in office.

Mrs. Stefanson: Mr. Speaker, does this Doer government not realize that a new spending to tax cut ratio of 11 to 1 does absolutely nothing to boost our economy and keep our young people here in this province?

Mr. Selinger: It is unfortunate members opposite count the property tax credits and the ESL as spending measures when they are real reductions and real relief for Manitobans, but when you have the third lowest per capita spending in the country, clearly we run an efficient and affordable government relative to other jurisdictions. That is why Manitoba's growth rate projected for this year at 3.1 percent is in the top three in the country.

Mrs. Stefanson: Mr. Speaker, clearly people are leaving our province. Who is going to pay for the social programs that this province needs if everyone is leaving for greener pastures elsewhere in this country?

Mr. Selinger: Once again, perhaps the facts will help the member get an accurate argument. The net out-migration has been halved in the last three and a half years in this province. It is less than 50 percent than it was under the members opposite. More young people are returning to Manitoba. More families are choosing to live in Manitoba. More immigrants and refugees are coming to this province, and we are providing the supports they need to establish roots here and have a prosperous life.

Out-Migration Reduction Strategy

Mr. Mervin Tweed (Turtle Mountain): The director of the Population Studies Centre at the University of Western Ontario said: Economic opportunity makes Canadians move. That is being proven every day here in Manitoba, Mr. Speaker, as we lost 4360 people from Manitoba. A large rural community every year is moving out of Manitoba. My question to the minister is: Why is his policy forcing these people to leave our province?

Hon. Greg Selinger (Minister of Finance): Once again the member is using selective statistics. He does not talk about the net increase in population in this province. There are people coming back here. There are people coming back to this province every day. There are people choosing to settle here every day and we have people from all over the world that are clamouring to come to Manitoba to make it their home. The member opposite should be proud of that, as we are.

Mr. Tweed: Harry Hiller, the sociology professor at the Alberta immigration study, said: "You don't go to someplace unless the economy makes sense." Mr. Speaker, 363 Manitobans a month are leaving this province. I ask the minister again: Why is his policy forcing Manitobans to leave our province?

Mr. Selinger: And once again I can only answer to the minister, our policy has had twice as good a result as their policy and he should stand up and explain why they had such a dismal record during the nineties.

We have more young people coming back to Manitoba. We have more immigrants and refugees coming to Manitoba. We have four years of record private sector investment growth in this province. We are building a solid foundation for the future in terms of education, research and development, economic development that advantages all regions of the province: urban, rural, northern. We are not just looking after our friends, we are looking after all Manitobans.

* (14:00)

Mr. Tweed: Well, Mr. Speaker, to boil it down to simple terms so the minister can understand it, there are 12 people a day in Manitoba leaving this province. That is three curling teams a day that this minister is chasing out of the province of Manitoba.

I ask him again: Why is this Government forcing Manitobans to leave Manitoba to find better opportunities?

Mr. Selinger: Mr. Speaker, after the performance of the Opposition yesterday in the House, the only people that wanted to leave were people that wanted to leave the Legislature, embarrassed by the behaviour of the members opposite.

As for everybody else, they are seeing real opportunities in this province for the first time in over a decade. They are seeing the downtown being renewed. They are seeing the North being redeveloped. They are seeing the agricultural economy being diversified outside of the city. They are seeing their health facilities being rebuilt for the first time in 15 years, and they are seeing their schools being fixed up, or in some cases, new schools being built at the same time as their cost of living remains No. 1 or No. 2 for every category of family in the country.

SARS Management Plan

Mr. John Loewen (Fort Whyte): Mr. Speaker, there is a very real possibility that we may see the outbreak of one of the worst epidemics in our lifetime, and while we do not want to unnecessarily alarm people, we do want to know that this Government is ready to act should the SARS virus strike in Manitoba.

Today we received a phone call from a front-line health care worker who indicated that despite requesting information from his employer and from his union on protocols to deal with SARS over two weeks ago, he has received nothing.

I would like to ask the minister today to table for this House and for all Manitobans the information that he indicated yesterday had been made available to all front-line health workers in

Manitoba. Can he provide for Manitobans in detail what plans and protocols are currently in place should we encounter an outbreak of SARS in this province?

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, I think the fact that we dealt with this question and I had a question yesterday from this side of the House when there was nothing from members opposite about SARS, is indicative of the intentions of members opposite.

Firstly, I was very pleased with the response at St. Boniface Hospital when there was a suspected case that turned out not be a case by the tremendous work undertaken by the front-line people who followed the protocols and put in place an excellent response to a suspected case that turned out not to be SARS.

An Honourable Member: It was not your plan.

Mr. Chomiak: Well, Mr. Speaker, that is right. The member has finally got it. It was the nurses, the doctors, the lab techs. All the people you fired are the ones that put in place the program that worked when SARS first came about. I was very pleased—

Mr. Speaker: Order.

Mr. Loewen: Mr. Speaker, it is unfortunate that this minister has not seen proper to have a ministerial statement on this very serious item for two days in this Legislature. That is his responsibility.

Mr. Speaker, I asked a simple question. I would ask the minister once again: Given that this province has seen him sit by for two years and nine Manitobans died waiting for cardiac surgery when he refused to act, I would ask him are Manitobans to expect the same thing if a SARS epidemic breaks out or will you tell them what your plans are today.

Mr. Chomiak: During the period of time that nine people did unfortunately die over the period of time on the waiting lists that were centralized, 23 actually died in Ontario. I ask the member—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I cannot hear the questions, I cannot hear the answers and if there is a breach of the rules I have to make a ruling. I need the co-operation of all honourable members. Honourable members will have a chance to ask their questions and ministers to respond. The honourable Minister of Health has the floor.

Mr. Chomiak: Yes, thank you, Mr. Speaker. A letter went out from the Office of the Chief Medical Examiner on March 28 of this year. A letter went out from the Office of the Chief Medical Examiner March 27, a letter went out on March 21 that outlined all of the protocols and all of the responses to all of the front-line personnel, and on March 18. That is four separate letters outlining protocols that went to front-end providers, that went to regional health authorities, and went to front-first responders. I would be quite prepared to table those letters.

Mr. Loewen: If you are prepared to table them, table them. Manitobans have a right to know. Mr. Speaker, I would ask this minister if he is taking this issue seriously, then why is the last news release, the last update on Severe Acute Respiratory Syndrome, SARS, update No. 5, why is it dated April 4? Has nothing happened since April 4 that you want to comment on? Manitobans want to know.

Mr. Chomiak: Mr. Speaker, there have been at least half a dozen press conferences by the person responsible, the Chief Medical Officer of Health, on this, who has done numerous media briefings and numerous public notices. Part of the strategy is to provide information to Manitobans and to continue to provide information to Manitobans. In fact, there is a briefing as well this afternoon. There was information within the last week. There have been daily conference calls between the chief medical officers of health across the country. There have been at least four notices. I am sorry that members opposite did not notice.

Wuskwatim Hydro Project Environmental Review

Hon. Jon Gerrard (River Heights): Mr. Speaker, 15 months ago the Minister of Finance (Mr. Selinger) announced with great fanfare that he would ensure a thorough Public Utilities

Board review of the Wuskwatim dam project so that all Manitobans would know that the project made economic sense and was grounded in good fiscal practice. I table this announcement which was made January 29, 2002.

Can the Premier confirm today that the review announced by the Member for St. Boniface, the Minister of Finance, has been scrubbed, cancelled, axed and that we now must wait six months for hearings under the Clean Environment Commission before further progress is made on the Wuskwatim project because the Clean Environment Commission is presently up to its neck in hearings on sewage?

Hon. Steve Ashton (Minister of Conservation): First of all, I do want to indicate that under this Government the Clean Environment Commission, in fact, does have a very busy schedule. We are proud of that. Unlike the previous government, Mr. Speaker, we see a very important role for the Clean Environment Commission. It was very clear there was going to be a role for the Clean Environment Commission for the environmental assessment of the Wuskwatim dam.

What we are doing here is working within the joint process, which is, I think, important to note with the federal government, the federal environment requirements as well, doing what I think has been proposed by COSDI and many others, bringing together all the elements, the needs and assessment, the environmental assessment, not only looking at Wuskwatim but looking at other measures such as energy conservation and renewable energy. In a post-Kyoto world we think this is the appropriate way to proceed, Mr. Speaker, and we are proud of the fact we are using the Clean Environment Commission.

Mr. Gerrard: Mr. Speaker, my supplementary to the Premier: Can the Premier inform this House what other announcements proudly made by the Minister of Finance, some as recently as yesterday in the Budget, are going to be cancelled, scrubbed, axed in the same way? Why has the Premier so unfortunately undercut his Minister of Finance as he did so recently in cancelling the Public Utilities Board hearings

that the Minister of Finance had ordered to make sure there was proper fiscal accountability?

Hon. Gary Doer (Premier): Mr. Speaker, the Minister of Finance and all ministers are involved in a more comprehensive review of three developments that are important to the renewable energy of Manitoba. One, of course, begun by the Minister of Finance and continued on by the Minister responsible for Hydro dealing with the success already of the demand side results of PowerSmart with the 200 megawatts which are equivalent to a dam that has already been conserved here in Manitoba and a further target of another 200 megawatts which is the equivalent of a second dam here in Manitoba.

Secondly, we have a minimum of 100 megawatts, we would argue more megawatts, available from wind power that we will also be submitting to the Clean Environment Commission.

Three, we have the Wuskwatim proposal of another 200 megawatts. Somewhere between 500 megawatts at minimum and perhaps more are going to be filed before the Clean Environment Commission, because demand side conservation measures affect the demand needs that must be reviewed by an outside, independent agency.

*(14:10)

We think a comprehensive review, an environmental review, by the Clean Environment Commission would allow Manitobans to speak on the mix of water generation, wind generation and demand side. This is the first time in history we are starting to look at renewable energy in a comprehensive way. We actually will a) follow the law on the Public Utilities Board, no one is going to suggest otherwise, but b) we think the Clean Environment Commission, Mr. Duguid, is well qualified to look at a new way of doing things.

When you look at all three projects, I think Manitobans, those who want more demand side and less wind, or more wind and less dams, will have one hearing where they can argue three different proposals, all renewable, all here in Manitoba.

Mr. Gerrard: Grand plans but on delay and on hold because you botched and delayed the environmental review process.

Ma question supplémentaire au premier ministre : je demande au premier ministre de dire dans cette législature, quelles annonces faites hier peuvent être annulées, comme il a annulé la décision annoncée par le ministre des Finances l'année passée d'avoir une révision par la Régie des services publics, the Public Utilities Board, du projet Wuskwatim.

Translation

My supplementary question to the First Minister: I ask the First Minister to state in this Legislature what announcements made yesterday may be cancelled, as he cancelled the decision announced by the Minister of Finance last year to have the Public Utilities Board review the Wuskwatim project.

Mr. Doer: Mr. Speaker, there is a law in Manitoba that we are absolutely committed to in terms of the Public Utilities Board. There are also three separate proposals that all have a benefit we believe for the environment and for energy production.

I want to say that if the intervener says you should be doing less on dam construction and more on wind generation or more on demand side conservation and less on wind, those all should be considered by a body that is equipped to deal with that. It will go to the Clean Environment Commission, all three proposals that can generate a minimum of 500 megawatts. That is a quasi-judicial body.

I am surprised the member opposite would want to discredit the qualifications of that board. We think it is very well qualified. All the laws dealing with the Public Utilities Board will be followed by this Government in terms of the cost and the issue of price and rates. All those issues will be followed in terms of the laws dealing with the Public Utilities Board.

SARS Management Plan

Ms. Bonnie Korzeniowski (St. James): Given that the WHO has advised against travel to

Toronto, could the Minister of Health tell the House what this new development means to the SARS preparation in Manitoba?

Hon. Dave Chomiak (Minister of Health): I thank you for that very important question. I thank you for showing that interest in that very important question about preparations in Manitoba.

I can indicate that at 2:30 the Chief Medical Officer of Health will be having a press conference. At three o'clock, all the chief medical officers of the country will be holding a national conference with respect to the issue of the WHO advisory with respect to Toronto. At four o'clock, all of the ministers of Health, together with the federal Minister of Health, will also be holding a telephone conference with respect to discussions about the WHO's decision this morning to make and to provide an advisory that recommends against all but essential travel to Toronto, Mr. Speaker. Doctor Kettner will be holding a press conference to provide background at 2:30. All of the chief medical officers of health from Canada are going to be reviewing that issue, in particular, the Government of Canada.

Tax Reductions Family Farms

Mr. Jack Penner (Emerson): During the last few years we have seen the exodus of 3300 farmers from the province of Manitoba. That is the equivalent of the town of Emerson, the town of Letellier, the town of St. Jean and the town of St. Joseph, all leaving this province in a few years. We have seen a doubling of the bankruptcies within the farm community and we have seen property taxes, education taxes, rise by 13 percent on agricultural properties. The NDP promised during the last election to save the family farm. Why was there no mention of any tax relief to the farmers of Manitoba in yesterday's Budget?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, when the new reassessment was done, we reduced the portioning rate for all farmers' land all across this province. That was something the previous government had the opportunity to do. They did not do it. Not only

have we done that, we have reduced corporate income taxes. Many farms are incorporated and they get the benefit of all the corporate tax reductions. We have a crop insurance program that we added over \$5 million worth of benefits to this year on a much wider range of crops, including moisture protection, including drought protection, including new crops that are being grown in this province to diversify the economy. We have also put more money in for the safety net program. In addition, we have a major ethanol initiative unfolding outside of Winnipeg to continue to diversify the economy.

Let us not forget, we are the Government that equalized hydro rates so there were lower hydro rates for all the farmers in Manitoba. What did the member opposite do when he was in government?

Mr. Jack Penner: I want to ask the Minister of Finance then: Why did you not in this Budget give an indication to the agricultural community that you would give them some education tax relief on their farm properties? Why did you not do that?

Mr. Selinger: Mr. Speaker, every Manitoba property owner has benefited from the property tax reduction credits we brought in in our first two years. Every Manitoban has benefited from the reduction in the education support levy. Every Manitoban has benefited, and particularly the rural areas, they have benefited from the portioning reduction of seven percent that we brought in. Every Manitoban has benefited from the personal income tax reductions that we have brought in. Every Manitoba corporation has benefited from the corporate tax reductions and every small business has benefited from the small business tax reductions.

All of those benefits have been available to all Manitobans including rural Manitobans, something the member opposite should be telling his constituents.

Mr. Jack Penner: I want to ask you, Mr. Speaker, why it is that the people of Manitoba would have elected a group of people that are as unable to tell the truth as we have seen on the Government side today. Then I would like to ask the Minister of Finance why the education taxes

have risen on farm properties anywhere between three and thirteen percent this year alone. There is no tax relief.

Hon. Gary Doer (Premier): Again the Tories of Manitoba believe still in the divine right of kings. They do not believe that the people in a democracy are always right. That is the difference between them and us. We believe in the people. We believe in democracy. We believe in playing by the rules. They do not, Mr. Speaker.

Hydro Projects Business Plans

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, it is very unusual to hear the Premier talk about playing by the rules. He just gave us one of the most vacuous explanations as to why he wishes to change environmental and economic review of dams in this province.

First of all, the Minister responsible for Hydro (Mr. Selinger) said he was going to go to PUB. Then the Minister of Energy says, no, we are talking about a new process. Now we see the First Minister in this province standing up, talking about a review of three dams. Is there a sale?

Hon. Tim Sale (Minister of Energy, Science and Technology): Mr. Speaker, I would be delighted to take the honourable member on a tour of the seven undeveloped dam sites in Manitoba that can be developed under a government that believes in Hydro, believes in the development of clean energy, believes in selling that energy at a profit for Manitobans to stabilize our rates to attract new industry. If he wants to see the site for Wuskwatim, for Kiask, for Notigi, for Conawapa, for Long Spruce or Gillam Island, I would be glad to take him on a tour.

Mr. Cummings: A new question, Mr. Speaker.

Mr. Speaker: The honourable Member for Ste. Rose, on a new question.

* (14:20)

Mr. Cummings: The Minister of Energy is in fact a salesman, but the fact is the people of this province need some facts and potential business

plans around the enormous development that could be associated with hydro-electric generation. I am asking quite simply: Does this Government have any sales or any business plan that would support undertaking a vacuous and irresponsible review process such as the Premier (Mr. Doer) is expressing?

Mr. Sale: I am sorry this member does not appear to understand that when you undertake a process of building a dam, it is a six to eight year process. You have to do an environmental review to go through that process properly. You have to look at your need and demand, which is what the Clean Environment Commission will do. You have to replace the lost export sales from the increased demand for hydro-electricity in Manitoba which increases every year. If we do not provide new supply for export, we will lose the value of those sales.

I would think that somebody that had been in a government would understand the long-term nature and instead of being a member of the mothball party might recognize that we need to plan long in advance. We need to use the Clean Environment Commission to its full potential to look at demand side, to look at new renewables such as wind, to look at the new dams that are available to us to stabilize our exports, to grow our exports, to provide the kind of clean and affordable hydro power that makes this province the choice for many companies that want to expand and locate here. I am proud of the fact that companies see this as a great advantage. *The Manitoba Advantage* is a Hydro advantage.

Mr. Speaker: The time for Oral Questions has expired.

MEMBERS' STATEMENTS

Golden Gals Provincial Playdowns

Mrs. Joy Smith (Fort Garry): Mr. Speaker, I rise today to congratulate the Kay Koga rink of the Pembina Curling Club for winning the Golden Gals Provincial Playdowns. The Golden Gals Provincial Playdowns were held from February 17 to 20 in Souris, Manitoba. Barb Perreault, Helen Nemeth, Margaret Waldner and Skip Kay Koga accepted the provincial trophy

following a victory over the Doreen Small rink from Gladstone.

Sixteen rinks from curling clubs across the province participated in the bonspiel hosted by the Souris Curling Club. I would like to congratulate the residents of Souris and the organizers of the Provincial Golden Gals Playdowns for their exceptional hospitality and the hosting of a very successful event. I would also like to congratulate Flo Albi for her organizational skills in helping the ladies to achieve their victory.

Once again, I would like to congratulate Kay Koga, Barb Perreault, Helen Nemeth and Margaret Waldner on their Golden Gals Provincial Playdowns championship and on proudly representing Fort Garry and the Pembina Curling Club. You should be extremely proud of your achievement. I know the people of Fort Garry are certainly proud of you.

Mr. Murray Smith

Hon. Diane McGifford (Minister of Advanced Education and Training): Mr. Speaker, I rise today in remembrance of Murray Smith who passed away just before Christmas. Murray Smith's public service and commitment to community is so extensive that it is difficult to begin. As a young man, Murray was a Rhodes scholar. He studied in England, along with his wife of more than 50 years, Muriel Smith, and returned to Winnipeg to join the public school system. He was a well-known and well-loved teacher, a past president of MTS, and before retirement he became a superintendent in the Winnipeg School Division.

Murray championed the lives and rights of his female colleagues as well as the abolition of corporal punishment. He never forgot that he was a teacher and, as a retired person, initiated a maths club at his grandchildren's school. Murray had a deep-seated sense of social justice and he was a man who lived his principles, lived them tirelessly. He served on the board of governors at the U of M, as the chair of the Health Sciences Centre and as the president of the Canadian Retired Teachers Society. He was closely involved with Creative Retirement and MSOS.

Last July, Murray was named to the Order of Manitoba. He was greatly honoured by the recognition and, as well, touched by the kind remarks he heard that day. Humble as always, he could not believe people were speaking about him. I just wish he could have been at his own funeral. He advocated again tirelessly for fair pensions and spent hours and hours preparing income tax papers for those who simply could not do this work, and he delighted in saving these folks a little money.

During the proposed federal pension changes of the nineties, Murray, protesting vehemently, covered nearly every town in Manitoba. His work, of course, met with great success. He was awarded the Joseph Zuken citizenship prize. Most recently, Murray served as chair of the Council on Aging.

I know colleagues on both sides of the House recognize Murray Smith as a distinguished Manitoban. Again, right to the end, he was a teacher. I want to tell you that the frankness and courage he brought to his death and dying taught those around him the value of life and living.

United States of America

Mr. Harry Enns (Lakeside): Mr. Speaker, I, like many Manitobans, was saddened and disappointed when my Premier (Mr. Doer) chose, and continues to choose, to identify himself and his Government with those who look upon our neighbours, the United States, as being morons, hateful people, stupid American bastards, these kinds of statements, the unbelievable statements that the federal government has made in the last little while in this respect. Our Government, our Premier chooses to identify himself with those kinds of statements rather than express, as some provinces have, Alberta, Ontario, support for what is going on in the world today and, quite frankly, in support of liberties and freedoms for the 20 million Iraqi people who have suffered unbelievable horror.

I would like to put on the record some of the statements that are being felt by so many Canadians on these occasions. On many occasions, the opinions of the vocal minority are

reported by the media and the unspoken thoughts of the majority are never considered. In this case, let us set the record straight. Many people living in North America and Canada remember the price they or their loved ones paid for the liberties we enjoy today.

Fortunately for all of us, our forefathers defended the principles of democracy, freedom and equality without consideration of political correctness. Our leaders actually led the country rather than waiting for the results of a public opinion poll. In Canada, many of our citizens, especially the younger generations, have never had to fight for the rights we take for granted. As a result of our privileged life we have lost this perspective.

We are grateful and honoured that the United States of America, the United Kingdom and Australia, who are our closest friends and allies, share the same principles and ideals. We owe it to them to help defend these ideals throughout the world. As citizens of Manitoba and Canada, we ask the Liberal government to pledge this nation's unwavering support to the United States of America-led coalition in the reconstruction of Iraq and to free the world of tyranny and terrorism.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Before recognizing the honourable Member for Flin Flon (Mr. Jennissen), I would just like to take this opportunity to remind all members of our rules on unparliamentary language. I would ask members to choose their words carefully.

An Honourable Member: We always do, George.

Mr. Speaker: Okay.

Snow Lake Health Centre

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, on April 14, 2003, I had the pleasure of making the official announcement of a \$300,000 expansion to the Snow Lake Medical Nursing Unit, Snow Lake health centre, on behalf of my colleague the Minister of Health (Mr. Chomiak). The funding will provide an additional two beds

at the facility allowing patients who are residents of Snow Lake to remain in their community and close to family. This upgrade is particularly important to the people of Snow Lake who often are forced to leave their community for medical treatment or personal care.

* (14:30)

Demographics indicate that the population in northern mining towns is aging as more of our people choose to retire in northern Manitoba. In the future, more upgraded personal care facilities like the one in the Snow Lake health centre will be needed. As well, senior citizens' housing needs must be addressed in many northern towns in the near future.

The construction of the personal care home expansion in the Snow Lake health centre will begin this summer and is expected to be completed by December, 2003. Hopefully, the new beds will be in use by early 2004. I want to take this opportunity to thank all those involved with making the project possible: Drew Lockhart, Sue Crockett, Corliss Paterson and others of the NOR-MAN Regional Health Authority; Linda Lautamus of the NOR-MAN Regional Health Authority board, Alan Beilman and his colleagues from the District Health Council and Mayor Garry Zamzow. I also want to acknowledge the efforts of the Member for Dauphin-Roblin (Mr. Struthers), assistant to the Minister of Health, who helped make a reality of the much-needed expansion of the personal care home in Snow Lake.

This expansion further underlines our Government's commitment to health care across the province. Increased health care funding is almost 41 percent of the new budget. Well over \$3 billion will be invested in health this year. In the past four years, innovative solutions have been introduced to bring health care and health information to Manitobans regardless of where they live in this province. Our Government has provided Manitobans with the first ever, comprehensive health guide to ensure quick and easy access to important medical information. Our Government has introduced Telehealth to some communities and hopes to expand it to others. Our recent expansion of the Health Links call centre earlier this year will allow residents from

every part of Manitoba to have access to health information 24 hours a day, 7 days a week.

Legislature of Manitoba

Hon. Jon Gerrard (River Heights): Mr. Speaker, I want to speak on the record about the importance of the dignity of our Legislature. I rose on a point of order earlier today because the Member for Springfield (Mr. Schuler) was repeatedly calling the Premier (Mr. Doer) a manure spreader in a most inappropriate and derogatory fashion.

First of all, I believe it is most inappropriate for members of this honourable Assembly to hurl personal insults at other members across the floor in this Legislature. Second and even more important is the fact that the honourable Member for Springfield has insulted farmers who toil on the land and are directly involved in spreading manure on the land to increase its fertility.

Today I stand up in this House on behalf of farmers who spread manure. Farming is an honourable and very important profession. It is vital to our economy, vital to food production. I hope that I will never again in this Chamber hear such insults directed at those who pursue the proud and important career of farming and manure spreading.

Mr. Speaker: Order.

Point of Order

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

Mr. Marcel Laurendeau (Official Opposition House Leader): It is okay, Mr. Speaker. I was just thinking about looking at the statements made by the honourable Member for River Heights, because I did think he was possibly reflecting upon the Chair under Rule 71 because he had brought it up at an earlier time, but I think we will leave it alone for now.

Mr. Speaker: That should take care of the matter on that point of order.

ORDERS OF THE DAY**GOVERNMENT BUSINESS****ADJOURNED DEBATE
(Second Day of Debate)**

Mr. Speaker: Adjourned debate on the proposed motion of the honourable Minister of Finance (Mr. Selinger), that this House approve in general the budgetary policy of the Government, standing in the name of the honourable Leader of the Official Opposition.

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I certainly rise today to make comments on the Budget that was delivered by the Minister of Finance under the Doer government yesterday in this House.

I guess the first comment I would like to make is the incredible opportunity they missed to make middle-income Manitobans more competitive. They had a great opportunity because this Government has seen a billion dollars of new revenue come into the province of Manitoba. That is an extraordinary amount of money.

To anybody that was listening today or that had a chance to understand a billion dollars of new revenue, that is real money, but to hardworking Manitobans that is an astronomical amount of money. When you think about it in terms of that abundance of money in the Treasury for the Government to prioritize and spend across the province of Manitoba, one would think that with that incredible amount of cash, that incredible amount of money, that you would be able to look at hardworking, middle-income Manitobans, and, rather than as the Doer government has done, let them fall further and further and further behind other provinces, you would recognize that they are the men and women that get up and work extremely hard in this province and that they should have a sense of reward.

What better way to reward hardworking Manitobans than to make them competitive and feel good about the fact that as they work hard to pay their taxes to fund necessary programs that we all agree, health care and education, social

programs, are necessary for Manitobans' quality of life, than to reward them? How do you reward them? You reward them by saying we are going to give you a tax break; we are going to give you some tax relief. We are going to ensure that you are not being penalized by staying in Manitoba.

I will give you an example of what I mean by being penalized. A hardworking family in Manitoba, if you compare them, I think sometimes when we talk about all these numbers and all these facts and figures, I like to try to bring it down to a kitchen table discussion, because we have all had discussions around the kitchen table, family discussions with neighbours. If you think about that family sitting around the kitchen table in Manitoba, a family of four making \$60,000, working hard to bring that home, that family of four is paying \$900 more in taxes than that family in Saskatchewan. I say that that is a penalty. That is why I say: Why is the Doer government penalizing middle-income Manitobans when they have an opportunity to reward them? We know they are doing it because they have no plan and no vision for the future of Manitoba. They have none of that.

Mr. Speaker, what we saw in the Budget yesterday, we saw the Minister of Finance rise and talk about trying to help those middle-income earners, some 300 000 in Manitoba. What he offered was something that on average amounts to about \$13 a month. Manitobans in middle-income brackets should not get too excited, because that small amount of tax relief, which again is absolutely not even close to what the people in Saskatchewan have, that minuscule amount of tax relief does not kick in until January 2004. In essence, for this year those hardworking Manitobans, this Government slammed the door shut in terms of making them more competitive. I say to the Doer government shame on you, shame on you for ignoring hardworking, middle-income Manitobans. You had a chance to make them competitive and you failed, you blew it.

Mr. Speaker, I thought it was interesting that there were a couple of, I would call them average, hardworking Manitobans, and they were in the newspaper. I just took out one quotation. It is a 26-year-old, one of our

hardworking Manitobans. What was their response to the Budget? They said with tax relief, quote: It is not enough. For the amount you pay, you do not get anything in return.

Is that not unfortunate that those are the people that we should be lifting up and building on, giving hope and opportunity to those people in the province of Manitoba. Again, under the Doer government, they have failed to do so. What can you expect from a government that takes a billion dollars and puts it on a spending line?

By the way, and I am sure you will hear a little bit of this during this debate, it is hard not to remind the other side that when the former government, the former Conservative government under the capable leadership of Gary Filmon, when they said we have a plan for Manitobans and we know from prudent spending and budgeting that we believe there will be a billion dollars, a billion dollars will come into Manitoba, well, all the members on the opposite side laughed and shrugged their shoulders and waved it off as if they were waving off a bad pitch or something in a baseball game.

*(14:40)

We have seen the facts, and the facts, despite the spin from the other side, are always hard to debate or say I disagree with, because facts are facts, and the facts are that under this Government we have seen a billion dollars of new revenue. Well, they said: We could not find it. We do not know where it is. We have looked under every cookie jar and we do not see it. Well, unfortunately, what they have done is they have gone into the cookie jar. They have taken out every single cookie and spent it. So those are now gone. There is nothing that they can do to make Manitobans more competitive, hard-working, middle-income Manitobans.

I see in this document that the Minister of Finance (Mr. Selinger) has put in that they are boosting spending by about 4.7 percent, close to 5 percent, Mr. Speaker. Well, once again we have to look at the way that the NDP run government. Last year we saw this minister bring in a budget. He ran a deficit. They all know that and they are agreeing on the other

side. They ran a deficit. So let us look at the chain reaction.

Now that they ran a deficit, in the middle of the night they decided they would go out and they would rob Manitoba Hydro and take money away from Manitoba Hydro, which we all know, nobody at Manitoba Hydro was aware of it. A knock on the door came in the middle of the night. So they took \$288 million out of Manitoba Hydro. Well, the people of Manitoba Hydro said we do not have that money. So we are going to have go out and borrow it because the NDP Doer government ran a deficit. In the meantime this gets a little more interesting. The Doer government decided, okay, well, we have got Manitoba Hydro out there borrowing money. Let us go to the rainy day fund and we will take the money out of the rainy day fund because we ran a deficit, because we do not know how to manage but we will take the money out of the rainy day fund.

Well, the Minister of Finance indicated that all he had to do is, yes, he took the money out of the rainy day fund, but when he gets the \$150 million out of Hydro he will make sure that he flows that money back into the rainy day fund, because every Manitoban knows that the rainy day fund is there for emergencies in Manitoba, for those times like families that take an opportunity to maybe take a little bit of their savings when they can, and I know it is hard, but when they can take some savings and they can put it away in the event that maybe they need an addition to their house. Maybe they are saving for somebody to go to university, but it is that extra money that gets put aside for those special things.

Well, Mr. Speaker, what the Minister of Finance said: I will give back the \$150 million. Then he thought for a minute and he said: Wait a minute, hold it, hang on for a second, I have spent \$119 million of it. Now, I am not sure where it went, but I can tell you this, I spent it. So now there is \$31 million of that \$150 million being put back into the rainy day fund.

I find that raiding Manitoba Hydro for money they did not have, and we all know this, Mr. Speaker, the fact of life is that when you hear Manitoba Hydro officials, experts, people

who run the company of Manitoba Hydro, they are saying, well, we have put in a projection, and because of what the Doer government has forced us to do to take the money away, we believe that there is going to be a rate increase of 20 percent.

Well, holy smokes, that is a projection. That 20 percent could be 30, it could be 40, we do not know, but the fact is that there is going to have to be a rate increase for Manitoba Hydro. Why? Because the Doer government raided Manitoba Hydro for money it did not have. That is the kind of government we have in Manitoba today.

This year, we see that the Minister of Finance, still unable to run his shop accordingly—run it on the basis of revenue in, expenditures should be less than revenue in—he has had to decide that what we are going to do is, we are going to go into the rainy day fund one more time. We are going to take \$48 million out of it because, guess what, boys, we could not balance the Budget once again. So, rather than run a deficit, rather than admit we are running a deficit, we will take that \$48 million out of the rainy day fund, and we will give the appearance that, once again, we have balanced the Budget in Manitoba.

I find it interesting that of that money that the NDP have taken out, that leaves only \$145 million for tomorrow. That is all it leaves for Manitobans for tomorrow, \$145 million in the rainy day fund. I find it fascinating that what is happening under the rainy day fund, the Fiscal Stabilization Fund under the current Government, is that all we find is that they use it, in essence, for what I would call a slush fund. What I mean by that is: Well, we cannot balance our Budget, we cannot manage properly, even though we have got historic revenue, we cannot balance our Budget properly so we will always know that there is something left, that we will take away the security blanket of Manitobans, and we will make sure to give the appearance that we balance our Budget.

Well, I do not understand how a government and how a Premier can stand up and look Manitobans in the eye, and say, well, we delivered another balanced Budget.

I go back to that kitchen table. If most people could sit around a kitchen table and say that our expenses this month were \$4,000, to pick a number, and our revenue was only \$3,500, we are not really \$500 short because, zap, there is some kind of magical \$500 that we can just take out of thin air and put in, so we can say that we balanced our books. What family in Manitoba, what hardworking, middle-income family in Manitoba would not love to have that little nugget?

In real life, it does not exist, but under the Doer government, it has become a habit, and when you have a spending habit, you raid and you raid and you raid. You forget about the future. You forget about what is important down over the horizon.

I think we saw in the Budget yesterday a continuation of the anti-business climate that we have seen in Manitoba. The fact of life is that when you have high, high taxation, you obviously end up with low, low performance, and that is what we are seeing with the Doer government. I thought it was interesting that the Minister of Industry and Trade (Ms. Mihychuk) when asked about the fact that according to Statistics Canada, and I know that the members opposite, they do not like the facts, I am not sure if they are trying to find somebody in Statistics Canada that they can actually write to, to get a letter back to say, well, maybe there is something in those facts that we can sort of explain the fact that there was only a job growth of 100 in Manitoba. Now that letter, I am sure, is coming. I am sure it is coming from somewhere.

The fact is that the Minister of Industry and Trade, when asked about the fact of why Manitoba, according to the document by Statistics Canada, that is the latest information that we have in the province, why that document that showed that Manitoba's job growth was dead last in Canada for last year, zero job growth, in essence, why that was. That was the question. Why is it that under the Doer government we see zero job growth in Manitoba? What we heard from the Minister of Industry and Trade was well, clearly, come on, there is no correlation between a lower tax system and job growth.

I find it interesting that if you go down every province, and I will just pick a couple, New Brunswick, for example, P.E.I. is one we talked about; 800 job growth in P.E.I. In Saskatchewan, 11 400, that is the job growth. Alberta and B.C. are three and four times that. Why is that? It is because they have understood what it is like to create and put in place a competitive economy.

I think that it is interesting when you find out that last year, in the province of Manitoba, the job growth was 100 or, according to Stats Canada, zero job growth and you see that dismal performance and then you look at the Budget that was put forward yesterday, Mr. Speaker, the document that was presented to all Manitobans through this Legislature, and what did that document do to address the lowest job growth in Canada? It did exactly what Stats Canada says the job growth is in Canada. It did zero. Nothing. It did zip, nada, not a thing to address the dismal performance of the Doer government last year. I would have to suggest to the First Minister that those that preceded, Mr. Schreyer and Mr. Pawley, would be embarrassed by those kinds of numbers, Mr. Speaker. Zero job growth.

*(14:50)

When you look at the continuation of the anti-business climate that we see in Manitoba, we see that 89 percent of small businesses are having trouble hiring people, Mr. Speaker. Well, what they are saying is, gosh, we have low unemployment—[interjection]—and there is the honourable member, thank you very much for bringing that up, that low unemployment, that is such an incredible figure, is it not? Well, the member would not understand. If he had run a business, he would understand that if there are no people to employ, you are going to have a low rate. Well, why would they? Why would they understand that? Absolutely not; it is incredible. Of course, you have low unemployment if everybody is leaving. So what we see under the Doer government, and we saw it yesterday in the Budget, not a thing to address the low job performance that we see in this market. It is incredible, and I think what it shows is that in Manitoba they are unable to attract workers to this province. They are not coming because they do not see any opportunity and

they certainly did not see anything yesterday in this Budget that was presented in this House.

On a per capita, Mr. Speaker, GDP, which is our economic growth based on our population, in 2001 those results were dismal for Manitoba and for Canada. In 2001, under the Premier's NDP government, Manitoba per capita GDP was \$28,960 or 12 percent below the national average. Under the Doer government we see nothing but the tax gap widening and widening and Manitoba is falling further and further behind. It is absolutely, in my opinion, not acceptable.

I know that we have heard some comments from various members on the other side, and I thought it was interesting that the Minister of Finance said: We used the Fiscal Stabilization Fund for exactly what it was intended to provide, fiscal stability for the province of Manitoba. Well, again, I come back to that comment and I am somewhat interested in it, because, again, what the NDP Doer government is saying is: Well, as long as there is a so-called Fiscal Stabilization Fund, which, by the way, Mr. Speaker, since the NDP—

An Honourable Member: Which has disappeared.

Mr. Murray: Absolutely, and my honourable friend from Lakeside knows that because of his incredible tenure in this Chamber. Now we see that the Fiscal Stabilization Fund, under the Doer government, in three and a half years, is basically down to half. The Minister of Finance (Mr. Selinger) says: "But that is what we are using, that is what it is for; it is intended to provide fiscal stability for the province of Manitoba." I would argue that what is needed to provide fiscal stability for the province of Manitoba is leadership, a budget, a plan and a vision for the province which we have seen none of under the Doer government—zero. Again, what we see under this Doer government in terms of vision is what Stats Canada calls new job growth in Manitoba last year zero, nothing.

I thought it was interesting that one of the comments that I heard from one of the business leaders yesterday about the Budget was they said they had to wait some 45 minutes or so for this Minister of Finance to even mention the word

business. Well, nobody was surprised on this side of the House, because this is not a government, this NDP Doer government is not a government that understands business or wants to promote business. It is not what they do. We see the anti-business labour legislation that they brought in their first term, designed to ensure that if any business is growing or had an opportunity to succeed, we had better put a roadblock in front of it, because for some reason that wealth creation, that opportunity to create jobs, somehow the NDP Doer government does not think is a good thing.

We on this side of the House had a quick peek, and we went back to 1999. We just wanted to get a sense on where was the Leader of the party, the now Premier of the province of Manitoba, what he said in 1999 in terms of their spending, what their election promises were in terms of spending. They put it out for all Manitobans, what they have talked about was in 2001, they talked about spending in terms of their election promises of \$5.9 billion. Well, in fact, that year they spent \$6.6 billion. In 2001-02, they promised Manitobans that they would spend just over \$6 billion. They were going to be very, very prudent but, oops, that year they spent \$6.7 billion. In 2002 and 2003, they said: If you elect us, we will promise that we will spend about \$6 billion in 2002-2003. Well, another little oops there, they actually went up to \$6.8 billion in terms of expenditures, and now this year, for the first time—[interjection] I am going to get to that.

For the first time, we have seen the Budget exceed \$7 billion. It is incredible; it is unbelievable. You know what? When I look at the Premier's response about the billion dollars, could not find the billion dollars, it reminds me of the book *Who Moved My Cheese*. Who moved my cheese, where did it go? It is a good book. I am glad the Premier has read it. Maybe the billion dollars was somewhere underneath the book. The point is that what we have seen with this particular Premier and this Government, we have seen the Budget go over \$7 billion, which included that billion dollars of new revenue. I always say to Manitobans, and rightly so, good for hardworking Manitobans that we have been able to see a billion dollars of new revenue come in. That is a very, very good sign. I know a lot of

it has been because of transfer payments; we understand that. My honourable colleague from Lakeside reminds us that we predicted that in 1999.

The fact of life is with a billion dollars of new revenue coming into the province, that is the good news. The bad news is that under this Premier (Mr. Doer) the NDP government has spent every last plug nickel and then some. Hence, Mr. Speaker, let us rob Manitoba Hydro, let us rob them of money they do not have, let us go in underneath the table and see what we can find in the rainy day fund, because we cannot manage responsibly.

Well, what I find is that a comment that was made from the Minister of Finance when asked the question about, is this an election budget? He said, no, this Budget is a continuation of our desire to meet the election promises we ran on.

* (15:00)

Does that not open up an interesting can of, let us ask some questions. Our desire to meet the election promises we ran on. Let us just look at some of those promises. Let us just see how exactly we did.

Let us start, for example, I find it interesting, you know, here we are—

An Honourable Member: If we need more nurses, I will hire them, he said.

Mr. Murray: Absolutely and I am getting to that. We heard from this Premier, and we hear it today, when it comes to hallway medicine, what the Premier says when it comes to hallway medicine, he basically looks at them and says, well, how many would you like there to be, because we will make it whatever number you think is appropriate.

One thing we do know is that in 1999 this Premier, during the election campaign, the then-Leader of the NDP said: If you elect me I will promise to end hallway medicine in six months with \$15 million. [interjection] I did. What he said was: I will promise to end hallway medicine in six months with \$15 million.

Is that not interesting that this Premier put his own time frame on it and his own value of the amount of money that he was going to spend? What I find interesting is that every Manitoban knows that he has failed to deliver on that promise. It is not six months. We are now three and a half years in and there are people still lining the hallways, other than those that they want to push into corridors for fear that they get counted as real patients in the hallway.

Mr. Speaker, the other comment I thought was interesting is that during the election campaign the Premier said: If you elect me as your Premier I will add more full-time nurses. That is a promise I will make to Manitobans.

Well, interesting that according to the Manitoba Nurses' Union, under this Premier the nursing shortage has doubled. It has doubled under this Government. In fact I think the president of the Manitoba Nurses' Union talking of the fact that they are actually trying to sell the fact that, well, now we think we may have eliminated about 80 percent. The number is 80 percent. That is the figure we are going to work on because eliminating it in six months with \$15 million, I do not know if that was something the Premier knew he could not do or he was not sure that he could do it, but it is interesting that he made that promise to Manitobans with a time frame and a dollar amount.

When asked yesterday about the so-called 80% elimination I thought it was interesting that the president of the Nurses' Union said: I have not seen anything that would indicate that has happened. It is interesting that that comes from the president of the Manitoba Nurses' Union.

We heard during the election that this Premier said: If I am elected I will slash waiting lists. That was the tenor, he talked about: We are going to slash waiting lists.

According to the Winnipeg Regional Health Authority waiting lists have gotten longer. I think they may have doubled.

We have in front of us a budget. We have in front of us a document that most people would look at in the sense of whether there is an opportunity to provide hope for Manitobans. Is

there a chance that this document instead of making Manitoba less and less and less competitive, is there some hope in this document, this Budget, that will actually move Manitoba forward? Well, we did not see one lick of evidence that that was going to happen.

We did not see any vision in this document. I think it is unfortunate because we know, and again what Statistics Canada will say is that every single day, every single day, 12 Manitobans are leaving this province. Every single day 12 Manitobans walk out of this province. That is a shame. We see 12 Manitobans, who every single day should be looking at hope and opportunity in Manitoba. But no, Mr. Speaker, they do not see it here because the Doer government has not made Manitoba competitive and he has absolutely ensured that middle-income Manitobans, instead of giving them an opportunity, he has penalized them. He has penalized them. Manitobans are smart enough to understand that they will vote with their feet. Under the Doer government, they are doing that at a rate of 12 a day. Every single day, 12 Manitobans leave this province, every single day.

Mr. Speaker, I think that what we saw yesterday in this House was unfortunate. I think yesterday in this House we had an opportunity. We had an opportunity to make Manitoba more competitive. We had an opportunity to ensure that hardworking middle-income Manitobans were given a reward for staying in this province, a sense that, yes, we value you here. We are not going to penalize you like we do in Saskatchewan, like the fact that in Saskatchewan all you get in Saskatchewan is lower taxes for middle-income Manitobans. That is what you get in Manitoba. You get a penalty to stay here. We are going to charge you \$900 more a year in taxation. That is what you get under the Doer government. Instead of rewarding, you get penalties.

That is not acceptable. I believe that the Premier (Mr. Doer) knows it, but his problem is that he spent so much money he cannot do the right thing and reward middle-income Manitobans with a reasonable tax break. He is stuck at spending. He is pulling out the taxpayers'

credit card and maxing it up, and he is hoping that there is another credit card company that is going to be putting one in the mail so he can max that one out too.

It is not acceptable for Manitobans that we find ourselves paying, coast to coast, when it comes to taxes, we pay the most. I say, when you look at the Budget, this is a tremendous opportunity of somebody who had two strikes on him and looked at a pitch coming down the plate, swung the mighty bat and whiffed in a big way, struck out. Big air passed through and nary an opportunity to make connection on what is important.

What is important is to ensure that we make Manitoba more competitive, that we allow hardworking Manitobans the opportunity, to give the opportunity to those hardworking Manitobans. But, no, we do not do that here because this Government believes we know how to spend the hard-earning taxpayers' dollars better than the hardworking people of Manitoba do. I say shame on you for that. You should know better than that. You should know better. You should know that hardworking Manitobans should be rewarded.

The last thing that I found very interesting about the Budget is what it did not say. It is interesting that the Premier of the province should ask what it did not say. It did not say anything about risk or reward or entrepreneurship. Why, Mr. Speaker? He does not believe in it, he does not understand it. It is that that makes Manitoba strong, the kind of environment we need to move this province forward. That is the kind of government we would like to have, because entrepreneurship, risk and reward, profit, those are good things. Those are things that a Progressive Conservative understands.

The business community understands they need that to create the kind of growth that Manitoba should have, not always dead last. It is not acceptable. We can do better. The Progressive Conservative Party understands that. We know how to do better. We will do better. He had an opportunity, he missed it. We believe in entrepreneurship, we believe in profit, we believe in all those good things that Manitobans understand that are not happening under this Government.

*(15:10)

So it is with the fundamental concern, along with every single other concern that I have outlined here this afternoon, that I have an amendment to the motion. I move, seconded by the Member for Arthur-Virden

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

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

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

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

(c) failing to provide a sustainable provincial spending plan by introducing a budget with a spending/tax cut ratio of 11 to 1;

(d) failing to reimburse, as promised, the Fiscal Stabilization Fund of the \$150 million "temporary transfer" taken in the 2001-02 fiscal year;

(e) failing to provide a strategy to address the exodus of Manitobans to other provinces, an average of 12 Manitobans each day;

(f) failing to address the challenges in health care, including: providing a cardiac care system that meets the needs of Manitobans in a timely fashion, ending hallway medicine within six months as promised, reducing waiting lists for tests and appointments; and recruiting and retaining health care professionals; and

(g) failing to provide adequate supports to Manitoba's agricultural sector.

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

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The motion is in order and the motion reads:

Moved by the honourable Leader of the Official Opposition (Mr. Murray), seconded by the honourable Member for Arthur-Virden (Mr. Maguire)—dispense?

Some Honourable Members: No.

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

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

- (a) failing to offer any vision and to reflect the priorities of Manitobans;
- (b) failing to provide a long-term tax reduction strategy that addresses the fact that middle-income Manitobans are now, under the Doer government, the highest taxed west of New Brunswick and our business taxes are not competitive;
- (c) failing to provide a sustainable provincial spending plan by introducing a budget with a spending/tax cut ratio of 11 to 1;
- (d) failing to reimburse, as promised, the Fiscal Stabilization Fund of the \$150 million "temporary transfer" taken in the 2001-02 fiscal year;
- (e) failing to provide a strategy to address the exodus of Manitobans to other provinces, an average of 12 Manitobans each day;
- (f) failing to address the challenges in health care, including: providing a cardiac care system that meets the needs of Manitobans in a timely fashion, ending hallway medicine within six months as promised, reducing waiting lists for tests and appointments; and recruiting and retaining health care professionals; and
- (g) failing to provide adequate supports to Manitoba's agricultural sector.

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

Now we will debate the amendment.

Hon. Steve Ashton (Minister of Conservation): I welcome the opportunity to speak in yet another Budget debate, Mr. Speaker. I find Budget debates are a great opportunity. They are traditionally in the spring, and spring is a wonderful time of year. All throughout Manitoba right now there is a sense of optimism, the snow is receding, farmers are planting their fields, the crocuses are up in the Neepawa area. All across Manitoba there is this optimistic sense that goes with spring and perhaps with just a general good feeling about being a Manitoban, not just the time of year, but the position we are at.

I do see some dark clouds and I saw some signs of that yesterday. They were concentrated mostly, there is this kind of pall of gloom over the opposition benches yesterday. I watched, Mr. Speaker, as the Finance Minister read the budget speech into the record and the faces started to look glummer and glummer and glummer. There was a sense across the way of pessimism. Then I realized that pretty well the only people in Manitoba that do not share the optimism expressed in this Budget, that spring-like optimism, are the members opposite. Then I heard their comments in debate, the comments from the Leader of the Opposition. I realize leaders of the Opposition have to propose alternate visions. They do, to a certain extent, have to critique the Government, but what struck me again was the hyperbole of members opposite.

I heard yesterday during the Question Period, they were asking: Where have all the young people gone in Manitoba? Go to universities and community colleges. They can afford to go to university in Manitoba because of the actions of this Government.

I heard the reference to, well, it is interesting how their geography needs a little bit of work here. Yesterday they were talking about highest tax. I think they were talking about Prince Edward Island yesterday. They talked about New Brunswick today. They need a lesson not only in geography but in economics, because the

reality is, and I want to start with this in my comments on the Budget, that this Government has done far more not only to provide the services that Manitobans want, but to provide the sound fiscal framework and indeed to bring in tax reductions that are going to make a meaningful difference.

It was announced in this Budget, a significant reduction targeted to middle-income earners, not a mention of that. Then I realized, Mr. Speaker, that what we are seeing unfold is probably what we are going to see over the next weeks, months, because I think we all know there is another sense in the air, and it is not just that wonderful smell of spring. There is a scent of the fact that this Government's mandate at some time will be prime for renewal and indeed we may soon be into an election, whenever that may take place.

I realize they really have got two plans. Number one is to pretend they are not the same Conservative party that was in office in Manitoba for 11 years. I hear this all the time, Mr. Speaker.

Mr. Conrad Santos, Deputy Speaker, in the Chair

I hear members who were part of the government across the way will stand, Mr. Deputy Speaker. It is not perhaps one of the major issues, but I remember the Member for Ste. Rose put out a press release the other day criticizing the application of people receiving tickets if they had not paid the park passes. You know, it was interesting. He was part of the government that extended the requirement for the park pass in the first place, no mention of that, 365 days a year all throughout Manitoba. Did he really expect anyone to believe that they would not have done what we have done, make sure the 176 000 Manitobans who buy park passes indeed get some recognition for their contribution to the park system? You see it all the time. You see member after member after member who was part of the previous government get up and ask questions or raise issues as if they had no connection. Now, I often say and I cannot say this in terms of names, but now I ask the question: Is it the same Member for Emerson (Mr. Jack Penner) who was part of the

previous government, the same Member for Ste. Rose (Mr. Cummings), the same Member for Seine River (Mrs. Dacquay), the same Member for Morris (Mr. Pitura), the same Member for Lakeside (Mr. Enns), because they desperately try to disconnect from the past and I do not blame them.

The second feature, Mr. Deputy Speaker, I think you are going to see, actually it is really kind of related to the first. They still have not realized that they were defeated in 1999 for a reason. You heard it again in the Leader of the Opposition's comments today. One thing you always have to protect against when you are in government is to be humble to the point of recognizing you are there because the public elected you but they can very easily make another decision. We have seen a rather unique development in Manitoba. Normally it is governments that run the risk of being arrogant, but we see an arrogant opposition. They get up day after day and they still have not understood nearly four years later that they were defeated for a reason, actually many reasons, and that the people are, whether you like it at the time or not, they are always right. That is the essence of democracy, and I keep seeing a complete lack of recognition.

* (15:20)

In 1999, the members opposite were sent a message on issues like health care, on issues like education, on issues like Crown corporations and public investment in our future and in terms of their economic policy. Did they listen? Not a word. I did not hear any recognition four years down the line from the Leader of the Opposition that there were very good reasons. Did you hear the phrase yes, we got the message, we have listened, we have learned from our mistakes? No. There is none of that. So that is the first thing they are going to do. They are going to run around assuming that they can pretty well pretend they are not related to the previous government. They really think they have a divine right to rule. They really do. You listen to it. It comes out daily in their comments, in their attitudes in this House.

What is the second thing? What they are going to do is very simple. They are going to go

and they are going to try what I would call a Chicken Little strategy. We saw it in the House here today. The sky is falling. Did you hear the phrases, Mr. Deputy Speaker, before? I know there is a very good quote about statistics. It might be somewhat unfair. Let us put it this way. You can be very selective in your statistics. It is about a hundred jobs being created. They did not look at the fact it is really 9100. They missed it by that much. You look at the year-over-year situation but the next thing is when they get into interprovincial migration, no reference to the fact that we have significantly reduced interprovincial migration and because of the success of our immigration policies, we are leaders in the country. We are actually turning around the population loss that was very much a hallmark of that government when that party was in office in the 1990s.

What is interesting, again phrases. I remember in Question Period earlier today, the quotes from the Leader of the Opposition: Everyone is leaving. Remember that one? I heard all this doom and gloom on the economics. I will not quote one isolated statistic. I will not even expect them to quote one isolated statistic. I would suggest what they do is they talk to Manitobans.

I remember a few years ago, you would go to an event, for example, I will start not in my own area, Thompson. I will start in the city of Winnipeg. I remember if you wanted to start a discussion that would really capture people's sense of hope and optimism for the future, it was not that hard. You would ask people in the city of Winnipeg what their house was worth. It did not matter where you went. You could go to the suburbs. You could go to Linden Woods. You could go to the North End of Winnipeg. You could go to the core area. You could go to the south, the southeast, the southwest. I know many people who had seen their major investment depreciate to the point where we saw a collapse of property values in parts of the North End and the core area of the city. I have many friends who literally could not sell their house at a half-decent price. You know what? Talk to Manitobans. Talk to Winnipeggers. Go to Winnipeg. Go to Brandon. See what has happened. You will see reflected in some of the

most tangible evidence that you will ever have the fact that things are going not badly. In fact, things are going quite well.

Brandon has got an overheated market. Brandon reminds me of Thompson in the 1960s. That general sense of economic optimism is shared by people I talk to whether they are in the business sector or whether they are employed in an industrial plant. Wherever you go there is a sense of optimism.

But they will say, well, what about what is happening in rural Manitoba. Let us talk about what is happening in rural Manitoba, because I want to spend a fair bit of my time today pointing to the fact that once again the members opposite are living in the past. What they have not caught up with is what is happening in rural Manitoba. Rural Manitobans have met many of the challenges and will continue to meet many of the challenges they have been faced with in the last number of years.

Let us not forget. It was not that long ago that the Crow rate was eliminated. This dramatically shifted agriculture. I think that is very important, that rural communities are meeting the challenge, and you will see evidence of that throughout Manitoba. It is wherever you go. I have had the good fortune to be recently in Russell and in Neepawa and in Dauphin and many of the communities in the La Verendrye area as well. I have been in south east Manitoba. I have been pretty well all across this province. The one thing I find everywhere is the Chicken Little view of the world just is not there.

The only people talking doom and gloom are the members opposite. Not that there are not challenges. Indeed there are challenges out there. Not that there are not pressures. I am not going to say that everything is perfect. We know that is not the case. But this doom and gloom view just does not apply. It does not apply in the city of Winnipeg. It does not apply in rural Manitoba and it most definitely does not apply in northern Manitoba. Why would that be? Partly it is because, and you can get into statistical debate, but we are doing fairly well economically. Partly, yes, we have a balanced economy, but we also not only have a balance in terms of the industrial makeup and the fact that we have

significant input for our GDP from agriculture, from mining, from forestry and the rest, but I think it is also because we have a balanced approach as a government.

I want to stress one key area. This again is where I do not think the members opposite have understood what happened to them in 1999. That is in terms of some of our basic vision for the future. I think our vision is very clear. Unlike the tired rhetoric from members opposite, you look at our Government, we see real action to make business more competitive. Both small business tax rates and corporate tax rates are down.

They did not decrease from the Second World War; they did not decrease until an NDP government did it. They do not like that. It does not fit in with that idea they like to push that somehow only they understand what is happening in the business community, but it was an NDP government that understood increasingly in the global environment we are in that we have to reflect that as we did in terms of our taxation rates. That is part of it. Also, I think it is very important to note that we have to decrease taxes as well, but not just one kind of tax. There have been income tax reductions, greater income tax reductions under this Government than anything the Tories ever did.

They never like to mention that, but you know what else? Property tax, property tax credit, the reduction in the ESL and the indirect, I think, result, but a very direct impact to Manitobans in terms of our reinvestment in education. We have understood that essentially there is only one taxpayer. All Manitobans pay taxes; some pay income taxes, some do not, but we all pay some form of taxation. I say, at the end of the day, what we have done is provide a balanced approach. Once, again, it does not fit in with the doom and gloom. It fits in with the reality.

Well, let us go a little bit further, because what other elements are part of our strategy and our vision, because I do not think that members opposite have understood. Well, let us talk about what they did when they had the choice with our public utilities like Manitoba Telephone System. You know, they have no credibility getting up on

Manitoba Hydro. Zero. Look what has happened to phone rates since 1996—

An Honourable Member: They have gone down.

* (15:30)

Mr. Ashton: The Member for Lakeside (Mr. Enns) says they have gone down. I suggest he talk to the senior citizens, the people on fixed income who have seen the cost of basic service increase by upwards of 60 percent and 70 percent. But I really find it amazing that, you know, earlier today we had the critic for the Opposition, the Member for Ste. Rose (Mr. Cummings), get up and we are saying that they still have not learned why Hydro should remain publicly owned, why we have got the lowest rates in North America, and why we are in a tremendous position in the next period of time.

Did you notice, again, questioning the need, in this case, for Wuskwatim, a 200 megawatt dam? If this sounds familiar, it should, because it is a trick question here, and I will ask this to members of the Opposition: Name me one dam that the Tories built since 1969, hydro dam. It is a trick question because the answer is zero. Name the two dams that they mothballed, and I will tell you what they were. They were Limestone; they mothballed it in the late seventies. We built it. They mothballed Conawapa. I am not going to look in a crystal ball here, but certainly Wuskwatim is on the agenda, and I would say to members opposite, learn from history here. It is because of NDP governments that had foresight and vision that we have developed our hydro potential and will continue to develop hydro potential giving us lower rates and a competitive position.

They have not learned their lesson in that area. That is probably good for us politically, but I am not so sure how good it is for the people of Manitoba. I find it interesting when you have the *Free Press* in editorials suggesting that somehow on this Government's side we should be working to have a more credible opposition. I would suggest that it starts with members opposite. That is the most incredible thing I have seen in an editorial in my entire political career.

You can see where else they have not understood. Listen to the buzzwords that you will hear daily. They will get up and they will criticize the Government for too much spending. Okay? Now, when they get up in Question Period, do they demand that we cut health care? Education? Highways? Agricultural supports? I am going to develop a file in my office of letters from Tory MLAs asking us to do more, to spend more. I have seen everything. Because, you know what? As individual MLAs and as Conservatives in this House, and when they go to their constituents—the Member for Lac du Bonnet (Mr. Hawranik) wants to increase funding, conservation for this area, the Member for Minnedosa (Mr. Gilleshammer) in that area. Well, maybe not the Member for Minnedosa. Maybe he is less concerned now than he was some time ago. I will maybe leave him out of it. But the Member for Ste. Rose, he obviously does not believe in park passes, 176 000 people, I do not know what we would do with that revenue. But you cannot have it both ways, and members opposite are trying to have it both ways.

I am sorry, I will be up front here. I have figured out where they are really coming from, because I do not really believe that they want to spend more. I do not think they really know what they want to do at times. But do you really believe that if the Tories had been re-elected in 1999, that we would not have seen significant cuts in health care? I mean, let us be up front here. They could talk all they want about their concern about health care, and I must say I get quite disturbed with the level of the rhetoric I have heard from that. I look across the way, and I will stand on any platform in the province of Manitoba, anytime, anywhere, and defend our record on health care against their record for 11 years on each and every issue because we may not be perfect, but, to quote the old saying: We are not only better than the alternative, Mr. Deputy Speaker, I think we have made a real effort on health care. You know what? I talked to a lot of Manitobans who traditionally have been Conservatives who acknowledged that as well. I have run into many Manitobans who are not die-hard NDPers and they will be the first ones to say we believe you are on the right track on health care. You are not perfect, but you are on the right track.

Well, Mr. Deputy Speaker, there are other areas where they clearly want to go in the opposite direction. Education is an interesting one. Because, you know, post-secondary education—we have frozen, in fact, we have rebated terms of tuitions for undergraduate students. We have got a 23 percent enrolment increase. That is where all the young people are. I tell you, I have never seen a phenomena like this. You would have to go back 25, 30 years. So what has happened? What would the Tories do? They want to raise tuitions. They criticized us for keeping tuition fees down. That is their official policy.

You know, it is interesting. I look at members opposite. It shows how out of touch they are with Manitoba young people because they talk about opportunities for young people. The opportunity starts with a post-secondary education. That is why we have cut tuitions. That is why we have extended the enrolments and the opportunities in terms of university and community college education.

Let us talk about public schools, Mr. Deputy Speaker. The toughest thing, I think, outside of being the Health critic for members opposite is to be the Education critic. To get up and do what? What do they argue? What are they going to argue with? Their record of underfunding in the 1990s for a public school system? What have we done? We significantly increased funding. In my own constituency, here are the numbers. They reduced from 1995 to 1999, in fact, let us take the whole decade. They reduced spending by 8 percent. They cut it. In just three years of NDP budgets the school district of Mystery Lake is now receiving 18 percent more in funding with virtually no increase in enrolment—18 percent.

Now let us kind of run through the rest of it because, you know, I find that the members opposite, a lot of their critics must really have a tough time, and who would have thought this a few years ago? I think actually the toughest job is now to be the Finance critic. I mean the Finance critic for the Tories. You know the Tories would like you to believe that they are good fiscal managers, Mr. Deputy Speaker. Well, I would suggest that the members opposite read the Budget papers 2003, because whenever

they get up to talk about the Fiscal Stabilization Fund, I would suggest they read the figures for the withdrawals from the Fiscal Stabilization Fund and see transfers from the Fiscal Stabilization Fund, see what their record was. Because what they did was they set it up, they dumped the proceeds of the sale of MTS in and then they spent those proceeds, they spent the entire proceeds of MTS in two years. In fact, \$100-million withdrawal, \$186-million withdrawal—these so-called fiscal managers. This is becoming an oxymoron, Tory fiscal management. Who would have thought it? They withdrew \$185 million the last year of their mandate. It is here. It is in the Budget book. It is documented. Talk to the provincial auditor.

You know what, after the election in 1999 I knew what was going on, particularly in the business community. Members opposite, some of them, were going around saying, you know, again, the sky is falling. Things were going to fall apart in terms of the fiscal management. I heard this from people: Oh yeah, the NDP might be good at this, that and the other, but watch out on the fiscal management side. It must be tough being a Finance critic for the Opposition when the NDP government has had an upgrade in credit rating. We are not only getting positive reaction from Main Street, my goodness, we are getting it from Bay Street and Wall Street. That is how balanced an approach this Government is following. That is how balanced the approach, Mr Deputy Speaker.

Well, I am not going to give too much advice to members opposite. You know what? They do not listen anyway. They did not listen in 1999. They did not listen the last four years and I think as evidenced by the motion from the Leader of the Opposition (Mr. Murray), they are not listening again, because they had a choice. They had a choice. They could have voted for the Budget.

Mr. Deputy Speaker, when we were in opposition, and I was part of that opposition, twice the NDP voted for a budget. We sat there and we said, we asked for this and we got it, and it was balanced. We had some disagreements with the Government, obviously, but we did that. You know, not only are they going to vote against it, they brought in the usual sort of

amendment—that is very much a part of the parliamentary process—and they have very clearly put on the record they have no confidence in this Government. Quite frankly, I do not know what kind of vision they have themselves, but they clearly have indicated they disagree with our vision. Well, I think we all know where that leads to at some point in time in the future, perhaps in the near future, but it will not be up to members of this Legislature to decide. It will be up to the people.

I want to say that I have gone through a number of elections, and I have seen the ups and downs of politics. I never take for granted anything. Believe you me, if you have gone through what some of us went through in 1988, you will appreciate that, but I do not take anything for granted. I never take for granted the support that I receive from the people of the Thompson constituency in particular. I can tell you what my message to them will be when that event does occur, and that is, Mr. Deputy Speaker, when we ran in 1999, we put forward a five-point platform. I believe we have delivered on each and every one of those promises. The evidence is clear in my area and across the province. You know, we are well on the way to seeing a personal care home in Thompson for the first time, a new emergency ward, much better services in terms of health care, not perfect, but much better. In terms of public education, I look forward to a really exciting announcement soon in terms of the university college in the North, because I think that is tremendous.

* (15:40)

The Premier (Mr. Doer) talks about endangered species and building cranes in downtown Winnipeg. How about construction crews on highways—and not just in northern Manitoba, by the way. Check out areas such as southern Manitoba, in La Verendrye; and talk to the people of Rivers. It took an NDP government to fix up the highways and save the economic basis of that community. We are seeing all sorts of other less trumpeted examples of that. A government that has had the courage to take on the huge challenge in terms of water in our announcement, I believe, of water strategy, of more inspectors for drinking water, and of

improved regulations in terms of livestock and in terms of a review of municipal wastewater systems. We are taking on the challenge of the environment. You know, we are taking on the challenge of broader issues such as Kyoto, and that is what Manitobans want. They want us to be progressive on the environment.

Just the other things that get less publicity: go to your child care centres, talk to the staff, talk about our record, which is dramatically better than the record of the Conservative government. We put money into training to enhance salaries, and in terms of capital; that is the kind of difference you see. Look at the kind of community developments we are seeing, as in my own community, the infrastructure announcement for a community centre for Thompson. You know, when I was in high school, and that was a few years ago—it was kind of funny when we had the announcement, there was a fire drill; someone had pulled a fire alarm. It was like a flashback, and I realized I was standing in a lineup for the announcement for the new community centre, in the same community centre that I used when I was their age in Thompson. I mean, we are renewing that. We are doing that across the province, not just in Thompson, but in regional and local centres. You will see announcements, and some are more unsung.

Some of the things that we are doing, I think, that are dramatically different are in northern Manitoba: going in and working with First Nations communities in partnership, in Nelson House, for example, in terms of personal care home funding; in terms of Island Lake, where we are making a real effort to deal with the fact that Aboriginal people face many challenges in terms of service, particularly in terms of health care. We have to increasingly see ourselves as all in this together, but that is what I see across Manitoba and that is where I will be saying to the people of Manitoba, certainly the people in my own community, and my communities, and that is that we have worked extremely hard, Mr. Deputy Speaker, to have a balanced approach. I want to tell you what it is based on, because I want to finish up on this.

If there is one thing I am the most proud of, it is the fact that this Government not only

represents, in a direct sense, Manitobans in every region—urban, rural and northern—but that we have gone out of our way to do what every government should do, and that is to represent all Manitobans. Mr. Deputy Speaker, I said this yesterday and, I will be fair to the member opposite and raise the question, we are not to play off the flood protection needs of one group of Manitobans against another. We are not going to blame people if they live in a flood plain. We are not going to pit northerners against rural Manitobans, against people in the city of Winnipeg. Our vision is clear that this diverse province can achieve a lot more by working together. So, with this movement of the amendment, I say, let us deal with the amendment over the next number of days, and now that we clearly have the stage set for that big event that may be coming sooner than we think, let us get on with the real debate about the vision and future of this province. This Government has a vision and a future, and we can build by working with all Manitobans. That is why I am proud to say that I support this Budget and I oppose this amendment.

Mr. Glen Cummings (Ste. Rose): I appreciate the opportunity to rise and speak about this Budget. I cannot help but be amused every time the government of the day gets up and talks about how they have spent this amount of money here, their fiscal record is better there, and they seem to cheerfully ignore the fact that, coming into the late nineties, into the 2001, '03 budget years, the taxpayers of this province made an enormous amount of contribution in the decade of the nineties in order to correct the error and the foul management of the finances of this province as perpetrated upon them by the NDP government of Howard Pawley. It took a decade to get the finances of this province back on track. You know, I hear a couple of howls across there. I am going to give you something to howl about. The night that Howard Pawley's government went down, the member from Dauphin, sitting right about where the Minister of Agriculture (Ms. Wowchuk) is right now, said: Do not worry, you will come into government and you will fix the finances of the problem in this province and then we will come back and spend them. The Member for Dauphin was a whole lot smarter than I gave him credit for at the time because that is exactly what has

happened. I do not hear too many howls over there right now, and I see a lot of heads turning red because that is actually what happened.

The Member for Thompson (Mr. Ashton) wants to remind me of being evicted from the House because I refused to believe that the minister responsible for Autopac at that time was telling the truth. I will let you be the judge, Mr. Deputy Speaker.

Now, about the current Budget. I think they would love to get me distracted talking about history which would be quite enjoyable, but let us deal with the Budget that we are talking about today and one which the media and a lot of other people are saying this is an election budget; it has got stamped all over it election. Well, I do not necessarily agree because, in the main, I see this Budget as having let down the people of this province. Because, since coming to government in three years—and you know, I am going to use that three-year window because the Minister of Finance (Mr. Selinger) and the Premier (Mr. Doer) and every other minister over there who can string two sentences together, wants to talk about their total tax saving over three years, wants to talk about their total impact that they have had over three years. If you want to talk about total impact, what I said earlier about the decade of distress that this province went through because of the mismanagement of previous NDP governments, then it may be a valid comparison. In the last three years, this Government has seen an additional billion dollars in revenue. That is an undeniable fact, because, in fact, the Budget is now over \$7 billion. It was under \$6 billion the last time I sat on Treasury bench.

You put those two events together and the rest becomes self-explanatory, because with that kind of increase in revenue, there was a necessity to do a little bit more in management of the debt. The real travesty of this Budget, the real travesty of what this Government is doing to the people of this province is with that kind of revenue income all they have done is add to the base expenditures of this province. They have not given meaningful tax relief.

They are taking the risk, and obviously they have decided to take the risk that it is easier to

buy people's votes by spending more than it is to attempt to make us competitive on a tax basis across this country.

* (15:50)

Now, the Premier wants to point to the fact that we have a competitive overall picture if you add in our utilities costs, our mortgage costs and all those things, and I will say that there is some validity to the fact that housing costs are cheaper in this province, electricity is cheaper.

So why am I standing here presumably complimenting this Government? Because it is not a compliment, because at the very time they are pointing to electricity as being one of the pillars of future economic opportunity in this province, the very time that they are talking about that they are also talking about the tale of three dams or two dams or one dam, but they are talking about construction. The reason I find that interesting is that I have constituents who have said to me: You mean that that deal with Ontario is not finished? You mean they have not sold that much power to Ontario? You mean that they are going to build the dam? I thought they were going to build the dam.

One line in an Ontario budget and we have the Minister of Energy (Mr. Sale)—I can recommend a different spelling for the word "Sale." S-a-i-l is more suitable, frankly. They are now putting together opportunities to sell based on one line in the Ontario budget. I do not hear any kickback from that side of the House. If we really have an opportunity to sell power, of course we need, first of all, it to be a decent price. Secondly, we need to know that if we do not sell it at a profitable rate and contain our costs in this province we are giving up our heritage.

Are we going to be like Newfoundland, where we export jobs every time we send a kilowatt out of this province, or is the only vision that the Premier has over there that this will create more revenue for the Government so the Government can spend more? I do not have a problem with government getting revenue from legitimate sources, but if we do not contain our costs here, we do not contain our costs for hydro-electric power here in Manitoba, and if we

are not significantly lower, if we are not containing that to the point where it is a real magnet to bring people here, not just something that you can slap into a graph and say, look, Manitoba is the cheapest in the country, you have got to be able to use it as a magnet to generate those jobs.

I speak from experience. When I look around my community, Neepawa is a pretty prosperous community by all intents and purposes. There is lots of new construction year over year relative to the size of the population. But you know what, the population is not burgeoning. We are continuing to lose well-educated young people out of our community.

The Premier loves to refer to Neepawa. During the budget speech I could see him smiling every time the Minister of Finance mentioned it. It seems to be dripping off his mouth every time he wants to talk. He was talking about it again on OB this morning. Funny thing, the problem there is quite clear that his Government has not contributed to the successful stabilization of my community the same as an awful lot of other communities in this province, because we have seen downloading of debt onto our regional health associations, our regional health boards. We have seen debt buried there, but more critically, debt of this Government is being buried through the school boards in the tax base of this province, the real property tax base. Cut it any way you like, this Budget did not provide any relief. The Minister of Education (Mr. Lemieux) wants to stand up and talk about how great it is that they are going to phase out the provincial levy for education. That is a small part of what we are paying on our property, but, nevertheless, that is their initiative. At the same time, the school boards are putting double that amount back onto the real property holder in this province. Go figure. That does not do much to encourage people to stay here when we do not have more competitive income tax levels.

If you combine the uncompetitiveness in both of those areas, we have a problem. Let us boil down this tax relief that the Budget talks about. There are articles in the *Free Press* that I argue with. I believe they have taken an attitude and approach that I happen to disagree with, but

the editorial that assails this Budget I smilingly agree with. To say that the middle-income people of this province are going to wait for 20 months to get a total reduction of \$155 from their income tax means that they are holding out for \$14 a month and they are waiting for almost two years to get it, in complete. Great politics. I have to say the Minister of Finance and whoever has helped him craft his Budget and whether or not there were politics to be drawn from this Budget, they have done a good job. But with a billion dollars worth of revenue over two and a half years, they have not taken the opportunity to restructure and refocus this province.

There has been more money spent on health care. Is that the only criteria by which we judge health care? Probably not. When we look at where the priorities, where the judgment has been made to place the dollars, I go back to my community. That seems like a fair place to start. Agriculture is a significant portion of my community, also the home of the second largest hog processing plant in this province, one of the major plants in western Canada. This Government, much as it has tried to disguise it, has taken an attitudinal approach to large livestock operations that is detrimental to their attitude. I know the Minister of Conservation (Mr. Ashton) takes some umbrage that I would dare to criticize a water strategy. He mentioned it just a few minutes ago.

They put out a water strategy that talks mainly about putting more controls on agriculture. The rest of it was all re-announcement. It is an attack on agriculture and the manner in which it is portrayed to the public. You are appealing to your electoral base that is saying if there is pollution it must be agriculture.

That is not true, and you are perpetuating the myth out there with that release along with other studies that really do not substantiate your position.

At the same time, I get a lot of bafflegab in the letter-to-the-editor column in local papers. I had the temerity to point out to my friends, my voters, the general public that this Government refused to put \$50 million into the transitional funding to lead this country as a whole into better financed, long-term income stabilization

programs. There was a transition phase of which the federal government said they would pay 60 percent and the Province would be expected to put up 40. This Government refused and they continue to refuse. The Premier came to Neepawa and said: I did the right thing by refusing. Well, he is pretty brave to come to Neepawa and tell my farmers he has no intention of putting in that money for the transition funding and then come back and say, oh, but, there is more money for day care.

The fact is there are no more spaces in day care. He did not talk about spaces; he talked about money. The spaces really have not changed much; the money has. Tim's spaces have not. So let us call a spade a spade. If we are going to go into a debate, the number of spaces that are changing, based on this Budget, are based in the future on the assumption that there will be more funding. *[interjection]* The Minister of Energy (Mr. Sale) wants to banter across the way, but the fact is that he missed the boat when the federal government announced the funding for day care spaces, because Manitoba did not get the increase that he was anticipating and asking for. But he still wants to make the case that the money that is being portrayed in the Budget will lead to more spaces. It will not lead to a large increase in spaces, and he knows it. I would defy him to stand up right now and prove me wrong. *[interjection]* I hear bantering, Mr. Deputy Speaker, but he does not want to borrow my time to defend his position.

Mr. Deputy Speaker, the other part of this Budget, and I talked about Hydro, but the proportions of this Budget that we are dealing with lead me to a very cynical belief, as I go through the proposed department-by-department outlay of the Budget as we see it here today. We have not seen any particular initiatives that are going to take this Government in another direction. In fact, in the Department of Agriculture Estimates, they simply have taken the money that they are not going to put into the Canadian Farm Income Program and characterized it as going into the NISA program, in a blatant attempt to mislead the farmers of this province into what is actually happening with the expenditures in the Department of Agriculture.

* (16:00)

The same thing is true about education funding. We see this Government every day bragging about how they have increased the homeowner rebate program, and that is good to put money in the hands of some of the homeowners. They chose to do it by rebate. I fundamentally oppose that approach. It is a social correction that this Government wants to put in place. They want to collect the money, and then they want to give it back by way of rebate. That is a fundamental social rebalancing approach to the budgeting of this province, but what I find offensive about that across the way—and I hope that they will listen—is that they turn around and add those dollars to the Education budget. So, all of a sudden, we have Education dollars that are managed as part of a rebate. It is a fundamental misrepresentation of the dollars being spent on education, and it is a great communication gambit.

They can stand up and say, we are putting more money into the Education budget. They can point out how much money is in that budget, but it is not really Education money that is in that budget. So, when they say they can only provide a relatively small tax break to make this province a little bit more competitive, then I have to say, yes, I can see why, because this Government wants to do a social rebalancing. As I have commented in the media, they want to have the privilege of having the public come to them and say: Please will you give me a tax break? Please will you make my costs lower in this area. Please will you send some money. Frankly, when I talk about, or when I listen to talk about, community centres and funding, I have a concern when it is not a program that is being used, but it is discretionary government funding. We are going to fund a community centre here and a community centre there, and then we are quite capable of practising the politics of punishment. That is what happens when government takes control of the purse and says, we will be responsible for distribution of these dollars. It allows them very easily to use the politics of punishment in terms of who gets a new community centre and who does not. Once you get outside the Community Places grant program, then it is totally discretionary.

Mr. Deputy Speaker, sadly, the deception that I see laced throughout this Budget does go back to the topic that I addressed earlier, but one that I simply cannot let pass at this juncture. It has to do with all of a sudden we are going to have a new process for managing the potential development of hydro-electric power, and all of a sudden we are going to be going to a different process instead of PUB, the Public Utilities Board. Everyone in this room, at least, recognizes the Public Utilities Board has the strength of expertise and has the strength to provide an order that Cabinet would be very, very ill-advised to overrule. It has the strength to publicly admonish two of our most senior Crowns in what direction they should be going.

This Government continues to avoid that scrutiny. While on the one hand they are drawing money from a Crown to balance their Budget, I suppose linking Hydro to a balanced Budget in the eyes of the Government across the way is sort of like just taking money from a bank account. I find that very objectionable, because we are about to see Manitoba Hydro, because of this Government, have an increased debt load of \$2 billion even though they are anticipating a rate structure increase of 20 percent. I see one or two members over there shaking their heads in disbelief. The facts are very clear that that increase is going to occur.

When we go to the Crowns as simply a source of savings that we can dip into, we are starting to compromise future opportunity in this province. We are doing it by deceiving the public in how we come to very significant financial decisions. One is the deceptive funding and the lack of real funding for education. The other is taking money from Manitoba Hydro to produce a balanced Budget in a way that most Manitobans will not recognize as a problem for another two to three years. Thirdly, by taking the opportunity to say, well, there has been a significant change in tax rate in the last three years, but the fact is we have fallen behind almost every other jurisdiction in this country.

That is something too that only those who are young, well educated and mobile will be able to take advantage of. They will not be the only ones. We are losing investment as well. We are losing company headquarters that are moving to

other jurisdictions so they can avoid the problems of making Manitoba their home base. We are losing retirees who want to covet and save as much of their retirement money as they can. So they will be somewhere else. Despite the minor tax adjustments that we see today there is a systemic cost associated with living in this province and paying taxes here that this Government has not dealt with and continues to deny is a problem.

Mr. Deputy Speaker, if I were to make other observations, one of them is going to fall into the area of conjecture about what is happening to the budgeting process in this province. I am quite prepared to say that based on the evidence of what this Government has done over the last three years, and I am looking to members of the Treasury bench over there who probably know full well what they were doing. They could have been forgiven the first year when they under-budgeted and overspent, and then it happened again. That was \$600 million. Then they overspent again the second year, and I believe it was \$700 million over budget. Now, they appear to be on target and we will not see the final numbers from this Government until when? End of June? It would be optimistic if we saw them then. It will probably be August before we will see final budgets from '02-03. They are on track to be about \$900 million over budget from last year.

Is this Government deliberately deceiving the people of this province by saying we did not anticipate that kind of revenue; this is a tight Budget, we have to be careful? Or, are they so incompetent that they could not anticipate the type of revenues that were able to allow them to overspend, but they got caught last year? That is when they had to go to Hydro and retroactively try and balance from the year before.

*(16:10)

You know what? Why was it for the last three months this Government was working on a hiring freeze within the Civil Service. They were working on asking all departments to make sure that they did not use up their discretionary spending. What are they hiding in the last quarter financials of this province? What is the next shoe to fall on the taxpayers? It is very easy

to make the conjecture that they either do not anticipate revenues and therefore they had to budget tightly, or in fact they know there are revenues buried in the projections that are not properly anticipated, and they will be able to cover off their Budget. This is a big increase in budget, but it does not come anywhere near the fact that they have overspent their Budget by \$2 billion.

Now, I saw some snorts of disagreement when I mentioned the fact that they had actually spent a billion dollars more. Now I am pointing out that they actually spent \$2 billion cumulatively over three years over and above what they had budgeted. They talk about the fact that they do not believe that we could be fiscally responsible. The facts defy that rationale. When that Government over there wants to talk about their experience, their depth, their knowledge, frankly, we have seen two of the front bench who have indicated that they do not intend to seek election again, two of the people that this Government put some trust in.

I look around the bench on this side at the people of quality and depth that are prepared to allow their names to stand on this side and continue to serve the public. I say to the public and I say to anyone else who would care to enter into that debate that there are people of quality and intelligence prepared to serve the public on this side that gives us bench strength that far exceeds what the current Government has put forward.

Let me tell you, if the expenditures that have occurred over the last three years are any reflection of how they will manage the affairs of this province, then I suggest that the public will be looking at this Budget far more cynically and just wondering where they will go in the following year if they should choose to stay in government for another year and get into the '03-04 budget year. Now that would be interesting. Perhaps this Government does not want to talk about what the effects could be of '03-04. Perhaps that is why they are dropping hints of election all over the place. Are they going to be getting into the expenditures of building a dam where they do not have a sale for power? You do not commit to a dam, let contracts and start construction if you do not have some concept of

where the power will go and at what price. You do not get into expenditures that cause your chief Crown, which has a debt bigger than the province of Manitoba and growing—when they talk about debt in this province, they have not reduced the debt in this province. The debt of Manitoba Hydro has gone up by a significant amount and is projected to rise by another \$2 billion. So maybe there is a hidden agenda on the part of this Government, by saying: Well, we have only been in government three and a half years, we have got to have an election.

I think the public out there is going to stop and say, yeah, if they can do that much damage to a bank account in three and a half years, I wonder what the fourth year is going to look like. What are they hiding? Why are they afraid to stay a full mandate, if they are indeed talking about an election, why are they afraid to stay for a full mandate and defend the fact that they believe they can manage the expenditures of government? Because up until now, they have not proven that they can.

They know how to spend. They know how to maintain taxes. I have not even talked about how much increased revenue they took out of the pockets of the taxpayers when they, in fact, decided to, one year early, separate from the federal tax system. How much was that? Was it \$30 million? \$50 million? \$100 million? The number was large. It frankly eludes me at the moment, but nobody in the general public even realizes that they lost the opportunity for a \$50-million tax relief because this Government chose to disconnect a year early. That is money that could have gone to provide a tax relief to the public in this province.

Mr. Deputy Speaker, I see you are getting somewhat uncomfortable. I will wrap up my comments by saying that I believe there is a hidden agenda when we are talking about an early—

Mr. Deputy Speaker: The honourable member's time has expired.

Hon. Becky Barrett (Minister of Labour and Immigration): Mr. Deputy Speaker, I appreciate the support from members of both sides of the House. Yes, I revel in it because I know how

infrequently it happens. It is with a great deal of pleasure that I rise to speak in opposition to the amendment put forward by the Leader of the Official Opposition earlier in his speech this afternoon, and by extension in support of the Budget as it was presented by the Minister of Finance yesterday.

The words that spring to mind to me about this Budget is that it is balanced in more than just the bottom line. I mean that in the larger context of the word "balanced." It is fair. It provides support and services to all Manitobans. And it is a result of and extends the concepts that we have been undertaking in our three-plus years in office of partnerships, co-operation, of working together with all Manitobans. We have had as a goal as our Government, and have, I believe, followed through on that goal, of not having the people of Manitoba see their Government putting a wedge between groups. We want to work with, rather than work in opposition to.

Mr. Speaker in the Chair

I believe, Mr. Speaker, that we have accomplished that in our programs, in our legislation, and certainly in our budgets, and nowhere is that more clear and more effective than in the Budget that is before us. And that is why I am disappointed, not surprised, but disappointed in the Opposition bringing in a motion of non-support for this Budget.

I would like to speak about a number of things, but the first two have particular relevance to my Department of Labour and Immigration. I was very pleased that the Minister of Finance referenced two very important elements in the budget speech, and they were in the Throne Speech as well, that have to do with things that might not be top of the mind for many people, but have an incredibly important impact on the people of the province of Manitoba.

One of them is immigration. I believe that, over the three and a half years that we have been in government, the people of Manitoba have recognized the importance of immigration to us historically, the importance of immigration to us today, and the importance of immigration to us as a province in the future, not only from the

economic benefits that immigration provides to us, although they are many, they are very important and they are critical. They include the fact that we have provided workers, professionals, skilled trades people for jobs and occupations throughout the province of Manitoba.

* (16:20)

We have skill shortages. Everyone recognizes that, along with all other governments in Canada and throughout the world. We are doing something very proactive in that regard through our Provincial Nominee Program, which has been extremely successful. We have increased the number of immigrants coming to the province by over 50 percent in the last four years, reaching a high of 4600 last year in 2002. This is not just as a result of the Provincial Nominee Program, which is certainly a key component, but also as a result of continued progress on the part of our independent immigrants who come here because they have heard of the opportunities that Manitoba provides because they have family and friends here, because they acknowledge the welcome that Manitoba provides to its new citizens and its new immigrants, but also through refugees.

We, over time, have supported refugees from across the world far greater than our proportions in population would have suggested. We have signed an agreement, the first in Canada, a tripartite agreement with the City, the Province and the federal government, to provide financial assistance to up to 1250 refugee families in the city of Winnipeg. It is a small, small, small drop in the bucket for the tens of thousands, hundreds of thousands of people who are living in unbelievably bad conditions in refugee camps throughout the world, but it is something that we are moving forward on. It is something we can all as Manitobans be proud of: that we have a warm and welcoming environment. Much to do, but still it is there.

We also are recognizing in the Speech from the Throne and in the budget speech the importance of recognizing the skills that

immigrants bring with them. All too often people come to this country with professional accreditation or skilled trades background, and they are not able to practise their trade or their profession due to gaps in their education, due to the inability of the accrediting bodies to take a look at their paper documents. So we have recognized that as a major concern and are working very strongly to make changes in that regard. We are leading the country in this issue, and more will come on that in the near future.

We have a goal of doubling the immigration to our province to approximately 10 000 a year. We are going to establish an advisory council on immigration, which is made up of representatives of business, labour and local communities, to assist with the recruitment and retention of new immigrants. It is critically important that people coming here find a warm welcome to the province, and that includes things such as settlement services, English as a second language, English in the workplace, a number of programs that we have been very instrumental in establishing and have a reputation throughout Canada and certainly with the federal government as having probably the best settlement programs in the country.

We are focussing this immigration to complement the efforts that we are targeting, as well to retain young people, and we have spoken about this, and to increase the participation of the Aboriginal community in our economy. Again, it is a critically important area. The growth of the Aboriginal population means that we have a real opportunity to strengthen the Aboriginal communities throughout this province and to strengthen our own economy and our social fabric. I think we have done a very good job on immigration.

I also would like to say that I think Manitobans acknowledge that. We are the province that is the most welcoming of people from across the world. I think it is because we are a young province, comparatively speaking. Many of us are immigrants, or sons and daughters of immigrants, or grandsons and daughters of immigrants, so we recognize the wonderful things that immigration has brought and the challenges that face people who come to this part of the world from other parts of the world.

Another thing that we have recognized in legislation and in policy and was recognized in the Speech from the Throne and the budget speech yesterday was the fact that, in order to support strong and vibrant communities, we need to have strong and safe workplaces. I am very proud of this Government and was very honoured to have been the minister who was able to shepherd through the changes to the workplace safety and health legislation in the last session of this Government in the fall. It was remarkable to see how many people participated in the process and who came out for public hearings. The stories that were told from mothers, fathers, family members, injured workers themselves about what had happened to their families, their loved ones as a result of unsafe workplaces.

We brought in a very balanced legislative package that we felt should have been supported unanimously by all members of the Legislature. After all, who could be in opposition to processes that are designed to improve the safety of workplaces where everyone has people and knows people who work? It just boggles the mind that anyone would choose to not support something like that. Unfortunately, the Opposition chose to vote against the changes to the workplace safety and health legislation. Shame on them. It is a very short-sighted, partisan thing to have done and not up to what I certainly would have expected the standards of the Legislature to be.

Most pieces of legislation are open to legitimate disagreement. That is the process that we have in place in our system. We expect that there will be opposition on a principled basis to legislation. That is fair. We certainly did it in opposition and expect that to happen in government, but on certain things, it would appear that it should be a given that you put aside the partisanship that is experienced often in this House, and you reflect on what is for the good of all of Manitobans. Unfortunately, in the last session, that did not happen with the workplace safety and health legislation. I think it was a low point in my career when the Opposition chose, for purely partisan, and I am not even sure what partisan, reasons they had for voting against that legislation. It was fairly weak and not very clear. So, those two things I am very pleased with and

I am very proud that our Government has taken such good leadership in those two areas.

I would like to talk about a couple of the areas that the Leader of the Opposition and the Member for Ste. Rose (Mr. Cummings) have put on the record that, I believe, are erroneous. I am not sure if it is deliberate or not. In any case, it shows a certain degree of lack of responsibility on the part of the Opposition to not even read the budget documents and to not even take a look at the information that is available, so I am going to provide them with some of this. If they are not able to read it, I will read it for them.

The first is in *The Manitoba Advantage*. I would like to talk about what is on Appendix 1, page 11. Manitoba's Competitive Environment for Manufacturing. We recognize and we know how important manufacturing is to the economy of the province of Manitoba. It is the largest economic sector and the largest economic sector, I think, interestingly enough, is still only 13 percent of our GDP, which speaks to the diversity of our economy here in the province of Manitoba. But, with that aside, the fact that the manufacturing sector is our largest single sector is very important, and we recognize that in the decisions that we have made over the last four budgets, certainly reflected in this Budget. The manufacturing sector accounts for two thirds of our foreign merchandise exports and 70 percent of those exports go to our largest trading partner, the United States. We recognize how important this sector is.

Some of the examples of manufacturing—and we are up in the North American context—we have the largest manufacturer of buses. We have Canada's largest furniture factory, Palliser. We have Maple Leaf Foods, which is one of the world's largest and most technologically advanced meat processing plants in Brandon. I would urge everyone who has not have an opportunity to visit that plant to take a look at it. It is a fascinating process, and I think that you would find it very interesting.

*(16:30)

Now why is it that we have such a vibrant manufacturing sector, and why is it that we recognize this? What are the things that we are

doing that recognizes the importance of this sector and is helping to keep it vital and vibrant and increase and improving? Okay. We have something that we really have no control over, and that is the central location that we possess. We are right in the middle, literally in the middle of North America, both east-west and north-south. We are positioned beautifully in the centre of the continent. We are in the Central time zone. It is easy to link through our rail and our highway systems. Our time zone makes it very easy to do business throughout North America. We do not have any control over that, but some of the things we do have control over or influence over include the industrial and commercial land costs which are very low in Manitoba. They are very low in Winnipeg, in particular. That is something that companies who are looking to come to a location or to expand pay attention to. It is one of the largest costs they have. We have a skilled and educated workforce. We have some of the best educated and most skilled and most diversified workforces in the country. This is what employers are looking for.

One of the other things that we have that we have been very, very careful to husband, to shepherd, to conserve and maintain, is the lowest hydro-electric rates in North America. How important is this? If the members opposite would read the business pages of the local paper with any degree of regularity, they would know. There are columns in every week of corporations who are choosing to come to Winnipeg and Manitoba or expand, and one of the major things that they say is an indicator or reason for them to come here are our low hydro-electric rates. They are and have been for many, many years.

What we find as well in the *Manitoba Advantage* is an interjurisdictional competitiveness comparison, overall competitiveness as well as net cost of investment. In all of these areas, we are using the model that was devised by, I believe it was Manitoba Finance. We are well positioned with cities throughout Canada, and also cities in the central part of the United States like Chicago and Minneapolis. I just refer people to the pages 12 and 13. For example, overall competitiveness on page 14, it states: "The internal rates of return for both Winnipeg and Brandon are better than the overall average of

the cities included in the budget." When they talk about effective tax rates, and there is a whole series of taxes that are included in this. This is a critical piece of information, not just for the manufacturing sector, but it is critical to the response that the Opposition is giving to this Budget when they refuse to look past one tax, one taxation factor. When you look at the overall costs of doing business, when you look at the overall costs for individuals and families, you will see that Manitoba is positioned, has been in the past four years and continues to be positioned very, very effectively. On page 16, the conclusion is that Manitoba continues to maintain a highly competitive cost and taxation environment for both small and larger firms engaged in manufacturing and processing. These are statistics devised by a model devised by the Manitoba Department of Finance.

Then, I think, the second appendix is one that I am really interested in, because it is dealing more with the personal, with families in Manitoba, with a group of people that the Opposition, when they were in government, did not pay a whole lot of attention to. This is an inter-provincial comparison of annual personal costs and taxes. It talks about four or five, actually six different groupings of family units, and in all of them, as was stated by the Minister of Finance (Mr. Selinger) in his budget speech yesterday, in every single one of those categories we have the second lowest combined taxes and living costs in the country or the first lowest combined taxes and living costs in the country.

I would just briefly like to say the kinds of things that are included in that combined market basket, if you will, of goods and services that Manitobans pay for: provincial income tax, health premiums, which we do not have any, retail sales tax, rent, electricity, public transit, telephone, auto insurance. These are the kinds of things that are included. Not just one tax, but families, as do businesses, have a range of expenses that they have to look at. When you look at that whole range, as anyone does when they are making up their budget or figuring out how they are doing financially, they do not look at one element, they look at the whole range. When I make up my family's budget I am looking at what my costs are to heat my home, to run my automobile, to pay my Autopac

premiums. If I am an employer I should be looking at my Workers Compensation assessments, et cetera, et cetera. That is what this document shows, and it shows that we are the lowest or second lowest in every one.

I would like, very briefly, Mr. Speaker, to talk about Workers Compensation rates because The Workers Compensation Act is under my department as well. It is something that 70 percent of businesses that are covered by the WCB in Manitoba have to deal with, which is their assessment rates, which have been very moderate, by and large, and are the lowest in the country. The province of Alberta last year raised its average Workers Compensation rate by 30 percent. That is almost one third of an increase.

You know, what the minister of labour said to me in a ministers' meeting in Québec City a couple of months ago, he acknowledged this and he said that the construction industry, in particular, in Alberta has a dreadful safety record. Well, here we go back to the link between health and safety and a cost, a bottom-line business cost. That is something the Government of Manitoba recognizes, that if you reduce your health and safety costs through Workers Compensation, through time-loss injury reductions, et cetera, you are going to reduce your bottom-line costs, you are going to be more competitive, you are going to have more money to do research and development to bring in new technology, to hire more skilled people, et cetera, et cetera. But in the province of Alberta the minister even recognized and acknowledged that they were not doing a very good job and the Workers Compensation assessments climbed by 30 percent. If the members across the way had voted, had understood this link, and they should, they would have voted for the workplace safety and health legislation, and they did not. They did not support it.

What I would like to actually draw people's attention to is the comparison of annual personal costs in taxes that is found starting on page 20 in *The Manitoba Advantage*. What I found very interesting is that virtually, certainly from the province of Ontario west, our total market basket of expenditures that families have to pay for is lower than anyone else. I would particularly like to draw members' attention to the fact that in

British Columbia and Alberta, families and individuals pay health premiums. A single-parent family making \$30,000 in British Columbia with one child pays \$1100 in health care premiums. Do you not think that is a cost to that individual? It is an exorbitant, totally reprehensible cost, I believe, but it is a cost that that individual has to bear, has to budget for. It helps make the fact that British Columbia living costs for that single parent with one child making \$30,000 a year is over \$21,000 compared to our cost of \$14,700—\$8,000 difference. When you add into that the fact that the cost of living generally is higher in British Columbia than here, you can see the Manitoba advantage.

Mr. Speaker, I would like to close my remarks by saying that we are providing balanced, fair, appropriate budgets. We are providing balanced, fair and appropriate legislation. I think that the people of Manitoba recognize and acknowledge that.

* (16:40)

Just one final thing, I must talk about one of the statements that the Member for Ste. Rose (Mr. Cummings) said when he talked about, was it the politics of punishment, I believe is the phrase he used. I just would like to remind members opposite that when members opposite were in government, 4 percent of the highway budget was spent in the northern two thirds, at least two thirds of the land mass of the province of Manitoba. When asked about that inequity, the former Member for Arthur-Virden very appropriately and I believe very accurately said in this House, you voted wrong. Now, if that is not an acknowledgement about the politics of punishment, I do not what is.

We do not do that in this Government. These budgets, our legislative package, our record is not the politics of punishment, it is an acknowledgement and an extension of the values of co-operation, of working together, of partnerships, of recognizing that families are the backbone of our economy and of our social network. We have done everything we can in a very good record, I believe, of supporting the families and the individuals in the province of Manitoba. When they are given an opportunity to show how they feel about the support that this

Government has given them, I know exactly how they are going to acknowledge that support.

Thank you very much, Mr. Speaker. It has been an honour to be able to speak in this House for the last 13 years.

Mr. John Loewen (Fort Whyte): Mr. Speaker, before I get into my comments on the Finance Minister, the Premier and the Budget, I would like to just indicate that I thought that the Minister of Labour started off very strong. I do want to congratulate her, because her Government and she, in fact, have carried on some of the good work that was set in place with regard to immigration. I think they have made some good progress. Unfortunately, there is still a long, long way to go, but I think the minister does deserve some credit for that, although I do take exception to a number of her other premises and comments, particularly with regard to her legislation.

I would just take her back to Bill 44. If she wants to talk about doing damage to the economy in Manitoba, she needs to look at her record with Bill 44. She needs to understand what she did forcing people, and I sat through those committees, to come and sit all night, 24 hours a day, to try to explain to her and the business community what damage she was doing to the manufacturing sector in Manitoba by passing Bill 44, taking away the rights of people to vote. I wish she would remember that. She also needs to understand that, yes, we are in the middle of Canada, geographically we are well positioned, but in the grand scheme of things that is becoming less and less of a competitive factor. With the Internet, with e-mail, with all the telecommunications available to us, the fact that we are in the Central time zone, and in the seventies when I was in business, starting out in business, that was a big deal because you could talk to people on the phone all across Canada, but now there are so many different ways to get your message across.

She needs to understand that our real challenge is not the fact that we do not have an educated workforce. It is the fact that we do not have enough of a workforce. She needs to spend a little time with the Minister of Industry and Trade (Ms. Mihychuk) to understand and to

listen to what business is telling her Government and that is they cannot find appropriate workers. Again when she wants to talk about competitiveness, she needs to separate in her mind the difference between things that governments control and things beyond governments' control.

When she talks about how wonderful it is to live in Manitoba because housing is cheap and because land is cheap, well, I would remind her, that is not an expense, that is an investment. When people make that investment in real estate, when they make that investment in their house, sure, they do not mind doing it in Ontario, they do not mind doing it in Calgary where the taxes are lower because they know they are going to reap the rewards of that investment. So she needs to spend a lot more time with the Minister of Industry doing her homework on a lot of issues.

I do appreciate the fact that she has spent a good deal of time talking about immigration because it is something that we, as a province, we as legislators are going to have to do a lot better job of if our mixed economy is going to continue to thrive. Quite frankly, the people who have been the backbone of that mixed economy, the children of the children of the immigrants that came here no longer want to work in those types of industries. They want high-tech jobs, they want to become the doctors and lawyers of the future and they are looking elsewhere across Canada. So we are going to have to figure out ways to get a workforce into Manitoba in order to meet the needs of the manufacturing industries within our great province if that is to continue. We need to look to jobs of the future.

I do want to focus my comments on the Budget and on the comments of the Finance Minister. I think what we heard yesterday was aptly portrayed in the *Free Press* back in an editorial which they ran on December 26, 2002. The title of that was: Mr. Selinger spins a yarn.

Of course, what we saw yesterday was a continuation of the spinning of a yarn by the Finance Minister responsible for the finances of this province. I think it is unfortunate for Manitobans that the Finance Minister, the Premier (Mr. Doer), the Minister of Health (Mr. Chomiak) and all the other Cabinet members

have not been more forthcoming with the people of Manitoba about what is really going on, because unfortunately it has left Manitobans in the precarious situation of saying: How can we believe anything this Government tells us? How can we believe anything that this Finance Minister tells us?

He has a long history of spinning yarns for Manitobans. It started in his first Budget, his first year in office when he delinked a year ahead of schedule the provincial income tax system from the federal tax system. He knows full well because he sat through Estimates, we gave him the numbers and he would not even answer the question if five was greater than three. He could not even answer that simple question in Estimates because he knew full well that as a result of his delinking from the federal system and as a result of him choosing to set our income tax rates higher than other jurisdictions in the country that had delinked, he was in fact raising the taxes of good hardworking citizens of Manitoba. Why did he do that? He did that because Gary Doer—sorry, the Premier of the province of Manitoba, Mr. Doer, needed more money. So he fell into that trap of spinning yarns day one of his Budget and now we have a continuation of that yarn-spinning that we have seen for the last three and a half years.

It reached a new height yesterday. It was reaching a crescendo in December when the minister turned basically what was a \$125-million hole in his Budget into good news. We all remember that one where he reneged on his promise to pay back the \$150 million that he raided from Manitoba Hydro, by the way, that he raided before he had the legal authority to do it, that he refused to take before the Public Utilities Board for proper scrutiny.

In fact, when it came out at the Public Utilities Board hearing that Manitoba Hydro was going to have to go and borrow all those funds in order to make a transfer to the Province of Manitoba, he went into another elaborate yarn, spinning and spinning and spinning.

The people of Manitoba, the officials at the Public Utilities Board, the officials at Manitoba Hydro admitted and know full well that because of the actions of this Government, because of

their desperate need to get money to give the appearance of a balanced Budget, that this Finance Minister and this Premier along with the advice of their staff and particularly, Eugene Kostyra and the chairman of Manitoba Hydro, they forced Manitoba Hydro to go out and borrow money in order to dig them out of a hole.

It is unfortunate that this minister to this day refuses to stand up and acknowledge—Even on the radio today he was busily trying to deny the fact that Manitoba Hydro has had to go out and borrow money because he and his cohorts demanded that Manitoba Hydro turn over money to the Government of Manitoba to help balance their Budget.

Mr. Speaker, this is a Finance Minister that just cannot be believed. There he was in December, basically saying that he was going to have to take \$62 million out of the Fiscal Stabilization Fund in order to balance his books. That was in December. In March, what did he say in March? In March he says, hold it, things are looking good. I just heard from my officials at the Department of Finance that we do not need to take that money out of the Fiscal Stabilization Fund. No, we are only going to need to take, I think it was \$4 million, out of the Fiscal Stabilization Fund, \$4.1 million.

This was on March 7. Now, members opposite surely can understand what a short time ago March 7 was, a little over a month ago. This Finance Minister told the people of the province of Manitoba that he had things under control and, in fact, he was only going to need to take \$4.1 million out of the Fiscal Stabilization Fund to balance this year's books. Well, here we are five weeks later and the minister is in his glory once again presenting a budget to the people of Manitoba which he expects them to have confidence in, which he expects them to believe, and there he is telling the people of Manitoba less than six weeks later he is not going to take \$4.1 million out of the Fiscal Stabilization Fund to balance the books. No, he is not going to repay the \$150 million that he took out last year and promised to repay. He is going to take the \$150 million from Hydro and on top of that he is going to take \$77 million out of the Fiscal Stabilization Fund to balance the books as of March 31, 2003. Now, does he actually expect

the members of this House, does he actually expect the people of Manitoba, to believe that he knew on March 7 that he would only need \$4 million and, yet by March 31, he actually needed \$77 million?

* (16:50)

Who does this minister think that he is fooling? I will tell him. He did not fool the people of Manitoba, he did not fool the editorial board at the *Winnipeg Free Press* and he certainly did not fool anybody on this side of the House. He may have been successful in fooling Treasury Board; he may have been successful in fooling his Cabinet; he may have been successful in fooling his caucus. The editorial board had it right when they said this minister is spinning a yarn. He needs to stand up before the people of Manitoba and admit what is going on—\$4.1 million to \$77 million in a matter of three weeks, and he expects us to believe that, Mr. Speaker. I think that is an affront to the officials in the Department of Finance who have been around for years and years, a number of them we all know very hardworking individuals. Surely they knew in March the size of the draw that was going to have to be taken from the Fiscal Stabilization Fund, and for the minister to stand up in early March and say he only needs \$4 million and then five weeks later to stand up and he needs \$77 million, that completely blows any credibility that he had left with the people of Manitoba.

This is the same minister that less than a year ago told us Hydro would not have to increase their borrowing because of his draw. This is the same minister that told us he was going to take \$150 million out of Hydro. He just forgot one thing that the auditor had to remind him of, and that is he could not do it retroactively. So he came up with a new story, and said: Well, we will just take 150 temporarily and then, do not worry, we will pay it back. That was last summer, I think, when we were hearing that from the minister. By the fall, the tune had changed again. Oh, sorry, Manitobans, remember that \$150 million we were going to pay back? Well, we are not going to do it. That was then, this is now. Now, we need the 150. Forget about that promise I made.

The one thing this minister has credibility for was standing up less than a year after the last election and telling Manitobans that the Premier's promise to end hallway medicine in six months was irresponsible. That is the only thing that this minister has credibility for in this House. And if the minister wants to deny that he said that, he should stand up in this House and say so. But it was recorded on TV; he knows it was reported in the press. He knows what he said. I think it is unfortunate for Manitobans that he does not have more credibility when it comes to the finances of the province of Manitoba.

This is a minister that has talked about his Government's great history of personal income tax reduction. Well, one only has to look at the numbers to know that that is, in fact, not anywhere near what his Government has done. One only has to look at the increase that Manitobans are paying in terms of their total income tax revenue to the Province of Manitoba over the last four years to figure out that this minister has not done any favours for them. That increase in provincial income tax revenue is not a result of tremendous rises in salaries and great gobs of inflation that artificially raise people's wages and provide more but lesser dollars to the Province. We have not seen that in the last four or five years. Inflation has been moderate. People have not been having large wage increases. There is not a huge increase in the workforce. Which only leads to one explanation and that is, back to the decision this Government made to delink taxes and the fact that, as a result of that, Manitobans are paying more income tax, Manitobans have less money in their pockets than they would have had had this minister done nothing.

We only need to look at the information from across the country to see what this minister has done to Manitobans with regard to picking their pockets through personal income tax. At one point in 1999 and before that the Conservative government had worked hard to make sure that Manitoba was on the right track, to make sure that Manitoba had a competitive environment where business and individuals could thrive, where wealth could be generated, and that generating that wealth will pay the taxes that we need in this province to support the spending that government has to do.

This Government has not created any more wealth. They have not even created jobs. This Government, through Bill 44, other labour legislation, has put a damper on economic growth in this province. At the same time, this Government has been a huge benefactor of federal government largesse. The federal transfer payments for health, social services, and other departments has risen by over \$500 million a year since this Government took office. What saved their bacon is the fact that largely due to the GST, the federal government has been swimming in money and the federal government has felt enough pressure to put some of that money back into the transfer system. It is not because we are generating wealth in this province. It is not because business is any better off. In fact, just the opposite. Business says on a daily basis, the Chambers of Commerce, Winnipeg, Manitoba, Brandon, tell this Province repeatedly that the biggest impediment to their success is the fact that tax rates in this province are not competitive. We see a flight of people out of this province. It does not matter whether they are old or young. The people who are leaving are leaving for greener pastures. Quite frankly, those greener pastures are easy to find because this province is not competitive.

This Province is on the wrong track and this Government needs to recognize that and change their track and somehow get this province back into a position where we can be competitive with the jurisdictions that we touch and the jurisdictions that touch them. We are not even competitive with Saskatchewan. Can you imagine that? Personal income tax rates, higher than Saskatchewan. Business tax rates, higher than Saskatchewan. People leaving. Who ever thought we would be in a position in Manitoba where we would have to stand up and admit that more people are leaving Manitoba for Saskatchewan than vice versa? I mean quite frankly that this Government, this Finance Minister, this Premier needs to be thoroughly ashamed and thoroughly embarrassed that that is what is happening.

* (17:00)

At the same time, Mr. Speaker, this is a government and this Finance Minister in particular, I mean it is particularly galling that he

has the nerve to stand up in budget speech and say that somehow his Government has managed to reduce debt in the province of Manitoba. Does he not even read his own budget document? One only has to look at the 10-year summary of Manitoba financial statistics to understand that our net direct and guaranteed debt in '99-2000 was \$13.45 billion. Today, get ready for this you people over there that do not even read the book. Today our net general debt is \$15,000,000,092. That is an increase of over \$1.5 billion in the debt that the province of Manitoba is carrying.

An Honourable Member: It is \$400 million for Centra Gas, \$100 million for Manitoba Hydro.

Mr. Loewen: Well, you know. Mr. Speaker, the member from Brandon East (Mr. Caldwell) again without reading his material, without understanding the numbers, is just attempting as he did with regard to the \$10 million supposed savings in school amalgamation does not understand.

Similar to the fact that this Finance Minister, his Premier and his Government are hiding the fact that under their watch while they have had control of the purse strings they will have taken by the end of next year at least \$460 million out of the Fiscal Stabilization Fund. That is an appalling number. That is something that this Government needs to stand up, be accountable for, explain to the people of Manitoba why, at a time when the federal government was pushing in \$500 million more in federal transfer revenue, this Government had to go to the Fiscal Stabilization Fund for another \$460 million. I say at a minimum, because in this year's Budget they are projecting that they are only going to take \$48 million out of the Fiscal Stabilization Fund.

I do not think that that will happen. They have tried to paint a picture for Manitobans, a rosy picture. In fact I would challenge the Minister of Finance (Mr. Selinger) to bring some hard factual information to this House on how he expects corporate tax revenue to rebound from \$162 million in the year ending March 2003 to \$270 million in the year ending March 2004. We are not seeing any indication in the marketplace that corporate profits are on the rise significantly. The province of Ontario budget does not forecast an rate increase nearly as large in terms of percentages as this Finance Minister is

projecting. I would challenge him to bring to this House, to bring to Estimates the factual information upon which he thinks he has based this projection. I do not believe it is attainable. He mentioned himself that we are in uncertain economic times. Yet, he expects corporate profits in Manitoba to virtually double, so he is projecting that the revenue to the province of Manitoba will virtually double over his Budget in 2002-2003. There was a modest increase of some \$16 million over budget, but I would challenge the minister to come back to this House and try to show the people of Manitoba how we are going to go from \$160 million to \$270 million in corporate income tax at the same time that he, on the other side of his mouth, is claiming to have provided some big tax relief to the people of Manitoba.

Mr. Speaker, this is a government—I mean, we remember in the fall—this is a short time ago. This is not three and four years ago; this is this fall. Nobody was louder, more vocal, more critical of the federal government with regards to the new funds that were flowing into the health care system than this Government. The Premier (Mr. Doer) was out there, the Minister of Health (Mr. Chomiak) was out there, the Finance Minister was out there, all singing from the same song sheet: It is not enough. We need more from the federal government; we cannot live with that paltry amount.

What do we see in this Budget? We see in this Budget that the federal government, through increased transfer payments, is giving this Government of Manitoba \$265 million more in 2003-2004 than it did in 2002-2003. Let us focus on that number. I would ask the Finance Minister to focus on that number—\$265 million more coming from federal transfers.

What does this minister put into health care? A paltry \$162 million. Now, maybe he should back—and the Minister of Finance is wrong. I hope he has got a calculator in his lap. I would ask him to take the number that he has put into health care in this year's Budget, \$3.004 billion, subtract last year's estimate, \$2.842 billion. He will likely come up with \$162 million. Maybe he has got a magic calculator that will show some different number, I do not know, but I would suggest he take it back to his officials at the

Department of Finance and, again, I challenge him to bring to this House reasons why he stood up, why the Premier stood up, why the Minister of Health stood up in the fall and decried the federal government for not putting enough money into the system. Then, when they get it, they do not even put it into health care. They use that as an excuse to drop their own level of funding into health care. That, Mr. Speaker, is appalling.

This is a government that promised to end hallway medicine in six months, a promise this minister said was irresponsible, a promise that is and was irresponsible. They have done the same thing as the Minister of Finance. All they have done is fudge the numbers. They have gone out and told good, hardworking front-line health care professionals to fudge the numbers. Those four people in the hallway over there, do not count them, do not put them in the number because there are four beds over there you cannot use. You cannot put those people in the beds; they have to be in the hallway, but they do not count.

I hear daily from people who are in hallways, who cannot get access to service, who are forced to urinate in a bottle in a hallway under a cover. This Minister of Finance, this Minister of Health, this Premier, do not even have the courtesy to count them in the numbers. Again, they get in this vicious circle. They cannot solve it that way, so what do they do? They instruct the hospitals: By the way, some of those rooms that have four beds in them, put five beds in them. If you are having trouble with numbers in the hallway, do not worry that there is not a buzzer, do not worry that the health care aides cannot get in and properly bathe people, do not worry that the health care aides cannot get in and treat people with dignity when they are feeding them. Do not worry that the nurses and doctors are crowded into these rooms; just get those people the heck out of the hallways because, after all, we have got an election coming up. We have got to hide those people.

The Member for Wolseley (Ms. Friesen) cannot hide her involvement in the behind-the-scenes construction of that arena in downtown Winnipeg and the ripping apart of the Eaton's building, so she has made her choice. The Minister of Labour (Ms. Barrett) cannot hide her

fumbling of Bill 44. She cannot hide the fact that someone told her to take \$30 million out of MPIC, so she has made her choice.

Well, Mr. Speaker, these members need to be accountable for the instructions they get from the Premier (Mr. Doer) of this province. They need to be accountable for the instructions they get from Eugene Kostyra. They need to be accountable for the instructions they get from Vic Schroeder. In particular, with regard to this Budget, this Minister of Finance needs to be accountable for spinning another gigantic yarn. That is not the end of it. You know we have—

An Honourable Member: It has got to be getting close.

* (17:10)

Mr. Loewen: Well, you would hope so. The Minister of Finance says it has got to be getting close. You know, if I were him and had spun a yarn like this, I would hope it was getting close if I were sitting in his seat too because he knows how deep he is into this one. He knows how he must have disappointed the officials within his department by coming out and saying on April 22 that he needed \$77 million out of the Fiscal Stabilization Fund when, in fact, he said on March 7 he only needed 4. I mean, those people, his public servants in the Department of Finance, must simply be mortified. That is their credibility on the line as well.

This minister knew that he was in trouble, but he tried to paint a rosy, rosy picture—we only need 4 million. Mind you, what do we expect? This is the same minister, the same Premier (Mr. Doer), the same Minister of Intergovernmental Affairs that for two years in a row put \$40 million in their Budget for floodway expansion, and for two years in a row spent zero, and moved those funds elsewhere, and spent them elsewhere. So they are very experienced at following through on what the *Free Press* says in spinning yarns for the people of Manitoba.

Mr. Speaker, I find that belittling to the people of Manitoba, just as it was belittling for the then-Minister of Education to stand up and say that he was going to save the province of Manitoba \$10 million by forcing school boards

to amalgamation. He should come out to my constituency where the new Pembina Trails School Division has announced that they are going to have to spend over \$2 million in two years because of amalgamation, and that does not even take into account the ongoing wage harmonization.

What can we believe from this Government? We can believe nothing from this Government. We cannot believe the Premier (Mr. Doer). We cannot believe the Minister of Health (Mr. Chomiak) when he says he has ended hallway medicine. We cannot believe the Minister of Finance (Mr. Selinger) on his Budget. We cannot believe the Minister of Finance when he says he does not have blood on his hands from making the political decision to keep two sites for cardiac care which resulted in the death of nine Manitobans and untold pain and sorrow in the province of Manitoba. We cannot count on this Government for anything.

Their word cannot be taken at face value. That is why day after day after day in this House we are going to call on this Government, its members, and the Premier to bring factual proof to this House as opposed to just spinning yarn after yarn after yarn. As for the Minister of Justice (Mr. Mackintosh), instead of getting tough on the people in this House, he had better get out and get tough on crime. Thank you, Mr. Speaker.

Hon. Drew Caldwell (Minister of Family Services and Housing): Mr. Speaker, it is a privilege and an honour to stand as the representative for Brandon East to put a few remarks on the record during this Budget 2003 debate.

First and foremost, I should thank the citizens of Brandon East and Brandon West, all citizens of Brandon and indeed western Manitoba for the hard work that has been undertaken by citizens in that part of the province over the last three and a half years working with members of the Government to build Brandon and to build opportunities in western Manitoba. It is indeed a privilege to work with so many fine citizens. I know that my colleague the Member for Brandon West (Mr. Smith) and myself certainly value and appreciate

the support, the kindness and the generosity of western Manitobans as we work together to build a better Manitoba.

Mr. Speaker, the last 3.5 years have seen unprecedented investment in my community; unprecedented investment in health, infrastructure; unprecedented investment in public school infrastructure; unprecedented investment in post-secondary education; unprecedented investment in the development of Hydro resources and energy resources; unprecedented investment in affordable housing development, in community development, in neighbourhood renewal, in community capacity building; unprecedented investment in the broad range of economic development opportunities that have been presented to our Government since coming into office in 1999; investment in the Keystone Centre; investment in McKenzie Seeds; investing in an enlarged city of Brandon; investment in the unprecedented construction boom that is taking place in Brandon.

The Premier enjoys making the comment that since 1999 the endangered species known as the construction crane has returned to Manitoba. That is true in Winnipeg today, with the four cranes that are in place at the True North Centre. It is as true in Winnipeg as it is in Brandon with construction cranes at Brandon University, at the Brandon Regional Health Centre, and in the future, at other exciting projects such as the 13-storey Canad Inns development at Keystone which will be taking shape in the year ahead, and other projects that are right now at the discussion level but will be certainly taking shape through the course of this Government's mandate in years to come.

As I begin my remarks, Mr. Speaker, it is a privilege to be here on behalf of the citizens of Brandon, to work with the citizens of my home community in building a better Brandon and to speak for a few minutes about the unprecedented level of provincial investment in my home community, investment that the Doer government is very, very proud to support for western Manitobans and for Brandonites.

On my list, Mr. Speaker, my speaking notes, the first area that I would like to spend a little time on is the development of the Brandon

Regional Health Centre. The Doer government recognizes that health care excellence must be developed outside of the city of Winnipeg in other centres of the province of Manitoba. That is why we have initiated Telehealth, to help benefit all Manitobans wherever they may live in this province, and specifically, it is why we have committed, as a government, some \$60 million for the clinical services redevelopment of the Brandon Regional Health Centre, the major capital infrastructure work that will develop the heart of the Brandon Regional Health Centre for decades to come.

This project, which places within the reach of western Manitobans the best that the world can offer in terms of health care, was promised seven times by the members opposite throughout the 1990s and cancelled seven times by members opposite when they were in office during the 1990s. It took a change of government and it took the election of a Cabinet minister in Brandon West and a Cabinet minister in Brandon East to bring the construction of the Brandon Regional Health Centre from the realm of rhetoric, which it was under members opposite, to the realm of reality, which it is today.

As I stand in the House, the project is some 55 percent completed. The project will provide a 158 000 square feet of new health care space in western Manitoba. It will provide an additional 34 000 square feet of renovated health care space for western Manitobans. The development of the Brandon Regional Health Centre, which will have a positive impact on all western Manitobans for decades to come, will provide a new pharmacy, a new central sterile processing area, new ambulatory care clinics, new treatment facilities for endoscopy, cardiac diagnostics, chemotherapy, day medicine, respiratory therapy, ostomy, cast clinics, Telehealth, hemodialysis, learning resource centres and enhanced emergency facilities. The Brandon Regional Health Centre taking shape in western Manitoba will also provide six state-of-the-art surgical suites in pre- and post-op operative supports to deal with the tremendous need for health care excellence in Manitoba that has been waiting literally since 1988 to be developed. I am very, very proud of this major capital investment in health care excellence for western Manitobans.

I would be remiss if I did not continue my exposition on investment in the city of Brandon and in western Manitoba, if I did not also mention the \$180-million development of the Brandon East hydro generating station and its conversion to natural gas from coal usage. We desire as a government the best that we can offer our communities to develop the best communities that we can as government to partner with communities in building the best opportunities and the best quality of life for Manitobans wherever they live in the province. The conversion of the Brandon East hydro generating station, the \$180-million conversion of that generating station will add a tremendous benefit to the environment in the province of Manitoba and in Brandon specifically and in western Manitoba more specifically.

* (17:20)

Those two projects alone represent a quarter of a billion dollar investment in the city of Brandon, in the environment, in quality of life in the city of Brandon, and in the health care of citizens of western Manitoba as well as Brandonites. I am very, very proud of that level of investment in these two significant projects.

I should also mention the tremendous investment that we have made in the public school infrastructure of Brandon. In my time as Minister of Education, we had major capital initiatives that addressed special needs, a special needs wing at Neelin High School, my alma mater, the high school I graduated from in Brandon, a special needs wing that will provide services to students with special needs in Brandon, again for decades to come.

I should also mention the expansions in infrastructure at J.R. Reid School and at Linden Lanes School, major capital investments in children and in public education in the city of Brandon that have been made during our time in office.

I should also note in terms of school infrastructure that we will be shortly addressing needs at O'Kelly School in Shilo with the relocation of the Princess Patricia Canadian Light Infantry into CFB Shilo and the addition of many, many young students into our population in western Manitoba. O'Kelly School

in Shilo will also see in the future some major capital investment from this provincial government.

While I am discussing the public school system in the city of Brandon, I would be remiss if I did not pay tribute briefly to the memory of two dear friends of mine who passed away in the recent past: Mr. Malcolm Jolly, a well-respected educator in Brandon in western Manitoba, who was, when he passed away, a stalwart member of the Brandon School Division, a chair of the Brandon School Division, an educator who cared passionately for children, and passionately for educational excellence, and whom I shall miss very dearly in terms of his great wit and his great wisdom in offering me advice and direction and support on public school initiatives.

I also wish to pay tribute to a very dear friend who passed away just a little bit before Malcolm, Jan Speelman, who was a colleague of mine when I was a teacher in the public school system in Wawanesa and later in Brandon, who died tragically of cancer very recently and whose advice and counsel and wisdom also served me extraordinarily well when I was Minister of Education while Jan occupied the position as president of the Manitoba Teachers' Society. These two educators who have played a big role in my life and in my understanding of public education will be missed very dearly by myself and certainly by all Brandonites and all Manitobans who are concerned and interested in promoting public school excellence.

The desire and the dreams of educators in Manitoba have been facilitated by our Government through a commitment to sustainable school funding at the rate of economic growth. We have exceeded that in the last three and a half years. We have exceeded the rate of economic growth in providing increased funding to the public school system in the province of Manitoba. Indeed, we have presided over the single largest period of investment in the public school system in the province's history.

We have also, I think, as a government, restored respect for public educators after a decade when teachers, educators were often ridiculed and denigrated by members opposite for their role as educators in seeking a better public school system in our province.

On the post-secondary agenda, our Government has also been very, very active in Brandon and western Manitoba. At Brandon University, we have invested millions in a health studies building that is soon to open on the campus of Brandon University. At Assiniboine Community College, we have expanded programs and have committed to exploring the feasibility of developing an exciting new campus on Brandon's North Hill for Assiniboine Community College.

For students, we provided a 10% tuition cut and then froze tuition rates at that 10% reduced level. We have added bursary programs to support opportunities for young people in Manitoba to attend post-secondary institutions in our province. We have seen double digit enrolment increases at every post-secondary educational institution in our province. We are, as the Premier (Mr. Doer) has stated repeatedly over the last three and a half years, a government that is committed to promoting educational excellence as an economic development strategy and as a bedrock for job creation for building economic opportunities and for providing young people with a future in this province.

We have also invested in housing through Neighbourhoods Alive! in Brandon at unprecedented levels. Four hundred units of affordable housing have been created since Neighbourhoods Alive! was inaugurated some three years ago. Neighbourhoods Alive! has also provided training opportunities for western Manitobans and Brandonites through neighbourhood renewal, neighbourhood capacity building and community economic development opportunities. Neighbourhoods Alive! is interested in developing tourism opportunities, streetscaping opportunities in our historic districts in the city of Brandon to build not only neighbourhoods that people are proud to live in but neighbourhoods that others, visitors to Brandon, tourists to Brandon, can enjoy in their visits to our community.

On economic development, broadly, Brandon is experiencing a construction boom that it has not seen for decades. Not only with the development of the \$60-million Regional Health Centre which is obviously a boon to the construction industry; not only the \$180-million

conversion of the Brandon East hydro generating station, which is a boon to the construction industry; not only the building of new schools, which is a boon to the local construction industry; not only the building of new facilities that are post-secondary institutions, which is a boon to the construction industry; not only the development of hundreds of housing units in Brandon, which is a boon to the construction industry; not only through support for the Keystone Centre, support for McKenzie Seeds, which will be boons for the construction industry; not only through facilitating the development of the Canad Inns convention hotel in the Keystone Centre, which will be a boon to the construction industry; but through a renewed spirit of optimism and a renewed spirit of potential for growth and development in western Manitoba.

Mr. Speaker, we are a government that believes in optimism. We are a government that believes in Manitoba. We are a government that believes in Brandon and western Manitoba and, moreover, believes in investing in Brandon and investing in western Manitoba for the benefit of citizens in that region. For these reasons, we are creating a new culture of optimism, a new

culture of growth, a new culture of innovation and opportunity in Manitoba and western Manitoba, and I am very proud to be part of a government that is very, very different than the nabobs of negativism and the negative nitpickers that confront us as a government across this Chamber floor. All we hear is a single note from members opposite—doom, gloom, the sky is falling.

When I look in my community, and when I work in my community, Mr. Speaker, I see people working together to build Manitoba. I am proud to be part of that Government that believes in the same thing as Manitobans, and that is optimism and growth.

Mr. Speaker: Order. Was the honourable minister finished?

An Honourable Member: Done.

Mr. Speaker: When this matter is again before the House, the debate will remain open.

The hour being 5:30 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 23, 2003

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