

**Fourth Session - Thirty-Ninth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**Standing Committee**  
**on**  
**Social and Economic Development**

*Chairperson*  
*Mr. Daryl Reid*  
*Constituency of Transcona*

**Vol. LXII No. 2 - 6 p.m., Thursday, June 3, 2010**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Ninth Legislature**

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WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON SOCIAL AND ECONOMIC DEVELOPMENT**

**Thursday, June 3, 2010**

**TIME – 6 p.m.**

**LOCATION – Winnipeg, Manitoba**

**CHAIRPERSON – Mr. Daryl Reid (Transcona)**

**VICE-CHAIRPERSON – Mr. Matt Wiebe (Concordia)**

**ATTENDANCE – 11 QUORUM – 6**

*Members of the Committee present:*

*Hon. Mr. Lemieux, Hon. Ms. Wowchuk*

*Mr. Borotsik, Ms. Brick, Mr. Dewar, Mrs. Driedger, Messrs. Jennissen, Maguire, Mr. Reid, Mrs. Stefanson, Mr. Wiebe*

**WITNESSES:**

*Mr. George Gamby, Private Citizen  
 Ms. Peggy Prendergast, Private Citizen  
 Mr. Rick Negrych, Private Citizen  
 Mr. Braydon Mazurkiewich, Private Citizen  
 Mr. Howard Rybuk, Private Citizen  
 Mr. David Enns, Private Citizen  
 Ms. Paula Havinxbeck, Private Citizen  
 Mr. Steven Penner, Private Citizen*

**WRITTEN SUBMISSIONS:**

*Pat Isaak, Manitoba Teachers' Society*

**MATTERS UNDER CONSIDERATION:**

*Bill 31–The Budget Implementation and Tax Statutes Amendment Act, 2010*

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**Mr. Chairperson:** Good evening, everyone. Will the Committee on Social and Economic Development please come to order.

Our first item of business is the election of a Vice-Chairperson. Are there any nominations?

**Ms. Marilyn Brick (St. Norbert):** I would like to nominate the MLA for Concordia.

**Mr. Chairperson:** Mr. Wiebe has been nominated. Are there any further nominations? Seeing no further nominations, Mr. Wiebe has been elected as a Vice-Chairperson of this committee.

This meeting has been called to continue consideration of Bill 31, The Budget Implementation and Tax Statutes Amendment Act, 2010.

Our next item of business is to resume the debate on the proposed motion moved by Mr. Goertzen at last night's meeting. The motion reads as follows:

THAT the committee recommend to the House that Cabinet ministers receive a 40 percent pay cut from their ministerial salary until the government returns to a balanced budget, as defined in the existing legislation.

However, I must rule that since the mover of the motion is not a member of this committee for tonight's meeting, the debate on this motion may not proceed and, therefore, we will move on to the business of public presentations. We have a number of presenters that are registered to speak this evening as noted on the list, I believe, before each of the committee members.

Before we proceed with presentations, we do have a number of other items and points of information to consider. First of all, if there is anyone else in the audience who would like to make a presentation this evening, please register with our staff at the entrance to this room.

Also, for the information of all presenters, while written versions of presentations are not required, if you are going to accompany your presentation with written materials, we ask that you provide 20 copies. If you need help with photocopying, we have staff here that will assist you with that photocopying. Please speak to one of our staff. As well, I would like to inform presenters that in accordance with our rules, a time limit of 10 minutes has been allotted for presentations with an additional five minutes allowed for questions from the various committee members.

Also, in accordance with our rules, if a presenter is not in attendance when their name is called, they will be dropped to the bottom of the list. If a presenter is not in attendance when their name is called for a second time, they will be removed from the list of presenters. I would also like to note to the committee that there are several presenters marked

with a crossed sign, which indicates that their names were called once already at last night's meeting.

On the topic of determining the order of public presentations, I will note that we do have out-of-town presenters in attendance who are marked with an asterisk on the list. With this in mind, what order does the committee wish to hear our presenters this evening? Is it the will of the committee to hear out-of-town presenters first? *[Agreed]* Thank you.

Before we proceed to the presenters, for the information of committee members, a written submission on Bill 31 from Pat Isaak, Manitoba Teachers' Society, has been received and distributed to committee members. Does the committee agree to have this document appear in the *Hansard* transcript of this evening's meeting? *[Agreed]* Thank you.

I would like to inform all in attendance of the provisions in our rules regarding the hour of adjournment. Except by unanimous consent, a standing committee meeting to consider a bill in the evening must not sit past midnight to hear presentations unless there are fewer than 20 presenters registered to speak to all bills considered when the committee meets at 6 p.m.

As of 6 p.m., there were 15 persons registered to speak to this bill. Therefore, this committee may sit past midnight to hear presentations. However, I would like to also advise all present that, if the consideration of tonight's business has not concluded, a subsequent meeting will be held Friday, June the 4th, 2010, at 10 a.m., in room 255.

How late does the committee wish to sit this evening?

**Ms. Brick:** I would like to see us sit until we're finished all presenters and have dealt with the bill.

**Mr. Chairperson:** It has been proposed that this committee sit until the business of this committee is concluded. Is that agreed? *[Agreed]* Thank you.

Prior to proceeding with public presentations, I would like to advise members of the public regarding the process for speaking in this committee. The proceedings of our meetings are recorded in order to provide a verbatim transcript. Each time someone wishes to speak, whether it be an MLA at the table here or a presenter, the Chairperson first must say the name of the person, and this is a signal for our good *Hansard* folks here to turn the microphones on and off.

Thank you for your patience, to everyone, and we will now proceed with public presentations.

The first out-of-town presenter we have listed is Darlene Dziewit, private citizen. Ms. Dziewit's name was called last evening and was dropped to the bottom of the list. Is Darlene Dziewit here? Darlene Dziewit?

Seeing that Ms. Dziewit is not here, and her name having been called once already, her name will be struck from the list.

The next out-of-town presenter is Sandra Pruden, private citizen. Sandra Pruden? Sandra Pruden, having been called last evening, this is the second call for Sandra Pruden.

Since Sandra Pruden is not here, her name will also be struck from the list.

\* (18:10)

Next out-of-town presenter we have is Gerald Curle. Gerald Curle. This is the first call for Gerald Curle. Second call, pardon me, for Gerald Curle. Since Gerald Curle is not here with this evening, his name will be struck from the list.

Next out-of-town presenter we have is Ross Martin, private citizen. Ross Martin. Mr. Martin's name was called last evening. It was dropped to the bottom of the list and, therefore, this is second call for Ross Martin. Seeing that Mr. Martin is not here, his name will also be struck from the list.

We'll now proceed to the top of the list, and we'll call Steven Penner, private citizen. Steven Penner? First call for Steven Penner. Steven Penner is not with us with evening. The name will be dropped to the bottom of the list.

The next person to be called is George Gamby, private citizen. Good evening, Mr. Gamby, welcome.

Do you have a written presentation, sir?

**Mr. George Gamby (Private Citizen):** Just the one pager, but I don't have 20 copies.

**Mr. Chairperson:** Please proceed when you're ready.

**Mr. Gamby:** Honourable members, committee members, ladies and gentlemen.

Balanced budget legislation was introduced to ensure fiscal responsibility being enacted by politicians on behalf of the citizens of Manitoba. It was enacted by one government and has since been

modified by another. This new bill, or this portion of this bill, is an attempt to modify it further to the extent that the initial intent of the policy has been gutted. The intent was and still is fiscal prudence. If the government wishes to recommend such a dramatic change to the legislation, then it is only fair that this piece of the bill be an election issue. This is the only way for the citizens of Manitoba to get a say in this important issue. And, to be fair to our elected representatives, then a moratorium should be placed on the current penalty, i.e., no change to MLAs' salaries for the coming year. No one loses with this scenario.

I will summarize my comments with a simple analogy. In Manitoba, we all know that sometimes it gets cold, really, really cold. This bill is like the weather forecaster who decides that we will now call minus 40 degrees centigrade only minus 10 degrees centigrade. The thinking is that the people will feel better. Changing how we keep score does not change the fact that we are still cold.

The citizens of Manitoba are being frozen out by this regressive bill which will no longer hold elected representatives responsible for sound fiscal management. Why? Because the government of the day believes it is easier to change the rules than to wisely manage our tax dollars.

Thank you for your time.

**Mr. Chairperson:** Thank you very much for your presentation, Mr. Gamby.

Questions of the presenter?

**Mrs. Heather Stefanson (Tuxedo):** Thank you very much, Mr. Gamby, for taking time out of your busy schedule to be here with us this evening and to present your views to this committee. It's much appreciated.

And one of the things that you talked about in your presentation was that the balanced budget, this issue should be an election issue. And, of course, as we recall, in the last number of elections, the NDP has also supported balanced budget legislation in the past. Does it concern you that they ran on that and then suddenly have a—in the middle of their term—decided to no longer support it? Do you feel that they have been given a mandate to change that?

**Mr. Gamby:** Well, unfortunately, the perception is that's politics, but I don't subscribe to that theory. You know, when someone says what political party

do you belong to, I think the one that I would like to say I belong to is something called integrity. And integrity says that you do what you say you're going to do. Politics and representing constituents is all about choices. You make choices through the churches we attend, the communities we live in, the friends we associate with, not necessarily our relatives, but you get my point. And choices mean that when a government is elected and they run on a particular platform, then they should think ahead at the ramifications of that comment. For example, interest rates right now, I think the latest government bond was—Province of Manitoba Hydro Bond—is somewhere 2 and three-quarter, maybe 3 and a half percent up to five years.

Our interest rates are at an all-time low. The sad reality is when interest rates previously were 6, 8, 9 percent, the amount of monies that were being paid to service our debt was significantly more than what it is today. Unfortunately, rather than using that chunk of savings to pay down the debt, we have spent it, which means that now we are on a very precarious situation here. When interest rates start to rise, we're going to hear a whole lot of complaints about the fact that we can no longer support our programs because of debt-servicing costs. So I believe that was modified a year or so ago, maybe two years ago, so I as a citizen get very concerned about it because I heard and listened to the challenges that governments face back in the '70s when interest rates were 14, 15 percent. And, yet, somehow or other, the governments of the day seemed to manage. We're having trouble in managing when we have debt loads serviced at the rate of 2 and 3 percent. Something's not right here. I'm sorry, I hope I answered your question.

**An Honourable Member:** Yes, you did. Thank you very much.

**Hon. Rosann Wowchuk (Minister of Finance):** Mr. Gamby, thank you—I want to thank you, first of all, for coming this evening, and because this is the really the public forum. We're quite unique in that, Manitoba, where the public can share their views with government, and I think that's very important.

I just wonder if you were—if you have some advice—what you would—when you say government should manage. Is there any advice that you could give on a particular area or a particular program or something that you think should be done differently? I look to you for that advice.

**Mr. Gamby:** The reality is I haven't taken a week or two, or maybe a month or two out of my schedule to study the books and to study things.

I would like to think that governments represent constituents, and it's the needs of the many, but also tied together to represent the group as a whole. It would seem to me that elected representatives should be not only conferring with their caucus members and talking to the departments about what's important, but also talking to the constituents on a more regular basis than perhaps what we have seen in the past.

There's an old joke going around, or at least in my family. The only time you see a politician is to get your vote or to ask for money. And that really shouldn't be that way. I think that there's an opportunity in a true democracy whereby you can have small, little meetings within the constituency to talk about some of the challenges facing the government of the day. In England, we just had—we now have a coalition government where the two parties formed a coalition to work together to address serious financial issues.

The last year and a half has been somewhat unprecedented in the history of—I shouldn't say unprecedented. I wasn't born prior to 1929; I'm not that old. But it—we've had unprecedented scenarios whereby people can't react that quickly. I would like to think that perhaps the way to deal with it is to have a group meeting with the caucus, go back to the constituents and talk to the public and see what areas should be cut in, because, again, it's about making choices. Unfortunately, when you spend money when times are good and don't put enough away to ensure—to cover you off when times are bad, that's when you run into trouble. It's like the neighbour who has every car and every boat and every toy possible, and when interest rates go up, problems occur. So I'm sorry, I can't answer your question directly.

**Mr. Chairperson:** Any further questions of the presenter? If not, thank you very much, Mr. Gamby, for coming out this evening.

**Mr. Gamby:** Thank you for your time.

**Mr. Chairperson:** Next presenter we call is Peggy Prendergast, private citizen.

Good evening, ma'am. Do you have a written presentation for the committee?

**Ms. Peggy Prendergast (Private Citizen):** I do, but I'm sorry I don't as yet have copies. I didn't have time.

**Mr. Chairperson:** Perhaps we'll go through your presentation, and if you can leave it with us, then we'll distribute it to committee members following your presentation.

**Ms. Prendergast:** Sure.

**Mr. Chairperson:** Please proceed when you're ready.

**Ms. Prendergast:** My concern surrounding Bill 31 is that it is yet, again, another example of inconsistent treatment of public sector people with legislated pension plans. Funding for salaries and presumable future pensions for Cabinet ministers seems to be available, but funding for retired teachers is not.

\*(18:20)

I have mixed emotions standing here before you tonight. I have been talking about the plight of retired teachers for the past 12 years. Because I retired 14 years ago, my salary was considerably smaller than it would have been if I retired today. The 1990s was a decade of minimal salary increases. I was widowed in 1984 and found that my retirement age was determined by my desire to be independent and thus I was 64 when I finally retired. I have three children so worked part time for 14 years while they were growing up and thus had only 31 years of pensionable service at the end of it all.

I paid into my pension for 41 years and believed, because there was a reasonable cost-of-living adjustment, I would be able to have a comfortable life. I realize there are always unforeseen circumstances; God knows I've had a few. You as a government have to cope with the provincial economy as a whole; I have to cope with the same economy as an individual. You have found a solution for your own predicament and that of other public sector plans. I look forward to you finding a fair and equitable solution to my predicament and that of nearly 12,000 retired teachers.

There's a famous child's book, *A Promise Is a Promise*. I learned as a parent and as a teacher that if you didn't follow through with children and fellow workers with the promises you made you lost their trust. I am now in the company of the oldest retirees. I would like my trust in this government renewed. I hope I have enough time left for this to happen. I will

repeat that, what the president of RTAM, Richard Benoit, wrote yesterday: I now look forward to action from your government to address the unfairness and inequity experienced by retired teachers.

Thank you for the opportunity to speak with you tonight.

**Mr. Chairperson:** Thank you, Ms. Prendergast, for your presentation.

Questions of the presenter?

**Mrs. Stefanson:** Thank you very much, Ms. Prendergast, for being here this evening and for taking time out of your schedule and your presentation tonight.

Do you believe that the government has its priorities straight, given the fact that it's—we've got a bill before us, whose primary objective, really, is to protect the salaries of their own Cabinet ministers over those in, over the rest of Manitobans?

**Ms. Prendergast:** That's a hard question to answer. Everybody, when it comes right down to it, wants to protect their way of life and their way of living. And so, as I said, I have really mixed emotions. Good for you for trying to help yourselves, but you do have the responsibility for other public sector people who have given of their lives and given of much in extra time in their lives as well, so I would just ask that you consider our plight. We feel—I certainly feel boxed in, and I don't know how much time I have left, but it's a little less for me than it is for all of you.

**Ms. Wowchuk:** Ms. Prendergast, I want to thank you for sharing your thoughts this evening with us. And I want to share with you that it is a challenging time and that's why we are putting in a five-year plan so that indeed we can try to protect as many services as we can rather than try to take all of the reductions in one year which would impact people much more significantly. Thank you very much for your time.

**Ms. Prendergast:** Can I answer that?

Well, I guess you're putting in a five-year plan, but we have been given a 10-year plan. And 10 years in my life is a lot different than 10 years in yours. So that's part of the point I'm making.

**Ms. Wowchuk:** I just want to clarify that the five-year plan that we're putting in place is for Manitobans, it's our five-year plan as to how we will get through this downturn in the economy and come back into balance but at the same time continue to

fund. So it's not a five-year plan for MLAs or for ministers. It's a five-year plan for all of Manitoba.

**Mr. Larry Maguire (Arthur-Virden):** Yeah, thanks, Ms. Prendergast, for your presentation this evening as well.

My question's pretty simple. Do you know of any other sector of society than government that can change the law to protect their own salaries?

**Ms. Prendergast:** No, I don't know. If it's a legislated pension as what we have, then it's the Legislature that changes the pension.

**Mr. Chairperson:** Any further questions for the presenter? Seeing none, thank you very much, Ms. Prendergast, for coming out this evening and for your presentation. And if you could leave a copy with our—with Tyler here, and we'll make sure that committee members get a copy. Thank you.

Next person to call is Rick Negrych.

Good evening, sir. Welcome.

Do you have a written presentation, sir?

**Mr. Rick Negrych (Private Citizen):** No, just oral.

**Mr. Chairperson:** Okay, please proceed when you're ready.

**Mr. Negrych:** Okay, we're here to talk about, I guess, trying to balance a budget, and yet we have a Bill 31 which is going to add to the deficit of our province. I don't understand how—when I was in school, we took math and you had to balance one side with the other to come out and have a balanced situation. We have a government here that is spending, spending, spending. They're spending more than they're bringing in, and they say the budget is balanced. We went in '99 from—to the year 2000 with a minus 9.9 billion, and last year the budget was balanced. How does that work? You know, either math in the schools is total wacky or there just—it doesn't seem to make any sense.

My banker tells me that you have to earn as much as you spend to balance your books. My accountant tells me the same thing. Yet we have a government in the present day has spent 9.9 billion, or that's how much deficit we have incurred over the last number of years not counting the transfer payments from Ottawa, which were, I believe, around 4 billion a year. Over a period of, say, 11 years, my math tells me that's 44 billion on top of the 9 billion, so that—and then—and we have a

balanced budget. We can thank the federal government for keeping us at least close to what balance means.

And, now, Gary Doer was elected on a promise, and his government were elected on a promise, to keep the budget balanced. Before Gary Doer became the leader of the NDP party, he was a union head for the Manitoba government, which—I was part of that because I worked for the Province of Manitoba as a mechanic. The last contract he negotiated, our union rep told us that Gary Doer left 2.5 percent on the table because the employees didn't really need it. I don't understand how that works, but that's what we were told.

And then he goes in and becomes the leader of this NDP government and proceeds in 1999 to get elected on a promise to keep the balanced budget legislation intact, not to do anything to it because it is a great legislation. And I agree is—was a great legislation, but, slowly, over the last number of years, he not only eroded part of that balanced budget, he also trained some of his staff, including the minister of Finance who is now the Premier (Mr. Selinger) of the province, to adopt his style of mathematics, which means spend, spend, spend, and if you break a promise, it's similar to—I'm sure some of you remember Hillary Clinton went to Bosnia and said she was shot at. Well, here's a promise of he's going to keep the balanced budget legislation and he slowly eroded it. But they won't call that lying. They call that misunderstanding or error in judgment.

Hillary Clinton wasn't shot at. She just had an error in judgment. Gary Doer and the present Finance Minister, they don't say that they—it's a error in judgment, misrepresentation. And this is just the way that things been going.

\* (18:30)

Our military and army, in 1917 and in '45 fought for freedom. We don't have freedom, because if we don't like—our government doesn't like what's happening and the money that's been spent and then they can't get their salary, but, if so—because they keep balanced legislation, they're going to take a cut in salary. Well, rather than do what they have to and be honest with the public, they change the bill.

If I talk to my banker and said, can I change a bill because I owe you money and I don't think I can pay it, he'd call me an idiot. But this is just the way the government of this present day works. You don't

like something, it's not according to their—just change the bill.

We're spending billions on a hydro project that doesn't need to be spent. That could be put down into paying down the deficit. We got nitrogen in the water that doesn't make a difference. Even the scientists tell us, it's not going to make a difference because once—you can clean that nitrogen out of the water and as soon as you got a few lightning and thunderstorms, it's back in there. They blamed it on the farmers. The farmers—you know, and all these things are costing money.

They're not going fund—they have no money for front-line workers at a hospital because there is no money. There's money for their salaries. Take the money away from the Cabinet ministers. They are the ones that haven't kept their responsibility and balance the budget. They're spending money that—44 billion from the Province—from the federal government over the last number of years should have been enough to put money into their rainy day fund, which could be paying for some of these things during our hard times as a government, and then you could balance their budget. Balance the budget the way it should be balanced, not changing the legislation and eroding things that were there and were a good thing.

If they were good enough to win election as promises, why are they not good enough to keep them there? Like, what language do you people don't—don't you understand? You know, you won the election on a promise. Why don't you keep those promises? What part don't you people understand?

And it's going to continue over the next four years. My children, who are all—three of them are all working, paying a huge salary, personal income tax, and their children have no future in this province, absolutely no future. They will be taxed to death by the time 1914. The budget won't be balanced in four years. It'll just get worse. It might hit 30, maybe 35 billion, at the rate that you guys are going at this point. I mean, it's simple math. Cut back where you can.

Your salaries—you deserve to lose your salaries because you didn't do the job that you were elected for. Don't cut funding from our autistic, our most vulnerable people—a crime. I mean, we need—the federal government gave 14 million to fight crime, to get police on the street. We got nine police on the street as a result of that? Where did the 14 million go? All you're doing is shifting the police from one

area to another. We're supposed to have 25 police in the crime unit. There's not 25 people—police there, and yet our gang situation in Winnipeg is going out of—through the roof. We have to learn how to manage the situation, and it goes on and on and on.

There is so much more I could say, but I just get too wound up and too worked up, so stop at that.

**Mr. Chairperson:** Thank you very much for your presentation, Mr. Negrych.

Any questions for the presenter?

**Mrs. Stefanson:** I don't have a question for you, Mr. Negrych, but I just want to thank you very much for being here tonight and, obviously, speaking very much from the heart. And it's great for you to be here and for taking time out of your schedule, so thank you.

**Mr. Chairperson:** Mr. Borotsik, no? Any other—Madam Minister?

**Ms. Wowchuk:** I, too, would like to thank you, Mr. Negrych, for coming here this evening and sharing your thoughts. As I said earlier, this is a time for the public to share your views with members of this committee, and I thank you for taking the time.

**Mr. Negrych:** What is going to be done, though? That's my question. What are you going to do about it?

**Mr. Chairperson:** That's the work of the committee, sir, here this evening, and we'll have that discussion as we move into clause by clause of the bill.

Any further comments or questions for the presenter? Seeing none, thank you very much, Mr. Negrych, for your presentation this evening.

The next presenter to call, and this is—was called once last evening, Fletcher Baragar. Fletcher Baragar. Seeing that Fletcher Baragar, private citizen, is not with us this evening and having been called once, the name will be struck from the list.

Next name called is Braydon Mazurkiewich. Sorry, sir, I was trying to do—to figure it out. Help me with the pronunciation, if you don't mind.

**Mr. Braydon Mazurkiewich (Private Citizen):** M-a-z-u-r-k-i-e-w-i-c-h

**Mr. Chairperson:** Mazurkiewich. Thank you very much. My apology. Welcome. Do you have a written presentation?

**Mr. Mazurkiewich:** No, it's all oral and written, and you won't be able to read it.

**Mr. Chairperson:** Please proceed when you're ready.

**Mr. Mazurkiewich:** I apologize for not being here last night. I was making sure that there was going to be proper representation in Southdale after October 4th of next year.

I'm not only here to speak this evening about Bill 31 but about rights and things that the current government has cut, such as—I apologize. Can I ask a question?

**Mr. Chairperson:** It's just time for presentation, sir.

**Mr. Mazurkiewich:** Oh, okay. I read this bill and I believe that the current government has no vision for this province. There's only one government in this country that cares about this province and that's under Prime Minister Stephen Harper, because we have—I found what I was looking for, sorry.

In 1999, the NDP took over for the PC government and there was an \$11-billion deficit. In 10 years, that deficit has now skyrocketed to more than \$21 billion, and that's after 10 years of balanced budgets. I don't know about anybody else, but when I balance my chequebook at home and I have \$100 and I spend \$1,000, I don't think that's really balanced. I don't know what the committee thinks about this, but I don't think it's balancing the budget.

\* (18:40)

And now to the cuts that I have found. Why are these ministers getting paid—what is it, \$40,000 a year? Is it \$40,000 extra on top of their MLA salary? An extra \$40,000 a year when they're cutting support to special needs children, autistic children, hearing-impaired children and making rural Manitobans go on the highway to get to the hospital because they have closed 17 rural emergency rooms.

This government vowed to end hallway medicine, which they have because they put those nice numbers on top of the beds in the hallways—which is sort of like ending hallway medicine because now you actually have a number. But that's not ending hallway medicine. And on top of promising to end hallway medicine, they vowed not to close emergency rooms in rural Manitoba. And they have. And now these people have to get in their cars and drive sometimes up to an hour to get to the nearest hospital emergency room. This is unacceptable.

Why is it that only—here it is. A cost for a single person like myself, earning \$30,000 a year, which—that's about what I earn in a year. Under this government, I now have to pay an extra \$207 a year in tax. I'm already the highest taxed in my age group from B.C. all the way to Québec. In Manitoba, we pay the highest taxes from B.C. to Québec and what do we get for it? We get things like cut services to agriculture—actually, I have a fact about the agriculture that was cut—somewhere here—cut funding for the Department of Agriculture and Rural Initiatives by 4.2 percent. How can you cut money for family farms and still go to bed at night earning an extra \$40,000 when you have not done your job and balanced the budget? How? How can you do that?

And I was paying attention to Ms. Prendergast's presentation about the teachers' pension plan, and back in March I was helping out in the by-election in Concordia, and, Mr. Wiebe, you represent Concordia. Are you aware that that was the second most talked about issue at the door?

**Mr. Chairperson:** A reminder, sir. You have to place your comments through the Chairperson. And a reminder to all our folks that are here with us wishing to make presentation this evening to direct all of your comments and your statements through the Chair, please.

**Mr. Mazurkiewich:** So I would like to direct my comment through the Chair to Mr. Wiebe that in his constituency, the second biggest issue, next to high crime rates, is the teachers' pension plan. That's the feedback that I was getting.

And freezing the teachers' pension plan and for people that have worked hard to educate the children of our province—well, I'm shaking my head because I think it's wrong when you guys are getting paid extra not to balance the books—\$21 billion in deficits, \$11 billion in 10 years. How did that happen? You balanced the books; the books were balanced. How much money is in the rainy day fund?

As I stated when I first got up here, I'm not here just to speak about Bill 31. This government is taking away the rights of Manitobans. They're going to ban me from using my cell phone in my car. Why would they ban me from using my cell phone in my car? I pay for my cell phone; I pay for my car. I've never gotten into an accident in my life. I've been using my cell phone in my car since I was 15. Anyway, I'm glad I got that off my chest.

And I would like to say, from the 2011 budget I hope we return balanced. But I know that would be an empty promise because they've been promising it for 10 years.

**Mr. Chairperson:** Any further comments, sir?

**Mr. Mazurkiewich:** Nope, I'm good.

**Mr. Chairperson:** Thank you very much, Mr. Mazurkiewich, for your presentation.

Questions for the presenter?

**Mrs. Stefanson:** I don't have a question, but I want to thank you, Mr. Mazurkiewich, for being here tonight and I think you—I know you had some other things on last night and were not able to be here, but we're glad the process is such that we're allowed to at least come back another night at a more reasonable hour tonight to make this presentation. So thank you very much for coming.

**Mr. Chairperson:** Any further questions for the presenter?

Thank you, Mr. Mazurkiewich, for your presentation this evening.

Next presenter we'll call is Howard Rybuk. Howard Rybuk? Hope I pronounced your name correct, sir. Welcome. Thank you for your patience.

Do you have a written presentation, sir?

**Mr. Howard Rybuk (Private Citizen):** No, I mean, one doesn't need to—

**Mr. Chairperson:** Please proceed when you're ready.

**Mr. Rybuk:** —put a lot of thought into what's wrong with this bill just as this government didn't put a lot of thought into writing this bill.

You know, in 1999, the NDP made a commitment to keep the balanced budget legislation. The only way they balanced budgets was on the backs of our Crown corporations, and we still have a deficit in Manitoba which is greater than Saskatchewan, Alberta, B.C., all together.

It's despicable that here we are now talking about changing this balanced budget legislation once again. It's odd that the very year after they made a change, they ran a deficit, and I believe the deficit is a deficit of choice. Manitobans are victims of not a bad economy but victims of irresponsible government. There's no need to have a deficit. You have to live within your means. If you're going to be

penalized because you don't balance a budget, then just as Mr. Selinger said in 2008: You guys will take a cut in pay.

It's wrong to think about these changes, and, you know, what kind of example are we setting for children when we change laws that are meant to protect us, just for our own interest?

And I just hope that this committee realizes that this is wrong and they choose not to go ahead with Bill 31. That's all I have to say.

**Mr. Chairperson:** Thank you very much for your presentation, Mr. Rybuk.

Questions for the presenter?

**Mrs. Stefanson:** Thank you very much, Mr. Rybuk, for being here at the committee this evening and for your heartfelt presentation.

Balanced budget legislation, I guess, has been changed—this is the third time—and, you know, it seems to me that the NDP, if they don't like the laws of our province, that they just change them to suit their own needs.

Do you have a problem, sort of, does it eat away at their credibility when they bring forward things that—and they bring forward legislation as to whether or not it may exist down the road and especially when they have run on balanced budget legislation, as you said, and supporting balanced budget legislation in the past. How do you feel about that?

**Mr. Rybuk:** I think you're right. This government is self-serving. They really don't care about what Manitobans think. They think about their own interests and it really bothers me. I mean, I wasn't here last night because I was in Alberta, and I'm here with mixed emotions because I'm thinking maybe I should just stay there. Like, there's not a lot of reasons to want to run a business in Manitoba anymore. It's almost embarrassing to say you're from Manitoba.

\* (18:50)

**Mr. Chairperson:** Any further questions of the presenter? Seeing none, thank you very much for your presentation, Mr. Rybuk.

Next presenter we call is David Enns. David Enns?

Good evening, sir. Welcome.

**Mr. David Enns (Private Citizen):** Good evening.

**Mr. Chairperson:** Do you have a written presentation for committee members?

**Mr. Enns:** No, I don't.

**Mr. Chairperson:** Then please proceed when you're ready.

**Mr. Enns:** Good evening, everybody. I'd just like to start by thanking you for letting me speak here tonight. First, I'll just go a little bit about myself. I'm a full-time student. I'm in Engineering at the University of Manitoba. I presented here in 2008 on the same legislation. So I've been following this with a little bit of interest, so this out of—not out of left field.

I'll start by saying I do believe in balanced legislation when it's actual balanced budget legislation. What we have now isn't; so, no believing in it. I believe everybody should be accountable for the money they've been charged with. Yours is much greater than what I personally have been charged with. However, I still think you should be just as accountable as I am with my personal spending.

I'd like just to insert this before I go on. One of the members asked a question, what one of the presenters would like to see a cut in if we were to bring the budget back into balance. It's not so much what I'd like to see a cut in but, if we're going to go this far into debt, I'd like to see something for it. For the amount of money that's been spent—I hear \$11 billion over 10 years past the—or past the budget—I'd like to see an overpass at Dugald and the Perimeter that doesn't stop me at a train, religiously, every day, on my way to school. I'd like to see a proper overpass at Highway 59 and the Perimeter, which is the busiest intersection in Manitoba and had a recent death at it in the past few years. I'd like to see more RCMP out on the streets. I'd like to see lower crime, all of this very possible just by spending money. With this amount of money, you can throw money at a venture, and it will work. That's how much money it is. With a little bit of money, it might take a bit of planning. However, \$11 billion in 10 years, you could have accomplished any one of these in a state-of-the-art form. You could have an overpass with computers in it for \$11 billion. You could plan. You could do wonderful things. That's what I'd to see it have something show for, instead of making cuts.

Next, I'll move on to what I actually had written down. I think, like I said, our elected officials should operate like their citizens do. You're elected by the

people and for the people. We'd like to see you operate in the same way as we do in our personal lives. A 40 percent pay cut from your salary is huge. For me, it would mean I can't go back to school in the fall like I plan to do. Twenty percent—I actually worked it out this afternoon—I could still afford to go back to school. So that's a go, no go, right there. It might be the same for you folks. It's the difference between an incredibly nice car and a K-car, and nobody wants the K-car. Everybody would love the Camaro.

This is how everybody should operate, not just personal finances, but everything. With all of this debt accumulating, you're dumping this money onto my generation. You guys can spend this money as you wish right now. The people coming up are my age. We have to deal with this debt and, frankly, if the debt is too large, it can't be dealt with. Once a sum of money is too large in owing, you can't pay it back ever in my lifetime, in the next generation's lifetime, in anybody's lifetime. So this amount of money you're accumulating in your name is really money I will be owing in taxes, in many other things.

One other thing is if you're going to be spending this much money on everything, I'd like to see it spent the right way, like I said. Specifically, as a good example, because I am young engineer, I take a great interest in Manitoba Hydro. A bipole this way that's however much longer—I think it's 400 kilometres—has great losses. It's like taking the air intake on your car—I'm a mechanical engineer, not an electrical engineer, so I work in fluids not electricity. It's like taking the air intake on your K-car, which you would be affording after the 40 percent pay cut and making it a mile long, which would effectively take your hundred horsepower down to about two, which means you can't move. This is effectively what you're doing to Manitoba Hydro with Bipole III. So, if you're going to spend this much money, I'd like to see it spent properly.

So what I'd like to ask is that the government return Manitoba to a have province, just like Saskatchewan is doing, and I like to think Manitoba is a much better place to live than Saskatchewan. They've planned to have a balanced budget in this next four years. They just found oil in Saskatchewan, not a luxury we have in Manitoba; however, we have many resources like all of the lakes, all the rivers, all the hydro we can generate and sell to the States like we already do. We have many things that can make us a have province. However, we are not, and that is because of the overspending that is happening.

The other thing I'd like to ask is that our government return to the balanced budget legislation that was working in 1999, that they promised to keep in place.

That's all I have for tonight. Thank you.

**Mr. Chairperson:** Thank you very much, Mr. Enns, for your presentation. Questions for the presenter?

**Mrs. Stefanson:** Thank you very much, Mr. Enns, for being here and I don't have a question. I think you've covered a number of things. You've spoken very well, from the heart, this evening and just want to thank you for your comments and it was well presented. Thank you.

**Mrs. Myrna Driedger (Charleswood):** Thank you, Mr. Enns, for your presentation.

I have a question because I'm curious what your age group is thinking or talking about right now in terms of following what's happening with the debt in this Province and knowing that you're going to inherit it. And you indicated that it was something your generation was going to be affected by greatly; that it's easy for this generation to spend but it's going to be up to your generation to pay.

Do you find that there's a lot of people your age looking at that right now and making some decisions as to whether or not they want to stay in Manitoba?

**Mr. Enns:** I've only really had one conversation about it with friends. We couldn't fathom how much money was actually being spent and we also couldn't fathom why we still saw a train every morning at Dugald and the Perimeter. And yes, that one reason right there was enough for one friend to get very upset and go on a very long talk about why he's leaving the province as soon as he graduates from the U of M, and why he'll be moving to Ottawa to the Silicon Valley of the north. So yes, that's a very good reason. This is a very good reason why people would want to leave.

**Ms. Wowchuk:** Thank you, Mr. Enns, for your presentation. You certainly are passionate and you appear to care very much for this province, as I do.

But a couple of points you talked about, I just want to share with you. You said that Saskatchewan balanced their budget this year and, in actual fact, that's not true. So I just want to share with you that, under summary budget, the same kind of budgeting that we do, Saskatchewan had a deficit of \$622.7 million. So when you compare—when you go

on the same kind of accounting—but I just want to share that with you.

And as a student, I just wanted to ask you if you support the investments that are in this budget on—for education, for student rebates, that are there to help students. Are those useful to you as a student and would you support continuing on in that vein?

**Mr. Enns:** I might be a little bit biased in this answer. In engineering, we voted, in 2006, to raise our own tuition. We feel if you want a good education, it's an investment, you pay for it yourself. Personally, I'd like to pay more for school if it meant I was going to get a better education.

As well, personally, I haven't seen any direct benefits because the benefits we receive in my education come directly from our Engineering Endowment Fund, which we pay into ourselves. So I can't honestly answer with what I've seen from the Manitoba government.

**Mr. Rick Borotsik (Brandon West):** Just to correct the record from the Minister of Finance, Mr. Enns, just for your information, Saskatchewan, in fact, did balance its budget. They used their fiscal stabilization fund to balance. And you're going to say, well, if they used a savings account to balance their budget, then really they didn't balance. But Manitoba's been doing that over the last numbers of years and calling that a balanced budget. So you can't have it as a balanced budget on one hand, when you do it in Manitoba using fiscal stabilization, and then suggesting that others can't do that by using a fiscal stabilization. So you were right, Mr. Enns.

I also would like to congratulate you for coming forward. It's always nice to see young people being engaged. Not suggesting that other presenters aren't just as important. However, it's nice seeing young people engaged, and certainly, individuals who really are the future of our province.

And it's a little discouraging hearing comments such as you've made with respect to, perhaps, looking at other opportunities in other jurisdictions because it's you who we are going to depend on. I hate to say saddled with some debt and saddled with some—the largest taxes west of Québec, but we do depend on you to make sure that old people like us do have the ability to stay in this province.

So thank you for making your presentation.

**Mr. Chairperson:** Mr. Enns, do you wish to comment?

**Mr. Enns:** Just a response to both on the Saskatchewan comment, I haven't seen numbers. What I have heard is Saskatchewan was planned in the next four years to be back on budget. I didn't actually know about this year. So, that's what I'll end with.

\* (19:00)

**Mr. Chairperson:** Thank you very much, Mr. Enns, for your presentation this evening, for taking the time to come out.

**Mr. Enns:** Thank you.

**Mr. Chairperson:** Next presenter we have on the list is Paul Meyerson. Paul Meyerson. Paul Meyerson's name was called last evening so this is the second call for Paul Meyerson, private citizen. Seeing that Mr. Meyerson is not with us this evening, his name will be struck from the list.

The next name I have on the list is Paula Havinxbeck.

Good evening, ma'am, welcome.

Do you have a written presentation?

**Ms. Paula Havinxbeck (Private Citizen):** No, just a bunch of notes.

**Mr. Chairperson:** Okay, I hope I've pronounced your name correctly.

**Ms. Havinxbeck:** It's Havinxbeck.

**Mr. Chairperson:** Havinxbeck, my apologies.

**Ms. Havinxbeck:** That's okay.

**Mr. Chairperson:** Please proceed when you're ready.

**Ms. Havinxbeck:** Honourable members, Mr. Chairperson, committee members, ladies and gentlemen, thank you for allowing me this opportunity to speak on this topic.

As a citizen of Manitoba, I'm choosing to be here today to exercise my right to speak out against something that I believe is unfair and wrong. As I understand Bill 31, the government of the day has failed to balance the budget, and the NDP government through this bill is reversing their promise to balance the books to avoid Cabinet ministers having to experience a 20 percent pay cut in their first year and 40 percent pay cuts in subsequent deficit years.

Keeping balanced budget legislation and lower property taxes was a promise made in the 1999 election to Manitobans. Like a game of baseball where the team has—the team at bat has two strikes against them, the government has decided to change the rules and add another strike into the game while the game is going on. It seems to me that that's very unfair to all the players in the game.

I work as a consultant and I also teach at a university level, and if I'm working with a prospective client and I tell them I'm going to prepare a business plan or I'm going to develop a strategic plan for you and we're going to help move your organization forward, if I don't do that, I don't get paid, period. It's very simple. This should be no different for the government that's in power, and I believe that this government needs to realize that they've failed and accept the consequences because they did make a promise.

Continuing to be in the red I believe puts Manitoba in a poor light. We continue to look like a have-not province, and you asked the question earlier of young people and whether they want to stay in this province, and I hear a lot of young people in university say, no, there's no opportunity. We're going to be paying that bill for a long time. We need to contribute by enabling business to move forward, create jobs and continue to stimulate the economy.

I might add that, though, despite an economic downturn in Canada and in North America, Manitoba continues to thrive. IKEA, for example, has chosen Winnipeg to open its next location. That's very significant. Manitoba is one of the most prosperous provinces in Canada, rich with agriculture, minerals, resources, manufacturing and other industries and continues to grow. So why a deficit should exist is unbeknownst, or I guess it shouldn't exist. We need to get—have a government that will show a surplus and make us look stronger throughout Canada, and if the government cannot do that and be accountable to the rules that are in play in the game, then they shouldn't be allowed to continue.

So I am against Bill 31 and I think that this government needs to realize that they have dropped the ball and move on from trying to pass this kind of legislation.

The issue in—that was discussed a little bit earlier tonight about finding ways to save money, I agree with what Mr. Gamby said in his presentation, that consulting the public is an excellent way to determine where some savings could exist. For

example, today I got a call from Manitoba Hydro to have my meter changed from the inside to the outside. Well, they had just done their 12-year change, not even two weeks ago, of my meter. Why they didn't move it to the outside, that a person is coming back two weeks later, seems like a ludicrous waste of money in person-salary time.

So I thank you for the opportunity to present tonight.

**Mr. Chairperson:** Thank you very much for your presentation, Ms. Havinxbeck.

Questions for the presenter?

**Mrs. Stefanson:** Thank you very much, Ms. Havinxbeck, for being here and presenting at the committee tonight. I don't really have any questions. I think much of what I would've asked you to do with the rising debt and how that affects our young people is really sort of what I may have asked, and I think you've already answered a lot of that in your question and how it affects people in our province.

So I just want to say thank you for taking time out of your schedule and being here tonight.

**Ms. Wowchuk:** Ms. Havinxbeck, I'd like to as well thank you for sharing your thoughts and I say again this is a process in Manitoba where the public has the opportunity to share their views, and I appreciate your coming and sharing your thoughts. Thank you.

**Mr. Chairperson:** Ms. Havinxbeck, did you have any further comments?

**Ms. Havinxbeck:** I would add maybe that I'm a single parent and that's why I couldn't be here last night. It's often difficult to get child care when I need it and I'm concerned about my children. They're eight and four. We heard from the generation that's in the 20- to 30-year-old age range and that's one working group that's going to inherit this, and I'm also working—I'm also concerned about the generation now of younger children like mine that will inherit this. I think that's a very important issue and it's going to continue on.

If the debt rate has gone up—and I forget the numbers exactly—but if it's gone up as much as it has in six or seven years, what will it be in 20 years when my children are out of school working and trying to paying that up? So that's the only thing I would add to it. Thank you.

**Mr. Chairperson:** Thank you for your presentation this evening.

Next presenter we have on the list is Michael Deluca, private citizen. Michael Deluca. This is the second call for Michael Deluca. Seeing that Michael Deluca is not with us this evening, his name will be struck from the list.

Next presenter I have on the list is Steven Penner, private citizen. This is the second call for Steven Penner.

Good evening, sir. Welcome. You don't have a written presentation, sir?

**Mr. Steven Penner (Private Citizen):** No.

**Mr. Chairperson:** Okay, please proceed when you're ready.

**Mr. Penner:** Thank you very much, Mr. Chair, everyone gathered here.

So I gather from what's been going on that there's a rather large budget deficit and that NDP Cabinet ministers were supposed to take a cut in pay like they were required to by law and now two consecutive leaders have pledged that they would do by law.

So I'm a little disappointed to hear that they have not and that they are deciding that they are going to forgo that because, well, couldn't have seen it coming or something, I guess. Like, (a) that's bad forecasting, but, secondly, if that's the case, at least be honest and say that's what you're doing. Don't hide behind some kind of veil of, we didn't see it coming.

But I think the cuts that have been talked about, the closing of rural emergency rooms that are happening, one presenter mentioned cuts to funding for autistic children and special needs children. If you were doing that to balance the budget I would at least—like, I wouldn't appreciate it, I wouldn't like it, but I might at least understand it.

But to do that at the same time as you're giving yourselves, essentially, more money than you otherwise would have—what the rest of us would call a raise—I think that's very, you know, disingenuous and shouldn't be happening.

I would also like to point out, I guess, that it does seem a little bit odd that everyone else in society has to balance our budget and ultimately every dollar that you guys—every dollar that the government spends is going to have to be paid for by someone, out of some pocket. And, you know, I mean, not to be rude in any way, but you're all older

than I am and I'm going to end up paying a lot more of what you're spending than you are.

So I think it's important that we've had multiple presentations tonight from individuals and students that are going to have to be footing a lot of this bill and that, you know, that we are having our voices heard, hopefully, although I imagine that not much will come of this, although I certainly hope differently.

I would furthermore point out that I think that if there's lots of waste, as other presenters have pointed out, say the billion dollars for the hydro line that's coming down the wrong side of the lake, I think that if that waste or if that spending is going to happen we need to look at alternatives, what else we could spend that money on that might not be so, you know, excessive and wasteful.

I think, you know, like keeping rural emergency rooms open has very direct tangible benefits to rural Manitobans. They're able to get health care in a more timely manner. In a very real way their health—like their health care and their health situation is benefited, whereas, I don't think you see those same kind of benefits on the other side. But I'd also like to point out that if you were going to give those benefits, or some kind of benefits, it's always important to explain why you're doing that and to balance the budget at the end of the day.

\* (19:10)

I think \$21 billion has been mentioned tonight. It's an incredibly mind-blowing sum of money as has already been pointed out. I think that's very troublesome that there doesn't seem to be a clear plan of how we're going to pay—how we're even going to get back to balance, let alone pay that off. I think that's incredibly problematic and something that the government's going to have to address in short order, or maybe a new government will, you never know.

I also think that it's fairly troubling that this was—at least as far as I can tell from other presenters and what I've heard from friends and colleagues—that maybe there was a bit of a hope that this might have wrapped up last night, in the dead of night, with no one really having it—with no one really having an equal chance or a full chance to come at a reasonable hour and present to the committee. I think that's problematic and I think it's indicative, perhaps, of people knowing that what they're about to do is not necessarily above board and wouldn't be considered so by Manitobans. It is kind of curious that this

hasn't received lots of coverage in the media, because politicians giving themselves big raises usually does. Don't know why that's the case; might want to ask the reporters about that, I guess.

I would also point out, there's lots of uses for that \$9,000 that you—that you're keeping in your pockets, that you otherwise could spend on, you know, helpful and worthy initiatives. Maybe, you know, you're going to rewrite this law or you're going to change the law or you're going to give yourself this money that you aren't entitled to and that you've said by law that you're not going to take. You know, at least give it to a worthy cause. You know, give 10 percent of that money. Let's find solutions. Give 10 percent of it to the charity of your choice. Maybe find your BlackBerry bill every time it comes to your constituency office and pay it yourself instead of, you know, pocketing all of the money. I think that'll be a very productive use, and it might restore a little bit of Manitobans' faith in budgeting, because you're all well dressed, you don't appear to be homeless, you all seem very well fed, so you're clearly not as bad at budgeting as your budget would let on. You're clearly capable of managing finances. So I think that Manitobans would like to see a lot more of that in our provincial government and at least a plan to return to balance even if over the past couple of years we haven't had that.

I also just think that politicians giving themselves more money than they would seem to be entitled to, more money that they've promised not to take, does smack of being disingenuous and undermines people's confidence in the entire political system.

So, thank you very much for your time.

**Mr. Chairperson:** Thank you very much for your presentation, Mr. Penner.

Questions for the presenter.

**Mrs. Stefanson:** Thank you very much, Mr. Penner, and, certainly, you've made a lot of very valid comments tonight.

And I know you mentioned that the debt of the Province is \$21 billion. It's actually 23 and a half, and so it's even worse, you know, maybe than you thought. So just—[interjection] And, yes—and so I will mention that.

But you also mentioned something else that I think is an important thing—and it did come up several times last night—and that is the committee

process itself and how it is very difficult when it starts to be 10:30, 11, 11:30, midnight, when presenters are having to—like Ms. Havinxbeck mentioned earlier, it's very difficult child care, and you've got other things in the evening.

And so I think that's a very valid point and I thank you for bringing that forward to the committee tonight, that we should look at better ways of engaging the public in the process. So thank you.

**Floor Comment:** I think it's important to—

**Mr. Chairperson:** Mr. Penner.

**Mr. Penner:** Sorry.

**Mr. Chairperson:** I need to recognize you, sir, for the *Hansard* folks to turn on your microphone.

**Mr. Penner:** Oh, I'm sorry.

**Mr. Chairperson:** It's on, but they control it back here.

**Mr. Penner:** Okay.

**Mr. Chairperson:** So please proceed.

**Mr. Penner:** Yeah, I'd just like to point out that, you know, I'll give you the benefit of the doubt. You didn't plan it that way, but when you have meetings in the dead of night when people who, say, don't have comfortable jobs—like I think pretty much everyone in this room does—that have to work two jobs, that have to work in the evening, that becomes very difficult for them to get here and have their say, especially when it's their money being spent.

Students have to work very long hours. I had to be at work at 8 a.m. this morning. I don't think that if this meeting was held at 8 a.m. that I would have been able to be here, and I'm sure that situation affects lots of people at night, and it's nice to have a reasonable, fair time for everyone to come and present.

So I'm happy that we have this opportunity, although I've heard that it might not necessarily have happened had people not been here last night. So that's a problem.

**Mr. Borotsik:** Thank you, Mr. Penner, for a very lively presentation. I do appreciate it.

I don't want to give you nightmares, but Mrs. Stefanson wasn't what—didn't give you quite the whole picture; \$23.5 billion is what the number is now. There's going to be an extra \$2 billion over the next four years that they're going to have to borrow

for deficits; plus, this year alone, they're going to borrow another \$2.3 billion. So that 23.5 is going to be close to probably 27 or 30 billion in the not-too-distant future.

Mr.—I believe it was Gamby also indicated that there's an issue here with interest rates. So, please, go to school, get a good job, pay lots of taxes, because we're going to need you, certainly, just simply to debt-service that billions of dollars that is now being borrowed by this government.

But thank you for making the effort to be here this evening, and I'm glad you had the opportunity to give us your comments. Thank you.

**Mr. Chairperson:** Madam Minister, do you wish to comment?

**Ms. Wowchuk:** Just thank you for your—for coming, and others have talked about the process of presenters. I just want to share with you that this is not a process that has been recently put in place. The process of having committee in the evening is actually put in place so that—because the majority of people work during the day, it's put in place so that more people can actually come.

And the rules are set as to how the committee come up. So there was nothing—just so you will be aware, there was nothing that was changed last night. The rules are set and that's how the committee operates. So I just want to share that with you, and thank you for your presentation.

**Mr. Penner:** I wasn't saying change the rule; I'm saying it's a bad rule.

**Mr. Chairperson:** Any further—Mr. Maguire?

**Mr. Maguire:** Thanks, Mr. Penner, for your presentation as well. I just wanted to point out, as well, that this is not, you know, this is not a planned process to get back to balanced budgets. This government is planning at a time when all other governments in Canada recognize that the recession was a year ago and they're now, in their budgets in the spring of '10, making budgets that will reduce deficits over the next while—this government is planning on continuing deficits for the next four years in this budget on top of one of the biggest deficits that's ever been had in this Province that we're just coming off of.

So they're moving—I just wanted to inform you that they're going in a completely opposite direction to the rest—most of the rest of the provinces and federal governments in budgets in the country, and I

wondered what you—how you feel about that as a young citizen of Manitoba.

**Mr. Penner:** It's very clear after—sorry. Okay. I think it's very clear, if you look at the New West Partnership between B.C., Saskatchewan and Alberta, why is Manitoba not at that table? I'm tempted to say it's probably taxes, because it's a business initiative, probably also government mismanagement of the economy.

When you have massive and ballooning deficits, I don't think it's—frankly, I think it's kind of reasonable they wouldn't necessarily want to be involved in a partnership with that, and it's important that Manitoba have a process to return to that kind of balanced budget legislation.

Now, obviously, not taking away \$9,000 for ministers isn't going to fix that problem entirely, but it's a measure that restores public confidence in the system, and trying to restore those salaries to yourselves in the dead of night when people don't necessarily have a chance to come and comment does make people more apprehensive about the political process.

**Mr. Chairperson:** Any further questions for the presenter? Seeing none, thank you very much for your presentation this evening, Mr. Penner.

That concludes the list of names I have before us this evening. Are there any members of the public who are here with us this evening that would like to make a presentation, whose name was not included on the list?

Canvassing the audience for additional presentations from the public. Seeing no further public presentations, that will conclude the list of public presentations and we'll close that portion of our meeting.

We'll now proceed to clause-by-clause consideration of the Bill 31.

We'll call the minister's staff up to the front of the room, please, and does the minister responsible for Bill 31 have an opening statement?

**Ms. Wowchuk:** Just briefly to say that the bill is—that we have here does deal with the amendments to the balanced budget legislation but also is the bill that will implement changes that have resulted because of the budget, and then there are many amendments that are brought forward by the Department of Finance every year. In most cases, they are—there are many technical amendments

streamlining or errors that have been in-caught from previous acts, and this is the bill that clears up and implements the tax administration and the various taxations that are required.

**Mr. Chairperson:** We thank the honourable minister for the opening statement.

Does the critic from the official opposition have an opening statement?

**Mrs. Stefanson:** Just very briefly, I know we've heard from many presenters who had serious concerns about the fact that yet—the government, because they're not able to live or not wanting to live within the laws of this province under balanced budget legislation that they have run politically on, that they have supported in the past in elections and given the public the impression that they have supported and yet have changed—and, effectively, with every change have gutted the balanced budget legislation to the point that they're really putting the final nail in the coffin of balanced budget legislation.

\* (19:20)

This portion of this bill did not have to be in this bill. This could have been a separate bill that could have been debated appropriately in the Legislature. It could've been debated appropriately in this committee as a separate piece of legislation that would've gone through the due process of normal bills.

As we all know, the BITSA bill will be passed, and has to be passed, under the rules of the Legislature on June 17th, the last day of session, and I think what's unfortunate is that the members of the government have chosen to put the changes of balanced budget legislation to protect their own salaries and to do—and other changes to the balanced budget legislation in a bill that they know has to be passed. I think it's, you know, I think it's dishonest, and I think that they should've done it separately.

So, with those comments—and there are many things within this bill. We've heard from many presenters at this committee. We've heard from many of our constituents the issues that they have with respect to this bill, and I hope quite honestly that the minister takes this to heart, some of the comments that have been said at committee, and she listens to Manitobans when they come forward and they talk from the heart about what balanced budget means—balanced budget legislation means to all of us in this province.

It was there, it was put in place, to protect us from exactly what is happening today, and I think it's extremely unfortunate. Manitobans know it, and we are here to ensure and do our best as opposition in the Manitoba Legislature to ensure that this doesn't happen. But what's unfortunate is that the NDP has chosen to put this into a bill that has to pass by the end of this session.

So it's unfortunate the way that this has taken, that this has been done, and, certainly, we will have a number of amendments that we would like to bring forward to what we believe will be approving—or, sorry, improving—the bill.

But, certainly, I do want to say at the outset that we don't believe that that section should have been a part of this bill in the first place.

**Mr. Chairperson:** We thank the critic for the official opposition for their opening statement.

During the consideration of a bill, the table of contents, the enacting clause and the title are postponed until all other clauses have been considered in their proper order.

Due to the size and structure of Bill 30, is it the will of the committee to consider the bill in blocks of clauses corresponding to its 11 parts—

**An Honourable Member:** Bill 31.

**Mr. Chairperson:** —pardon me, Bill 31—with the understanding that the bill will be considered in blocks of clauses corresponding to its 11 parts, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose. Is that agreed? [*Agreed*] Thank you.

Part 1, pages 1 to 4, shall clause 1 pass?

**Mrs. Stefanson:** No, I do have some—an amendment here, Mr. Chair, and I move,

*THAT Clause 1(3) of the Bill be amended by replacing the title of the proposed Part 4.1 with the following:*

ABANDONING MANITOBA'S BALANCED  
BUDGET LEGISLATION

**Mr. Chairperson:** It's been moved by Mrs. Stefanson

*THAT Clause 1(3) of the Bill be amended by replacing—dispense?*

**Some Honourable Members:** Dispense.

**Mr. Chairperson:** The amendment is in order. Any comments?

**Mrs. Stefanson:** Again, I have covered most of why I believe that—in my opening statement as to why this title for this section of the bill is much more appropriate than the one that is there now. Balanced budget legislation was established in this province to ensure that the government of the day lived within its means, and the NDP are unable to live within—live by the legislation that they have already changed twice in the last two years, so they are changing the law, in effect, here, from what we can see, to protect their own salaries.

Mr. Chair, Manitoba fared well compared to other jurisdictions during the recent global economic downturn. Running five years of deficits totalling more than \$2 billion is an extreme reaction to the financial reality facing the Province. Revenue is actually projected to be up \$84 million from Budget 2009 to Budget 2010. The deficit is a result of 533 million in additional spending.

The NDP's deficits are driven by spending without results. This a 5.2 percent increase over last year, Mr. Chair, and while the NDP focus on protecting their own salaries, they are cutting services for Manitobans—for Manitoba's most vulnerable citizens. And we did hear from members of the public who brought forward concerns, and I know there was at least one in the audience, may have been more, who do have autistic children, and they brought that issue forward, the fact that these are the cuts to the services that, while the NDP claims to be protecting the most vulnerable, it's not an actual fact.

And so that's why we believe that members of this committee should support this amendment because, quite frankly, the NDP has abandoned Manitoba's balanced budget legislation.

**Mr. Chairperson:** Any further comments? Is the committee ready for the question?

**Some Honourable Members:** Question.

**Mr. Chairperson:** Do you wish to have the motion reread?

**Some Honourable Members:** No.

**Mr. Chairperson:** No, dispense.

Shall the amendment pass?

**Some Honourable Members:** No.

**Some Honourable Members:** Yes.

**Voice Vote**

**Mr. Chairperson:** All those in favour of the amendment, please signify by saying aye.

**Some Honourable Members:** Aye.

**Mr. Chairperson:** All opposed, by signifying by saying nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In the opinion of the Chair, the Nays have it.

**Formal Vote**

**An Honourable Member:** Recorded vote.

**Mr. Chairperson:** A recorded vote having been requested:

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 4, Nays 6.*

**Mr. Chairperson:** The amendment is accordingly defeated.

\* \* \*

**Mr. Chairperson:** Clause 1—pass; clause 2—pass; part 2, pages 5 and 6 of the bill, clauses 3 through 7—pass; part 3, page 7 of the bill, clause 8—pass; part 4 of the bill, pages 8 and 9, clauses 9 through 11—pass; part 5 of the bill, pages 10 to 78, clauses 12 through 32—pass.

Shall clause 33 pass?

**Mrs. Stefanson:** Mr. Chair, I move,

*THAT the following be added after Clause 33(1) of the Bill:*

*Application: interest and penalties*

*33(1.1): If the tax payable by a taxpayer for a taxation year ending before July 1, 2010 is increased because of the enactment of subsection (1),*

*(a) no penalty is payable in respect of that increase; and*

*(b) no interest is payable in respect of that increase for any period before July 1, 2010.*

**Mr. Chairperson:** It's been moved by Mrs. Stefanson,

*THAT the following be added after Clause 33(1) of the Bill:*

*Application: interest and penalties*

33(1.1) If the taxpayer by a—if the tax payable—dispense?

**Some Honourable Members:** Dispense.

**Mr. Chairperson:** Dispense.

The amendment is in order. Comments or questions?

**Ms. Brick:** What page are we on?

**An Honourable Member:** 77.

**Mr. Chairperson:** Okay, further comments or questions on the amendment?

**Mrs. Stefanson:** And this has to do with the retroactive tax changes that extended 18 years, which we don't believe can be justified. The coming-into-force date should be July 1st, 2010, to ensure that taxpayers are aware of the current law before making decisions regarding their tax situation.

However, if the NDP are set on applying this retroactive tax, we believe that interest and penalties should not be applied retroactively. Expecting Manitobans to pay interest in penalties would be adding insult to injury in this case, and we believe that if—certainly, if members opposite are going to move forward in that direction, of retroactive tax back 18 years, that people, at the very least, should not have to pay interest and penalties on that.

\* (19:30)

Members of the public plan for taxes, plan for their futures, and certainly this would—this section would be extremely unfortunate, I think, moving forward on a retroactive basis for all of those people that, at the time, abided by the law, but now what this government is trying to do is retroactively tax them and change the laws retroactively, thereby doing away with all of the planning that people have done to try and just live within their means. And so we believe that this is very important.

**Ms. Wowchuk:** Mr. Chairman, I want to say to the member, as I had indicated earlier, this was legislation that was brought in in 1996, and, when it was brought in, it was retroactive back to '92. There's really—this is just a correction. There's a drafting error here that's been identified, and that is what is being clarified. This is a clarification of the amendment that was brought in, as I said, back in '96.

I believe Mr. Stefanson was the minister of Finance at the time when it was brought in, and now we are—there—staff have—of the department has identified that there is need for some clarity here. So this is exactly what is being done by this amendment.

**Mrs. Stefanson:** With all due respect, Madam Minister, if you were aware of something back in 1996, your government came to power in 1999; you had the ability to make those changes at the time. You don't have to do something retroactively for 18 years and certainly not also imposing interest and penalty—penalties on those who would be affected by this.

So I believe that you do have a choice. This is your legislation. You can choose not to charge interest and penalties to those affected by this section of the legislation or you can choose to charge them that. You have a choice, Madam Minister. Which is it?

**Ms. Wowchuk:** Well, the member opposite says that we've been in power and we could have corrected this much sooner. I want to share with the committee members that this has only come to light very recently because of a dispute with a taxpayer, and this is a drafting error that has been identified since that time. And the department, our tax division, has caught it, has seen it and has brought forward an amendment to correct it. The only reason it has to go back to '92 is because the original one—you're correcting something that was in—put in place in '96 and retroactive to '92, so you have to make the correction reflecting that retroactivity.

**Mrs. Stefanson:** If, for some reason, the minister was, you know, was aware of this in 1996, then when she was in power of—in '99, why did she not make the changes at the time? Quite frankly, and, you know, members opposite can say that they didn't know and whatever, well, how did—I mean, this obviously goes back to—into the 1990s, and members are—now are trying to retroactively tax people back 18 years and charge them interest and penalties here. And it's—we believe it's wrong. And, again, the minister has a choice here. She can either support not charging those affected by this—interest and penalties that will be applied under this act—or she can choose to support our amendment or have it ride as it is and thereby charging people interest and penalties for abiding by the law, the law for the last 18 years that she is looking to change.

**Ms. Wowchuk:** Yet again I will repeat my previous answer. I said to the—my critic that it was only

recently identified that there is an issue here, and that's why the Taxation Division has come forward with a recommendation and these amendments that are purely clarification. It is not a new tax, and it is required because the—of the way the—when it was implemented and where it is retroactive to, in order to cover that, you have to address that in the amendment. And it is, as I said, the member may not agree, I will take the advice of people who work in the Taxation Division as to the need for making these kinds of changes.

**Mrs. Stefanson:** Well, Mr. Chair, the problem that I have with this is that this is a government error that now the government is trying to retroactively apply back 18 years to.

And, again, this minister, I mean, maybe she was not the Finance minister at the time, but, certainly, this government came to power 11 years ago. And, if there was some sort of an error that hasn't been done and some changes that haven't been made to an act, they should be penalizing themselves, not penalizing taxpayers in Manitoba.

And so—and, again, I would take the—and I mentioned this in question period today—I will take the tax advice of a prominent tax lawyer, one Cy Fien, in our community, who came out to committee the other—last night, and spoke very eloquently about what this means for taxpayers in Manitoba. So I would suggest that, and I would hope that, the minister would listen to advice that is given by someone who obviously took some time out of his schedule to be here, because he feels very passionately about this, not only for his clients, but for all Manitobans. And so I would hope that the minister would heed the advice of prominent tax lawyers in our province who are offering, who come to committee and offer free advice on their own time. And I would suggest that, you know, I hope that she listened to him and I hope that she will support this amendment tonight.

**Ms. Wowchuk:** I would say to the member that the presenter last night did not recommend not having penalties or interest being paid. That was not his recommendation.

However, I have said to the member that this is bringing clarity. We should know that people—that there are—there is inconsistency here and there are people who have been paying penalties and paying the interest and we are looking at how we can bring some continuity here.

And the member opposite again says, why didn't you correct this sooner since you've been in power? I would remind her that it was not this government that brought it in. It was the Conservative government that brought it in. It has been brought to light to us very recently and, as a result of it being brought to light, we are making the necessary amendments in this BITSAs bill.

**Mr. Borotsik:** Yeah, I think, just for clarification, there's no discussion as to the original legislation that was brought in in 1996. I think what the question is, since 1999 to 2010, I guess the question is, why had this not come to the attention of the government of the last 11 years? So they could have corrected it prior to 11 years of—well, I won't use the term.

I have two questions to the minister: Do you intend to prosecute under this amendment? And if you do prosecute and are successful—which it's highly unlikely that you will be successful—if you do prosecute and are successful under this amendment, do you intend or does your department intend to charge interest and penalties? That's two simple questions.

\*(19:40)

**Ms. Wowchuk:** As I've been advised, that there—there have been people that have paid, just as every other taxpayer has. If there are cases where they haven't paid taxes, they do pay. You, if you don't pay your taxes, will pay a penalty.

And this is not an attempt to go out and find new people who have—they—that are—this is dealing with people who are doing their planning from back in '96. This is not a change that's going to be—these things—now I need some help because I've got this mixed up now.

This is correcting an error that has been in place in '96. It's come to light now, just recently, and we are trying to correct that error, and just as other taxpayers will pay taxes, penalties, if there was someone that would fall under this, yes, they would pay penalties.

**Mr. Borotsik:** It came to light. Did it come to light because there was a circumstance that your department found, and if that's the case, under that particular situation or circumstance, do you plan on prosecuting? And it's not an individual; let's be very blunt about this; these are corporations. This is a corporate issue that you're dealing with. Does your department—it came to light because a corporation came to your attention. Are you planning on

prosecuting, and, if so, are you planning on charging interest and penalties?

**Ms. Wowchuk:** Canada Revenue Agency administers our—this—our taxes for us, and Canada Revenue Agency will be the one that makes the decision as to whether there will be a penalty charged or not.

**Mr. Borotsik:** That may well be true, but if the legislation of Manitoba, by this amendment, says that there will not be any penalties or interest charged, this amendment, under this legislation, could go forward and then Manitoba would say, fine, we're prepared to go retroactive to 1992, but, in doing that, effective July the 1st, we'll go forward with penalties and interest. Going after July the 1st, as a grandfather, there will not be any penalties and interest. You have, Madam Minister, the right to put that into legislation, do you not?

**Ms. Wowchuk:** I have to tell the member that I don't support the amendment that she has put on the table here because what you are saying is that forgiving a tax payment is a reward for not complying with the law and we—the—this is administered by Revenue Canada and I cannot support the amendment that the member opposite is putting forward here.

**Mr. Borotsik:** Well, I can tell you that Canada Customs and Revenue Agency do have the ability, under legislation, to be flexible and to, in fact, waive penalties and interest. They can do that. The government of Manitoba, by this amendment, can also do the same thing. They can, in fact, have a grandfathering from the date of July the 1st or by the completion of this legislation. You can go forward with penalties and interest and you can have retroactivity, excluding penalties and interest. You can do that, and Canada Customs and Revenue Agency do have the ability to waive those penalties and waive that interest. So don't say that that is, in fact, a given, where you have to charge interest and penalties. So you can accept this amendment.

You—the minister is already on record as saying she doesn't accept the amendment, for whatever reason, although, I can also say we don't accept Bill 31 and the fact that you're changing legislation to, in fact, not charge your ministerial salaries the full 40 percent. So you can do it on one hand where you can change legislation to save your salaries but you can't do it on the other hand to put in an amendment to the legislation that, in fact, will not charge penalties and interest to an individual or a corporation that you may prosecute going backwards

for 18 years—18 years, if you look at penalties and interest, could, in fact—and I don't know any circumstances that are coming forward right now from CCRA—but I should tell you right now, that could, in fact, bankrupt the corporation if, in fact, that's the case. And I don't know the circumstances, I don't know the files, but this could be very serious for a corporation, going back 18 years.

All we're suggesting by this amendment is, waive interest and penalties retroactively for the 18 years. Start interest and penalties going forward. Pretty simple.

**Mr. Maguire:** Well, I'd just like to add as well that this amendment certainly does not inhibit the government from going ahead and collecting the tax if they see one that's not paid. And I think that's a point that we have to make as well.

The minister just said that she indicated that it would inhibit her ability to collect any kind of taxes. Well, it doesn't, but it does inhibit—or it does allow for interest and penalties not to be collected on this, on the portions of any, and I, like Mr. Borotsik, have no idea of the types of companies or people or whoever that you're trying to target with this or that may come forward from CCRA or other areas. But, if the minister is so enhanced by the idea that she has to put penalties and interest in there, then she's defeating her own efforts, because they weren't in there in 1980—in 1996. The legislation that was brought forward at the time, it's my understanding, did not have penalties and interest in it.

**Ms. Wowchuk:** Interest and penalties have been there right from the beginning. There's nothing being added in here on interest and penalties. What the member opposite is suggesting, that there be no interest that's charged—so you're looking to that interest, the ability to charge interest and penalties. What we're trying to do here is put all people on a level playing field, because some people have paid their—paid the taxes on this, because the collecting, the Revenue Canada was not aware of the circumstances of the error in drafting that was here. We're trying to level the playing field.

Members opposite are talking about not charging taxes and not charging interest. Those were always there. That ability was there right from the time that this was put in place. Again, I will say, this is an amendment that has been identified as needed—that we need for clarity so that all taxpayers are being—that all people that are using this kind of planning are treated fairly.

**Mr. Chairperson:** Any further comment, questions? Committee ready for the question?

**Some Honourable Members:** Question.

**Mr. Chairperson:** The question before the committee is the motion moved by Mrs. Stefanson. Do you wish to have the motion read back?

**Some Honourable Members:** No.

**Mr. Chairperson:** Dispense.

**An Honourable Member:** Dispense.

**Mr. Chairperson:** Shall the motion pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

#### Voice Vote

**Mr. Chairperson:** Chair hears a no. All those in favour of the motion, please signify by saying aye.

**Some Honourable Members:** Aye.

**Mr. Chairperson:** All those opposed, signify by saying nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In the opinion of the Chair, the Nays have it.

#### Formal Vote

**An Honourable Member:** Recorded vote.

**Mr. Chairperson:** Recorded vote having been requested:

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 4, Nays 6.*

**Mr. Chairperson:** The motion is accordingly defeated.

\* \* \*

**Mr. Chairperson:** Clause 33—pass; clauses 34 and 35—pass; part 6 of the bill, pages 79 and 80, clauses 36 through 43—pass; part 7 of the bill, pages 81 to 91, clause 44—pass; part 8 of the bill, pages 92 to 102, clauses 45 through 52—pass; part 9 of the bill, pages 103 to 107, clauses 53 through 65—pass; part 10 of the bill, pages 108 to 111, clauses 66 through 75—pass.

Part 11 of the bill, pages 112 to 113, shall clause 76 pass?

**Mrs. Stefanson:** I move

*THAT Clause 76(10) of the Bill be amended by striking out "is deemed to have come into force on January 1, 1992" and substituting "comes into force on July 1, 2010".*

**Motion presented.**

\* (19:50)

**Mr. Chairperson:** The amendment is in order. Comments or questions.

**Mrs. Stefanson:** We on our side of the House don't have a problem with closing loopholes that exist in taxation out there but what we do have a problem with, and, certainly, when it moves forward, I think that's—we should be looking at ways to close those loopholes, but what this does is it retroactively takes it back 18 years, and what this clause does—and so the—what the amendment does is it just starts it from July 1st, which is after the bill will have passed and moves forward, as opposed to making the taxation be retroactive for 18 years.

And this is really in order to promote fairness. You know, the amendment should come into force after legislation is passed, and this ensures that the decisions that Manitobans made about their tax situations is based on all of the rules that existed when their decisions were made. There are many people who plan for—and corporations—who spend a great deal of time and money tax planning, and they rely on existing laws to plan for their taxation. And if, suddenly, we arbitrarily change laws to retroactively apply these, especially when it goes back 18 years, I, you know, I think that, you know, I that that shouldn't happen. And so we want to make sure that, moving forward here, that those loopholes are closed, but we take away the retroactive part of this.

**Ms. Wowchuk:** When this was introduced back in '96, it was retroactive and the amendments now are just covering off that period of time, so there is—it was retroactive then and this amendment has to be retroactive to reflect those changes that were made then.

**Mr. Chairperson:** Any further comments?

**Mrs. Stefanson:** Well, I—you know, I'm aware the minister is mentioning back in the 1990s. This is something that, again, she says, you know, they weren't aware of it when they became in government. She talks about 1996, that this took place and it was, you know, changing some things, so now we now have to make this retroactive 18 years.

I mean, you know, I don't know. This is just, you know, to me, this is just making something retroactive for 18 years is ridiculous, and I would hope that members opposite would see that too. And that moving forward, yes, let's change things so that people planning for taxation, planning their taxes or doing their tax planning for the period of time moving forward after this bill will be passed, is acceptable, and then they can properly plan. But it's very difficult to plan if suddenly the laws change. So those are my comments, and the minister may want to have further comments, but I hope that she will support this change.

**Mr. Chairperson:** Any further comments, questions? Seeing none—

**Mr. Maguire:** Yeah, just a question. Can the minister give us an example of why she's bringing this forward? Is she—

**Ms. Wowchuk:** Ultimately, the goal is to protect the taxpayers of this province, and an ambiguity has been brought to our attention, and we are making the change here that will bring clarity to the bill.

**Mr. Chairperson:** Any further comments or questions?

Is the committee ready for the question?

**An Honourable Member:** Question.

**Mr. Chairperson:** The question's been called. Do you wish to have the amendment reread?

**Some Honourable Members:** No.

**Mr. Chairperson:** Dispense?

**Some Honourable Members:** Dispense.

#### Voice Vote

**Mr. Chairperson:** All those in favour of the amendment, please signify by saying aye.

**Some Honourable Members:** Aye.

**Mr. Chairperson:** All those opposed, signify by saying nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In the opinion of the Chair, the Nays have it.

#### Formal Vote

**An Honourable Member:** Recorded vote.

**Mr. Chairperson:** A recorded vote having been requested:

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 4, Nays 6.*

**Mr. Chairperson:** The amendment is accordingly defeated.

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**Mr. Chairperson:** Part 11 of the bill, pages 112 to 113, clause 76—pass; schedule A, pages 114 to 118, clauses 1 through 7 in schedule A—pass; schedule B, pages 119 to 145, clauses 1 through 42 in schedule B—pass.

We will now consider the remaining items in the bill: page 114, table of contents of schedule A—pass; pages 119 and 120 of the bill, table of contents of schedule B—pass; table of contents—pass; enacting clause—pass; title—pass. Bill be reported.

That, I believe, concludes the business of the committee.

The hour being 7:57 p.m., what's the will of the committee?

**Some Honourable Members:** Committee rise.

**Mr. Chairperson:** Thank you to members of the minister's staff and to our support staff here.

*COMMITTEE ROSE AT: 7:57 p.m.*

#### WRITTEN SUBMISSIONS PRESENTED BUT NOT READ

Re: Bill 31

June 2, 2010

My name is Pat Isaak and I am president of The Manitoba Teachers' Society. We represent 15,000 public school teachers in the Province of Manitoba. Thank you for the opportunity to make this presentation to the Legislative Committee considering this Bill.

I am here to support Bill 31. This government has always viewed funding for education as an investment in the future of this province. And during difficult economic times, perhaps more than ever, it is crucial that we continue to adequately fund quality public education programs. The implementation of this Bill will help ensure that our public schools continue to receive the resources they need to do an increasingly challenging job.

Last Thursday, I had the opportunity to address nearly 300 delegates to The Manitoba Teachers' Society Annual General Meeting. These 300 teachers work in classrooms in every corner of the province. And struggle daily with the changing face of Manitoba classrooms. Many of those delegates were still in high school during the last recession of the 90s. I told them that looking back is not only about reminiscing. It's about learning. So I gave them a short history lesson.

Education funding in the 1990s can be summarized in one word: cuts. For 10 years the annual public school funding announcements were between zero and minus two percent. In 10 years, we lost more than 700 teaching positions. In 10 years, we lost 18 percent of our salaries to inflation. And in 10 years, we saw class size increase and Bill 22 take away professional development days.

There cannot be a more stark contrast for teachers in Manitoba than between the 1990s and the 2000s. And there are many lessons for us to take from those two decades.

Despite our best efforts during the 90s to explain to government how the face of schools and classrooms was changing, the response was 'do more with less'. These budget decisions significantly harmed students in this province and our schools are still recovering.

Our success as a province and a nation depends on the strength of our public schools and teachers understand the challenges we face today.

We're preparing our students to use technologies that have yet to be invented in order to do jobs that don't yet exist, amidst uncertain economic times.

Today people come to Manitoba from every part of the globe. They come here with their children, but more importantly they come here for their children. The steady growth in Manitoba's immigration rate

means there are 3,600 more English as an additional language students in this province than there were four years ago.

The increasing number of students with special needs in our classrooms means that teachers need more resources to deliver the programming necessary to meet those needs.

And declining enrolment in Manitoba doesn't necessarily mean fewer teachers or schools. In order to keep schools open in remote Manitoba communities, it means multi-grade classrooms where a teacher is required to teach the curricula of all grades. Meeting the needs of those students requires more resources, not fewer.

Teachers view this government's public school funding increases despite uncertain economic times, as a signal that it considers the long-term benefits of education. This government is focusing on the future, while clearly being mindful of the present.

What we've learned from the cuts of the 1990s is that fewer teachers, larger class sizes and fewer resources can have a lasting impact on the success of our students, and as a result our province.

Teachers know that our job is only the start. If our students and communities are to be all they can be, then public education is only the beginning of a lifelong experience in growing and learning. It's a matter of paying now or paying later. The Manitoba Teachers' Society believes that the passage of this Bill will benefit Manitoba's 180,000 students now and into the future.

Thank you for this opportunity to provide the views of Manitoba teachers.

Respectfully submitted,  
Pat Isaak  
President  
The Manitoba Teachers' Society

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**<http://www.gov.mb.ca/legislature/hansard/index.html>**