Fourth Session - Thirty-Ninth Legislature

of the

Legislative Assembly of Manitoba

DEBATES and PROCEEDINGS

Official Report (Hansard)

Published under the authority of The Honourable George Hickes Speaker

MANITOBA LEGISLATIVE ASSEMBLY Thirty-Ninth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BLADY, Sharon	Kirkfield Park	N.D.P.
BLAIKIE, Bill, Hon.	Elmwood	N.D.P.
BOROTSIK, Rick	Brandon West	P.C.
BRAUN, Erna	Rossmere	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
BRIESE, Stuart	Ste. Rose	P.C.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
GRAYDON, Cliff	Emerson	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
HOWARD, Jennifer, Hon.	Fort Rouge	N.D.P.
IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MARCELINO, Flor, Hon.	Wellington	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McFADYEN, Hugh	Fort Whyte	P.C.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PEDERSEN, Blaine	Carman	P.C.
REID, Daryl	Transcona	N.D.P.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SARAN, Mohinder	The Maples	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELBY, Erin	Southdale	N.D.P.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew, Hon.	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WHITEHEAD, Frank	The Pas	N.D.P.
WIEBE, Matt	Concordia	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 26, 2010

The House met at 10 a.m.

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

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 14–The Body Armour and Fortified Vehicle Control Act

Hon. Andrew Swan (Minister of Justice and Attorney General): I move, seconded by the Minister for Innovation, Energy and Mines (Mr. Chomiak), that Bill 14, The Body Armour and Fortified Vehicle Control Act; Loi sur le contrôle des gilets de protection balistique et des véhicules blindés, be now read a first time.

Motion presented.

Mr. Swan: Mr. Speaker, this bill will regulate body armour and fortified vehicles. It follows through on the Throne Speech commitment to prevent criminal organizations and gangs from using fortified vehicles to threaten public safety in Manitoba. It goes further by regulating the use of body armour. At the same time, the bill recognizes that those on the front lines of public safety, like police and correctional staff, require this equipment to keep themselves and the public safe. Thank you.

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

PETITIONS

Bipole III

Mr. Leonard Derkach (Russell): I wish to present the following petition to the Legislative Assembly.

The background for this petition are as follows:

Manitoba Hydro has been forced by the NDP government to construct its next high-voltage direct

transmission line, Bipole III, down the west side of Manitoba, a decision for which the NDP government has not been able to provide any logical justification.

Since this will cost Manitoba ratepayers at least \$640 million more than an east-side route, and given that the Province of Manitoba is facing the largest deficit on record, the burden of this extra cost could not come at a worse time.

Between 2002 and 2009 electricity rates increased by 16 percent, and Manitoba Hydro has filed a request for further rate increases totalling 6 percent over the next two years.

A western Bipole III route would inevitably lead to more rate increases.

In addition to cheaper–in addition to being cheaper, an east-side route would be hundreds of kilometres shorter and would be more reliable than a west-side route.

West-side residents have not been adequately consulted and have identified serious concerns with the proposed line.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to consider proceeding with the cheaper, shorter and more logical east-side route, subject to necessary regulatory approvals, to save ratepayers hundreds of millions of dollars during these challenging economic times.

And this petition, Mr. Speaker, is signed by Floyd McTavish, Garth McTavish, Everett Gurr and many, many other Manitobans.

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

Long-Term Care Facilities-Morden and Winkler

Mr. Peter Dyck (Pembina): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition.

Many seniors from the Morden and Winkler area are currently patients in Boundary Trails Health Centre while they wait for placement in local personal care homes.

There are presently no beds available for these patients in Salem Home and Tabor Home. To make more beds in the hospital available, the regional health authority is planning to move these patients to personal care homes in outlying regions.

These patients have lived, worked and raised their families in this area for most of their lives. They receive care and support from their family and friends who live in the community, and they will lose this support if they are forced to move to distant communities.

These seniors and their families should not have to bear the consequences of the provincial government's failure to ensure that there are adequate personal care home beds in the region.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Health to ensure that patients who are awaiting placement in a personal care home are not moved to distant communities.

And to urge the Minister of Health to consider working with the RHA and the community to speed construction and expansion of long-term care facilities in the region.

And this is signed by Martin Evans, Peter Toews, Frank Friesen and many, many others.

PTH 15–Traffic Signals

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

These are the reasons for this petition:

In August 2008, the Minister of Transportation stated that traffic volumes at the intersection of PTH 15 and Highway 206 in Dugald exceeded those needed to warrant the installation of traffic signals.

Every school day, up to a thousand students travel through this intersection in Dugald where the lack of traffic signals puts their safety at risk.

Thousands of vehicles travel daily through this intersection in Dugald where the lack of traffic signals puts at risk the safety of these citizens.

In 2008, there was a 300 percent increase in accidents at this intersection.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Transportation consider the immediate installation of traffic signals at the intersection of PTH 15 and Highway 206 in Dugald.

To request that the Minister of Transportation recognize the value of the lives and well-being of the students and citizens of Manitoba.

Signed by Adam Ruby, Anita Killen, John Schaap and many, many other Manitobans.

Ophthalmology Services–Swan River

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

These are the reasons for this petition:

The Swan Valley region has a high population of seniors and a very high incidence of diabetes. Every year, hundreds of patients from the Swan Valley region must travel to distant communities for cataract surgery and additional pre-operative and postoperative appointments.

These patients, many of whom are sent as far away as Saskatchewan, need to travel with an escort who must take time off work to drive the patient to his or her appointments without any compensation. Patients who cannot endure this expense and hardship are unable to have the necessary treatment.

The community has located an ophthalmologist who would like to practise in Swan River. The local Lions Club has provided funds for the necessary treatment, and the Swan River Valley hospital has space to accommodate this service.

The Minister of Health has told the Town of Swan River that it has insufficient infrastructure and patient volumes to support a cataract surgery program; however, residents of the region strongly disagree.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Health to consider rethinking her refusal to allow an ophthalmologist to practise in Swan River and to consider working with the community to provide this service without further delay. And this is signed by Vivianne Delaurier, Don Baldwin, Dale Roberts and many, many others, Mr. Speaker.

* (10:10)

MPI–Independent Claim Representative

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

And these are the reasons for the petition:

Several citizens of Manitoba who have been injured in automobile accidents are being denied by Manitoba Public Insurance the right to choose who may be their agent or personal representative when appealing a decision to terminate benefits.

This has created serious challenges for claimants who feel they need someone to represent them. The choices suggested by MPI are a lawyer, claimant adviser, or someone of their choosing, such as a family member or friend, who is not being paid.

MPI suggests it is the Law Society which is advising it not to accept independent claim representatives who are paid a fee. However, the legal professions act specifies that only claims founded in tort are subject to this provision regarding the unlawful practice of law and that The Manitoba Public Insurance Corporation confirms that claims for compensation are non-tort claims.

Furthermore, neither The Manitoba Public Insurance Corporation Act nor MPI's Web site specifies that claimants may not be hired an independent claims representative who is not a lawyer. Consequently, claimants feel that their rights have been arbitrarily discriminated against.

Claimants in all provinces under similar non-tort Workers Compensation legislation and claimants in other provinces with public auto insurers are allowed the right to choose and/or hire an independent claims representative.

As MPI is a Crown corporation and a monopoly, it has a profound duty to–of care to ensure that citizens' rights and freedoms are not discriminated against.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister charged with the administration of The Manitoba Public Insurance Corporation Act to consider instructing MPI to allow claimants the right to select an independent claim representative of their choosing, whether paid or unpaid, whether a lawyer or non-lawyer, as claimants with similar claims in other provinces are permitted to do.

And this petition is signed by Serena King, Ron Hayden and Ken Peattre and many, many more fine Manitoban.

Medical Clinic in Weston and Brooklands Area

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

Community-based medical clinics provide a valuable health-care service.

The closure of the Westbrook Medical Clinic has left both Weston and Brooklands without community-based medical clinic.

We petition the Legislative Assembly as follows:

To urge the provincial government to consider how important it is to have a medical clinic located in the Weston-Brooklands area.

Mr. Speaker, this is signed by Laurel Robinson, Larry Robinson and M. Robinson and many, many other fine Manitobans.

Bipole III

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

And this is the background to this petition:

Manitoba Hydro has been forced by this NDP government to construct its next high-voltage direct transmission line, Bipole III, down the west side of Manitoba, a decision which the NDP government has not been able to provide any logical justification.

Since this will cost Manitoba ratepayers at least 640 million more than an east-side route, and given that the Province of Manitoba is facing its largest deficit on record, the burden of this extra cost could not come at a worse time.

Between 2002 and 2009 electricity rates increased by 16 percent, and Manitoba Hydro has filed a request for further rate increases totalling 6 percent over the next two years. A western Bipole III route will invariably lead to more rate increases.

In addition to being cheaper, an east-side route would be hundreds of kilometres shorter, would be more reliable than a west-side route.

West-side residents have not been adequately consulted, have identified serious concerns with the proposed line.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to consider proceeding with the cheaper, shorter and more logical east-side route, subject to necessary regulatory approvals, to save ratepayers hundreds of millions of dollars during these challenging economic times.

This petition is signed by Gloria Desjardins, Lawrence Gushulak, Jerry Debeuckelaere, and many, many other fine Manitobans.

Introduction of Guests

Mr. Speaker: Prior to oral questions, I'd like to draw attention of honourable members to the public gallery where we have with us today–we have members of the Assiniboine Masters Swim Club, who are the guests of the honourable member for Kirkfield Park (Ms. Blady).

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

ORAL QUESTIONS

Provincial Debt Servicing Costs

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, and we're now three days into reading the detail on the budget tabled on Tuesday by the Minister of Finance (Ms. Wowchuk). It's-this is a budget that reads more and more like a Stephen King novel with every page that you get through. But unlike Stephen King novels, some of the scariest parts within the document, you run into right up front at page 9, under the Estimates of Expenditure.

Now, there are certainly some scary parts on page 144 and 142, but one of the most terrifying parts on page 9 shows that contrary to what this Premier and his minister were telling Manitobans and what they were telling the media on Tuesday, health care is not the No. 1 area for increased spending in this budget. In fact, the biggest increase in spending in this budget is to service the out-ofcontrol rising interest costs on the debt of Manitoba, Mr. Speaker, page 9 of the budget, a 10.7 percent increase in paying for the rising interest on the out-of-control debt, more than double the amount that's going into health care.

Why, Mr. Speaker, is he doubling spending on out-of-control debt at a rate that is double what he's spending on health care? Why is he jeopardizing social services with his reckless spending?

Hon. Greg Selinger (Premier): Mr. Speaker, I thank the member for the question. It's a good question because the reality is that all the governments in Canada are committed to a stimulus-spending program in this country this year, as well as last year. And they're doing that because we know we have to lift the economy up at a time when private investment has declined dramatically because of the financial crisis in the United States, which morphed into a global economic crisis.

The important point to note here, Mr. Speaker, is that currently we are spending 6 cents on the dollar for debt servicing. When the members opposite were in government, it was 13.5 cents on the dollar, less than half of what they were doing.

If it was okay at 13.5 cents on the dollar when they were in office, why is it a problem at 6 cents on the dollar?

Mr. McFadyen: Mr. Speaker, and the fact is that when you look at this budget, 10.7 percent increase on spiralling interest and out-of-control debt under this government, more than double the rate of increase for health care.

Why, Mr. Speaker, did he and his Minister of Finance mislead Manitobans, mislead the media on Tuesday by saying that their top priorities were health, justice and education, when, in fact, the biggest spending increase is going to pay for the spiralling interest costs on his out-of-control debt?

Mr. Selinger: You can take a dollar and double it and call it \$2 and say it's a hundred percent increase. The reality is 60 percent–60 percent. *[interjection]* I'm glad the members understand the point. They're focussing on the fallacy of large percentages, when the reality is that of the additional dollars in this budget, over 60 percent of all the additional dollars are going to health care. Ninety percent of all the additional dollars are going to health care, family services, education, infrastructure and justice. That's where the big money is going, Mr. Speaker. The member knows that. The budget demonstrates that.

Mr. McFadyen: Mr. Speaker, and clearly he was taught well at the London School of Economics. One plus one equals two and that's a 100 percent increase.

Mr. Speaker, I want to ask him: In which course at the London School of Economics did they teach him that if you increase the debt and interest rates go up, that this poses no threats to social programs and the financial stability of Manitoba? In which course did he learn that, and will he apologize to Manitobans for putting their programs at risk with spiralling debt and rising interest rates?

* (10:20)

Mr. Selinger: Let's bear in mind what the member's program would be. He would slash a half a billion dollars out of this budget so that he wouldn't have to take any kind of a salary cut if he was a minister. If his program was applied across this country, we would have massive unemployment across this country. We would have massive cuts.

Another economist has said: We are in the circumstances where government spending was required, and when that is required we are not going to act on the basis of ideology; we're going to act on the basis of what the economy needs. And, I might add, on what the citizens of Canada need. That was a statement by the Prime Minister, Stephen Harper.

Balanced Budget Legislation Government Adherence

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

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, in 1999, the *Free Press* was reporting on the election campaign at the time. And the story at the time, dated August 19th, 1999, in reference to then-NDP leader, Gary Doer–as opposed to the leader of the real NDP, who's now in power–the *Free Press* story said, in fact, he acknowledged that balanced budget legislation introduced by the Tories was a good idea, one his party would keep. And I quote: We've said all along that we're not going to change the things they got right, said Doer. That also included sticking to the Filmon government's debt retirement plan which calls for an annual payment of \$75 million.

On the basis of this promise by Gary Doer, Mr. Speaker, to keep the balanced budget legislation and

stick with debt repayments, we all know what happened in 1999. And I want to-*[interjection]* Exactly. Very good. Exactly right.

I want to ask the new leader, the former minister responsible for Crocus and Hydro, the new leader of the real NDP, I want to ask him, Mr. Speaker: Why has he abandoned any pretence of commitment to balanced budgets? Why does he say that balanced budgets are claptrap, when that's what Manitobans expect their government to do, live within their means?

Hon. Greg Selinger (Premier): You know, it's very clear there's a consensus that goes across the political spectrum that at a time of global recession, we have a responsibility to stimulate the economy. We're doing that for 29,000 jobs this year, and it's part of our five-point plan.

And I know the member has trouble reading those five points. Point No. 4: restore balance, restore balanced budgets. That's point No. 4 in the balance–in the plan that we have put forward. We are moving to grow the economy now, to keep people working, to protect front-line services, to do that by managing expenditure and, at the same time, return us to balance, while keeping Manitoba one of the most affordable places to live.

I'm glad the member brought the quote up. The 75 million that he mentioned in 1999? We're doing 96 million of that this year. We're doing more than was done in 1999.

Mr. McFadyen: Mr. Speaker, they've increased the debt by \$10 billion over that period of time. What an unbelievable admission of failure, that their percentage of debt repayment—as the debt spirals out of control, rising by 10 percent over last year, crowding out spending in other areas including health care and front-line services. We know that students today have seen dramatic hikes because of this government. We're seeing freezes and reductions across the board through government, and it's just the beginning of the price that Manitobans pay for his mismanagement.

I want to ask the Premier today: Will he correct the statement he made yesterday, and will he apologize for laying out half a decade of deficits and for saying that balanced budgets are claptrap?

Mr. Selinger: If the member imposed his program, which I know he'd like to do on the whole country, we would have massive unemployment. We would

have massive reduction in front-line services. That's the program he wants to bring to the whole country.

If he wants to drag us back to the '90s, where he laid off nurses, drove doctors out of the province of Manitoba, put people on the unemployment rolls and slashed services, let him do that.

We have a program that will move this province forward. It will generate more economic growth. It will generate 29,000 additional jobs. It will rebuild our schools, our hospitals, our roads, our water systems, our sewage treatment systems. It will do that in a responsible way by keeping debt at about 6 cents on the dollar, less than half of what they were paying when they were in office. That's what we're going to do because it's in the interests of Manitobans, it's in the interests of the economy, and every government in Canada is doing the same thing.

Mr. McFadyen: Mr. Speaker, I don't know whether he saw the news reports over the last couple of days, but the governor of the Bank of Canada, Mr. Carney, is saying that interest rates are on the way up as late as June 1st, possibly sooner than that.

When that starts to happen, on top of this \$23.4-billion debt and rising, Mr. Speaker, the projections in the budget are not going to fly. We are going to go further into the sinkhole that he's creating. And we're going to see further pressure on front-line services like health care and other things that matter to Manitobans.

He can try to scare people all he likes with his overheated rhetoric, but the fact is, Mr. Speaker, this is the same–it's the same NDP leader who said everything was fine at Crocus when he knew it wasn't, the same NDP leader who got the get-out-ofjail-free letter when he knew that his party was engaged in election fraud. It's the same NDP leader who's trying to–who tried to run Hydro into the ground with–and then came out with misleading financial statements about Hydro. And, incidentally, it's the same NDP leader who compared the east side of Manitoba to the Taj Mahal in order to justify his Hydro decision.

He's got no credibility. Why doesn't he apologize?

Mr. Selinger: You know, the member talks about overheated rhetoric. Let's start with Hydro. It's in the best financial shape it has ever been in at a 75-25 debt-equity ratio. The member opposite never lets the facts get in the way of a-the member never lets the facts get in the way of his pursuit of

ideology. If the member really was honourable, he'd apologize for the fact that he says Hydro is not in good shape financially when he knows it is. He would apologize for the fact that he knows that it was him and his colleagues who were doing the bad loans at Crocus.

But what he wouldn't-what he really has to recognize is that, no matter what government we have in Canada today, whether it's Conservative, whether it's Liberal, whether it's New Democrat, we're all committed to restimulating the economy with job creation, with the protection of front-line services, with opportunities to grow this economy for the future by keeping it affordable for Manitobans and restoring balance.

That's what we're doing. He wants to go back to the '90s where everybody was put on the unemployment rolls.

Budget Projected Interest Rate Increases

Mr. Rick Borotsik (Brandon West): Mr. Speaker, if Manitoba Hydro is in the best possible financial position it's ever been in, why do they need a 2.9 percent interim rate increase next week? Why did they need that?

Mr. Speaker, budgets are best guesses based on current and projected data. These assumptions should be based on fact, not fantasy.

It is obvious that the budget put forward by the previous Finance Minister was woefully inept. A budgeted surplus turned into the worst deficit this province has ever seen, \$600 million. This Finance Minister seems to be following the path to-the same path to fantasy land, Mr. Speaker.

Two assumptions that have to be based on fact, not fantasy, are interest rates and equalization payments. In her five-year deficit plan, does the Finance Minister see interest rates going down by any chance?

Hon. Rosann Wowchuk (Minister of Finance): And, indeed, as I said yesterday, I will say again today, Mr. Speaker, that we have a very good Finance Department. We have people who do projections on where interest rates will be. They are very good at making long-term investments and locking in money when it's very cheap.

And, Mr. Speaker, the Finance Department has provided numbers in this budget that do recognize that there could be a change in interest rates. And they are doing borrowing at very low rates so that if there is a change, some of the borrowing will be protected at the low rates that we have now.

Mr. Borotsik: Mr. Speaker, I know this is hard to fathom, but the debt in the Province has increased by \$10 billion since this tax-and-spend government took office in 1999. Ten billion dollars.

The additional debt in this budget alone is \$2.2 billion. The deficit forecast for the next five years is going to be an additional \$2 billion. Interest rates are going up. Mark Carney has been mentioned-says that they're going to go up sooner and they're going to go up faster. Regardless of what she says about her staff and her department, Mr. Speaker, interest rates are going to play a major part in this government's fiscal follies.

How is this minister going to pay for an additional \$200 million of yet-to-be-borrowed money: \$2.2 billion this year, \$2 billion over the next five years? That, you cannot borrow now at today's rates, you'll be borrowing at new rates and they are going to keep–increase the interest rates by \$200 million.

How are you going to pay for that?

* (10:30)

Ms. Wowchuk: Well, Mr. Speaker, the member opposite keeps talking about the situation this Province is in. I would ask him to look back to the '90s when the debt-to-GDP was 13.5 cents to-on the dollar; now it is 6 cents on the dollar. Our debt payments within this budget-there is a plan-in our five year plan there is a plan to pay \$600 million dollars down of the amount that is used to get us through this difficult time.

We continue to do-have a debt management strategy wherein this budget a total of \$538 million will be paid toward debt, managing some of the pensions that were neglected by previous administration.

Mr. Speaker, it's very important that we have pensions and that we make the proper payment, and we are addressing that.

Regional Health Authorities Administration Costs

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, the administration cost and the WRHA in 1999 were \$5.7 million. Today they are \$90 million, \$90 million that didn't help Brian Sinclair very much.

Brian waited in the ER for 34 hours before getting care, care that he didn't get and he died.

This Minister of Health has allowed the bureaucracy at the WRHA to skyrocket and it's been at the cost of front-line care. So why is she putting so much money into bureaucracy instead of into frontline health care?

Hon. Theresa Oswald (Minister of Health): Well, Mr. Speaker, I can inform the member opposite, although I feel reasonably certain she knows that when the external review was done of regional health authorities, by very reputable and independent sources, one of the statements that they very clearly made, that spending on administration in regional health authorities is in line or indeed slightly lower than every other jurisdiction in Canada.

Further, CIHI, the Canadian Institute for Health Information, substantiates that. We know that it has been our commitment of this government to put funding into front-line care. That's why, Mr. Speaker, in the last election we committed to bring 700 more nurses to the front line and we committed to hire a hundred more doctors.

Mr. Speaker, in contrast, the members opposite promised zero.

Mrs. Driedger: Mr. Speaker, these numbers speak for themselves. We see and hear health–we see patients like Brian Sinclair dying because he couldn't get care. We see patients in Swan River, moms that have to go to Saskatchewan to have babies because there aren't nurses and doctors in Swan River to deliver babies. We have hallway medicine in Dauphin. We have 17 rural ERs closed, and yet the rural and northern RHA admin costs were \$14 million in 1999. Today they are \$46 million, more than tripled.

So I have to ask the Minister of Health: With all these horror stories in health care, why is she spending so much money on the bureaucracy cost and siphoning it from all these front-line health care?

Ms. Oswald: Mr. Speaker, we know that in health care, whether it's improving services in emergency rooms, whether it's bringing more nurses to the front line, whether it's improving maternal care, we've made that commitment to Manitobans, and we're following through on those commitments.

We know that in light of the questions asked earlier in question period, Mr. Speaker, that at a time when the previous government was faced with an economic downturn they had choices to make and the choices that they made, among many other terrible things, were to drive 1,500 nurses out of the system. In the time that we've been working, we've been able to turn that ship around. We've been able to see a net increase of over 2,000 nurses to the system.

Essentially, Mr. Speaker, to put it in terms I think the members opposite can understand, for every nurse that they fired, we've hired two back.

Mrs. Driedger: Mr. Speaker, this Minister of Health can dwell on something from two decades ago. It might be something–she may want to look at what's–

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mrs. Driedger: –she may want to look at what's happening under her watch where 1,500 doctors have fled this province in the last 10 years under her watch.

Mr. Speaker, the total RHA admin costs in 1999 were \$19.5 million. Today, they are \$136 million according to audited financial statements. That is a 600 percent increase in administration costs under this NDP government.

So we'd like to ask her: Why is she siphoning so much money away from the front lines of health care and why is she building it into bloated bureaucracies in this province?

Ms. Oswald: Well, thank you very much, Mr. Speaker, and to cite a very reputable resource, the CIHI hospital financial performance indicators, which was released in October of 2009, it says that Manitoba, indeed, has the second lowest hospital administrative cost in the nation at 4.4 percent.

Further, Mr. Speaker, to address some of the other statements and inaccuracies that the member has cited, when the member talks about doctor migration she never wants to talk about the doctors that have come to Manitoba. What Manitobans really care about is the net increase of doctor. Since we've been in office there's been a net increase every year for a total of 345 more doctors today in Manitoba than under their watch. We've done this in a number of ways by restoring, for example, the seats in medical school that they decided to cut to save some money when they were in an economic downturn.

It's about choices, Mr. Speaker. We choose health care. They never did.

On-Site Waste-Water Management Systems Regulation Changes

Mr. Stuart Briese (Ste. Rose): Mr. Speaker, unlike this NDP government, Manitobans in rural areas of the province are concerned about unnecessarily wasting money on a regulation where this NDP government admits there is no science, no proof that there is a need.

Mr. Speaker, what do I tell the farmer that wants to add a child to his property title for discussion purposes? What do I tell a husband that wishes to do a joint title with his wife? What do I tell a recent widow who has to change the title for estate purposes?

Mr. Speaker, will the Minister of Conservation commit today to revisit the regulation on on-site waste-water management systems, listen to the AMM and KAP, do the right thing and deal with waste-water ejectors on a case-by-case basis?

Hon. Bill Blaikie (Minister of Conservation): As the honourable member has indicated, we've heard concerns expressed about that regulation, and I've committed to the AMM–I met with the honourable member and his colleagues. I've met with a number of people on this, and we are looking at whether there are any changes that we might make if we can make them in a way that doesn't compromise the intention of that regulation, which is to protect the Manitoba environment, something I wish the honourable members across the way were more interested in a general way than they usually are.

Mr. Briese: Mr. Speaker, Bill Porrock is 84 years old. He lives on an acreage in the R.M. of Rosedale. Bill lives on a limited income from his CPP and old age security. His property has been appraised at \$25,000. He has an on-site waste-water management system. This government has provided no proof, no scientific evidence that his current system is wrong, but Bill will be forced to spend \$15,000 he hasn't got to install a system that he doesn't need.

I ask: Is this the heavy-handed way this NDP government wants to treat seniors in this province?

Mr. Blaikie: Mr. Speaker, I think I already answered the question of the honourable member, but I heard the Leader of the Official Opposition heckling to the effect that we have slashed Conservation spending. I wonder what he thinks about the fact that in the Saskatchewan budget they cut the conservation and environment budget by twice as much as anything

511

that was contemplated in this budget. Is that what they'd like us to do when it comes to the environment and conservation, imitate Saskatchewan? We didn't, because we are committed to the environment, unlike the honourable members opposite who voted against every single thing we've brought forward in the past 10 years having to do with improving the environment in Manitoba.

* (10:40)

On-Site Waste-Water Management Systems Regulation Changes

Mr. Speaker: The honourable member for Arthur-Virden.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable member for Arthur-Virden has the floor.

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, and this is no comfort to impacted Manitobans.

The–Mr. George Harrison of the Sifton–of the municipality of Sifton is one of hundreds of Manitobans who have been negatively impacted by this government's unscientifically based decision to ban waste-water ejectors effective upon a land transfer. The Harrisons want to subdivide two residences from his farm property. This NDP edict could cost Mr. Harrison \$40,000 just so he and his wife can retire on their own property.

Mr. Speaker, rather than allowing a case-by-case analysis, as requested by Manitobans, why has the Minister of Conservation and his government forced a blanket coverage of their regulation on seniors like Mr. Harrison?

Hon. Bill Blaikie (Minister of Conservation): Well, Mr. Speaker, the honourable member's already brought this case to the attention of my department and we're looking into it.

But I wonder if the opposition has changed–I wish they'd get their position straight on this because on the one hand they say, well, you know, in sensitive areas we understand but on other areas, we might want to have it on a case-by-case basis.

But today they're talking about a case-by-case basis for the whole province. Is that their position? Because if that's their position, that's not what they're going to get. **Mr. Maguire:** Well, Mr. Speaker, I'd like to table that letter that Mr. Harrison sent to the Minister of Conservation over six weeks ago on February the 11th. In it, Mr. Harrison asks the minister to intervene and at least give him two years after the sale of his farmland before having to make this forced change with money he does not have.

Mr. Speaker, the Minister of Conservation has no reasonable explanation to black-to back his blanket decision on on-site waste-water management systems. Given that there are many different soil types across Manitoba, and I'm not sure about the answer the minister just gave, but does the Minister of Conservation still believe that he can offload these costs on innocent Manitobans? Does he really believe that all sites should be lumped under one edict, as opposed to being assessed on a case-by-case basis? Will he look at Mr. Harrison's situation?

Mr. Blaikie: Mr. Speaker, I've already indicated that I think that the–some concerns that we might be able to meet and we are looking at how we can meet them but, again, only if we can do it in a way that doesn't compromise the overall intention of the regulation, which is to protect Manitoba's environment. That will be our first priority and if there are legitimate concerns that we can address by changing the regulation or in some other way, we're looking at doing that. The honourable member knows we're doing that and he also knows that we're looking at the case that he's brought up before the House here today.

Post-Secondary Education Student Aid Reductions

Hon. Jon Gerrard (River Heights): Mr. Speaker, in the budget this week, the government announced that tuition fees would be going up 5 percent. In today's *Free Press*, it's reported that the University of Manitoba is considering massive increases in tuition. In the budget presented earlier this week, the Premier's NDP government reduced student aid from \$42 million last year to \$34 million, a dramatic 20 percent reduction in student aid report. It's right there; page 38.

I ask the Premier: How can his government justify increasing tuition and decreasing student aid so dramatically at the same time? Why is the government trying to squeeze students like this?

Hon. Greg Selinger (Premier): I commend the member for-I actually think this is another good

question, Mr. Speaker, because he's focussing in on exactly what we're trying to address here.

The universities will be allowed to increase tuition fees by 5 percent. We're moving the graduate tuition tax rebate scheme program forward. It'll be available to students during the time they go to school. It'll be just on a \$3,000 tuition. It'll be about an equivalent offset to the rise in tuitions. So, \$150 up, \$150 available through the graduate tuition tax rebate program.

The member talks about the reduction in student aid. I hope he remembers that that reduction reflects the end of the Millennium Scholarship Fund. It was a good fund. Unfortunately, when the Liberals put the fund in place, they only put it in place for a timelimited period of 10 years and now it's disappeared.

Mr. Gerrard: So the Premier is trying to blame the problem on the fact that the Tories didn't renew the Millennium Scholarship. The reduction in the student aid was his budget, the Manitoba NDP budget, student aid, \$42 million in the year just ending, coming up, the student aid budget, \$34 million. It's there in black and white, page 38. It's this Premier's government.

It's time this Premier was more honest and accountable to students-

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We're going to have be–we're going to be maintaining decorum in this Chamber. All members in this Chamber are honourable members. I ask the honourable member to withdraw that comment about being honest.

Mr. Gerrard: Mr. Speaker, I didn't call the Premier a liar.

Mr. Speaker: Order. My rulings are not up for debate. The way I interpret it, that's the way I interpret it and my rulings are not up for debate. I'm asking the honourable member to withdraw that comment.

Mr. Gerrard: I withdraw the comment.

Mr. Speaker: Okay, it's been withdrawn. Please continue.

Mr. Gerrard: Why is the Premier increasing tuition and decreasing student aid in the same budget?

Mr. Selinger: Mr. Speaker, there are \$7.5 million additional resources in this budget in order to move the graduate tuition tax rebates program into the

years when young people or students are going to school so they can have it-take advantage of it. So there are more resources there.

Unfortunately, the Millennium Scholarship Fund was always a time-limited fund. It was always passed through the government out to the foundation that distributed it. That money ran out. That was a federal decision to do that in the first instance, when the Liberals only put it in place for a time-limited period of time and in the second instance, when the current government decided not to continue with it.

They have done some other things to help students with—on the tax side. We're doing things on the graduate tuition tax rebate side. We want young people to be able to go to post-secondary institutions, which is why we've increased funding for universities 4.5 percent, which is why we've increased funding to public schools 2.95 percent, which is why we have a Bright Futures fund which allows people to bridge and have the resources to go from high school to university, which is why we have the graduate tuition tax rebate program, so that people could see the value of their education returned to them when they stay and live and work in Manitoba.

We have an ambitious program for education. We hope to-

Mr. Speaker: Order.

Mr. Gerrard: Mr. Speaker, you know, while some modest cost of living increases in tuition might have been acceptable, this government has gone far beyond that and is going far beyond that.

While a reduction-or an increase in tuition might have been acceptable if you increased student aid, what this government is doing is decreasing student aid. *[interjection]* Absolutely. It's right in the budget, page 38, down from 42 million to 34 million, decrease in student aid.

And you can talk about the problems at the federal government level all you want, but the reality is that your government is ganging up with the federal Tories to reduce student aid and to hurt students. Why are you doing that?

Mr. Selinger: Mr. Speaker, I'm looking at the page the member referenced, and the big difference between last year and this year, fundamentally, is the fact that the Millennium Scholarship Fund ran out, and the federal government didn't renew it, whether they were Conservatives or Liberals. The Liberals didn't make it a permanent commitment. The Conservatives went along with that.

So, the bottom line is we're doing things that are innovative in Manitoba to make university more accessible, more affordable, and we're doing that by a graduate tuition tax rebate program which has now been made available to young-to students while they're going to school. We're doing that by having a Bright Futures fund which allows more young people to build up resources that allow them to enter postsecondary education. We're doing that by keeping some limits on how much tuition fees can go up, and we're doing that by adequate funding for K to 12 schools, colleges and universities. Those are things that'll allow young people to get an education.

Just a few days ago the member wanted to slash the budget down to zero. These are part of our commitments to allow Manitobans to participate in the economy and to have a prosperous future.

* (10:50)

Population Growth Increase

Mr. Mohinder Saran (The Maples): Mr. Speaker, Manitoba 2010 budget and our five-year economic plan pledges to keep our province's affordability advantage moving forward. Can the Minister of Entrepreneurship, Training and Trade please share with the House any recent information about the great number of people that are coming to live in Manitoba?

Hon. Peter Bjornson (Minister of Entrepreneurship, Training and Trade): Mr. Speaker, I was very pleased to see the results of-from Stats Canada that indicate that, as of January 1st, 1,229,000 people now call Manitoba home. That's an increase of 16,400 people over the previous year.

Now, if you were to add together the populations of Brandon, Thompson, Dauphin and Portage la Prairie combined, that would reflect the number of people that have chosen to make Manitoba home in the last 10 years.

Mr. Speaker, that's why I'm proud to be part of a government that not only reflects the cultural diversity of this province, but I'm proud to be part of a government that, in Budget 2010, is investing into health care, education, training, infrastructure needs that Manitobans–new Manitobans will need as we continue to grow this province and continue to move forward. Thank you very much.

Post-Secondary Education Government Funding

Mrs. Mavis Taillieu (Morris): Well, Mr. Speaker, unlike what this Premier (Mr. Selinger) would've led us to believe in his earlier answer, for years our universities have been cash starved by this NDP government who have put politics and personal gain ahead of student learning. And, after years of not living up to their promise to adequately fund universities, the situation is not only critical, they're on life support.

Can the Minister of Advanced Education tell us today, what is her plan to revive our universities and make them healthy once again?

Hon. Diane McGifford (Minister of Advanced Education and Literacy): Mr. Speaker, I thank the member for that question because it does give me the opportunity to tell her that, in the past decade, funding to the university system in Manitoba has increased by 80 percent.

Now-and, you know, Mr. Speaker, the wonder of it all, because, under the former government, during the decade of the '90s, funding to universities increased by 16 percent. In other words our-we've increased funding to universities by five times that of members opposite.

So, if I might supply the member with a little information; for example, in 1991, funding to U of M was \$177 million. Today it's \$282.9 million, Mr. Speaker. And I–

Mr. Speaker: Order.

Mrs. Taillieu: Mr. Speaker, maybe she should tell that to the deans at the universities who are faced with laying off staff.

Mr. Speaker, the NDP government stood in the way of progress and they've created an environment where our universities have lost their winning edge and students are the ones that are losing out. The minister is short-changing their futures and we're seeing nothing from her to indicate that she's even interested in turning this around.

Mr. Speaker, will the minister just step aside and let the universities rebuild their competitive edge and become the world-class institutions that they deserve to be?

Ms. McGifford: You know, Mr. Speaker, sometimes in the Legislature, with members opposite, it's like being at the Mad Hatter's tea party.

They change positions and they change hats so many times. I mean, I don't-the 1990s evidence suggests to me-and, of course, we do know that the member of the official opposition was a board member during the '90s.

Now, we have people here pretending to be friends to students but, in the '90s, tuition fees to students increased-

An Honourable Member: Doubled.

Ms. McGifford: No, by 132 percent. So that doesn't seem to me that members opposite had a deep-seated interest in educating young people in Manitoba.

I've already addressed the issue of capital, pointing out that, under this government–pardon me, the issue of operating grants–that, under this government, operating grants increased by 80 percent and we could have a–in the third question I could address the issue.

Mrs. Taillieu: Mr. Speaker, students in this province deserve the best education that they can get. Universities deserve the best resources so that they can provide that education. When will this minister step aside and allow the universities to do what they do best, and that's educate our young people?

Ms. McGifford: You know, Mr. Speaker, I'm very proud of the universities in this province. They've certainly-they've-their achievements have been incredible, and just yesterday morning we had a lecture from one of the University of Manitoba professors, a world-class scholar, Dr. David Barber, on the matter of global, pardon me, arctic warming. I was surprised that the member opposite didn't attend.

But, anyway, maybe she was busy writing questions or dreaming up ways how she could be friendly to students after beating up on them in the decade of the '90s. You know, Mr. Speaker, I point out again that this party, who are now pretending to espouse the cause of students, increased funding– increased tuition by 132 percent and increased operating grants by 16 percent. We have very–the best system of student aid in the country and extremely affordable tuitions.

Mr. Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

Assiniboine Masters Swim Club

Ms. Sharon Blady (Kirkfield Park): Mr. Speaker, when fun and fitness come together, the result is always a success. I am speaking today about the Assiniboine Masters Swim Club, which is a fine example of an athletic group that knows how to have a terrific time and encourage team spirit. The club's motto is fun, fitness and friendship.

This group of approximately 40 swimmers meets at the St. James Assiniboia Centennial Pool up to three times a week to practise. These dedicated members who range in age from 20 to 101 can be found at the pool at 6 a.m., motivating one another to learn competitive strokes, fine-tuning their technique and building their endurance.

Thanks to their supportive coaches, this group is always reaching its increasingly ambitious goals. On February 27th, the group hosted the first Catherine Kerr Pentathlon, named after the 89-year-old swimming legend and Manitoba Sports Hall of Fame inductee. The event welcomed more than 50 participants from Manitoba, Kenora and Grand Forks, and, although there was a competitive element, the overall objective was to gather these swimming masters together for an additional meet during the year. The races were set at 25 to 50 metres to encourage more people to participate, and the event was a great success.

Mr. Speaker, it gives me great pleasure to recognize this group, and I wish to congratulate them on their commitment to their health and for creating a welcoming atmosphere for community members to challenge their swimming abilities and socialize with like-minded people. Keep up the great work. Thank you.

Olympic Flame Torch Relay

Mr. Stuart Briese (Ste. Rose): Mr. Speaker, all across the country the Olympics have been a source of pride for Canadians, bringing us together as we watched our athletes excel on the international stage. The Olympics have also brought communities together by the bringing of the Olympic Flame across the country.

It was with great enthusiasm that communities in Manitoba watched as the torch came through their towns, stopping at schools and care homes along the way. January 8th was a proud day for many communities in western Manitoba as the torch stopped at Dakota Tipi, Portage la Prairie, Long Plain, Gladstone, Neepawa, Minnedosa, Forrest Station, CFB Shilo and Brandon. Neepawa was chosen as the celebration community for the day. They hosted the torch as well as entertainment and a large number of excited people. The day began early as organizers set up for the festivities. The celebration was scheduled to be outside but, due to minus-45-degree weather, was moved inside. However, the cold weather didn't deter many. As the flame made its way through the town, people were lined up cheering

The celebrations in Neepawa were certainly a success as 1,500 people gathered to welcome the flame with the hospitality of small-town Manitoba. Neepawa's Leisure Services manager, Amanda Cathcart, put together an excellent celebration featuring singer Alana Levandoski and a Ukrainian dance ensemble.

* (11:00)

Torchbearers were also an important part of the festivities. John Nelson began the torch run in Neepawa by riding a 1940 International Harvester Model H tractor that was driven by Tim Baker. Later in the day Karen Hickman carried the flame and was joined by students from the HMK elementary school who were allowed to run in the convoy. This was a unique and exciting experience for the students as it is very rare that anyone other than the torchbearer can run with the flame.

Having the Olympic torch visit Neepawa was truly a once-in-a-lifetime opportunity. I want to congratulate all the torchbearers who carried the Olympic flame and its message of hope through Neepawa. I would also like to recognize all the individuals who planned the celebration and volunteered their time to bring the distinct Manitoba flavour to the cross-country Olympic event. Thank you, Mr. Speaker.

Maples Community Centre Redevelopment

Mr. Mohinder Saran (The Maples): Mr. Speaker, I'm excited to tell members of this House about a renovation of the track and field at The Maples Community Centre. On January 14th, it was announced that the Province would contribute \$100,000 towards replacing the cracked, unsafe pavement of the existing community centre track with a state-of-the-art all-purpose track. A drainage and irrigation system will be added to the field which is used heavily for both soccer and football. Bleachers will also be added to the site.

As members will know, places for children and adults alike to play and compete safely make our communities better places in which to live. I was proud to have played an integral role in securing the Province's portion of the funding for the renovations which will be enjoyed not only by The Maples Community Centre but also by Maples Collegiate.

In addition to the obvious benefits to our neighbourhood, the project will create needed jobs in a time of fiscal hardship.

Mr. Speaker, in closing, I would like to thank the volunteers at the Maples Community Centre as well as the board of the Seven Oaks School Division who worked hard towards this goal. Their energy will be appreciated by our entire community now and into the future. Thank you.

St. Jean Farm Days

Mr. Cliff Graydon (Emerson): Mr. Speaker, I rise today to congratulate the organizers, sponsors and volunteers of the outstanding annual exhibition that is the St. Jean Farm Days. This year's Farm Days celebrated their 25th anniversary. Without these people's dedication, this event would not be possible. Along with the growing complexity of the farming industry, the St. Jean Farm Days have continuously growing since its inauguration in 1985. Over the past five years, the number of exhibitors at the Farm Days has doubled and this year's had the second-highest number of exhibitors on record.

Visiting farmers are introduced to several new ideas and technologies to help them change and adapt to numerous challenges of the agricultural industry and the unpredictable rural environment. Covering several themes such as the diverse global market to the weather, this event has a bevy of interesting presentations and presenters.

Mr. Speaker, I would like to also take the time to recognize the supporting organizations. Without the support of these organizations, the Farm Days could not be the success that they are. These organizations are the Knights of Columbus, which was catering the event, and the local cultural communities and fire departments for allowing the use of their space.

The St. Jean Farm Days is a successful exhibition that strengthens this important provincial industry.

Once again, on behalf of all members of the Assembly, I extend a heartfelt congratulations to everybody responsible for this event and for reaching this landmark anniversary. Thank you, Mr. Speaker.

India School of Dance, Music and Theatre 30th Anniversary

Hon. Christine Melnick (Minister of Water Stewardship): I am proud to rise in the House today to recognize the 30th anniversary of the India School of Dance, Music and Theatre. Established in 1980 as a way to promote the East Indian visual and performing arts in Manitoba, the school grew rapidly enough to warrant their own space which they founded in 1986 on St. Mary's Road. The school is now located in the Indo-Canadian Arts and Cultural Centre, also on St. Mary's Road, and have developed from an initial 25 students to a cultural force of 150 young artists. I believe the total combined student body is over 800.

Today, the school teaches an array of traditional arts, including Bhartanatyam, Kathak, both classical forms of Indian school; Hindustani vocal music; and harmonium; the flute; the sitar; tabla, a form of Indian percussion; and Carnatic, a vocal-based, classical-style of Indian music.

Recognition for the national arts community has long flowed deservingly to the school. In 1987, it was awarded the Prix Manitoba Award, and in 1999 the school performed for Queen Elizabeth II.

I cannot end my comments, Mr. Speaker, without recognizing Pamela Rebello, Order of Manitoba. She was the visionary heart, soul, and has been the executive director for the last 30 years. The school is a tribute to her personal integrity, beauty of spirit and "stick-to-itness".

I have had the honour of attending many performances of India School and am constantly enchanted by the quality, variety and joy that the school presents. The India School of Dance, Music and Theatre is an important part of this beautiful cultural mosaic that we call Manitoba. Thank you, Mr. Speaker.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Dave Chomiak (Deputy Government House Leader): Mr. Speaker, as previously advised, the House will be considering Interim Supply today.

Mr. Speaker: As previously informed, we will be dealing with Interim Supply. The House will now resolve into Committee of the Whole to consider a report on Bill 11, The Interim Appropriation Act, for concurrence and third reading.

Madam Deputy Speaker, please take the Chair.

COMMITTEE OF THE WHOLE

Bill 11–The Interim Appropriation Act, 2010

Madam Chairperson (Marilyn Brick): Order, please. Will the Committee of the Whole please come to order. This morning the committee will be resuming consideration of Bill 11. The floor is open for questions.

Mr. Cliff Graydon (Emerson): I would like to ask the minister and maybe just follow up a bit from yesterday on the proposed tax on a quota. And I'm calling it a proposed tax because yesterday he indicated that it may not be a tax that they're going to go forward with.

So, on a proposed tax, he must have done some background work with this tax and what this tax on a quota of-it seems like he had indicated it would only be on the feather industry and on the dairy industry, omitting the rest of the other commodity groups that do have quotas. It seems like that's what he said he was going to do, was omit them. I'd like a confirmation on that

But he indicated that the 2 percent tax was something as being proposed and so, with that type of a proposal, could he tell me what he would expect to generate in capital on the transfer of quota, for instance, of the dairy industry?

Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives): Madam Chairperson, I want to be very clear for the member from Emerson. I mean, the–I said clearly yesterday, that there are still meetings with officials from my department and the different sectors that are occurring. I have undertaken to sit with the industry–the sectors of the industries that may be impacted by this when–and we continue to work at this levy that we are proposing. So it's hard to put an exact figure on how much revenue that would mean when we haven't met with all the groups and made the determination as to exactly how this will be implemented.

I thought it was a responsible thing to do, to make sure that it was in the budget; to make sure that it was there for people, like himself, as a critic, to understand and to question and to give his advice. I think sectors in agriculture that this may become a reality for need to have that kind of an up-front approach as well.

* (11:10)

So much of that is still being worked through, and I'll make sure that I keep the member from Emerson up-to-date on that work that we do in the coming weeks.

Mr. Hugh McFadyen (Leader of the Official Opposition): Thank you, Madam Chair–Madam Deputy Speaker. What's the proper reference? I forget today. Madam Chair?

An Honourable Member: Yes.

Mr. McFadyen: Madam Chair–thank you, Madam Chair. I want to get–I want to make sure I don't make any mistakes right off the top. *[interjection]* Of course, who doesn't?

Madam Chair, just to the Premier in connection with revenue estimates contained in the budget and the projections on a go-forward basis, can the Premier just indicate which–what assumptions are being used in terms of interest rates when it comes to the debt-servicing costs on a go-forward basis?

Hon. Greg Selinger (Premier): I'm assuming the member is working back off of page 9 in the budget book again, what the debt numbers were. Is that what you wanted to reference is the growth in the debt cost?

Mr. McFadyen: Page 9 deals with core government debt servicing. The question is more broadly for the consolidated reporting entity of their debt-servicing assumptions, and I'm just wondering, recognizing that there are different entities that are carrying different kinds of debt, what assumptions are built in with respect to interest rates?

Mr. Selinger: Well, what the member needs to know first of all is when we do the stimulus program, for example, or a project this year, we arrange for the financing over a long period of time, and, as you know, the financing arrangements right now are quite favourable. They can vary from 10 years to 30 years depending on what arrangements they make. So this is a good time to be borrowing money, right now, to do things, because money is at a very affordable rate and can be locked in for an extended period of time.

I'll just leave it there and see if there's a follow-up.

Mr. McFadyen: Just on that point, in terms of the ability to lock in, currently, in light of what the governor of the Bank of Canada is saying with the direction of rates, can the Premier just indicate or

provide an estimate of the rates they're getting on this, sort of, long-term debt that he's talking about?

Mr. Selinger: As the member knows, I've had a slight change in role and that would be something we would check with the Minister of Finance (Ms. Wowchuk) about and her officials, but I think the rates are generally–they're around 5 percent, I think, would be a safe assumption, in that range.

Mr. McFadyen: And in terms of future borrowing, which is laid out in the document as well, so this is borrowing that'll take place as you move through the–future years that are projected in this budget.

What are the assumptions with respect to borrowing that may take place, for example, in 2011, 2012 and 2013, as far as the estimates on debt servicing?

Mr. Selinger: Again, these kinds of forecasts are highly dependent on what is happening in the economy. If the economy maintains low inflation, there will be a less dramatic rise in interest rates, and so far there is no indication that inflation is going to get out of hand. The most recent Bank of Canada indication on inflation is they were seeing core inflation starting to rise to the high end of what their band of control is, although the overall inflation rate was still quite low.

So you're right, there has been some speculation that interest rates might start rising. There's no question that, at some point, interest rates will rise because they've been brought down dramatically to deal with the recession. So, on a go-forward basis, we'll have to see what the real economy generates in terms of growth and in terms of inflation, and the Bank of Canada will set interest rates accordingly.

But the reality is that, over the next four to five years, all governments will be going to the market for various forms of debt financing for the various assets they're building under the stimulus program, as well as to finance their-the government on a variety of other things that they're doing, and we'll have to see what the interest rates are. I don't have in front of me today a set of hard numbers, but I do know this: That with the strong credit rating that Manitoba has, they will get among the most favourable rates that are available in the marketplace when they do go there to finance what they do.

Mr. McFadyen: And so just to come back to the earlier comment then, what the Premier's saying is he thinks that currently the rate they're getting with the current credit rating is around 5 percent in terms of

this year's borrowing, and that the expectation is that that interest rate will go up on a go-forward basis if we assume that the Bank of Canada is correct with the comments made two days ago about inflation rising more rapidly than they had initially anticipated.

Mr. Selinger: The Bank of Canada has always said that there would be a time when interest rates would rise again as the recession abated, and they've also said that the recovery is still very fragile.

The one thing we have seen, though, is that the borrowing for the government of Manitoba has actually become very competitive, say, with the government of Ontario. They're actually getting rates of interest lower than what the government of Ontario is able to get at this stage of the game, which has historically not been the case. So Manitoba is still considered a very good place, a very strong place, in terms of its credit rating, and that is attracting very favourable market interest rates.

Mr. McFadyen: And just to confirm on the specific point, he said this year you're borrowing at around 5 percent on long-term debt, and do the assumptions contained in the budget in terms of debt servicing then build in assumptions that you'll be borrowing at a rate of above 5 percent after 2010?

Mr. Selinger: Assumptions for this year's budget are based on this year's forecast of interest rates. In future budgets, there's always a look at what that will be, and there's no question that everybody understands that at some point, interest rates will rise again. But again, our relative position seems to be quite strong vis-à-vis other governments, that we are attracting very good offers of interest rates for any borrowing we're doing because of the strong fiscal management that's been demonstrated in this province, including in this year's budget.

Contrary to what the member says, most of the banks have given very good reviews on this year's budget in terms of its fiscal management and its willingness to have a good plan in place over the next five years.

Mr. McFadyen: I know the Premier has commented on the favourable review that the budget is getting from banks, and I certainly can't blame the banks for liking this budget given the-they're looking for people to lend money to and the government of Manitoba will be a great client as a borrower for those banks on a go-forward basis, and so they're certainly-as a place to send their capital because of the rising debt, this is something that, of course, bankers would be very pleased about. Any time you're running up debt, bankers are going to be happy.

And so I want to ask the Premier if the forecasts in this budget document contain the assumption of rising interest rates or whether the assumption built into this budget is of stable interest rates.

Mr. Selinger: I believe I've answered that question. It's widely understood that the interest rates in place now are to support economic recovery from this very, very significant recession and that they would rise in the future. That is understood across all governments, so far as I can tell, and the reality is that our relative position has become stronger vis-àvis some of the other provinces in terms of the low rates of interest we can attract for the borrowing we do.

Mr. McFadyen: I hope the Premier's choosing his words very carefully when he says it's widely understood. The question is whether the assumptions built into this are assumptions of rising interest rates. I'm not asking what's widely understood; I'm asking about the assumptions that underlie the numbers contained in the budget, and for him to indicate quite clearly what those assumptions are for interest rates in 2011 and beyond.

* (11:20)

Mr. Selinger: Again, I have answered that question. I have said that it's widely understood that interest rates, when the recession looks like it's abated, will start to rise. Also, when inflation becomes an issue, interest rates will rise. That's widely understood by governments, including this government.

Mr. McFadyen: And, again, the question wasn't whether it's understood by the government or widely understood by other governments, but whether it's built in to the assumptions that underlie the budget projections. And I don't know why he doesn't seem to be able to give a specific reply on such an important point given the amount of money that's dedicated to this area.

Mr. Selinger: Well, again, I think I've been pretty clear that governments everywhere are assuming that interest rates will rise as the recession abates and the economy improves, and/or inflation becomes a significant issue. And that's the thinking that every government puts into its long-term forecast, and we do our forecasts off of what independent forecasters give us. The Conference Board of Canada, for

example, is one of the ones that is used widely by governments, including this government, to forecast the future of the economy.

Mr. McFadyen: It's clear I'm not going to get a specific response to the question, so I'll move on, Madam Chair, to the-some of the assumptions contained in the budget on the revenue side.

Can the Premier just indicate what assumptions are being made in terms of the direction of federal transfer payments to Ottawa, including both program transfers and equalization for this year, next year and beyond, when we look at the projected numbers?

Mr. Selinger: In terms of that, the–when I heard the federal budget speech they indicated that they would not be cutting transfers to provinces to solve their deficit problem, and we took some comfort from that.

I believe, also, they have extended the CST program, the Canadian Social Transfer program. I think they pushed it out another year or two.

But we go off the statements made by the federal Minister of Finance and the federal government in terms of transfer payments, and they've been giving a pretty clear signal that they weren't intending to dramatically cut transfer payments.

Mr. McFadyen: So, to be clear, because we know what the commitment is for the current year, for 2010 from the federal government, so can the Premier just be clear that the assumptions in this budget are that federal transfer payments including equalization are not going down after 2010?

Mr. Selinger: Again, it's the federal government that has made the statements. They have made–*[interjection]* and again, I'm telling you what the–what we've–information we have. We have the information from the federal government that they wouldn't be balancing their budget on the backs of the provinces.

Mr. McFadyen: And so the assumption in the budget, then, is that federal transfer payments are remaining flat or going up then. Is that what he's saying?

Mr. Selinger: I'm simply reporting to the member what the federal government has told us as a country, and they've told us as a country that they wouldn't be balancing the budget on the backs of the provinces and that they had a commitment to maintaining transfer payments. **Mr. McFadyen:** Thank you. For somebody who focusses quite a lot on history, I know the Premier is aware of decisions that were made by the federal Liberal government to reduce transfer payments to balance their budget in the 1990s.

And I want to ask the Premier whether he's looked at that example as a possibility or whether he's just disregarded that in terms of his assumptions. And we know what the federal government is saying. I'm really asking about the assumptions contained in this budget about the future of transfers to Manitoba under both equalization and program transfers.

Mr. Selinger: As I said earlier, we take the government at their word. They said, very clearly, they would not be balancing their books on the backs of transfer payment reductions to provinces. They've lived up to that so far. I expect they will continue to do that, and that allows all of us to continue to do proper planning in the services we provide to our citizens.

Mr. McFadyen: So, just to be clear on-and I'm not unhappy if this is what his assumption is. So his assumption is that the current government will remain in power for the next five years and that federal transfer payments will remain exactly as they are.

Mr. Selinger: Are you kidding? No, actually, that's what you interpreted. I said that the federal government, the current federal government, has said they wouldn't be balancing their budget on the backs of transfer payment reductions to the provinces.

As to who the next federal government will be, I'll leave that up to the people of Canada when they vote.

Mr. McFadyen: I–without speculating about federal election campaigns, let me just come back to ask the Premier again if he can just confirm then that his assumption based on the projections contained in the budget are that federal transfer payments, not just this year, but in 2011, 2012, 2013, are going to remain as they are this year.

Mr. Selinger: You know, I believe I've answered this question. We go on the best information we have, and the best information we have are the statements the federal government has made, that they wouldn't be solving their deficit problem off the backs of provinces in terms of transfer payments. And they've made that statement many times. I have to take them at face value.

Mr. Selinger: Look, the federal government has been very clear that they have a six-year plan to grow their way out of deficits without major transfer payment cuts. And they put that plan in front of the public, and they've made that part of their budget, and I have some confidence that they're going to follow through on what they said they're going to do.

Mr. McFadyen: So just to confirm then, the Premier is–his assumptions on federal transfers are based on the best-case scenario then. Is that right?

Mr. Selinger: You know, the member continually tries to interpret what I say to suit his needs. But I didn't say that. What I said was this; I said the federal government has made it clear to us that they won't be balancing their books off of transfer payments reductions to the provinces.

They have a six-year plan to restore balance at the federal level. The six-year plan has some remarkably significant features in it, one of which is stimulating the economy, and to do that they're putting out quite a bit of money and they've asked the provinces to participate with them in that, and we have. And that's why we're doing many things that will create jobs in this province as well as long-term assets that will strengthen our economy.

And, you know, we've all been working together to make sure that not only the Canadian economy but the global economy gets back on its feet and allows all of us to move forward in building the kinds of communities and citizens–and helping the citizens that we represent get the kind of education they need, so they can participate in that economy and, in turn, help it grow through the skills they bring to it.

Mr. McFadyen: Can the Premier confirm that he's been warned by senior federal officials that the current arrangements are probably not going to be sustainable beyond this year?

Mr. Selinger: No. You know, what I have here is that–for example, the TD Bank Financial Group in their review said in terms of our budget, economic growth and resulting revenue assumptions appear prudent; and the Scotiabank said that the government's relatively cautious estimates of its own source revenue growth through fiscal year 15 and the small size of its current summary deficit at just 1 percent of GDP.

So independent commentators have said that our revenue assumptions are relatively cautious and prudent. That's what they're saying.

Mr. McFadyen: I'm not asking about independent commentators. I'm just asking him to confirm that senior federal officials have already warned him that the arrangements in place this year may not be sustainable starting next year.

* (11:30)

Mr. Selinger: Officials haven't told me that.

Mr. McFadyen: And, when I say officials, I mean anybody in a position of making decisions at the federal level. He's saying he hasn't been warned, then, that the current arrangement may not be sustainable.

So he's received no such warning, then. Is that what he's saying?

Mr. Selinger: All political leaders these days are nervous about the future in terms of the fragile recovery of the economy, but the federal government has said that they will not be balancing their budget off of transfer payment cuts to the provinces. Everybody is very cautious about what the future revenue projections are and how things will go. They've been very clear about that.

Mr. McFadyen: And so the assumption, then, is that, on the federal transfer revenue stream, that will hold up on a go-forward basis. And you're also projecting 2.5 percent GDP growth in Manitoba this year and 3 percent next year.

Given those quite reasonable projections for revenue, can you just explain why he needs to run five consecutive deficits?

Mr. Selinger: Well, Madam Chair, the budget itself explains that; that's part of our five-year plan. As the member opposite would like to ignore what we've put in front of him, we've got a plan that will invest in vital front-line services, stimulate economic growth, manage government spending, restore balance and maintain affordability. And this plan is not unlike many other strategies or approaches being taken by governments across the country, regardless of their political stripe.

And so it's a plan that's intended to move us out of the global economic recession by stimulating growth and then getting growth back to a sustainable track as the private sector investment picks up and the private sector gets back in shape. And it's all part of that overall strategy to make sure that we're not cutting vital services to Manitobans.

Mr. McFadyen: Madam Chair, just one final question for me to the Premier on the assumptions: Can he square for us the statements that he's made about the great recession and the worst economic downturn since the Great Depression, with the contradictions contained in the budget and what he's just said about stable federal transfers and growing own source revenue, and explain, in those circumstances, since there is no recession, according to the projections, why we need to run up over \$2-billion worth of deficits over this five-year-plan?

Mr. Selinger: First of all, the member ignores the fact that we'll be paying down the debt by \$600 million, so that the net difference is \$1.4 billion. I just ask him to pay attention to that.

And the short reality is that the hit that was taken in the global economy, the hit that was taken in the global economy in the '09-10, the '08-09 and the '09-10 year, has put the economic trajectory on a different track–on a lower track. And, yes, it will improve, and the budget shows that. But it improves from a smaller or a lower base because of what happened in '08-09 and '09-10. And that's the reality– that there is some catch-up to do with economic growth because of the big hit it took across essentially the world last year.

And Manitoba did better than most, but it was not immune from that. And that's why we reported slightly negative economic growth last year in real terms. That has a big impact. And, to overcome that impact, we've put a five-year-plan in place that will protect front-line services, continue to stimulate economic growth so that the economy will recover, and manage government spending with a focus on those priorities and restore balance over five years by budget 2014, while maintaining Manitoba's affordability advantage. We believe that's a sensible plan that does not make things worse by cutting services and laying people off. And it also has a debt-management strategy built into that to the tune of \$600 million-more aggressive than what was previously in place.

And so it's our approach to come out of this recession. It's our approach to come out of this recession with a stronger economy, a stronger citizenry, a better-educated citizenry more capable of contributing to economic growth, and we believe that's the way to go. I know the members opposite don't. They'll vote against that. They want to go back to the slash-and-burn approach of the '90s, where you cut your way to prosperity, which didn't work particularly well, quite frankly. And I know the member is committed to that approach of the '90s, and we understand that.

Hon. Jon Gerrard (River Heights): First of all, I notice that the equalization revenue projected for this coming year is \$62 million less than last year. Why is that?

Mr. Selinger: Sorry. I didn't actually quite hear the question in the din. I apologize for that, to the member from River Heights. Are you referring to a certain page?

An Honourable Member: Page 10?

Mr. Gerrard: On page 10 the projections for the revenue from equalization transfers from the federal government are to go down by 62 million. Why is that? Can you explain that?

Mr. Selinger: That's because the federal government put a cap on it, and then the cap reflected that they didn't let it grow as much as it was supposed to under the O'Brien formula.

Mr. Gerrard: Does that reflected change relative situation of the Manitoba economy versus other provinces?

Mr. Selinger: That's a good point. That is also a part of that. When you put a cap on it, you have the same pot of money and it gets redistributed somewhat differently. Ontario's getting a greater share of it, given their circumstances. They've seen a dramatic increase. I believe it was about 620-some million dollars of additional equalization. So that is going on in this formula, for sure.

Mr. Gerrard: I notice in today's *Free Press* that the-they may be some rather massive increases in tuition. And I'm looking at your program to have a tuition fee, income tax rebate, which would amount to \$150 refund per student. With somebody who's got a tuition fee of \$10,000 in a professional faculty, or \$13,000 as in dentistry, will that \$150 increase relative to the amount of the overall tuition?

Mr. Selinger: I haven't–I mean, I was giving an overall scenario there in terms of the graduate tuition tax rebate being made available while people are going to school. On the specifics of a very high tuition scenario, how much they would get back, I'd have to get specific information for the member on that just to make sure that I'm giving him the accurate facts.

March 26, 2010

Mr. Gerrard: Would it be true that even if it goes–I mean, if it goes up and you have a higher rebate on a higher tuition and you have some massive increases in tuitions in certain faculties, then you're either going to have to redistribute the 7.5 million that you've allocated or you're going to have to give–not give the same percentage for a higher tuition?

Mr. Selinger: Yes. As I said earlier, I'll check the facts on how that'll apply to a higher tuition scenario. I know–I think I understand what the member's getting at. He's wanting to know if the percentage rebate will be higher, in absolute dollar terms, if the tuition fee's higher. And I'll have to check on the specific parameters of the program, whether there's any limits on it for those kinds of scenarios.

We'll, I'll undertake to get back to the member on that once we get the information.

Mr. Gerrard: Did the Premier, you know, make the case that the–in terms of the millennium scholarship, did the Premier make the case to the federal government that this program should continue?

Mr. Selinger: Yes. I mean that–you may wish to ask that question to the minister of post-secondary education, Advanced Education and Literacy, but we've–in general terms, all the provincial governments in the country have expressed a concern about the ending of the Millennium Scholarship Fund for more than one year. They've been bringing that to the table in their meetings with the federal government that that fund was running out.

Mr. Gerrard: And so–and, obviously, it was a good program and it had been well subscribed by students and supported students well. And so I'm, you know, disappointed that the Premier himself may not have personally done it, but I presume, from what happened at a ministerial level, that this was, in fact, a fairly strong representation. Is that right?

* (11:40)

Mr. Selinger: With respect to the federal government on education, we've always made the case that it's very important that they participate in funding post-secondary education, not just in Manitoba, but across the country. We've pointed out that it's very important to do that for Aboriginal students in particular. But, in general, when it comes to transfer payments on the Canadian social transfer, we've had a long-standing position that the amount of money available for post-secondary education should be strengthened and increased. Some of it had been shifted to pay for the increased money for

health care under the previous government, and we've had a long-standing position that there should be a restoration of money for post-secondary education.

Madam Chairperson: Is the House ready for clause by clause? [Agreed]

We shall now proceed to consider the bill clause by clause. The title and enacting clause are postponed until all other clauses have been considered.

Clause 1–pass; clause 2–pass; clause 3–pass; clause 4–pass; clause 5–pass; clause 6–pass; enacting clause–pass; title–pass. Bill be reported.

That concludes the business currently before us. Committee rise. Call in the Speaker.

IN SESSION

Committee Report

Ms. Marilyn Brick (Chairperson): Mr. Speaker, the Committee of the Whole has considered Bill 11, The Interim Appropriation Act, 2010, and reports the same without amendment.

I move, seconded by the honourable member for The Maples (Mr. Saran), that the report of the committee be received.

Motion agreed to.

CONCURRENCE AND THIRD READINGS

Bill 11–The Interim Appropriation Act, 2010

Hon. Bill Blaikie (Government House Leader): I move, seconded by the honourable Minister of Innovation, Energy and Mines (Mr. Chomiak), that The Interim Appropriation Act, 2010; Loi de 2010 portant affectation anticipée de crédits, reported from the Committee of the Whole, be concurred in and be now read for a third time and passed.

Mr. Speaker: It's been moved by the honourable Government House Leader, seconded by the honourable Minister for Innovation, Energy and Mines, that Bill 11, The Interim Appropriation Act, 2010, reported to the Committee of the Whole, be concurred in and be now read for a third time and passed.

Mr. Leonard Derkach (Russell): Mr. Speaker, as we enter into the third reading on this bill it does allow us an opportunity to express some really serious concerns about where this government's budgetary policy is going and how it's being directed.

Mr. Speaker, as a member who's been here for a few years, I can tell you that this is probably one of the most depressing and negative budgets that I have seen in the number of years I've been here. And I say that on the basis that, over the course of the last 10 years, we have seen unprecedented–pardon me– transfers of monies from Ottawa to this province than we have ever seen, I think, in the history of this province. Over the course of 10 years, this government that we see across the way has lavished in the kind of revenues from Ottawa that many of us would have hoped for in times of governance in other periods of time.

And, Mr. Speaker, what has happened, unfortunately, is the squandering and the spending habits of this government have led it into a position where, today, we see, for the second time–second year running–a huge, an enormous deficit being forced upon the people of this province.

And, Mr. Speaker, I remember a time after the Howard Pawley years-or during the Howard Pawley years-when the single biggest expenditure of government was the interest on our debt, and we lived with that when we came into government for a number of years until we got the spending under control and until we put in a mechanism which would disallow any government from going down that road. And that piece of legislation was called the balanced budget legislation, and it was our government in the '90s that put that legislation in place so that Manitobans would have some comfort level that we would live within our means.

Well, Mr. Speaker, what have we seen under the NDP government?

Mr. Speaker, once they had gotten their spending habits out of control so badly that they could no longer manage their affairs, what was their next step? It was to change the balanced budget legislation. Not only did they do it once, they did it the first time, indicating that maybe we'd only have to balance that budget once every four years. Why do it every year?

Well, Mr. Speaker, Manitobans weren't buying it, but they tolerated it.

And we have now gotten to the stage where they, once again, for the third time, Mr. Speaker, will have to break the balanced budget legislation and have to amend the bill or else they are outside the law.

Mr. Speaker, if we lived by the balanced budget legislation, today, every Cabinet minister on that side of the House would have to forgo his ministerial salary because they could not live within their means. And that was the penalty that was put into the legislation for not living within your means and not managing in an appropriate way.

The member from Swan River, the Minister of Finance (Ms. Wowchuk), today, has stood in her place and has broken the law with this budget, and the only way that she can keep that budget within the law is to change the legislation, Mr. Speaker, otherwise we are going to be voting on an illegal budget.

Now, Mr. Speaker, we haven't made enough fuss about it, but Manitobans understand that.

And, you know, the Minister of Finance stands up-oh, in the 1990s, services were cut. Well, Mr. Speaker, in the 1990s there was no transfer payment coming to Manitoba from Ottawa. We didn't have \$4 billion of transfer payments coming from Ottawa to this province. Forty percent of our budget was not made up of transfer payments coming from Ottawa. We lived within the revenues that we generated from this province, and we brought this province under financial management and financial control.

And, you know, Mr. Speaker, Mr. Maloway was the member for this Legislature who once said to me, he said: It's okay, Len. The Conservatives come in and they put the financial house in order. Then we come in and we can spend all we want.

Mr. Speaker, that's the way this government operates, and we have seen it for 10 years. And what have we got? We've got \$10 billion more of debt today than we had when in-when we left the government.

* (11:50)

We have a government now, under the stewardship of this unelected Premier, that is taking this province back to the Howard Pawley days, and, Mr. Speaker, the Pawley government was only tolerated for so long. Even one of their members finally voted against them to bring them down. And we are seeing this government going back to those days, those days that will not be tolerated by Manitobans.

It's only a matter of time before Manitobans are going to send a very strong signal to this government. Their time is coming to an end because of the way that they have mismanaged the affairs of this province. And, yes, the Premier should be ashamed, not only of what he has done, but what his government has done for the future generations of this province and our children and grandchildren in this province.

Thank you, Mr. Speaker.

Mr. Kevin Lamoureux (Inkster): This is a very difficult bill to support for a number of different reasons and, having said that, I did want to express some concern in a couple of ways.

One is in terms of the process that we've actually entered into. The member from Russell is correct in pointing out to the government what we're doing is attempting to set up a situation where the government is, in fact, going to be violating the law by even having a vote take place prior to changing the balanced budget legislation.

I would suggest to you, in terms of process, the government should have brought the Chamber back in at an earlier point in time. And, by doing that, Mr. Speaker, they could have then brought in legislation and had a legislative agenda in which they could have made the changes that they felt were necessary in order to accommodate the budget. In reality, what the government is doing, and they can try to wishywashy it whatever way they want, but, at the end of the day, what the government is doing is that they're bringing forward a budget that, in essence, if passed, ultimately would be in violation of the balanced budget legislation, and I believe that the government is aware of it.

Yesterday, I had the opportunity to question the Minister of Finance. As you could see, she was feeling somewhat uncomfortable in her chair as she tried to justify what it is that she was doing. She tries to explain the rolling average and, well, how one year it's dropped and so forth, Mr. Speaker. I suspect that the Minister of Finance would find it very difficult to defend her government's position on balanced budget legislation and the budget that we have today in any sort of a public forum. She might feel at ease inside the Chamber where she has a number of her backbenchers that will pat her on the back, but, in the true court of public opinion or taking the budget out into the people, I think that she would experience a great deal of difficulty in justifying the actions of this government, and the

reason being is that the Premier has, in fact, or is, in fact, asking this Legislature to support a budget that violates the balanced budget legislation, the intent of the balanced budget legislation.

Further, I thought it was interesting how the government tries to give the impression in its spin. You know, we as government-and this is the spin. Mr. Speaker. We in government recognize the difficult times, so the ministers are going to take a 20 percent reduction in salary. Well, one could ultimately argue that the government should be taking a larger deduction in the ministerial salaries to the degree of 40 percent. In fact, I would suggest to you that they might even be in conflict in terms of voting on the balanced budget legislation whenever we do see that balanced budget legislation because, if they vote in favour of the government legislation, they, in essence, are going to be putting 20 percent more money into their pockets. They are going to legalize or change the law that would allow them to retain the money that they are going to be receiving from the taxpayers.

Mr. Speaker, the government is bringing in legislation that is going to ultimately be to the detriment of the Manitoba taxpayers. The priority of this government in the spending has been wrong. Where the government needs to do is to spend money in areas in which we are going to see longterm savings, areas such as a diabetes program, areas such as reinvesting in the administrative and re-evaluating and spending money smarter in the whole area of health care, Manitoba's greatest expenditure. Instead of spending hundreds of plus-millions of dollars in health-care bureaucracy, we should be spending money in the services being delivered at the bedside.

Mr. Speaker, we have a very limited time frame. I'll conclude my remarks at that in anticipation that the member from Brandon is also going to be wanting to speak. Thank you very much. Thank you.

Mr. Speaker: Are you ready for the question?

Some Honourable Members: Question.

Mr. Speaker: Okay, the question before the House, concurrence, third reading of The Interim Appropriation Act, is it the pleasure of the House to adopt the motion? Agreed?

Some Honourable Members: No.

Some Honourable Members: Yes.

Mr. Speaker: All those in favour of the motion, say aye.

Some Honourable Members: Aye.

Mr. Speaker: All those opposed to the motion, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Ayes have it

Formal Vote

Mr. Gerald Hawranik (Official Opposition House Leader): Recorded vote, Mr. Speaker.

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

Order. The question before the House is concurrence and third reading of Bill 11, The Interim Appropriation Act, 2010.

Division

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

Yeas

Allan, Altemeyer, Blady, Blaikie, Braun, Brick, Caldwell, Chomiak, Dewar, Howard, Irvin-Ross, Jennissen, Jha, Lemieux, Mackintosh, Marcelino, Martindale, McGifford, Melnick, Nevakshonoff, Oswald, Reid, Rondeau, Saran, Selby, Selinger, Struthers, Swan, Whitehead, Wiebe, Wowchuk.

Nays

Borotsik, Briese, Derkach, Driedger, Dyck, Eichler, Faurschou, Gerrard, Goertzen, Graydon, Hawranik, Lamoureux, Maguire, McFadyen, Mitchelson, Pedersen, Schuler, Taillieu.

Madam Deputy Clerk (Bev Bosiak): Yeas 31, Nays 18.

Mr. Speaker: The motion has been carried.

* * *

Mr. Speaker: We'll just give a few minutes here and then we'll have the Administrator–the Administrator will be coming in to give royal assent.

ROYAL ASSENT

Deputy Sergeant-at-Arms (Craig Waterman): His Honour the Lieutenant-Governor.

His Honour Chief Justice Scott, the Administrator of the Province of Manitoba, having entered the House and being seated on the throne, Mr. Speaker addressed the Administrator in the following words:

Mr. Speaker: Your Honour.

The Legislative Assembly of Manitoba asks Your Honour to accept the following bill:

Madam Clerk (Patricia Chaychuk):

Bill 11–The Interim Appropriation Act, 2010; Loi de 2010 portant affectation anticipée de crédits.

In Her Majesty's name, the Administrator of the Province of Manitoba thanks the Legislative Assembly and assents to this bill.

His Honour was then pleased to retire.

* * *

* (12:10)

Mr. Speaker: Please be seated.

Hon. Bill Blaikie (Government House Leader): Mr. Speaker, I'm thinking that if you canvassed the House, you might find unanimous consent to see the clock at 12:30.

Mr. Speaker: Is it the will of the House to call it 12:30? [Agreed]

Okay, it's been agreed to. So, the hour now being 12:30, this House is adjourned and stands adjourned until 1:30 p.m. on March the 6th.

Some Honourable Members: April.

Mr. Speaker: Oh, I'm sorry. I'm a month behind. Let's do it over again.

Okay, the hour being 12:30, this House is adjourned and stands adjourned until 1:30 p.m. on April the 6th.

LEGISLATIVE ASSEMBLY OF MANITOBA Friday, March 26, 2010

CONTENTS

Introduction of BillsGerrard; Selinger511Bill 14-The Body Armour and FortifiedPopulation GrowthVehicle Control ActPopulation GrowthSwan503Saran; BjornsonPetitionsMembers' StatementsBipole IIIAssiniboine Masters Swim ClubDerkach503Birese505Long-Term Care Facilities-Morden andOlympic Flame Torch RelayWinkler503Dyck503Maples Community Centre RedevelopmentPTH 15-Traffic SignalsSaranSchuler504Diedger504MPI-Independent Claim Representative GraydonGraydonMedical Clinic in Weston and Brooklands Area Lamoureux505Oral QuestionsCommittee of the WholeProvincial Debt McFadyen; Selinger506Pioalenced Budget Legislation McFadyen; Selinger507Ralanced Budget Legislation McFadyen; Selinger507Renze Meradyen; Selinger507Concurrence and Third Readings507
Bill 14-The Body Armour and FortifiedPopulation GrowthVehicle Control ActPopulation GrowthSwan503Saran; Bjornson513PetitionsMembers' StatementsBipole IIIAssiniboine Masters Swim ClubDerkach503Briese505Cong-Term Care Facilities-Morden andOlympic Flame Torch Relay BrieseDyck503Maples Community Centre Redevelopment DriedgerSt. Jean Farm Days GraydonOphthalmology Services-Swan River Driedger504MPI-Independent Claim Representative GraydonSt. Jean Farm Days GraydonMedical Clinic in Weston and Brooklands Area Lamoureux505Oral QuestionsCommittee of the Whole Provincial Debt McFadyen; Selinger506Provincial Debt McFadyen; Selinger506Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings507
Vehicle Control Act SwanPopulation Growth SotaPopulation Growth SotaPetitionsMembers' StatementsBipole III Derkach Briese503 503Assiniboine Masters Swim Club Blady514Long-Term Care Facilities–Morden and WinklerOlympic Flame Torch Relay Briese514Dyck503Maples Community Centre Redevelopment Graydon515Schuler504St. Jean Farm Days Graydon515Ophthalmology Services–Swan River Driedger504India School of Dance, Music and Theatre 30th Anniversary 30th Anniversary515Medical Clinic in Weston and Brooklands Area Lamoureux505Melnick515Oral Questions505Committee of the Whole516Provincial Debt McFadyen; Selinger506Bill 11–The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings516
PetitionsMembers' StatementsBipole III Derkach BrieseAssiniboine Masters Swim Club Blady514Dorg-Term Care Facilities–Morden and WinklerOlympic Flame Torch Relay Briese514Dyck503Maples Community Centre Redevelopment Saran515Schuler504St. Jean Farm Days Graydon515Ophthalmology Services–Swan River Driedger504Graydon515MPI–Independent Claim Representative Graydon505Melnick515Medical Clinic in Weston and Brooklands Area Lamoureux505 ORDERS OF THE DAY Bill 11–The Interim Appropriation Act , Bill 11–The Interim Appropriation Act, Bill 11–The Interim Appropriation Act,Bill Alanced Budget Legislation McFadyen; SelingerStoConcurrence and Third Readings
Bipole III Derkach BrieseAssiniboine Masters Swim Club BladyAssiniboine Masters Swim Club Blady514Long-Term Care Facilities–Morden and WinklerOlympic Flame Torch Relay Briese514Dyck503Maples Community Centre Redevelopment Saran515Schuler504St. Jean Farm Days Graydon515Ophthalmology Services–Swan River DriedgerGraydon515MPI–Independent Claim Representative Graydon505Melnick515Medical Clinic in Weston and Brooklands Area LamoureuxS05ORDERS OF THE DAY515Oral QuestionsCommittee of the Whole516Provincial Debt McFadyen; Selinger506Bill 11–The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings516
Derkach Briese503 505Assumbolie Masters Swin ClubDerkach Briese503 505Blady514BladyOlympic Flame Torch Relay Briese514Dyck503Maples Community Centre Redevelopment Saran515PTH 15–Traffic Signals504St. Jean Farm Days Graydon515Ophthalmology Services–Swan River Driedger504India School of Dance, Music and Theatre 30th Anniversary515MPI–Independent Claim Representative Graydon505Melnick515Medical Clinic in Weston and Brooklands Area Lamoureux505ORDERS OF THE DAY GOVERNMENT BUSINESS515Oral Questions505Committee of the Whole516Provincial Debt McFadyen; Selinger506Bill 11–The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
Derkach Briese503 505Blady514Long-Term Care Facilities-Morden and WinklerOlympic Flame Torch Relay Briese514Dyck503Maples Community Centre Redevelopment Saran515PTH 15-Traffic SignalsSuran515Schuler504St. Jean Farm Days Graydon515Ophthalmology Services-Swan River Driedger504India School of Dance, Music and Theatre 30th Anniversary 30th Anniversary515Medical Clinic in Weston and Brooklands Area Lamoureux505Melnick515Oral Questions505Committee of the Whole516Provincial Debt McFadyen; Selinger506Sill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
Briese505Of ympic Flame Torch Relay Briese514Long-Term Care Facilities–Morden and WinklerOlympic Flame Torch Relay Briese514Dyck503Maples Community Centre Redevelopment Saran515PTH 15–Traffic Signals504St. Jean Farm Days515Schuler504St. Jean Farm Days515Ophthalmology Services–Swan River DriedgerGraydon515MPI–Independent Claim Representative Graydon505Melnick515Medical Clinic in Weston and Brooklands Area LamoureuxS05ORDERS OF THE DAY515Oral Questions505GOVERNMENT BUSINESS516Provincial Debt McFadyen; Selinger506Bill 11–The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings516
Dong-Term Cate Facilities-Motuen and WinklerBriese514Winkler503Maples Community Centre Redevelopment Saran515Dyck503Maples Community Centre Redevelopment Saran515PTH 15-Traffic Signals504St. Jean Farm Days515Ophthalmology Services-Swan RiverGraydon515Driedger504India School of Dance, Music and Theatre 30th Anniversary515Melical Clinic in Weston and Brooklands AreaORDERS OF THE DAY515Lamoureux505GOVERNMENT BUSINESS516Oral QuestionsCommittee of the Whole516Provincial Debt McFadyen; Selinger506Bill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
Winkler503Maples Community Centre Redevelopment Saran515PTH 15-Traffic SignalsSaran515Schuler504St. Jean Farm Days Graydon515Ophthalmology Services-Swan River DriedgerGraydon515MPI-Independent Claim Representative Graydon30th Anniversary Melnick515Medical Clinic in Weston and Brooklands Area Lamoureux505Melnick515Oral QuestionsCommittee of the WholeProvincial Debt McFadyen; Selinger506Sill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings516
PTH 15-Traffic SignalsSaran515Schuler504St. Jean Farm Days515Ophthalmology Services-Swan RiverGraydon515Driedger504India School of Dance, Music and Theatre 30th Anniversary515Medical Clinic in Weston and Brooklands AreaCord Questions515Oral QuestionsCommittee of the WholeBill 11-The Interim Appropriation Act, 2010516Provincial Debt McFadyen; Selinger505Concurrence and Third Readings516
FITH 15- Hame SignalsSolarSolarFithSchuler504St. Jean Farm DaysGraydon515Ophthalmology Services–Swan River504India School of Dance, Music and Theatre 30th Anniversary515MPI-Independent Claim Representative Graydon505Melnick515Medical Clinic in Weston and Brooklands Area Lamoureux505Melnick515Medical Clinic in Weston and Brooklands Area Lamoureux505GOVERNMENT BUSINESS515Oral QuestionsCommittee of the WholeFrovincial Debt 2010506Bill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings516
Ophthalmology Services–Swan River DriedgerGraydon515MPI–Independent Claim Representative Graydon505India School of Dance, Music and Theatre 30th Anniversary515Medical Clinic in Weston and Brooklands Area Lamoureux505ORDERS OF THE DAY515Oral Questions505Committee of the Whole516Provincial Debt McFadyen; Selinger506Bill 11–The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings516
Ophthalmology Services–Swan River DriedgerGraydon515MPI–Independent Claim Representative Graydon505India School of Dance, Music and Theatre 30th Anniversary515Medical Clinic in Weston and Brooklands Area Lamoureux505ORDERS OF THE DAY515Oral Questions505GOVERNMENT BUSINESS76Provincial Debt McFadyen; Selinger506Sill 11–The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings516
Driedger504India School of Dance, Music and Theatre 30th AnniversaryMPI-Independent Claim Representative Graydon505Melnick515Medical Clinic in Weston and Brooklands Area Lamoureux ORDERS OF THE DAY 515 Oral Questions 505 GOVERNMENT BUSINESS Oral QuestionsCommittee of the Whole506Provincial Debt McFadyen; Selinger506Bill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
MPI-Independent Claim Representative Graydon30th Anniversary Melnick515SofsMelnick515Medical Clinic in Weston and Brooklands Area Lamoureux ORDERS OF THE DAY 505 Oral Questions 505 GOVERNMENT BUSINESS Oral QuestionsCommittee of the Whole516Provincial Debt McFadyen; Selinger506Bill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
Graydon505Melnick515Medical Clinic in Weston and Brooklands Area LamoureuxORDERS OF THE DAY505505GOVERNMENT BUSINESSOral QuestionsCommittee of the WholeProvincial Debt McFadyen; Selinger506Bill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
Medical Clinic in Weston and Brooklands Area LamoureuxORDERS OF THE DAY505GOVERNMENT BUSINESSOral QuestionsCommittee of the WholeProvincial Debt McFadyen; Selinger506Balanced Budget Legislation McFadyen; Selinger507600Concurrence and Third Readings
Area LamoureuxORDERS OF THE DAY505GOVERNMENT BUSINESSOral QuestionsCommittee of the WholeProvincial Debt McFadyen; Selinger506Bill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings507
Lamoureux505GOVERNMENT BUSINESSOral QuestionsCommittee of the WholeProvincial Debt McFadyen; Selinger506Bill 11-The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
Provincial Debt McFadyen; SelingerBill 11–The Interim Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
McFadyen; Selinger506Bill 11–1ne Internm Appropriation Act, 2010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
McFadyen; Selinger5062010516Balanced Budget Legislation McFadyen; Selinger507Concurrence and Third Readings
McFadyen; Selinger 507 Concurrence and Third Readings
Budget Bill 11–The Interim Appropriation Act,
Borotsik: Wowchuk 508 ²⁰¹⁰
Regional Health AuthoritiesDerkach522Lamoureux524
Regional Health AuthoritiesLamoureux524Driedger; Oswald509
Povel Assent
On-Site Waste-Water Management SystemsRoyal AssentBriese; Blaikie510Bill 11–The Interim Appropriation Act,
Maguire; Blaikie 511 2010 525

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