

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

**Official Report**  
**(Hansard)**

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authority of  
The Honourable Daryl Reid  
Speaker*

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Fortieth Legislature**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 7, 2013

*The House met at 1:30 p.m.*

**Mr. Speaker:** Good afternoon, everyone. Please be seated.

## ROUTINE PROCEEDINGS

## INTRODUCTION OF BILLS

**Bill 39—The Government Efficiency Act  
(Various Acts Amended or Replaced to  
Consolidate Boards and Agencies and  
Eliminate Government Appointments)**

**Hon. Stan Struthers (Minister of Finance):** I move, seconded by the Minister of Local Government (Mr. Lemieux), that Bill 39, The Government Efficiency Act (Various Acts Amended or Replaced to Consolidate Boards and Agencies and Eliminate Government Appointments), be now read a first time.

**Mr. Speaker:** Order, please.

*Motion presented.*

**Mr. Struthers:** This bill makes various legislative amendments needed for government to move forward on its commitment to reduce government-appointed agencies, boards and commissions by 20 per cent. This builds on other efficiency initiatives, such as the reduction of regional health authorities from 11 to five and the merger of Manitoba Lotteries and Manitoba liquor commission, Mr. Speaker.

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

Any further introduction of bills? Seeing none, we'll move on with—

## PETITIONS

## Provincial Sales Tax Increase—Referendum

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

And these are the reasons for this petition:

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

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the

PST, by one point without the legally required referendum.

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Mr. Speaker, this is signed by J. Boily, C. McDougall, V. Doerksen and hundreds of other concerned Manitobans.

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

## St. Ambroise Beach Provincial Park

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

And these are the reasons for this petition:

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by—this petition signed by S. Rey, L. Berard and J. Small and many, many more fine Manitobans.

### **Provincial Road 520 Renewal**

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

The background to this petition is as follows:

The rural municipality of Lac du Bonnet and Alexander are experiencing record growth due especially to an increasing number of Manitobans retiring to cottage country.

The population in the RM of Lac du Bonnet grows exponentially in the summer months due to increased cottage use.

Due to population growth, Provincial Road 520 experiences heavy traffic, especially during the summer months.

PR 520 connects cottage country to the Pinawa Hospital and as such is frequently used by emergency medical services to transport patients.

PR 520 is in such poor condition that there are serious concerns about its safety.

We petition the Legislative Assembly as follows:

To urge the Minister of Infrastructure and Transportation to recognize the serious safety concerns of Provincial Road 520 and to address its poor condition by prioritizing its renewal.

Mr. Speaker, this petition is signed by R. Jeanson, J. Jeanson, G. Rumel and hundreds of other fine Manitobans.

### **Municipal Amalgamations—Reversal**

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

These are the reasons for this petition:

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by N. Kerr, S. Marzuft, T. Wareham and thousands and thousands of other Manitobans.

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

The background to this petition is as follows:

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by J. Huberdeau, W. Campbell, E. Dushnicky and many, many more fine Manitobans.

#### **Highway 217 Bridge Repair**

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

And these are the reasons for this petition:

The bridge over the Red River on Highway 217 outside of St. Jean Baptiste was built in 1947 and provides a vital link for economic opportunity and community development on both sides of the river.

The Department of Infrastructure and Transportation closed the bridge after spending significant sums of money and time on rehabilitation efforts in the summer of 2012.

Individuals require numerous trips across that river each day to access schools, businesses and health-care facilities. The bridge closure causes daily undue hardship and inconvenience for residents due to time requirements and higher transportation costs.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Infrastructure and Transportation to repair or replace the existing bridge as soon as possible to allow communities on both sides of the river to return to regular activities.

And this petition is signed by C. Hicks, M. Sheard, L. Sheard and many, many more angry Manitobans.

\* (13:40)

#### **Provincial Trunk Highways 16 and 5 North– Traffic Signals**

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

And these are the reasons for this petition:

The junction of PTH 16 and PTH 5 north is an increasingly busy intersection which is used by motorists and pedestrians alike.

The Town of Neepawa has raised concerns with the Highway Traffic Board about safety levels at this intersection.

The Town of Neepawa has also passed a resolution requesting Manitoba Infrastructure and Transportation install traffic lights at this intersection in order to increase safety.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Infrastructure and Transportation to consider making the installation of traffic lights at the intersection of PTH 16, PTH 5 north a priority project in order to help protect the safety of the motorists and pedestrians who use it.

This petition is signed by D. Camena, F. Farquhar, C. McDonald and hundreds and hundreds of other fine Manitobans.

#### **Provincial Sales Tax Increase–Referendum**

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this is signed by A. Grant, M. Lee-Grant, M. Lee and many others, Mr. Speaker.

**Mrs. Bonnie Mitchelson (River East):** I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by W. Anderson, L. Cooper, K. Cooper and many, many angry Manitobans.

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by H. Wiebe, L. Alexiuk, J. Ansell and thousands more upset Manitobans.

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

These are the reasons for this petition:

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

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the

PST, by one point without the legally required referendum.

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by E. Plaetinck, M. McPhail, T. Wytinck and many other concerned Manitobans.

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Submitted on behalf of S. Watts, J. Lelaroque, F. Mason and thousands of other fine Manitobans.

**Mrs. Heather Stefanson (Tuxedo):** I wish to present the following petition to the Legislative Assembly of Manitoba.

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Mr. Speaker, this petition is signed by J. Hutsebaut, H. Rybeuk, P. Cabernel and many, many other concerned Manitobans.

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by B. Harris, L. Smith, B. Johnston and hundreds of other very, very angry Manitobans.

**Mr. Cameron Friesen (Morden-Winkler):** I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

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

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the

PST, by one point without their legally required referendum.

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by T. Tyler, D. Friesen and G. Stambuski and many, many more fine Manitobans.

### TABLING OF REPORTS

**Hon. Kevin Chief (Minister of Children and Youth Opportunities):** Mr. Speaker, as members may be aware, The Healthy Child Manitoba Act, brought into effect in 2007, commits to a public—

**Mr. Speaker:** Order. Order, please. This is tabling of reports. Does the honourable minister have a report to table?

**Mr. Chief:** It's my pleasure therefore to table this inaugural 2012 report on Manitoba's children and youth.

**Mr. Speaker:** Any further tabling of reports? Seeing none, ministerial statements. Any ministerial statements?

### Introduction of Guests

**Mr. Speaker:** Prior to oral questions, I'd like to draw the attention of honourable members where we have quite a number of guests with us this afternoon.

In the public gallery we have today seven guests from The Pas, who are the guests of the honourable member for The Pas (Mr. Whitehead). On behalf of honourable members, we welcome you here today.

And also in the public gallery we have today from St. John's-Ravenscourt School 30 grade 9 students under the direction of Diane Brueton. This group is located in the constituency of the honourable member for Fort Garry-Riverview (Mr. Allum).

\* (13:50)

Also in the public gallery, from Grandview School we have 26 grade 8 students under the

direction of Ms. Barbara Grexton. This group is located in the constituency of the honourable Minister of Finance (Mr. Struthers).

And also in the public gallery, I'd like to draw the attention of honourable members where we have today, from Greendell Falcons Football program, players, coaches and the program convener of the—who are the guests of the honourable Minister of Immigration and Multiculturalism (Ms. Melnick).

Also in the public gallery we have 20 Manitoba fishermen from Lake Winnipeg and Lake Manitoba, who are the guests of the honourable member for Lakeside (Mr. Eichler).

And also in the public gallery today we have with us Steve Bell, Dave Zeglinski, who are the guests of the honourable member for Rossmere (Ms. Braun).

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

## ORAL QUESTIONS

### Minister of Finance Resignation Request

**Mr. Brian Pallister (Leader of the Official Opposition):** Justice Robert Dewar ruled yesterday that the Minister of Finance (Mr. Struthers) broke the law by withholding funds from the Manitoba horse racing industry which were not his to withhold.

This decision, sadly, comes as no surprise to those of us who have observed this minister's patterns of disrespect, fabrication and bullying. His reprehensible conduct in this matter has done damage to Manitoba's horse racing industry, the Assiniboia Downs, and has jeopardized the 500 jobs that industry provides to Manitobans. The judge said in his ruling, quote: "Governments, and ministers, cannot do anything they please," end quote.

One thing they can do, though, Mr. Speaker, occasionally at least, is to do the right thing, and the right thing when you break the laws of this Province for the minister to do would be to resign. I ask him to do so now.

**Hon. Greg Selinger (Premier):** Mr. Speaker, the judge ruled exactly as we had indicated in the budget. He ruled that a law should be brought in to amend any changes that affect the Jockey Club.

And in the budget speech, we said the following. For the record, we said we will reduce public subsidies to horse racing and direct resources to

priority services through legislative changes to The Pari-Mutuel Levy Act and the Manitoba Jockey Club VLT site-holder agreement.

That's what we said we would do through legislative amendments and changes. That's what the judge confirmed was necessary. We think the judge supports exactly what we committed to in the budget, Mr. Speaker.

**Mr. Speaker:** I'd like to caution the honourable member for Emerson (Mr. Graydon), please, that exhibits are not permissible in the Chamber.

**Mr. Pallister:** Well, the Premier can jockey for position all he wants, Mr. Speaker, but the judge stated that the minister had no right to withhold those funds from the racing industry and he did that. And in so doing that, he broke the laws of the Province. That's what the judge said.

And that's a pattern with this minister. This is a minister of the Crown who goes out to flood victims and promises them things and raises their hopes and then walks away, leaving them stuck, and he does that to small businesses and cottage owners and farmers and retirees and First Nations people. And we have affidavits that he made these promises to these people for multi-year flood compensation. He promised, but he didn't deliver.

And now that there are protesters, the government blames them. It blames the victims of the government's own incompetence and the minister's own broken promises. And now he breaks the law on top of that.

Now, if he believes in respect for the rule of law, he himself must surely be accountable for his conduct, and I ask the minister again to resign.

**Mr. Selinger:** Mr. Speaker, it's abundantly clear that the Leader of the Opposition, the member from Fort Whyte, has not read the judgment.

The judgment says that any changes have to be made by way of legislative amendment. The budget says the changes will be made by way of legislative amendment. That's exactly the course we are following. We are pleased the judge confirmed the course we committed to in the budget, Mr. Speaker.

And it was this government that committed the highest amount ever to aid and support and compensate people involved in the 2011 flood, and I only remind the Leader of the Opposition and the member for Fort Whyte that it was his caucus that voted against that flood compensation, Mr. Speaker.

**Mr. Pallister:** I'd suggest that the Premier, or the member for St. Boniface, read the court documents.

They state that the Finance Minister tried to bully and intimidate the horse racing industry. Quote—he said, quote: By telling people that I am putting tax dollars into hospitals and schools, I have already won the public opinion poll. End quote. But the judge said that the money was not a subsidy, as the minister claimed, at all, and the Finance Minister actually broke the law. The minister said, quote: I am prepared if you want a public fight. I am ready and I will win. I am a politician.

Well, he's wrong on all counts, Mr. Speaker. He's not prepared, he's not ready, and he fought the law and the law won.

Will the Premier do the right thing and demand the resignation of his law-breaking Finance Minister?

**Mr. Selinger:** Mr. Speaker, the Leader of the Opposition, the member for Fort Whyte, is certainly stretching—stretching, I might add—to a very large extent what the judge said.

The judge said that any changes have to be proceeded with by way of legislative amendment. The budget said we would only proceed by way of legislative amendment. We will proceed by way of legislative amendment.

We'll have to remind the Leader of the Opposition he was promising just a few weeks ago to make across-the-board indiscriminate cuts to all services in Manitoba, including to the Jockey Club, Mr. Speaker. He said he would cut all of those resources.

We are directing our efficiencies to those programs that we think could be run more efficient in co-operation with other agencies in the community and we are redirecting our resources to front-line services such as cancer-care treatment in Manitoba, Mr. Speaker.

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

#### **PST Increase Legality**

**Mr. Brian Pallister (Leader of the Official Opposition):** On the home stretch to Truthland, Mr. Speaker, the member for St. Boniface won't win, place, and he certainly won't show.

He's an accomplice to a minister's law-breaking. He is aiding and abetting the law-breaking of his own minister, and this continues a pattern, a sad pattern of disrespect for Manitobans. This is a Premier who said no tax hikes and then jacked them up last year. And he said he—now this year he says he's going to raise the PST, and who knows what he's going to do next year?

He's going to rip up the taxpayer protection act, a law which requires a referendum to raise taxes, and that's the ultimate disrespect to Manitobans. Thirty-seven socialist politicians think they're more intelligent than a million Manitobans.

Does the Premier understand that without a referendum a PST increase is against provincial law, and is he planning on breaking that law?

**Hon. Greg Selinger (Premier):** I'm pleased to answer the member's question.

But I do want to indicate on the record, Mr. Speaker, on clause 40, page 16 of the judgment brought forward by the good judge, he says there is no question this is a government expenditure. That should satisfy the member as to what is being addressed in the legislative amendments bringing forward.

Now, the Leader of the Opposition, the member for Fort Whyte, when he was last in the Legislature and was discussing the balanced budget legislation—and I read his direct words into the Hansard just a few days ago. He said very clearly, Mr. Speaker, that the legislation did not bind future governments from doing what was necessary to ensure Manitobans were protected from things like floods. He did not say that future governments could not do things like ensure that Manitobans have access to proper health-care facilities. He did not say that future governments were bound by ensuring that people have schools and roads and highways—

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

**Mr. Pallister:** The member continues to fabricate. He attempts to distract and he does not provide answers, Mr. Speaker.

The Premier with the counterfeit mandate can try to change the laws—that is his right to do—but he cannot break them with impunity. He cannot do that, and the Premier claims he will raise the PST on July 1st come hell or high water. This act would break his word. This action would be unilateral. It

would be dictatorial, and if it wasn't approved by this body of legislators, it would be undemocratic as well. Now, most importantly, should the tax protection act be in force on July 1st, it would also be illegal.

Now, is this the reason that the member for St. Boniface will not call his minister to account and demand his resignation? Is it because he plans on breaking law just as his Finance Minister has done?

**Mr. Selinger:** Mr. Speaker, when the Leader of the Opposition was a member of the Cabinet, the last time he was in the House, he raised taxes on children's and baby clothing in Manitoba before the budget was passed into law. He raised taxes on feminine hygiene products before the bill was passed into law. He extended taxes on the provincial sales tax to a variety of essential items that families need for the necessities of life.

\* (14:00)

He followed the advice of Legislative Counsel on how to implement the budget bill. We are following that exact same advice that he was given when he was the last member of Cabinet. We will always follow the advice of our Legislative Counsel. We will proceed according to the law to implement our budget measures as recommended by Legislative Counsel in the very same way that he did when he was last in office. I know it's been a long time since he's been in office—

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

**Mr. Pallister:** I don't mind, Mr. Speaker. On numerous times, at numerous occasions in the past, I've been attacked by people with far more credibility, with far more logical—I don't mind being attacked. What I don't like, and what we don't like, is Manitobans being attacked by a government that puts themselves first and puts Manitobans last.

They claim their priority is fair treatment for flood victims and quote numbers, but they pit Winnipeggers against rural Manitobans to shore up sliding political popularity in the city. They claim they care about the handicapped living in poverty, and they raise their communications and advertising budgets but don't do a thing to help those people with their rent. They claim they support Manitoba workers, but they try to suck an additional \$1,600 out of every working family's household. Increase taxes, dodge accountability.

And will the Premier admit he wants to break the laws of this Province by violating the taxpayer protection act?

**Mr. Selinger:** Mr. Speaker, I did read the following quote from the Leader of the Opposition into the record a couple of days ago, but because he has such a short memory about his past behaviour, I will read it into the record again today.

On October 16th, 1995—and I know that was a long time ago—the member who is now the Leader of the Opposition said the following: "Granted, there are restrictions in this legislation that members have talked about, that they suggest are unreasonable or that would handcuff future legislators. I do not believe that . . . is true. I believe the legislation can be, by any subsequent Legislature, withdrawn or repealed."

**Mr. Speaker:** Order, please. We have a lot of guests with us this afternoon in the gallery. I'm sure members would want to make a good impression on our visitors to this Assembly, some of them, perhaps, for the first time. And we also have the viewing public, so I'm asking for the co-operation of all honourable members.

Please keep the level down a little bit so I can both hear the questions posed and the answers provided. If there was a breach of the rules, I'm sure you'd want me to rule on that.

#### **Minister of Finance Resignation Request**

**Mrs. Myrna Driedger (Charleswood):** And I would remind the Premier what he said two years ago and that was that he was not going to bring in a PST hike.

Mr. Speaker, Manitoba's NDP Minister of Finance has broken the law according to a written decision handed down by Justice Robert Dewar of the Court of Queen's Bench of Manitoba. When a Cabinet minister breaks the law, they forfeit their privilege to hold public confidence in their actions. They have brought dishonour to their position.

So I would like to ask the Minister of Finance (Mr. Struthers) if he would do the honourable thing today and resign as a minister of the Crown.

**Hon. Greg Selinger (Premier):** Mr. Speaker, the court judgment affirmed exactly what we committed to in the budget and affirmed the right of the government to reduce what they described on—what the court judgment described on clause 40, page 16,

as being no question this is a government expenditure. They acknowledged that through legislative amendment, that could be changed.

Now, Mr. Speaker, I know the members opposite don't want to hear this, but I did want to continue to put on the record what the Leader of the Opposition said on October 16th, 1995, and he said: "I believe the legislation can be, by any subsequent Legislature, withdrawn or repealed. So I do not believe that the hands-being-tied argument is one that has any validity at all."

That's what he said in '95. I know he's forgotten. That's why I'm reading it into the record again today, Mr. Speaker.

**Mrs. Driedger:** Mr. Speaker, as Justice Dewar said in his decision, and I quote: "Governments are not immune from judicial oversight. Governments, and ministers, cannot do anything they please." End of quote.

This Minister of Finance, according to Justice Dewar, broke the law.

So I am going to ask him again: Will he do the honourable thing and step down as the Minister of Finance?

**Hon. Stan Struthers (Minister of Finance):** Mr. Speaker, the Manitoba Jockey Club took us to court to try to convince us not to move ahead with changes to The Pari-Mutuel Levy Act and not to move forward with what we said we would do in the budget to the VLT site-holders agreement.

Absolutely, clearly, Justice Dewar gave us the green light to move forward with exactly what we said we were going to do, Mr. Speaker. It's exactly what we said we would do.

Mr. Speaker, this side of the House believes it's important to reduce the government subsidy that goes to the Manitoba Jockey Club so that we can put that towards priorities of Manitoba families, things such as health care, things such as schools, things such as infrastructure.

I know where I stand. I wonder where you stand.

#### **PST Increase Legality**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, not only has this Minister of Finance broken the law according to the Court of Queen's Bench judge, he is planning to break another one by raising the PST on July 1st while the current law is

still in place which says that he can't do that without calling a public referendum first.

So I would like to ask the Minister of Finance: Is it his intent to break that law as well? How far is the arrogance of this minister and this government going to go?

**Mr. Speaker:** Order, please. The honourable member for Charleswood has just used a word that has been ruled in past—can be, depending on the context of it, both unparliamentary and parliamentary. When it's used in the context of referencing to an individual member of the Chamber, it would be considered to be unparliamentary. So I'm asking the honourable member, please, pick and choose your words very carefully.

The honourable Minister of Finance, to respond.

**Hon. Stan Struthers (Minister of Finance):** Thank you very much, Mr. Speaker.

Well, when the Conservatives brought forward an expansion to the PST that included baby supplies and feminine hygiene products and safety equipment and safety clothing, they brought it in, Mr. Speaker, in their budget at the beginning of April in 1993. That law—that became law and that came into being well before the actual budget was passed.

Mr. Speaker, the same process that was there then we will follow now, because that is the process by which we pass budgets in this Province. It always has been that way. We're not going to deviate from that standard practice that has been underscored in courts of law and in practice of this Legislature. Manitobans deserve to know that we have a stable approach to this and it's the same stable approach that has existed for decades.

#### **Minister of Finance Resignation Request**

**Mrs. Heather Stefanson (Tuxedo):** Mr. Speaker, we have an NDP Minister of Finance who thinks that he is above the law.

Firstly, he introduced a PST hike without following the law by not calling for a referendum as required under the taxpayer protection act.

Then he tried to get away with refusing to approve the plan submitted by the Horse Racing Commission, which he is required to under The Pari-Mutuel Levy Act. His Honour Justice Dewar said, and I quote: The minister must act in accordance

with the law as it now stands. In my respectful opinion, he has not done that.

In other words, he has broken the law. Mr. Speaker, will he do the honourable thing today and resign?

**Hon. Stan Struthers (Minister of Finance):** Mr. Speaker, Judge Dewar was very clear. Judge Dewar said very clearly that the—that he agreed with our position that we can, in fact, move forward with changes to both The Pari-Mutuel Levy Act and the VLT site-holders agreement. He was very clear with that.

\* (14:10)

Mr. Speaker, we said that's what we were going to do in our budget. We said exactly that, and Mr.—the—Judge Dewar was very clear in saying that we had every right and every authority to do that. So members opposite can count on us coming through with the words we said in the budget, and that is to make sure that we realize \$5 million worth of savings from this public subsidy.

**Mrs. Stefanson:** Justice Dewar went on to say, governments are not immune from judicial oversight; governments and ministers cannot do anything they please. End quote.

The minister obviously believes that he is above the law and thinks that he can do whatever he pleases, Mr. Speaker. He needs to understand that he is not—he must follow it like everybody else in this province.

He did not follow the law. In fact, he broke it, Mr. Speaker, and I'm asking him again: Will he do the honourable thing today and resign his position?

**Hon. Greg Selinger (Premier):** I think there's a very good passage in the judge's opinion and his judgment.

He says, I start by saying that it is not the function of the court to tell government how to spend its money; that is strictly the task of the Legislature whose members are elected by the public at large. One of the functions of a government is to allocate government revenues, oftentimes scarce, among those who are seeking to receive a part of them. It is trite to say that the demand from those who seek to receive a part of government revenues invariably exceeds the supply, so the government is inevitably and consistently obliged to make hard decisions. Our democracy is based on the premise that the Legislature, elected by the people, is best placed

amongst all of our institutions to make those hard decisions.

So, the budget said we will reduce public subsidies to horse racing and direct resources to priority services through legislative changes.

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

**Mrs. Stefanson:** There was a motion before the House, Mr. Speaker, that read, and I quote—and this was debated on and voted on in this House, I might add—that the Legislative Assembly urge the provincial government to agree that the Premier and Cabinet ministers are not above the law, and when they break the law—a law—when they break a law, they must be held accountable with penalties as would any other Manitoban.

And guess what members did when they voted on this? They voted against it, and I wonder why. I wonder why, because I guess they're in favour of supporting ministers in their Cabinet that break the law.

I ask the Minister of Finance one more time: Will he do the honourable thing and resign?

**Mr. Selinger:** Mr. Speaker, the learned judge also said on page 13 of his judgment, and I quote: Given that I have found that a minister is entitled to lay a bill before the Legislature that changes the government's course in either taxation or spending, including legislation that authorizes a breach of a government contract, a party cannot have an enforceable, legitimate expectation that a minister would never attempt to avoid a contractual commitment through legislative action. In such a situation, a party may be disappointed, perhaps even frustrated by or suspicious of the change in course, but that does not give rise to a legal remedy.

We will follow the judge's recommendation. We will proceed by legislation to reallocate the resources to front-line re-services, Mr. Speaker: nurses, teachers and essential services for the people of Manitoba.

### **Minister of Finance Resignation Request**

**Mr. Cliff Cullen (Spruce Woods):** What the judge said yesterday was that this Minister of Finance broke the existing law, and, Mr. Speaker, if they're going to change the law in the future, that is like closing the barn door once the horses are out.

Mr. Speaker, we know the history of this government. They have little respect for the law. Without regard to the law, they forge ahead with their own agenda. Justice Dewar has reeled them in on their budget promise to change the funding for Assiniboia Downs. He stated, government and ministers cannot do anything they please.

Mr. Speaker, I ask the Minister of Finance: Why has this government forged ahead with their own agenda when it is contradiction to provincial laws? In view of this, will the Minister of Finance do the right thing and resign his position today?

**Hon. Stan Struthers (Minister of Finance):** Mr. Speaker, we've been clear all along that we are moving forward with legislation that changes The Pari-Mutuel Levy Act. We're moving forward with legislation that changes the site-holder VLT agreement. Judge Dewar said we're perfectly within our authorities to do that.

And he asked why, Mr. Speaker. Well, we're doing this because we're going to save \$5 million that we can put towards hospitals, we can put towards schools, we can put towards infrastructure. I think people would rather have this government do that than have that money go towards purses for horse racing.

**Mr. Cullen:** Clearly this government has broken their promise to Manitobans. Now they're going out of their way to break the law.

Mr. Speaker, to refresh the minister's memory, Justice Dewar was very clear. The current legislation is very clear. Pari-mutuel funding is not public money. As a result, this government cannot use the funds generated by pari-mutuels as their own slush fund. These funds are to be designated, and I quote from the act, "for the promotion of horse racing in Manitoba."

The minister clearly has another agenda. Does the minister really want to put a \$50-million industry and 500 jobs at risk?

Mr. Speaker, Manitobans want to know: Why does he intend to break the law and use this money for his own good? The minister has lost his credibility. Will he do the honourable thing and resign today?

**Mr. Struthers:** Mr. Speaker, I would let—I would ask the member for Spruce Woods to read the judgment that came out yesterday, go to clause 40, page 16, where the judge said that there is no

question this is a government expenditure, no question about that.

Mr. Speaker, yesterday we saw the Leader of the Official Opposition (Mr. Pallister) badmouth Canadian Tire for creating jobs in Manitoba. Any day of the week—any day of the week—I would take a policy that takes \$5 million from horse racing, a reduction in their government subsidy, and dedicates that money towards health care and schools and roads in this province. I'll take that any day over the badmouthing that the opposition—

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

**Mr. Cullen:** Mr. Speaker, what part of breaking the law does the Minister of Finance not understand? First he's pushing forward on a PS increase, which is against current legislation. Now he wants to use non-public funds for his own use, which is clearly against the law.

Why is this minister and this government so intent on breaking the law? It is clear we have a government and a Minister of Finance out of control. They are not treating taxpayers in this province with respect, and, Mr. Speaker, I submit to you, in turn, taxpayers have lost respect for this Minister of Finance. This is clearly a credibility issue for the Minister of Finance.

We are offering this opportunity for him to do the right thing and step aside today.

**Hon. Greg Selinger (Premier):** Mr. Speaker, I know the member is following a tight script, and I know the member has not had the opportunity to fully read the judgment, which is why I read those passages into the House.

Mr. Speaker, the budget was very clear that it would make these changes. The government was very clear; they would make these changes to subsidies by way of legislative amendment. The court was very clear that it's a subsidy, and that the best way to proceed is by legislative amendment. Even the Leader of the Opposition, back in the '90s when he was more enlightened on these matters, said that we could change the law if we wished to do it.

So everybody agrees, except the members of the opposition today, that if you want to change a law, you can do it by legislative amendment.

The resources are being reallocated from horses to hospitals. We stand by that, Mr. Speaker.

### **Flooding (2011) Compensation Claim Settlements**

**Mr. Ian Wishart (Portage la Prairie):** Mr. Speaker, today there was a rally outside this Legislature, a rally to express dissatisfaction and frustration with this government's response to the 2011 flood. Farmers, business people, cottage owners and First Nations were all present to express their dissatisfaction with this government's handling of compensation and their lack of long-term planning.

Mr. Speaker, when will this government own up to their promises and responsibilities and adequately deal with the consequences of the 2011 flood?

**Hon. Steve Ashton (Minister responsible for Emergency Measures):** Well, Mr. Speaker, we on this side take our responsibilities very seriously, including the continued operation of the Portage Diversion.

I am pleased, Mr. Speaker, that through discussion between lawyers, we have a commitment from some of the individuals involved in actions last week, and we have a commitment to allow for the continued operation of the Portage Diversion.

But I do want to put on the record that I'm very disturbed that even a week later the member for Portage doesn't get it. He's saying now, Mr. Speaker, he's proud of being part of blocking the Portage Diversion for 12 hours. That's unacceptable.

\*(14:20)

**Mr. Speaker:** Order, please.

I want to caution the honourable Minister of Infrastructure and Transportation. I still have a matter under advisement, dealing with a matter of privilege that I believe he himself has raised, and I'm asking for his co-operation not to reference that particular matter until the Speaker's had a chance to rule on it.

### **Protester Concerns**

**Mr. Wishart:** Mr. Speaker, this government was certainly front and centre at every opportunity with the media in the 2011 flood, but where are they now? No one from the government was there today to speak to this orderly protest.

Mr. Speaker, where was the Minister of Infrastructure, and when will he live up to his promise to meet with this group and hear their concerns?

**Mr. Ashton:** Mr. Speaker, I've met with numerous organizations. I most recently met with the grand chief in the flood-affected First Nations, reeves from in and around Lake Manitoba, and I want to thank the member for the Interlake for arranging that. This was arranged weeks in advance. I have indicated, as of last week, I'm prepared to meet with this group, with senior officials, but in case the member opposite wasn't aware, we're dealing with a flood.

What I said last Thursday directly in an email is, subject to the flood, we will meet on short notice. We can meet after, but job No. 1 comes—fighting the flood.

I wish the member opposite would be part of fighting the flood, because he's been the opposite.

### **Apology Request to Protesters**

**Mr. Wishart:** We had no flood update today. Maybe that's—flood's over.

The member from Thompson and the Minister of Infrastructure and Transportation has been quite aggressive towards protesters involved in the April 29th protest, both here in the House and in the media, where he stated their behaviour was unacceptable and irresponsible. The courts obviously disagree with that assertion.

The Speaker, a—Mr. Speaker, a senior member in this—as a senior member in this Legislature, this member should know better than behave like this.

Will the member rise today and apologize to those involved in this legal, responsible protest, or is he not responsible for his own words?

**Mr. Ashton:** Mr. Speaker, today's—it is not legal for any individual to trespass on Crown land and to prevent the operation of the Portage Diversion or any other aspect of our flood protection system. I'd make and this government makes no apologies for moving.

Despite the member opposite and others, it took us 12 hours before we were able to get it operational. We were within hours of a surge of water that could have devastated communities downstream and could have potentially impacted Winnipeg.

Anyone should apologize, Mr. Speaker, it's the member opposite and his leader of the—

**Mr. Speaker:** Order, please. Order, please.

I'm sure all members are very much aware how precious the question period time is, and there's a fair amount of disruption today. And it causes a great

deal of time loss as a result of that, so I'm going to caution honourable members again. Please keep the level down a little bit. We have a lot of guests still with us here this afternoon, and a lot of members of the public are watching us through their televisions or web streaming. And I want to make sure that honourable members are leaving a good impression with those that are watching us here today.

**Mr. Kelvin Goertzen (Official Opposition House Leader):** On a point of order.

**Point of Order**

**Mr. Speaker:** On a point of order.

**Mr. Goertzen:** Mr. Speaker, I listened carefully to the minister's response, and he again referenced the issue that you've taken under advisement and which you cautioned him two questions ago.

I know that this government doesn't have respect for the Legislature, doesn't have respect for flood victims and doesn't have 'respect' for judges, but I would ask that they at least have respect for you.

You've cautioned him, Mr. Speaker. Call him to order and allow you to come back with a ruling.

**Mr. Speaker:** Honourable Government House Leader, on the same point of order.

**Hon. Jennifer Howard (Government House Leader):** I think there's no doubt that we have tremendous respect for your rulings. That's why you'll never see one of us challenge one of your rulings, Mr. Speaker, which has been done every day in this House. I think that's a huge sign of disrespect, frankly, to use your office for political gain, which we've seen by members of the opposition.

Certainly, I think you've ruled on this issue. You've cautioned us about—while you have it under advisement not to use it, and we are paying very close attention and will abide by your rulings.

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, I thank honourable members for their advice on this matter.

I'm not absolutely certain I heard exactly what was said, so I'm going to take this matter under advisement, and I'm going to peruse Hansard and, if required, I will bring back a ruling for the House.

\* \* \*

**Mr. Speaker:** Now, the next question.

**Flooding (2011)  
Compensation Claim Settlements**

**Hon. Jon Gerrard (River Heights):** Yes, Mr. Speaker, today many farmers and others from around Lake Manitoba and Lake St. Martin have come to the Legislature to ask the NDP government to provide fair and just compensation for the artificial flooding that occurred in 2011 and to build the structures needed to protect these lakes from future flooding.

On February 22nd, hundreds of farmers the NDP government artificially flooded gathered in Marquette. The minister from Dauphin told the farmers that the NDP was ready with its 40 per cent of the compensation when the federal government provided its 60 per cent.

I ask the Premier: There's no need to wait for the federal 60 per cent. When exactly will the NDP pay out its 40 per cent of the compensation which is owed to flood-affected farmers?

**Hon. Greg Selinger (Premier):** Mr. Speaker, I appreciate the question from the Leader of the Liberal Party, the member for River Heights.

When the 2011 flood occurred, we recognized that people had suffered an unprecedented event in that part of Manitoba, which is why we committed an unprecedented amount of resources to resolving that, over \$1.25 billion. And I know that members opposite are today arguing that that is not sufficient, but I remember—I remind the members opposite they voted against every dollar we made available to Manitobans.

For the producers around Lake Manitoba, we put in place the Lake Manitoba compensation program which went beyond the normal parameters of the disaster financial assistance program. That program—the additional resources were not cost-shared by the federal government; they were a hundred per cent provincial taxpayer resources. That was a \$120-million program for the producers around Lake Manitoba.

We made that commitment. We followed through on that commitment—

**Mr. Speaker:** Order.

**Mr. Gerrard:** Yes, Mr. Speaker, the Premier, Minister of Finance (Mr. Struthers) and other members of the government promised very clearly that there would be multi-year compensation for farmers around Manitoba who were affected and needed more than one year to recover the

tremendous impact of the flood on their agricultural lands. I've been out there and seen these huge fields of cattails. That second-year compensation is needed.

I ask the Premier: When will he come forward with the 40 per cent that the Province has said it was ready to pay to these farmers?

**Mr. Selinger:** We went beyond what the disaster financial assistance program made available to Manitobans. We did an additional nine programs, a hundred per cent on provincial dollars, and the Lake Manitoba compensation program went beyond what the federal government was prepared to cost-share with us. Mr. Speaker, it was \$120-million program for about 250 producers, part of a \$1.25-billion program, a program that the members of the opposition, who are not listening to the answer today, refused to vote money for. They voted against the money for these producers.

We put the money in place; we paid out the money. The members opposite voted against it as they always do.

**Mr. Gerrard:** Mr. Speaker, today the government tabled a report on Manitoba's children, but the fact is we still have hundreds of children from Lake St. Martin and Little Saskatchewan who desperately need help because they're not able to return home. Helping them should have been at the very front of this report, but it wasn't.

What's happening is federal-provincial bickering over the future of Lake St. Martin, which is very like the federal-provincial bickering and arguing that occurred over Jordan Anderson, who inspired Jordan's Principle.

\*(14:30)

I ask the Premier: Will the children of Lake St. Martin and Little Saskatchewan grow up without ever having a chance to go to their home community, or will he present a plan and a timeline for the hundreds of children that his NDP government artificially flooded two years ago?

**Mr. Selinger:** Mr. Speaker, the member does raise a very important question, because the children in any community that has been dislocated by the flood continue to need support. They continue to grow up, which is why we put unprecedented support in place for those families. As a matter of fact, we put additional money in place to support those children while they're attending school in Winnipeg, a program we call Brighter Futures which provides

additional after-school support for tutoring and extra learning supports after school. We fully recognize that the children have been the unfortunate victims of this flooding that occurred in 2011.

And I remind the Leader of the Liberal Party that that outlet and inlet to Lake Manitoba was built between 1961 and 1969 when the Progressive Conservatives were the government, and it was in 1978 when there was an additional opportunity to build an outlet and the Conservative government of that day turned down that additional opportunity.

We will work diligently and tirelessly to help those children have the best—

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

### Nursing Workplace Violence Prevention

**Mr. Dave Gaudreau (St. Norbert):** Mr. Speaker, it's National Nurses Week and I'm proud to be part of a government that listens to nurses. When you listen to nurses, you can hire more nurses. In the 1990s Manitobans lost over a thousand nurses, and only three out of every 10 nurses would recommend their profession to their friends and family. We listen to nurses that improve the workplace, and we've hired three nurses for every one that was fired in the '90s.

Can the Minister of Health please update the House on how we've listened to nurses and how we focus on further improving their workplace?

**Hon. Theresa Oswald (Minister of Health):** It's my great privilege to rise in the House today to inform the House that we are—[interjection] You know, it's odd, Mr. Speaker, that members opposite wouldn't give a rip about protecting nurses against violence, but for those of us that are interested in listening to that, I would suggest to the House that we are indeed investing a \$2-million fund to help support, in partnership with the Minister responsible for Labour, a brand new provincial policy for violence prevention for nurses in the workplace. This will consist of education programs, alert systems and, indeed, will have the whole province working together to protect our nurses who are, in turn, protecting our loved ones when we need them the most.

It's a shame that the Conservatives don't actually care about that.

**Mr. Speaker:** Time for oral questions has expired.

## MEMBERS' STATEMENTS

### Ukrainian Catholic Women's League 50th Anniversary

**Mr. Dennis Smook (La Verendrye):** It's an honour to rise today to take this opportunity to congratulate the Ukrainian Catholic Women's League of Rosa on their 50th anniversary. For 50 years this organization has not only helped to preserve Ukrainian heritage in Rosa, but has provided tremendous service to the community of Rosa.

The first Ukrainian Catholic Women's League in Manitoba was founded in 1944 which encouraged the development of other leagues across the province. In 1963 Rosa formed its very own Ukrainian Catholic Women's League with President Elsie Budey, Secretary Pauline Ewonchuk, Treasurer Anne Paley and Hostess Ann Salamacha at the helm of this organization. Under their leadership, the league grew rapidly, holding its first regional convention in 1965.

Since 1963 the organization has dedicated themselves to serving the community of Rosa: donating funds and sending parcels to an orphanage in the Ukraine; presenting bibles to many of Rosa's local graduates; helping to pay for fitting of the local parish residence; purchasing hymn books for their church; and holding many bake sales and spring teas to the delight of the Rosa community.

It is clear that the Ukrainian Catholic Women's League is far more than just a club, but an important part of Rosa's community. Every year in August the Catholic Women's League attend a pilgrimage at Cooks Creek and on St. Nicholas Day they visit the Vita personal care home where they sing Christmas carols, serve a luncheon and present gifts to every resident at that home.

On Sunday, April 28th, I had the great pleasure to attend the Ukrainian Catholic Women's League of Rosa's 50th anniversary spring tea with Member of Parliament Vic Toews from Provencher and MLA from Emerson, Mr. Cliff Graydon.

Mr. Speaker, I think it's important for the legislative—

**Mr. Speaker:** When the honourable member is referencing other members, it must do so by their constituency names or ministers by their portfolios. So I'm asking the honourable member for La Verendrye, please, you only have a few seconds left to conclude your remarks.

**Mr. Smook:** Thank you, Mr. Speaker.

Mr. Speaker, I think it's important for the Legislative Assembly to celebrate the work of the Ukrainian Catholic Women's League for all the hard work they have and continue to do for the community of Rosa.

Thank you, Mr. Speaker.

### Steve Bell

**Ms. Erna Braun (Rossmere):** Mr. Speaker, I would like to acknowledge and to congratulate a talented and humble local musician, Steve Bell. Steve Bell is a faith-based singer-songwriter whose work has received critical acclaim across the world.

This April, Steve was recognized with the Winnipeg Symphony Orchestra's prestigious Golden Baton Award for his outstanding contribution to the musical life of Winnipeg.

A musician, poet and storyteller, Steve grew up in a closely knit family that nurtured his creative side. When Steve's father was a prison chaplain at Drumheller penitentiary in Alberta, it was the federal prisoners who taught Steve to play guitar. He credits this experience for his success, quote: "I now perform world over because some of Canada's most unwanted men invested in me when I was a boy."

Steve's family relocated to Manitoba, and it was here in Winnipeg that Steve began to work as a musician full-time. He is well known and well regarded throughout our musical community. Steve's music is a reflection of his own personal journey and his honest stories resonate with vast audiences. His 17 albums have sold over 300,000 copies and he has performed more than 1,500 concerts across the world.

Talent, passion and dedication have led him to win many accolades including two Junos, multiple Prairie Music, western Canada music and Covenant awards, as well as a Queen's Diamond Jubilee Medal.

For Steve, family is very important. Steve and his wife, Nanci, have three grown children—Sarah, Jesse, Micah—and a foster daughter, Kendara.

Steve is also an advocate and fundraiser for the Canadian food banks, Foodgrains Bank, World Vision and Compassion Canada.

Mr. Speaker, Steve Bell is an inspirational musician whose compelling performance and thoughtful music helps to bring people together. He

joins us today in the gallery, and I ask all members present to join me in congratulating Steve on all of his outstanding achievements and to wish him and his family continued success.

Thank you, Mr. Speaker.

#### Amber Wiebe

**Mr. Cameron Friesen (Morden-Winkler):** Mr. Speaker, I'm proud to draw to the attention of this Chamber the recent accomplishments of Morden resident, Amber Wiebe.

At the beginning of April, Amber won the gold medal at the 2013 Cadet/Juvenile National Wrestling Championships in Saskatchewan. At this tournament, Amber dominated her opponents and won every match by pinning her opponent, which is almost unheard of at this level of competition.

Following the nationals, Amber went on to attend the Manitoba trials for the Canada Games, and Amber has won a place on the Manitoba team and will travel to Sherbrooke, Québec, this August to compete.

Amber lives in Morden and attends grade 10 at Morden Collegiate. In grade 5, she saw a wrestling sign-up sheet and joined coach Jeff Bretecher's team—the only girl on the wrestling team—and she never looked back. As her skills developed and her dedication grew stronger, she won the provincial trials in her weight class to make Team Manitoba for the 2011 Western Canada Summer Games in Kamloops. She won a silver medal there.

In 2012, she again won at provincials and went on to place fourth at the nationals in Fredericton, New Brunswick. At that time, Amber began practicing with the Manitoba Amateur Wrestling Association, travelling three times each week to Winnipeg for those practices. That focus and hard work has paid off with her gold-medal victory at this year's nationals. Amber now helps coach the middle-school wrestling team in Morden. With her level of skill and dedication, she's going to go very far in the sport of wrestling.

As an active member of the Manitoba provincial wrestling club, she's being noticed by universities. Her dreams of post-secondary education are within her reach, and I suggest that Amber is a young person we will continue to hear much more about.

I congratulate Amber on her gold medal at the national wrestling championship and wish her and

her teammates success as they prepare for the Canada Games.

Thank you, Mr. Speaker.

\* (14:40)

#### Greendell Falcons

**Hon. Christine Melnick (Minister of Immigration and Multiculturalism):** Mr. Speaker, I am pleased to rise today to recognize the green bell—Greendell Falcons football program, participants who are comprised of male youth, ages 16 to 19 from St. Vital, St. Boniface and beyond. In late August and early September, approximately 50 players and coaching staff will have an opportunity to travel to Ireland to participate in the Irish American Football Association's tournament, The Gathering Dublin 2013. The Greendell Falcons Euroteam will play against the Irish all-star team among other games. They will be the only team representing Canada. Not only will the athletes play football, they will also have the opportunity to connect with people from around the world and experience different cultures and friendships. Much media interest is this—much media interest in this event is expected, due to its international appeal, and I am confident that our boys will serve as proud ambassadors for Manitoba and Canada.

Mr. Speaker—

**Some Honourable Members:** Oh, oh.

**Ms. Melnick:** Stop, I only have two minutes.

Mr. Speaker, the Falcons are quite special. Their football program is an original community centre program and is one of only three community centre-run programs in the province. The team includes youth from a range of socioeconomic and ethnic backgrounds, including Aboriginal and new Canadians, as well as francophones and anglophones. Many Falcons go on to a higher level of competition, including the University of Manitoba Bisons football team and the Canadian Football League.

Mr. Speaker, the Falcon program reaches far beyond sports; it strives to create an inclusive and accepting environment. The Falcons have always found ways to include those who want to be involved. Thanks to tremendous growth over the last few years, the program has attracted many youth who have not been participating in any sporting activities and who might not otherwise have had the opportunity to play. Many of these young men's lives

have changed for the better through their involvement with the football club.

Many thanks to everyone who is helping support the Greendell Falcons Euroteam with their trip to Ireland for The Gathering Dublin 2013 tournament. This will be an opportunity of a lifetime. Enjoy.

I would like to read the names of the team members, which include Dominic Audette, Kevin Baillie, Kaden Barenz—

**Mr. Speaker:** Order, please.

**An Honourable Member:** May I have leave to read the names, Mr. Speaker, leave of the House?

**Mr. Speaker:** Is there leave for the honourable member to have the names read into the record or in the Hansard itself?

**Some Honourable Members:** Leave.

**Mr. Speaker:** Leave has been provided—granted.

**Ms. Melnick:** I thank the House, Mr. Speaker.

—Merveille Biaya, Ethan Gross, Cody Holfeld, Daniel Kachkan, Matthew Kobewka, Bryce LeBlanc, Cameron McCorrie, Daniel Norris, Subomi Olukaju, Jordan Pastuzenko, Rigobert Rachidi, Corey Rous, Liam Sawatsky, Travis Stewner, Darian Stremble, Christian Walker, Christian Whitehill, Calvin Barra, Ciceron Biaya, Hairson Bujiriri, Vedany Cassamajor, Rylan Chackowsky, Trevor Chayboyer, Rejean Dube-Forslund, Myles Irvine, Axel Mangiri, Darian McKinney, Alain Ndegey, Russell Rivett, Braeden Savage, Alix Savard, Alistar Schuweiler, Chad Trnka, Richard Vincent; coaches Neil Hansen, Clarence Whitehill, John Savage, Chris Cunnane, Chris Hansen, Stephen Coates, Mike Boullloigne, Ryan Gidzak, Scott Hjartarson and the convener Yvonne Hansen.

Thank you, Mr. Speaker.

### PST Increase

**Mr. Blaine Pedersen (Midland):** Mr. Speaker, I have received an email and spoke with my constituent, one of many who have voiced concerns over the spenDP's proposed increase to the PST without a referendum.

Dolf Feddes is a local business person who moved here from Holland. Dolf and his family came to Manitoba with hope and inspiration of not only what this beautiful province had to offer, but the potential that he and his family could give back to his newly adopted home. What he did not expect was

a tax-and-spend government who now threaten his livelihood and his family's ability to grow and succeed while contributing to our economy.

Part of Dolf's business is in real estate, particularly encouraging people from countries around the world to settle here in Manitoba. How can Dolf honestly present Manitoba as a place to be when we have a government that says, we won't raise taxes and then turns around, not only once, but twice raising taxes, raising fees and curtailing services in our local communities?

Dolf is especially concerned by this spenDP's plan to throw out the remainder of the taxpayer protection act. He feels that the spenDP want to raise the PST; then a referendum should be held to ask all Manitobans for their input as was enshrined in the legislation today.

Mr. Speaker, Manitoba citizens like Dolf Feddes feel the government has been dishonest with them, and this is a quality he does not approve of for his family or for this spenDP government. Dolf Feddes is entitled to respect and honesty from his government, from this government, for his family, and respect and honesty from this government as an ambassador to new prospective residents to Manitoba.

Mr. Speaker, we can do better and we should do better.

**Mr. Speaker:** That concludes members' statements.

### GRIEVANCES

**Mr. Speaker:** The honourable member for Tuxedo, on a grievance?

**Mrs. Heather Stefanson (Tuxedo):** Yes. Oh—*[interjection]* I'm so angry.

**Mr. Speaker:** The honourable member for Tuxedo has the floor.

**Mrs. Stefanson:** So much to grieve on. I've got papers all over my desk here. So little time, Mr. Speaker.

But I do want to say, there are so many issues with respect to this government over the last number of years, and the way that they have treated the hard-working citizens of Manitoba is egregious, Mr. Speaker. And I believe that Manitobans deserve better than what this government is giving them.

It is extremely unfortunate that a Premier would go out during an election campaign, desperate,

wanting to get re-elected into government, Mr. Speaker, and use these types of tactics where he promises Manitobans that he would not, in fact, raise taxes in this province. And what did he do with his first available opportunity? Last year, they broadened the scope of the PST, thereby raising taxes on Manitobans. And if that wasn't bad enough, we now know that this year the Minister of Finance (Mr. Struthers) has announced an increase in the PST from 7 to 8 per cent, which is some 14 per cent increase in the PST itself.

Now that is extremely unfortunate because we do have before us an act, a law in Manitoba, called the taxpayer protection act, which is there to protect taxpayers in our province, Mr. Speaker. And in that act it states that if the government decides to raise the PST, or in that it's known as the retail sales tax but for Manitobans they see it as more well-known as the PST, that if the minister or if members opposite, the government decides that they want to raise that PST, the act says, right now the laws of Manitoba say, that the NDP government has to go back to the people of Manitoba by way of a referendum and ask them if they are, in fact, in favour of that increase or not.

And I would suggest to members opposite that that is the law today. They should be abiding by the laws of today, Mr. Speaker. And I know that there was a court ruling yesterday. Justice Dewar who stated, and I quote, when it comes to the jockey club issue Mr. Dewar stated—or Justice Dewar stated, and I quote: The minister must act in accordance with the law as it now stands. In my respectful opinion, he has not done that.

And that is extremely unfortunate when it comes to that issue but I think we can also look at the PST hike issue. And those words could, and I'm not putting this in Justice Dewar's mouth, but I am saying that that could apply, potentially could apply to what the Minister of Finance has done with respect to the PST hike. The law as it exists in Manitoba today states that they must go back to Manitobans, in the way of a referendum—in order—before they decide to raise the PST. And for some reason members opposite, and I don't know why—I think it's probably because they know how Manitobans would vote on that, and they know that they would vote overwhelmingly against that, but I think that's why they're afraid to go back to Manitobans by way of a referendum.

\* (14:50)

And I think that's unfortunate, because we know that the Minister of Finance went all over the province and he brought his prebudget address, all the slides for his prebudget address, and—to these meetings all across Manitoba, and nowhere in that address did it discuss the fact that they were considering an increase in the PST, Mr. Speaker. So, at all of those budget consultation meetings, I asked the Minister of Finance if anyone at those meetings, how many people at those meetings brought up the fact that they wanted a PST increase. And he refused to answer the question, so which leads me to believe that nobody brought them up at those meetings.

And, you know, most people at those meetings would only really focus on what the slides say that he has before them. But, if he didn't have a slide before them that said, look, what do you think about a PST increase? I'd like your opinion, please, that I suspect most people in Manitoba would say we are not in favour of that.

And I think that's the unfortunate thing is that the government is so arrogant and so afraid to go back to hard-working Manitobans and ask this question because they know what the answer is going to be and it's not an answer that they like. The answer would be overwhelmingly no. And I think that's unfortunate for our democracy that we live in; it is unfortunate for the citizens and hard-working citizens of our province that they have been stripped of their right to vote on this issue.

And I know that there were members of our communities and all across our city and our province on the front steps of this Legislature protesting. And I know there were members from Southdale. There were people from Kirkfield Park. I know that there were people from St. Norbert. They were—all across our city and our province, Mr. Speaker—outside on the front steps of the Legislature. And overwhelmingly we heard time and time and time again from people on the front steps of the Legislature. What we heard was that they were so upset with this government, that they would take away their democratic right to a vote, that—the democratic right to a vote that is required by law in this province, and so they were so outraged by that point. Not just about the PST increase, but the most egregious part they really felt was that this government will do anything they possibly can to get their hands on Manitobans' money that they'll not—they'll break the law and they'll also take away people's democratic right to vote.

That is how desperate this government is, and Manitobans are so upset about it. And what I found even worse about this whole situation, Mr. Speaker, is that members opposite—and we asked questions in question period all day that day, and we asked where the member for Seine River (Ms. Oswald), where the member for Kirkfield Park (Ms. Blady), Southdale, other members, all the members across the way—would they be going to meet with their constituents on the front steps of the Legislature and ask them what they think of this PST hike. But you know what, we asked them were they going to walk down the front steps of the Legislature and stand side by side their constituents or were they going to scurry out the side and back doors. And you know what happened? Most of the—all of them pretty much—all of them—went out the side and back doors and nobody went out to meet with their constituents.

And I think that that is the most unbelievable thing, Mr. Speaker. We are elected in this Manitoba Legislature to represent the people in our communities, and for members opposite to scurry out the side and back doors and avoid those people in our society—the people that elected them to be in this very Legislature—is disgusting. They should have gone out and listened, but that's—this government doesn't like to listen to Manitobans. They're afraid of what they may hear from Manitobans—that Manitobans are a little bit tired of the dictatorship that's happening in this province. Unfortunately, we no longer have a democracy in this province; it's a dictatorship under this Premier and under his Cabinet. And I will tell you that the over 500 Manitobans that were standing in the front steps of the Manitoba Legislature were disgusted with the fact that members opposite didn't even have the gall to—didn't even have the will to show up to talk to them, their own constituents. The Premier (Mr. Selinger) of this province didn't even come out and address them and let them know why—why—they were making this decision to raise the PST without giving people the opportunity which they should have had by law in this province, the opportunity to have a vote to have a say on this raising of the PST, Mr. Speaker.

Members opposite in Cabinet decided that they were going to make—and maybe it was just the Minister of Finance (Mr. Struthers) and the Premier of our province that decided on the back of a paper napkin one day, oh, how are we going to raise some revenues for the Province? Well, we better raise the

PST. And maybe they didn't even let some of the backbenchers know. I'm not sure.

But, you know what, Mr. Speaker? I think the unfortunate part about all this is that every one of them has stood up in favour of this PST hike. Every one of them opposite has stood up and voted against giving their constituents the democratic right to vote on this PST hike, and to me that is unacceptable. They should be standing side by side their constituents; they should be talking to their constituents about this, and I know that they've been receiving emails about it. I know that they've been receiving phone calls about it because I've been receiving them too. I've been receiving them from their constituents. Members on our side of the House have been receiving them from people all over our province who are extremely concerned about the direction that this government has taken, this dictatorial direction and the lack of respect for democracy in our province.

So, again, Mr. Speaker, I have so many things to grieve about in this, but, unfortunately, I'm running out of time, and it's unfortunate where this government is taking us.

Thank you, Mr. Speaker.

**Mr. Speaker:** Any further grievances? Seeing none—

## ORDERS OF THE DAY

*(Continued)*

## GOVERNMENT BUSINESS

### House Business

**Hon. Jennifer Howard (Government House Leader):** On government business, pursuant to rule 31(8), I'm announcing that the private member's resolution to be considered next Tuesday will be one put forward by the honourable member for Wolseley (Mr. Altemeyer). The title of the resolution is Nick Ternette.

**Mr. Speaker:** Pursuant to our rule 31(8), it has been announced that the private member's resolution to be considered next Tuesday will be the one put forward by the honourable member for Wolseley, and the title of the resolution is Nick Ternette.

## GOVERNMENT MOTION

**Hon. Jennifer Howard (Government House Leader):** I'd like to begin this afternoon by consideration of the government motion.

I move, seconded by the Minister of Innovation, Energy and Mines (Mr. Chomiak), that in accordance with subsection 11.1(28) of The Provincial Court Act, the Report of the Standing Committee on Legislative Affairs respecting the Judicial Compensation received on April 16th, 2013, be concurred in.

***Motion presented.***

**Ms. Howard:** The Provincial Court Act governs the process whereby a Judicial Compensation Committee meets to recommend salaries and benefits for Manitoba provincial court judges. The act also sets out that these recommendations be considered by a standing committee of the House. The committee may accept, reject or amend recommendations.

The Legislative Affairs committee met on January 29th to consider the report and to hear a public presentation from the Provincial Judges Association of Manitoba. The committee then reconvened on April 8th to complete consideration of the report.

The committee's decision was to accept a number of recommendations, including that salary increases for 2012 and 2013 be equal to the average weekly earnings for Manitoba for the preceding calendar year. The committee then rejected a number of recommendations including one providing interest on retroactive salary increases, one providing professional educational allowances for senior retired judges and one improving senior judges' per diems. These changes were made with support from all parties.

This motion that we bring forward today, I understand is the final step in that process so that this House can concur in those recommendations that were made at that committee.

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

\* (15:00)

**Ms. Howard:** Mr. Speaker, would you call second reading on Bill 20.

**SECOND READINGS**

**Mr. Speaker:** We'll now proceed to call second reading on Bill 20, sponsored by the honourable Minister of Finance, The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended).

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

**Hon. Stan Struthers (Minister of Finance):** Mr. Speaker, I move, seconded by the Minister of Local Government (Mr. Lemieux), that Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended), be now read a second time and be referred to a committee of this House.

His Honour the Lieutenant Governor has been advised of the bill, and I table that message.

**Mr. Speaker:** It's been moved by the honourable Minister of Finance, seconded by the honourable Minister of Local Government, that Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended), be now read for a second time and be referred to a committee of this House.

His Honour the Lieutenant Governor has been advised of the bill, and the message has been tabled.

**Mr. Struthers:** Mr. Speaker, I'm very pleased to be able to speak about Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act. This legislation protects families and businesses from global economic uncertainty by investing in critical, crucial infrastructure.

This legislation establishes the Manitoba Building and Renewal Plan that will allow for a limited one cent on the dollar increase of the provincial sales tax, keeping Manitoba's PST the third lowest in the country. Doing so will create jobs in the short term and in the long term. It will protect health and education and keep us on track to return to balance by 2016, despite the economic uncertainty that we are facing all across Canada and throughout the world.

And it will also protect Manitobans against another uncertainty, Mr. Speaker: future flooding. This spring, we have faced a real threat of a third major flood in five years. Over the past 15 years, floodfighting and protection costs were four times greater than over the previous 15 years. Those bills would've been much, much worse if previous generations had not had the foresight to build the floodway that protects Winnipeg today. The floodway cost \$63 million to build. While that may have seemed a lot in-back at the time, it has since saved over \$35 billion in damages. And the security and peace of mind it offers is, as I've said, priceless.

The legislation commits every dollar raised to be spent on critical infrastructure and flood protection. After 10 years, when flood protections are built and the Building Canada Fund ends, this measure will automatically expire. We are ensuring accountability and transparency by guaranteeing it through law; the revenue will be spent on those things. This will be reported on annually.

Other provinces are raising taxes which they will use to match the federal funds, but they are not providing the accountability of guaranteeing in law the link between the revenue and the investments in the building and renewing of our province.

The dilemma we faced with the current balanced budget legislation as envisioned by the PCs is that, as written, the only option it would leave us is to cut services to pay for the unique challenges Manitoba faces. Making these cuts, as members opposite have proposed, would hurt families and undermine the economic recovery, and it's not something that we're going to do.

*Mr. Mohinder Saran, Acting Speaker, in the Chair*

The Building Canada Fund offers an opportunity to build and renew critical infrastructure by matching federal dollars, but we must not do that at the expense of core services that Manitoba families depend upon. Other provinces are raising income taxes, business taxes, health premiums. Others have imposed the HST. Others have cut recklessly into core services.

Mr. Speaker, we have made a more responsible choice. Our Building and Renewal Plan raises modest revenues in the fairest way possible and guarantees accountability and transparency for how that money is spent. In a time of economic uncertainty, we can't afford to lose an entire construction season, and we need to take the earliest opportunity to protect people from the floods of the future. This is a time-limited response to exceptional circumstances that will dedicate in law that funds be spent on flood protections and critical infrastructure. These funds will help protect Manitobans against future flooding after three major floods in five years, and match federal money, so we can keep building roads and hospitals and schools here in Manitoba.

We are enacting this legislation because we know that Manitoba families and businesses want new hospitals, new schools, safe roads and protection from flooding. Our government has listened and it is our vow to ensure that Manitobans get the

infrastructure and the protection that they've asked for.

Thank you, Mr. Speaker.

**Mrs. Myrna Driedger (Charleswood):** It is indeed a pleasure for me—in fact, I'm not even sure that that's an accurate word for having to speak to this legislation. But I'm honoured to be able to speak up on behalf of Manitoba taxpayers and give them a voice in this House, although it has become more and more evident from this government that they do not want to listen to Manitobans. They've demonstrated that in many different ways, that they have no intention of listening to Manitobans even though thousands and thousands and thousands have already spoken up.

I think that the first thing we need to do in looking at this legislation is probably change the name of it. The government wants to call it The Manitoba Building and Renewal Funding and Fiscal Management Act. When I think, what we can see from the way this government behaves, is that we should change the name of this legislation to the broken promises and fiscal mismanagement act, because, Mr. Deputy Speaker, that more accurately reflects what this government is doing and how they are behaving.

One thing has become very, very clear over the tenure of this government: They do not have a revenue problem, they have a spending problem. And, in fact, many say, Mr. Deputy Speaker, that it is a spending addiction. We can see where this government takes and takes and takes and spends and spends and spends, but we don't always see the benefit of that spending, because this government does not work hard to ensure that they're getting the biggest bang for their buck. They like to throw money at things and I think the government has shown over and over again that they do not have a very good track record in terms of fiscal management.

And, I guess, Mr. Deputy Speaker, many people wouldn't find that exactly surprising because this is what NDP governments do. We saw it with Howard Pawley. It didn't take him very long, a few years, to take Manitoba down a road of incredible debt. Then it took a Tory government, the Filmon government after that, a decade to dig their way out of the hole that the previous NDP government dug.

And it's no different with this government. They have done exactly the same thing, only they have

dug a bigger hole and a bigger debt. And now what Manitobans are forced to deal with is a government that is looking in every hole and cranny to try to find as much money as they can, take it out of the pockets of Manitobans, and, Mr. Deputy Speaker, put it into their own piggybank, because they think they can spend the money however they want; that it's not up to taxpayers to make any decision about how that money should be spent.

This Finance Minister just stood in the House and said that Bill 20 is to protect families. Well, Mr. Deputy Speaker, this rhetoric by this government, and especially on Bill 20, has gone into orbit. We've been expecting a lot of rhetoric from this government. We've lived under it for the, you know, 14 years or however long—a very long time, and now they have really taken their rhetoric and they have gone into orbit with it.

How this government can stand there and say that it protects families is such a farce. The people that this will affect, in a very egregious way, are those that can least afford it. We heard them the other day on the steps of the Legislature, when this government, this Minister of Finance (Mr. Struthers) and this Premier (Mr. Selinger) couldn't be bothered to show up to listen to 500 taxpayers, who stood out there in the cold, and tried to get this government's attention, to say, do not raise the PST through Bill 20. Give us a referendum, allow us to have a say as the current act demands.

\* (15:10)

But this government didn't come out to listen to people and they didn't then hear the stories of some of the poor people that are trying to survive on a day-to-day basis and make it through every day, and now what they're having foisted on them is an increase in the PST. And this government stands here and they can actually say that they are protecting families. Mr. Deputy Speaker, that is such a crock because it is not protecting families at all. In fact, it's hurting a lot of families.

So what this government is saying they're going to do is amend the retail sales act by increasing the PST to 8 per cent of July 1st. Even though nobody in Manitoba has asked for that, we're not surprised that they're wanting to do it. They've got a lot of big bills coming up, and when we look at some of the costs that are coming down the pike, Mr. Speaker, in the next year or two, we can see what this NDP government is positioning itself to do and, in fact, they're positioning themselves to have a slush fund if

they would admit it, coming up to the next election. So nobody was asking for a PST hike. This particular legislation also waves the PST increase referendum which is the law today, and what the law today in place says is that this government is obligated by law to hold a referendum on whether or not Manitobans want to see an increase in the sales tax. That is the law today. That law has not changed and that law applies to this government.

But what we've seen now with what they have done with the Manitoba Jockey Club, what we have seen with this government is a government and a Minister of Finance that has broken the law. Laws don't seem to mean very much to this government, and now when we look at Bill 20 on July 1st they are bringing in a PST hike, but by law they are not allowed to do that because that current law for a referendum still exists.

So this government is prepared, from the sounds of it in question period today, to break the law. Not only have they broken some very, very significant promises in the last election, they're now down the road of being willing to break laws and not to be held accountable for them to the people of Manitoba.

*Mr. Speaker in the Chair*

What this legislation also does is it amends the budget balance calculation of deficit or surplus. What this government is doing, Mr. Speaker, is looking for any loopholes they can find in order to grab as much money as they can and spend it however they want. They've gutted the balanced budget law to the point it almost doesn't exist anymore, and I'd remind the Minister of Finance, and he was here in 1999 when the premier of the day, Gary Doer, promised that he was going to keep balanced budget legislation. In fact, this government over many elections actually promised to keep balanced budget legislation and, in fact, in the last election in 2011 this same government promised to balance the budget by 2014. So not only did they break the promise not to raise the PST, they've broken the promise not to balance—or to—they broke the promise that they were going to balance the budget.

So, Mr. Speaker, some would question, well, is this a government that is breaking their promises to people? Are they prepared to say anything to win an election or is this an NDP government that actually knew they were in a jam and was prepared to lie to the public to win that election? We will certainly leave that up to Manitobans to make that decision.

The other thing that this particular act does is it extends the economic recovery period another two years, again allowing them to break their promise to balance the budget by 2014. They're now extending it to 2016, therefore protecting their own ministerial salaries.

So, Mr. Speaker, there are so many aspects of this legislation that are just totally unacceptable, and I think Manitobans are not going to stand by and allow this government to foist this type of legislation on them because, as they're saying, we are not stupid people; we know what this government is trying to do. And, if this government would just listen to the people, read the letters to the editor—there are so many angry people. I've never seen a topic that has raised so much concern out there in the public as this particular one. The letters to the editor are very strongly worded. But we know this government isn't really listening to people. They really don't seem to care.

Mr. Speaker, in 2011 every single NDP on that side of the House promised not to raise taxes, whether it was the member for Kirkfield Park (Ms. Blady), or Assiniboia, or Southdale, or any of the other constituencies—Riel. Every one of them went to the door and they made a promise, a commitment to their constituents that they were not going to raise the PST. In fact, the Premier of Manitoba (Mr. Selinger) said that that was a ridiculous notion, that he had no intention of doing that.

So the mandate that they got when they got into government was a mandate to balance the books and not to raise taxes. That was the mandate that they were given. When did this government forget what that meant? When did this government not feel that it was important to keep their promise to citizens that voted them in? So they broke that promise when they decided to expand the PST as part of the largest tax hike in 25 years. And then, this year, when, you know, after they expanded the PST last year, this year they took it even further and they increased the PST by 1 per cent.

Mr. Speaker, this is the height of arrogance for a government where they break laws that they don't like or laws that don't suit them, and we're seeing a government that has gone down the road of being a dictatorship. It is no longer about democracy here. It is about a government going after every single dollar they can from hard-working Manitobans and picking their pockets. They put it on—they put—added PST to things like insurance, home insurance, and then we

have seen the costs in that area just absolutely skyrocket.

Mr. Speaker, what they have done in the last two years is basically gouged Manitobans to the tune of about \$277 million a year. We are looking at a half a billion dollars in the last two years that this government has taken in from their taxes and fees, and yet it doesn't seem to be enough. They still want to bring in this legislation and still go after more—*[interjection]*

And as a colleague is pointing out, they're still running a deficit on top of that, a—more than a half-a-billion-dollar deficit, and that is what they're projecting. Well, they've never met one of the budgets ever in the time they're in government. So if Manitobans are going to be believing this government that it's only going to be a half a billion dollars, we're all probably likely to be extremely disappointed by where this government is going to end up because they are not doing hardly anything to get themselves out of the jam that they've put themselves in.

And, Mr. Speaker, there is no doubt, I mean, this minister likes to talk about economic uncertainty, and it's—it is the—*[interjection]* Yes, it is the uncertainty of how much more the NDP are going to spend that is of serious concern to Manitobans. There isn't that much economic uncertainty. This government had it better almost than any other province in Canada. They even said so in the election in 2011. They said that things were doing really well here, and that's thanks in part to Manitobans and to the resiliency of our small businesses here and other businesses. That's who deserves the credit.

\* (15:20)

And also the government, the last government, also put in place enough things to take Manitoba out of the mess that a former NDP government did. And when this government inherited the government in 1999, no government probably in modern history ever had it as good as this group did and they squandered that whole opportunity. They took that money and they spent it. They've doubled the debt in this province, a debt now that I'm not sure we're ever going to see debt payments ever again. By extending their recovery period, they don't even have to pay down debt. All they are paying are interest payments. So when are we going to see this government take things seriously and instead of laying this debt on our children, his children, my children, our grandchildren and that is what they are doing. They have dug a debt

hole for kids in the future, and we've had generation X, Y. Now we have generation debt, and that is what this NDP government has done to young people in this province.

And Saskatchewan is inviting Manitobans to come to Saskatchewan. They have actually been out there welcoming Manitobans, saying come to Saskatchewan. What did our Agriculture Minister say? *[interjection]* Oh, yeah. Go to Saskatchewan. The lights are bright. And Saskatchewan wants Manitobans to come there. Saskatchewan who has a provincial sales tax of 5 per cent.

This government in this legislation is now taking that and raising it to 8 per cent. We are going to have the highest PST in western Canada. Those are the provinces that we compete with. We can see, Mr. Speaker, why the New West Partnership, the other three provinces, don't want to have anything to do with this NDP government because this NDP government does not know how to grow economies. This government does not know how to be competitive. That's why they don't get invited to join the New West Partnership is because they will only be a drag on those other provinces. And what a shame, because Manitoba has so much potential.

If it had a different government, a government that had some vision, I think we would see more opportunity here for people and more opportunity for young people here. But, Mr. Speaker, what we're going to see with this tax change, we're going to see more Manitobans, especially along the border, go into Saskatchewan. Why would you buy a car in Manitoba when you can go across the border and pay only a 5 per cent PST? I heard the other day that car sales are up in Manitoba for the next few weeks and do you know why? Because everybody knows that once that PST hits, we are going to see a drop in economic activity in Manitoba. Why this government didn't recognize all of that is because they must have blinders on.

So, Mr. Speaker, we saw this government say they need to raise this PST and then they are talking about why they need to do it, and they've used every excuse that they can. It started with the flood and the big crisis of the flood and then the flood didn't happen. And then they talked about, you know, a number of other things and a lot of other needs. We're just not exactly sure where this government is going with this spending, with this extra—this windfall that they're going to get from raising the PST, and they can't tell us or they won't tell us. And

that is certainly making everybody realize that what this government is doing is playing a game with Manitobans, and it's going to be smoke and mirrors about where the money is, where the money's going, where does it come from and what they're going to do is they're enabling themselves to have a slush fund coming up, going into the next election.

Fortunately, Mr. Speaker, I don't think Manitoba taxpayers are going to be fooled by them anymore, and Manitoba taxpayers are not going to have trust in a Finance Minister or a Premier who has the track record now that they have. And I don't think taxpayers will take kindly to a government that does not demonstrate good financial management, integrity in their commitments, and I think we're going to see a big shift in where Manitobans are going to be thinking and looking in the next few years.

Mr. Speaker, the government tried to sell the idea of a flood, and we saw that they manufactured a crisis. And they were out there doing their darndest to try to convince people that things were really bad. Now I don't know if it was just the Minister of Finance (Mr. Struthers) who really bungled this or did they ignore their forecasters? Were the forecasters much better this year with some of the—you know, the reports that have come out? Although, it sounds like this government doesn't necessarily look at reports very much.

We know that they have not put very much money into flood mitigation. They're trying to spin it, but when we see the numbers now we know that this government again is blowing smoke. And, I think they've been caught on some of their manufactured comments of late.

So we see a government, Mr. Speaker, whose track record has been to blame everybody else, find excuses, and now they've really shown that they are incapable of delivering and they're incapable of managing. And now what we are seeing is a PST hike in this province that is not just a penny like this government is trying to portray out there. It actually is a 14 per cent of a PST increase—*[interjection]* yes, 14.2 per cent. Quite different when you look at it as that type of a rate increase rather than a one cent, but that's how this government likes to play with numbers. So what they've done is they have created a slush fund, and we just don't know—we don't know—how they can do all of this without justifying why they need this money to go into their coffers.

So, Mr. Speaker, I am going to bring forward a reasoned amendment: I move, seconded by the member for Steinbach (Mr. Goertzen),

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

This House declines to give second reading to Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act, because this House has not received satisfactory evidence or assurances that an increase in the retail sales tax was either considered or recommended at the government's prebudget consultation meetings.

***Motion presented.***

**Mr. Speaker:** As the honourable member for Charleswood has moved a reasoned amendment to second reading of Bill 20, according to O'Brien and Bosc, which I—members, House leaders have copies of, the House of Commons Procedure and Practice, on pages 748 to 750, it is permissible to move reasoned amendments to the second reading of bills and the wording of this amendment complies with the requirements as set out in O'Brien and Bosc, so the amendment is in order.

And, also, for other speakers that may wish now to speak, I want to remind honourable members that we are speaking to the reasoned amendment to the second reading motion of Bill 20.

**Mr. Ron Schuler (St. Paul):** First of all, it is always an honour to stand in this Legislative Chamber and to speak to any resolution, to any bill; that is why we are sent here. I also feel compelled by duty to speak to a resolution, as it is laid out, a reasoned resolution, and I'd like to thank the member for Charleswood (Mrs. Driedger) for having brought this reasoned resolution forward.

Now, we've had a lot of speeches in this Chamber dealing with the financial hardship that has been foisted upon Manitobans. We've heard a lot of different arguments today. Whether it was in question period, whether it was in grievances, whether it was through petitions or whatever format it might have been, there have been a lot of different aspects that have been raised about the action of this government starting with its initial announcement in the budget speech of an increase in the PST.

\* (15:30)

All of those are very valid and are very important, and they were the responsible thing to

bring forward, particularly if members in this House listened to the petitions where member after member got up and read real constituents' concerns, individuals who took the time to put their name, address, and a signature to a document, hand it over to their government to say, you are wrong in what you did.

And I would reference anybody in this House or anybody who happens to be listening or may one day read Hansard, that they go back to the—today's earlier on session whereby individuals wrote and—read the petitions into the record. Very important document because each petition represents an individual who feels that they've been wronged or they've been misled by their government. And often we take those a little lightly because they're read, and today I believe there were 12 or 13 petitions read into the record, and they are very important.

Each petition must have at least 15 signatures on them, and each petition addresses the grievance that individuals have towards this NDP government. And the petitions keep coming in, and I would suggest to members opposite that there are thousands upon tens of thousands of people who are going to be signing these petitions, who are going to be advocating and indicating to this NDP government that they are displeased with what the government did.

Now, in of itself, there's been a lot of words that have been put on the record in regards to the financial side of it. I, however, would like to take this Chamber—in the few minutes that I have to address the Manitoba Legislature—I'd like to deal with it in a different format. And I have referenced before in this House, and I'm going to do it again. I would like to reference a document that was written by Thomas M. Cunningham. And he is with the US Naval Academy Fire Department, and I feel it's very important that when we deal with this kind of legislation like the PST increase, that we first of all lay a foundation of why people are so irate. It's not just the financial aspect, although that is a big reason why people are upset, but it has more to do than that. And I'd like to read from Thomas Cunningham's article, and at some point in time, I hope I have the opportunity to speak with him and congratulate him on an amazing document that he wrote.

And it goes as follows—and, of course, this deals with—he addresses leadership, individuals who are firefighters, but it applies to any kind of leadership or those who aspire to be leaders. And it goes as follows:

There are various factors that affect a fire officer's performance and the effect that these factors play in becoming a successful leader. Quality of leadership include—and he lists 14 points. The last point that he lists is integrity, character and honesty. He goes on to say: Of all the qualities a leader must possess, integrity may be the most important one of them all.

He goes on to define integrity, and I quote: Integrity is defined by Webster's as a firm adherence to a code of especially moral or artistic values—which he puts in brackets—incorruptibility and unimpaired, undivided—an unimpaired condition—sorry—which he categorizes as soundness and the quality or state of being complete or undivided completeness. He goes on to say that the synonyms are honesty and unity.

If there is a main friction point between an electorate and its government, if there is a reason why Manitobans are overly angry about this particular budget item in legislation is the fact that the people who voted in a government not more than two years ago feel that this government misled them. They believe that they elected a government on a false pretense. And if you—for any of us who are political scientists, who've studied politics, the history of politics—I happen to be one of those—you know full well that individuals, when they feel that they've been betrayed by a group or an individual—in this case it would be a group—of candidates who went door-to-door, and their leader went so far as to say, read my lips; no new taxes.

He was asked directly about a PST increase, and if I could lay it out for the House it went accordingly: the then-leader of the opposition, Hugh McFadyen, asked the Premier (Mr. Selinger), the member for St. Boniface, how he was going to pay for his province-promises because there were substantial promises. And the member for St. Boniface said clearly, unconditionally, as clear as could be that there would be no PST increase. The leader opposition, Hugh McFadyen, again said: How are you going to pay for your promises? Are you going to raise the PST? And the Premier, the member for St. Boniface, said—he said that is nonsense—[interjection]—and members from the NDP heckle. Where is he today?

If you want to talk about why people are so angry about this move, it's because they believe they were deceived and, yes, Hugh McFadyen partially sacrificed his career for being right. He told the truth. He warned individuals. He warned Manitobans that

the NDP was lying to them—[interjection]—and they laugh. They laugh. The member from—for Fort Garry-Riverview (Mr. Allum) laughs. He thinks this is the biggest joke.

They pulled the wool over the electorate eyes. He won his seat. They got government, but in the end history will judge them, that they went door-to-door, they canvassed door-to-door on a big lie. The NDP government got elected by telling a mistruth, and that is what I believe is the rub between the electorate, the people who spoke in 2011 and this government.

Yes, it comes down to the money that's being taken out of their pockets. Yes, it's coming down to the hardship that they are placing individuals in. But just as important, the bond or the compact between an electorate and a group of individuals—a political party, now a government, the NDP—that has been broken, broken like never before. And I think the electorate understands that there is some exaggeration of the truth that goes on in politics. I think people by and large discount some of the exaggerations that go on. And we know that there was the big exaggeration from then Gary Doer Premier, who said they'd solve hallway medicine in six months and \$15 million. I mean, people knew that was an exaggeration.

But what they don't like is a political party bold face lying to them. When the Premier was asked, will you raise the PST to help pay for all of your promises, and the Premier says: No, no. In fact, the concept of that is nonsense. Read my lips; no new taxes.

And, Mr. Speaker, I'd like to take the Chamber one other direction. If this would have been a newbie Premier, someone who'd come from the outside, was just running the first time as Premier, I think, there might be some forgiveness. But this came from an individual who for 10 years had been Minister of Finance and knew the finances of the Province, knew what was coming after them, knew what kind of conditions they were going to face if they got re-elected. This wasn't as if it was a newbie, a new individual walking in cold. This wasn't a government that had—that was, or a party that was vying to be elected as government. They had been there and had had their hands on the controls of government for over 10 years and yet went out and misled the people.

So no wonder, no surprise that you have petitions daily in the House, thousands of people

signing petitions. No wonder that you have rallies out on bitterly cold evenings in front of the Legislature. You have rallies where people are coming forward and protesting against the government. There is no wonder why there is such an outcry, because the contract between the people and their government has been broken, because now they know that there is a government in power, there is a group of individuals that have taken power and they did so—the NDP did so—based on a lie, and that is where the rub is with individuals and with the public, Mr. Speaker.

\* (15:40)

If you go back and you look at what it takes to be a leader, and during campaigns—political campaigns, the public and the voters want to elect individuals that will lead, that are prepared to say what needs to be done—are prepared to take tough decisions and are prepared to stand by their word.

And I'm ecstatic that the member for Burrows (Ms. Wight) sits in her seat and agrees with everything. She agrees that we should stand by our word. She agrees that there should be integrity. She agrees with all those things. The only thing is she stands up and votes against all those things. She votes against integrity. She votes against standing by your word, because she is one of those who is culpable. The member for Burrows went door-to-door and said we will not raise the PST and sits here now and heckles gleefully. I mean, it's like the cat who swallowed the canary—sits here gleefully like all the other 36 members in this Chamber who are ecstatic that they got here, but they got here on a false pretext. They were given the reins of power believing what was being said to them.

And if you go back and you want to talk about leadership, you go back and listen to what Thomas Cunningham has to say. And he goes on to say, a leader is the role model by which the group that they command is most influenced. Eventually, this will lead to a molding or a modelling of the group's behaviour. This is why a leader must have and maintain the highest standard of character and integrity. Integrity of one's character will consist of honour, virtue and allegiance. Unquote.

And I ask this Chamber: Where in that election campaign promise—I've made the case. It wasn't like these were newbies—just showed up on the scene—were trying to attain power and were saying, you know, we would never do it and then getting into power and saying, oh well, we didn't know that there

was this big, economic tsunami coming at us. No, because, as already said, the Premier (Mr. Selinger) had been the minister of Finance for 10 years, so you discount that part of it. It wasn't as if he kind of was wishy-washy on it, because he was asked directly. So we know that isn't part of the argument.

When you go and you look at what it takes to be leaders and what it is that people voted for in a leader—what they thought they were voting for—a leader must have maintained the highest standard of character. And I ask this House—having misled the public, the NDP lied about the PST. Is that a standard of high character? And the answer is no. I ask members of this Chamber: Going—a political party going and lying to the public, is that a high standard of integrity? And the answer is no. Is that a sign of a good character? The answer is no. What about honour? Is there honour? I ask members of this Chamber: Is there honour when a political party goes door-to-door and misleads the public?

When asked by the media—it wasn't just the leader of the opposition, because after the debate—and it's on camera—the Premier was asked, will you raise the PST to pay for your promises—was asked directly. And the Premier, the leader of the NDP, said that concept would be nonsense. I ask anybody listening: Is that honour? Is that how you would define honour? When knowingly—knowingly—you give an answer that you know is not true, is that honour?

Following the article, I ask, for incidence, virtue: Is it virtuous knowing that you're going to have to raise taxes? And this isn't the first tax. The PST is only one of many. In fact, the first budget, the NDP had barely stacked away their signs and barely consumed the last of their victory champagne and foie gras and their celebrations. They barely, barely finished the last of the champagne in their champagne glasses, then they were in the Chamber here already raising taxes.

And we warned—we warned Manitobans. They had already broken their word because initially they said they would not raise any taxes, but what they did is they broadened what PST would be applying to. What shocked Manitobans was that they went far further in their second budget, not even two years later after they had gotten their win, and they raised the PST.

And the question in the public's mind is, is that virtue? And I ask members—I asked the member for Assiniboia (Mr. Rondeau), is that virtuous? How

about the member for St. Boniface (Mr. Selinger), is that how you would define virtue? What about the member for Radisson (Mr. Jha)? I asked the member for Radisson, is that a sign of virtue? What about the member for Southdale (Ms. Selby), is that how you would define virtue? What about the member for Rossmere (Ms. Braun)?

The member for Rossmere today had Steve Bell in the Chamber, an unbelievable singer, who travels across the country and across the world, has shown himself to be an unbelievable leader. An unbelievable leader who I would say has a high character, a standard of character, integrity, has virtue and honour.

I asked the member for Rossmere, their action in the last campaign, was that virtue? Was that honour? Is that an indication of a high character? Is that honour? How about the member for The Maples (Mr. Saran)? What about the member for The Maples? Does he believe that's virtuous? Where does he stand on this? That you went door to door and purposely misled Manitobans, the NDP did, that's what they did. How about the member for Dauphin (Mr. Struthers)? He would have known, he should have known, he was the Minister of Finance.

Does he believe his behaviour was integrity, honour, virtue, any of those? Does he believe that that's what—the member for Kildonan (Mr. Chomiak), the now-disgraced campaign manager from the 1999 campaign. You know, I know he's kind of brushed up a little bit and toned down a little bit. Does he believe the campaign in 2011 was a virtuous campaign? *[interjection]* The disgraced campaign manager from 1999?

Does he now believe that this 2011 campaign was a virtuous campaign? Was that a sign of honour, to go door to door and say, no way, oh, no, we would never raise taxes, and never the PST, nonsense? And then do it, the first opportunity they could get into this House and raise taxes, and then the second opportunity, already they were raising the PST. I asked the member for Kildonan, is that an honour—position of honour? Is that a position of virtue? And you go through the government ranks—all 37 members.

This is about hardship. This is about economic hardship. This is about what—it's punishing families, about the kind of punishment, the economic punishment, to those who are struggling to get forward, to move the family forward, to maybe

renovate the house, to put the kids in sports and all that. I mean, these taxes hurt those individuals.

But what hurts them more is that they were betrayed by a political party, that they're betrayed by a group of individuals who had been in power for at least 10 years and came to them and said, don't worry, don't worry be happy, we won't raise taxes, an NDP party that lied right to their face.

So not just is this a hardship economically, this is a hardship for those individuals who placed their trust in a political party, the NDP, and were betrayed. That's what this is all about. And for members to sit opposite and clap and cheer.

And there was a very serious protest outside on Thursday, and yet you've never seen members of the opposite, the NDP members, scurry outdoors more. They were all going out the back door, and there happened to be some citizens—were actually taking pictures of them leaving the doors. And then staff quickly called and said, no, no, you've got to go out the side door, and then they were going out this door, because they were—*[interjection]* Yes, they were embarrassed.

\* (15:50)

And I understand that members opposite are embarrassed, and they should be embarrassed because they know that in no uncertain terms—no uncertain terms—their behaviour has not shown the highest standard of character. It has not shown the highest standard of integrity. It has not shown the highest standard of honour and neither has it shown the highest standard of virtue. They knew that they were being shamed. They knew they were embarrassed. They knew that they were wrong. So what did they do? They took the less—the least courageous move, the sign of no leadership, and quickly scurried out the side doors and the back doors instead of standing up and at least—at least—saying to the people and trying to explain to them what it was that they were trying to do. Maybe the Minister of Finance (Mr. Struthers), the member for Dauphin, should have stood up and said, hey listen, you know what? We got it wrong. We shouldn't have made that promise. Maybe he should have said the NDP should not have misled the public. Sorry about that. We'll take our lumps, but this is what we're going to do. But nothing. Silence.

You know, we had the member from Thompson today—there was another protest and the group was protesting outside because, you know, the member

for Thompson used to be the king of protest. One time in his youth he hoisted a big coffin on his shoulder and ran around this building, him and his group with this coffin on his shoulder, and now he's becoming the king of protest shutdown and he wouldn't go out even and talk to a small group protesting against the government. And you know what he said? He said that he would talk if—I hope you're sitting down—the member for Thompson would talk to lawyers. That was his answer today. He—no, not to Manitobans protesting, fighting for their lives, fighting for the little bit they got left after they were flooded out. Oh, he would go and he would talk to lawyers. That's how far and out of touch—how out of touch they have become that no more will the New Democrat talk to the public. Oh, no, they are far above talking to the public. They can't go out and at least address the concerns of individuals who have a grievance with the government. Oh, no, there isn't courage there. There is no honour in their benches. There's no virtue. They slink out the back door. Oh, but they will talk to lawyers. That's how low it's come.

And then you wonder why daily there are, consistently, petition after petition after petition read. It's because the contract between the NDP and the electorate has been broken. That bond between the electorate and its elected officials has been broken. They do not trust the word of the NDP because there was no honour in what they did, there was no virtue in what they did and it was not of a high character. They shouldn't have done it. And, you know, I think Manitobans are fairly forgiving. I think Manitobans will forgive quite a bit.

But the thing is, is they've not seen any remorse. In fact, we see members opposite, the member for Burrows (Ms. Wight), she thinks this is a great thing that we trash honour and virtue and high standing of character. We see other members flee out of the building when there are people that want to speak to them, their own constituents.

The member for St. Norbert (Mr. Gaudreau), did he have the courage to go out and speak to his constituents? No. In fact, they went quickly and as they heard the protest they shut the windows. You know, it reminds me of Marie Antoinette when they—when people were protesting they didn't have bread. She said, well, then, let them eat cake. That's exactly where this government's gotten to. They are so out of touch. The royalty, the NDP royalty of this province has gotten to the point where when they hear

protests—I can see members of the NDP in their office: what's that noise? It's disturbing.

**An Honourable Member:** Shut the window.

**Mr. Schuler:** Shut the window. Shut the windows. I don't want to hear that kind of noise. That's the Marie Antoinette of the opposite benches of the NDP. They don't even—never mind don't want to even speak to individuals. Like the member for Thompson (Mr. Ashton) said, oh, no, we speak to lawyers. No, they don't even want to speak to members opposite. They don't even want to hear them. They would rather it just go away and let the NDP rule. Let them govern the way they want to.

Well, we've learnt today, even from question period, that the courts have said that you also have to live by the law, and we know that the electorate is disappointed. They were let down by their government. They've been let down by their NDP politicians, and it's not just the courts; it's the public. It's—group after group, whether it's the business groups, and even, I would suggest, that there are union members who disagree. In fact, I have gotten emails from individuals who are union members who disagree with the government.

I spoke to an individual, long, long-standing New Democrat, used to work at the Union Centre—in fact, he used to clean for the Union Centre. I went to his home in The Maples and spoke to him and he said the problem with this is when you go to the register and you go to pay for something, they don't say, oh, so, um, how much do you earn, and then we'll decide the PST.

Oh no, no, no. The increase in PST is—affects as much the individual who is on bare minimum income, who's below the poverty line. They have to pay the PST as much as anybody else.

This PST increase hurts the working poor; it hurts the middle class; it hurts all Manitobans. And the thing is, is that it was the NDP got elected by misleading Manitobans. They lied to them. They bring in something that Manitobans know hurts them, and it hurts some so terribly that we've had—I've had emails coming in where individuals have said to me, you know what? If you fight this—if you fight this and fight it hard, you know you might be the recipient of my first-ever Conservative vote.

They are unhappy.

And I would say to members opposite, in closing, you know, perhaps an apology, perhaps if

you went out and said, you know what? We're sorry, the NDP shouldn't have lied to the public. The NDP shouldn't have gone out and campaigned on a lie. We were wrong to do so.

Where—you know, for whatever reason, and the reasons change like the weather on the prairies, why they actually raised it—it was flooding, and now the minister, the member for Thompson doesn't get up and give flood reports because there's no foreseeable flooding so far. And the list goes on and on and on of why they raised it. They haven't even come down on one particular reason.

But let's say they give a reason. The least they could do is go to the people, go to Manitobans, stand on the front Legislative steps, talk to the people and say, you know what, I, as the member for the Burrows, or I, the member for Radisson (Mr. Jha), or I, the member for Southdale (Ms. Selby), or St. Norbert, or Kirkfield Park or Assiniboine, I'm sorry. We shouldn't have said that. We should have known better. We should have shown honour and virtue. We should have shown strength of character and went to the people and said we will have to raise the PST, instead of saying one thing during an election and doing another thing afterwards.

That's why there is such a disconnect between the highfalutin, out-of-touch, royalty-inspired NDP and the people who put them there who would like to have a political party that would actually stay true to their word.

I close by saying was the PST increase, the NDP big lie, was it the highest standard of character? No. Did it show integrity? No. Did it show honour? No. Did it show virtue? No. The NDP have failed on all of these.

I thank the member for Charleswood (Mrs. Driedger) for this amendment.

**Mr. Blaine Pedersen (Midland):** Mr. Speaker, and speaking to this amendment brought forward by the MLA for Charleswood, and this amendment to Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act, otherwise known now as the NDP slush fund because that's really what it's about.

They've—they dodged around trying to say what this hike in taxes was for. First it was for floods, and then it was for infrastructure. Now it's for re-announcing schools that were announced three years ago, and I'm sure there'll be many more ribbon cuttings, and those ribbons will come at the expense

of our children and grandchildren, but that's the way this NDP is.

\* (16:00)

And the spendP has no respect or regard for the impact that these taxes will have on Manitobans and Manitoba families, Manitoba seniors, homeowners, home buyers—the effect that this will have when they are trying to buy a house in Manitoba. It'll be a huge—and I can only reckon this, Mr. Speaker, I can't—about trust.

And back in a previous lifetime when I was farming and we did a lot of business over the phone. In fact, I had one customer out of Ontario that I did business with for two years by phone and by fax. It was two years before I actually met this person in person. And it was a trust. He trusted me; I trusted him. And that's how we did business.

Now, I don't think anyone, after what they've seen from this NDP government, from what they told people during the 2011 campaign, that we will not raise taxes; PST hike is nonsense.

And now when they see what's really happened, the \$500-million increase in taxes and fees just in the past two years, taking away the taxpayer protection act, which is what they're after here.

And there will be many more tax and fee increases in the years to come because this basically gives the spendP the licence to go ahead and raise sales taxes every year for the next number of years, however long they can get away with it.

And they're counting on Manitobans having short memories on this, that they will forget about this come the next election, that people will just suck it up and forget. And somehow that \$1,600 per family will just—won't be an issue for families, that it becomes down to where it won't even be a staycation any more, never mind a vacation.

The single mom, sitting there at the table with her bills in front of her and trying to decide which bills she can and what she can't pay, because she won't have a choice. The taxman in Manitoba, the Finance Minister, is going to have first dibs at her paycheque and at every purchase that she does. And families will have to decide whether those—whether the kids can actually be in sports or in any program, anything that will cost them money. And it's not just the cost of the program, it's the cost of the gas to get there, the cost of travel. It will—everything is affected by this.

And I think that the spenDP has decided now that Bill 20 is the referendum for them, that they will just have a majority in here, and any poll that—if you want the right answer to a poll, you ask the right questions. So they're asking themselves: Should we get rid of the taxpayer protection act? And by the looks of it, 37 of them are going to be unanimous in this in saying that we'll get rid of this. Don't ask Manitobans, don't go out and ask Manitobans. We don't have time to do this. We don't want—and obviously you don't ask a question that you don't want the answer to. *[interjection]*

Well, they'll have a million reasons why not to do it, which reminds me of the vote tax, that they need the sales tax increase to pay for the vote tax. And if you break this down, a million dollars to the spenDP, to a vote tax, in the next—over the next four years, that's \$250,000 a year. Every one of these NDP members, front bench, backbench, every one of them, is going to take \$7,000 every year out of the pockets of Manitobans because they're too lazy to go out there, or maybe they're too afraid to go out and ask for funds.

I can understand maybe why they wouldn't want to go to the door, or go to some of their supporters because some of their supporters were at a rally on Thursday night. Former supporters, I should add, were at the protest. And I'm sure that it's bad enough that they're going to get an earful from their former supporters, but they're certainly not going to go and ask them for money. So, much easier route: just tax them. Take it by the back door. That's how they operate. They go out the back door here on Thursday. They go by backdoor taxes. That's how they operate. The taxpayer protection laws were there—or they are there and they still are there, and they're there to safeguard Manitoba families from governments like the spenDP.

They didn't mention this in their campaign, and then when they announced this in the budget they tried to say this is for infrastructure. But upon closer inspection the—a group of mayors got together last week. The Winnipeg Chamber of Commerce, Business Council, heavy construction have all stated that this PST increase without a referendum is not what they were asking for and is not going to go towards infrastructure. Everyone in Manitoba now realizes that this is the NDP slush fund to do as they want, not what Manitoba wants.

Mr. Speaker, this—getting rid of the taxpayer protection act the spenDP will be able—it gives them

carte blanche in order to go out there and raise sales taxes each and every year from now on. A \$500-million increase in taxes and fees in the—in last year and this year, and they're still going to continue to run a \$500-million deficit on an annual basis. So they're spending a billion dollars more and we're not getting anywhere. Not only that, they're going to go out and borrow over \$2 billion for this coming fiscal year, and that is before interest rates start to climb.

And I realize that memories are short. When you want to have memories, short memories, it is possible to do that. But I would remind members again that while I hope interest rates never hit that 20 per cent, 20-plus per cent as they did back in about 1981, even a 1 or 2 per cent increase in the cost of borrowing is going to hit Manitoba very hard. And this is money that has to be paid before any services are provided to Manitobans. Because when you borrow money you have obligations, and these—this spenDP government has been very good at borrowing money, and our children and grandchildren will be on the hook to pay this. No wonder the young people today look to other provinces or other jurisdictions to move to in order to have some money left in their pockets before the taxman takes it all.

This is the largest tax increase by this spenDP. It's the largest increase in the PST since 1987, and I know that this government loves to go back and reference earlier generations, earlier decades, but maybe they should go back to 1987 and see who raised the PST then and what the conditions were then. But we'll be paying over \$383 million more just in PST alone on an annual basis. Then you add the tax and fee increases, the fee increases that this government imposed over the last year: home insurance, vehicle registration. The list goes on and on of how they've increased fees and expanded the PST, and this comes out of families' income. This comes off the top, \$1,600 a year in taxes and fees for one family alone.

So Manitobans, you know, we have the dubious distinction that we have lower taxes than Québec. But I don't know, when you're always aspiring to be to the bottom, that's not a good place to be. We will have the highest PST in western Canada. Saskatchewan's rate is 5 per cent. I've talked to many of the municipal people along the Saskatchewan border in the past couple of weeks. Without a doubt, they're all telling me the same story. This is bad news for the business community in—within their

communities. Great news if you're—happened to be doing business in towns like Yorkton and Moosomin and Estevan. You know, there's no doubt—and the problem is you just don't go across the border into Saskatchewan for one item. When you go there, you will buy lots of items. You will do your complete shopping, and that's what hurts our local communities.

\*(16:10)

I think it's—you know, it's even a sad thing; now gas is cheaper in Saskatchewan than in Manitoba. And if you're on a—if you're on the lowest common denominator here, your race to the bottom, you're certainly doing it very well here. And this doesn't help our province. This doesn't build on our province. It doesn't give people incentive to do business here, to start a business, to raise their families. The seniors that we have in our communities now are faced with the dubious distinction of having to go out of province to visit their grandchildren.

I am one of those grandparents who, if I want to go see some of my grandchildren, I have to go to Edmonton now. And so—there's job opportunities there for my son and his family. *[interjection]* And when I—well, you know, I heard someone say I probably scared him away, but when I talked to him, and I said, you know, how about coming back to Manitoba? And then we play out the scenario. Well, first of all, you have to have a job, and you have to have a house. And he needs to have that—not a subsidy, but he needs an incentive to come back, and that incentive would be a tax because he would end up with more taxes in his pocket for his family—or less taxes—so he'd end up with more money in his pocket. He would need a job to come to and, you know, I just can't argue with him right now that he'd better stay put where he is because he's doing better there right now.

So we have this—and, obviously, this is just a precursor to what's going to happen because now they—with taking away the taxpayer protection act, sky's the limit for this government now in order to raise taxes again. And when we go into—and, again, I—just where—there is no direction coming from this government as to where they—how they will save money. There's only—the only signs we're getting is how they're going to spend more money.

They try to blame flooding, and flooding has become the excuse of the century for this

government. They try—we had significant flooding in 2011 and significant damage to many homeowners, to cottagers, to farmers around Lake Manitoba, and yet the compensation that was promised—and the Minister of Finance (Mr. Struthers), who was the minister of Agriculture at the time, standing in that hall and promising people long-term compensation. And it's sort of like he was standing there with his fingers crossed behind his back because, well, I didn't really mean to say that. But people took him at his word.

We like to take people at their word. We like to believe in the honesty of people, but this government now has just hit another new low in terms of, well, my word means nothing—goes back to their flood compensation promises; it goes back to their not raising the PST fees. They blame—they claim their billion-dollar deficit was caused by fighting the flood, and, in fact, only 40 per cent of that deficit was flood related. So where is the other 60 per cent? The majority of the deficit was spendDP mismanagement and vote buying.

In 2012, the spendDP blamed the \$184-million tax hike on having to pay flood compensation costs. We know that that's not true. And I think it's time that the 192 spinners began to—we need to get these 192 government spinners out of this building and out in there and start facing the people that they've been trying to spin this to.

This year, I believe it was the first—now was it the first two or three pages of the budget that were—at least the first two pages of the budget were dedicated to talking about the potential flood and flood of 2013, and that's why they had to raise the PST immediately. They not only missed the mark on this, they've deliberately misled people.

And back in—but in the reality of 2013, the budget books show the amount of capital spending, plan for water-related infrastructure—this is for the coming year—is actually down \$11 million from the budget of 2012. So they're actually going to spend less on water-related infrastructure this year—coming year—than what they spent last year and they didn't come close to covering their commitments even last year.

And even the Premier (Mr. Selinger) admitted last week that no new flood protection can be built this year because the spendDP has no shovel-ready projects. They're not ready to build the dikes in

Brandon which were promised a long time ago because they failed to complete the required engineering and environmental work.

They—the secondary exit, channel out of Lake Manitoba is no close to happening despite pleading and almost begging from those around Lake Manitoba, who were flooded and who continue to face flood threats have been asking for this channel to be done.

And I was talking to one of the ranchers up in the Interlake who actually knows where the—knows the area very well where this proposed channel is supposed to be built and he traps out in there, he knows the land, he's been there, he's walked the land. And he says it's not a big deal to build this secondary channel.

Now we know that they haven't completed work on their emergency channel last year, but, people, get with it. You can't continue to promises, you can't hope that this will never happen again, promise that you'll spend money on it and then hope it doesn't happen and continue to go through the years like this. This is just not—this is mismanagement in the worst degree. And it's not only mismanagement of capital funds, it's playing on people's emotions and that's what's really tragic out of this government.

Now we know that the PST is not going towards flood mitigation—the proposed 14 per cent increase in the PST—we know it's not going towards flood mitigation, we know it's not going towards infrastructure because the mayors were quite clear about that last week. Their obligation is to build schools and hospitals, but they've got one on the books from three years ago that they are now reannouncing and reannouncing. So we keep asking so where's this money going? And I firmly believe it's going into an NDP slush fund to be used in the next election to try and buy votes away from their bad decisions.

Yes, we'll do the—

**An Honourable Member:** It's the slushie fund.

**Mr. Pedersen:** It's the slushie fund. It's not the Slurpee fund. It's the slushie fund.

**An Honourable Member:** That went to the criminals. That went to the criminals.

**Mr. Pedersen:** Oh, that's right too; the Slurpee fund was for the criminals, I forgot about that so we'll work on that.

So, really, we have to wonder where this money is going—well, pardon me we already know that a million dollars is going into a vote tax for themselves. Put your priorities straight, we know that their priorities are straight. It's about a vote tax, it's about paying themselves; each of these NDP members sitting across here will each get \$7,000 a year for sitting down and doing absolutely nothing, courtesy—courtesy—of the Manitoba taxpayer.

\* (16:20)

And that's—we already know—so we know where the tax—where their priorities are. Now we didn't—we rejected the vote tax the last time it came through, we've rejected it again; we embarrassed the NDP into not taking it the last time. So where are they this time? Have they—we haven't—I don't believe we've actually heard them saying they're not going to take it, so we can only assume that they'll take it. In fact, given their record, probably if they say they're not going to take it, that probably means they are going to take it. To just sort of—it's code these days: we're not going to do this; oh, underneath we're going to do that. So there we go.

But you know—and I'm sure that with more tax revenue they'll hire even more communicators to spin out the excuses. That's—they've increased a number of spinners by 60 per cent since 2000—since the year 2000. They cost Manitobans over a million dollars a month for these communicators, and I understand why they need that many communicators. By the time you get your story straight, you're going to need even more people in there to—in order to keep your story straight, because you keep—the story keeps changing every day, so I understand why you would need that.

They would—the spendDP would rather raise taxes from hard-working Manitobans than look at their own operations on how they can spend money more wisely. They're against a complete and transparent spending review: Don't want to do that; don't want to see where the money is being spent there. I'm not even sure they know where the money's being spent; it's so out of control right now. But I think Manitobans would be very interested in knowing where this is, and transparency would be a very novel item for this government.

So, if they can't provide spending—a clear proof of where they're spending this, they continue to raise taxes, so they're not interested in balancing the books. It doesn't look like ever they're going to balance the books. They're going to continue to not only run higher deficits, borrow more money, because, once they get rid of the taxpayer protection act, they then have no legal obligation to go back to the Manitoba taxpayers to see whether they are, in fact, spending wisely, whether they have the Manitoba taxpayers in mind.

Mr. Speaker, this—we're headed on a very bad path in Manitoba with our deficit—current deficits. With our increased debt, we are not competitive with other jurisdictions.

They've—they used to raid Manitoba Hydro. They've messed up Manitoba Hydro so bad now that they can't even do that anymore. In fact, in 2003, they raided \$203 million just to balance the books. Well, I don't think you're going to be able to do that this year, because the last projection that I saw—and I certainly hope I'm wrong—but the last projection I saw was that Manitoba Hydro was actually going to lose \$60 million this year.

Well, you know, I—and it's—all right, I just have to—we're selling power at a loss into the US. It's—cash market's around 3 cents. It's costing 13 cents for new generations, so we're losing 10 cents a kilowatt. So now the NDP's solution to that is, sell more power into the US.

**An Honourable Member:** Imagine that, selling more power into the US.

**Mr. Pedersen:** At a loss—at a loss—selling power at a loss. So you're going to generate more power, and you're going to sell at a loss.

Apparently, the NDP is—you know, and it's not—you can disagree with us about economics and I—we can appreciate that, but it's not just us. It's the Public Utilities Board. And then, on top of that, apparently, the NDP is not aware that we have a natural gas market that has a glut on it, that there's very cheap natural gas, and the generation from the—power generation from this has really cut into the power prices being paid south of the line. So now power prices have dropped. On top of that there's—I believe there's something like 2,500 megawatts of wind generation happening down there that the NDP's apparently not aware of but—so I don't know how they're going to balance their budget. They won't be

able to raid Hydro anymore because Hydro's going to continue to lose money on—because it's being run by the NDP, and then so what are they going to do for—how are they—will they ever balance this budget?

And, in fact, this Bill 20 actually changes a lot so that if there is a loss of a net income on Crown corporations, it doesn't affect the core government deficit. So, in other words, if a Crown corporation is losing money, oh, we won't use that in our core—against our core government balance. But I'm sure that if Hydro happens to make money or Lotteries and liquor or any of the other Crowns, MPI happens to make money, they will add that to their bottom line then.

It's kind of a neat way to have it. You can have it both ways. If it's not good for you, don't use it. If it's good for you, then you can include it. So it's—it really is very straightforward legislation in that—by that means is that they're playing the best of both worlds, and we—again, they have absolutely no intention of balancing the budget by 2014. There's no way they can do that because if we're into 2012-2013 and still projecting another \$500-million deficit—\$500-million-plus deficit there is no way that they can balance it in the following year unless, of course, they're going to use more sales tax increases, more fee increases, and that we know will continue to affect Manitobans, and it'll affect the bottom line. Now \$1,600 per family can only grow in terms of what it costs each and every family.

So—and they're also, of course, not taking into account of what's happening in other jurisdictions, whether the transfer payments will be affected, equalization payments will be affected. They are not paying down any debt now because Bill 20 eliminates the requirement to pay back government general debt. So they won't even pay back debt; they'll just continue to add to it. And that's not how people—ask any person out there—is that how they actually run their own business? And it's not. And families sitting around the table trying to decide whether to pay—how to pay bills can't say: Well, we just won't pay any of our bills; we'll just increase our income. And that—we're not like governments; we can't just impose taxes on other people.

So, Mr. Speaker, I would really suggest that this spend government needs to take a grasp of what's happening both here in Manitoba and around in other jurisdictions. We need to be competitive with other people, and with this Bill 20 we're just setting

ourselves up for further disaster. And that's why this amendment should be supported by all members of this House.

**Mr. Cameron Friesen (Morden-Winkler):** It's my pleasure to stand in the House today and put some words on the record in response to the amendment introduced by the member for Charleswood (Mrs. Driedger), and it's my pleasure to support that amendment, this very necessary amendment that would bring some sense to this debate we're having on Bill 20 and this very discouraging piece of legislation that Manitobans were completely surprised by, that Manitobans were shocked by and that Manitobans continue to put on the record that they are angered by. And it's that kind of response that we are proud to stand today and speak about to bring the voices of Manitobans into this Chamber and to talk about the reasons for their resistance to this plan. A plan that this government has the nerve to call—when you look into the bill itself, it talks about this being a reasonable bill that would talk about reasonable funding going forward, but this bill is anything but reasonable. It talks about it as being a sustainable funding source in support of investments in Manitoba.

\* (16:30)

And, Mr. Speaker, this afternoon I welcome the opportunity just to speak for a few minutes and—to indicate in strong terms why it is that this bill, in fact, is not—does not provide a sustainable funding source in support of investments in Manitoba, that, in fact, it goes in the opposite direction. It actually puts at risk so many things that Manitobans hold dear and—their lifestyle and their ability to pay their bills and get on with life and create a future for them and their families.

So, Mr. Speaker, like I say, I'm pleased to be able to put some words on the record this day to talk about this budget that the government has introduced and to talk about this bill in particular that does nothing but increase taxes for Manitobans. It gives them no degree of confidence that this government is, in fact, doing their job of attending to the economy, attending to a structural deficit created by years and years of overspending and fiscal mismanagement. It does nothing to produce in Manitoba—in Manitobans, a confidence about their ability to carry forward an agenda and create the conditions in this province that would see businesses succeed, that would see young people remain in the province to not only do their schooling here but to

remain here and start a life, that would give the kind of confidence to industry and corporations that would see them return to this province, and, indeed, we have seen so many of them leave.

People make the comment in this province that where we used to have a province that had head offices, we now have a province that has regional offices. And there is—there has been an exodus of groups leaving this province, saying Saskatchewan looks better, Alberta looks better, BC looks better, Ontario looks better. And it's the responsibility of this government, of course, to create the conditions that would see those companies, those industries, express confidence. And, Mr. Speaker, that's what I think, with respect to this bill, that this bill itself does not demonstrate the kind of confidence—it does not demonstrate, like I say, reading from the bill itself does not provide a sustainable funding source in support of investments in Manitoba.

Like I said, Mr. Speaker, Manitobans were surprised; they were shocked; they were angered to learn about this government's plan to hike the PST to 8 per cent. They were surprised and angered by Bill 20 and the way it would accomplish that by skirting, by circumventing, by going right around, like the Perimeter Highway, going right around the referendum that is in place by law exactly for the reason so that Manitobans could express an opinion, that they could have a voice, that they could give fundamental feedback to the government about whether they would support such an action or whether they would oppose it.

And, indeed, the amendment introduced by the member for Charleswood today exactly declares that because this House has not received satisfactory evidence or assurances that an increase to the PST was either considered or recommended at the government's prebudget consultation meetings, and it's exactly this frustration that Manitobans are now expressing, that they are having their democratic right to respond to this government's plan removed, revoked, circumvented, gone around. And it's something that they are not taking lightly.

If the emails and the faxes and the phone calls at my own constituency office are any indication of the kind of opposition that Manitobans are voicing throughout the province to this bill, Bill 20, then, Mr. Speaker, I think that this government has underestimated the public. They have underestimated the resistance of Manitoba to the second—to the

largest tax hike, followed directly on the heels by the second largest tax hike, in years and years in this province.

And, in fact, there was a promise made to Manitoba. And this afternoon, colleagues of mine have stand–stood one by one to indicate that there was a promise made to Manitobans.

And the member for Midland (Mr. Pedersen) just stood before me and talked about the promise made to Manitobans. It was a promise that was made at the doorsteps. It was a promise that was made in the debates and in the forums and in the consultations, and in the coffee shops, in the living rooms, of the people there. That promise was clear. It was direct, it was unequivocal, and it was this: it was to say to Manitobans that we would not raise taxes. And, as a matter of fact, that Premier (Mr. Selinger) and that party made the 2011 election a test of whom Manitobans could believe would not raise taxes.

And I understand that in this place there could be members who have been here for a long time, and they've heard many arguments, and they've sat in on many debates, and they've heard it all, and they've seen it all, and it might be old hat. But I have to say, for those members, both on my side of the aisle and for those members who are new in the seats across the aisle, it must have been a tremendous shock to those members as well. Not just to the members on this side of the House, and not just to the constituencies that we represent, but also to the members in those seats on the other side of the Chamber, who were new to this place, who were new to this enterprise, who came here from another pursuit, and chose to run for a nomination, and ran a good campaign, and won that nomination, and then took the good word of their leader and their party, that said: Don't worry. We've got your back on this; we are not raising taxes, you can believe it.

And they took that word to those doorsteps, and into those public meetings, and into those coffee shops. They said: Don't worry. We're not the party who will raise taxes. And I think how uncomfortable it must now be for those members from those constituencies to go back into their constituencies on the weekends and in the evenings, because we all have events and we all have things that draw us back to our constituencies. Indeed, it's our role to be there. How uncomfortable it must make them to go back into those places and know the opposition that they will face. Not just from us in this Chamber, not just

from the PC Party, not just from those third-party groups who have gotten up to speak out against this government's plan, but from their own voters, from their own constituents, from their own supporters. People who have supported them with a commitment to volunteer for them. People who have gone door to door for them. People who might have supported their campaigns. That must be an uncomfortable place for the member for St. Norbert's to be in, to have to go back on the weekend and have to face those people.

And, Mr. Speaker, it is—it must be tremendously difficult for them to go back and face the wrath of those voters, and I imagine there would be considerable opposition in those places. People who supported and now are rethinking the wisdom of that decision and who are perhaps contemplating these things in a new way. Turning this thing over again and looking at it, and saying: It is not too late, and, maybe going forward I should be sending a very different message. And, indeed, some of those people have been contacting MLAs on this side of the Legislature and saying: I've never voted for your party, but I am strongly thinking about it going forward because this is a betrayal.

And, Mr. Speaker, I would be clear: this is a betrayal and one that should—that cannot sit comfortably with the new MLAs in the Manitoba Legislature, even on that side of the House.

The background we know, Mr. Speaker, has been clearly spoken about by members and colleagues of mine. The background is this: that last year, exactly at this time, in Budget 2012, this same government went and raised taxes on gasoline. They raised the price of MPI vehicle registration fees. They raised hydro rates for Manitobans. And then they expanded the RST to include such things as home insurance policies for homeowners, they—and for business people who are renting spaces and owning facilities. They expanded the RST to include haircuts and personal services, and many other areas. And it was a very successful tax if your intention was, indeed, to create new taxes. I would say in that, they succeeded. They succeeded to the tune of \$188 million in one fell swoop. Taking \$188 million more out of the pockets of Manitoba taxpayers and ratepayers. And the difference last year was this: it was a less visible tax to Manitobans. There was, to a certain degree, a tax there in place that came from all sides, that hit Manitobans here, there and everywhere. It was difficult to say, at one time it was

going to cost me this much to pay for this next tax grab by the NDP party.

\* (16:40)

No, I received phone calls from constituents who opened up the mail in July and found their home insurance policy and said—they would phone the MLA and say: Do you know what I just discovered? I just discovered that my broker raised the insurance rates. And I would tell them: No, actually your broker did not raise the insurance rates and neither did the insuring company raise their rates of insurance. No, actually that was the ramification, that was the working out of this government's tax grab in the budget. But it was successful in that it was difficult to focus attention on all those tax increases at one time. They were here and they were there and they were everywhere, but, then, when the government ran out of new things to tax, that led them to these new taxes. And, Mr. Speaker, the taxes that we now see, well, they exceeded a hundred and eighty-eight million dollars. As a matter of fact, those taxes amount to \$227 million in this first abbreviated fiscal year.

So, when you add those two taxes together, we are well in excess of \$400 million. By the time it's all said and done, it will generate for this government, in the space of just 12 months, an additional \$500 million being removed from the wallets of Manitoban families, young families, seniors, business people, entrepreneurs, working people, the working poor. And, the message that we continue to receive—and I know it's a message that my colleagues on the other side of the Chamber are receiving—is that it is too much. It is too much to bear for Manitobans. It results in financial hardship. It causes individuals to contemplate again the reasons that they remain in this province. It chases our young people away. And in as much as the Manitoba Provincial Nominee Program has been a very successful program in this province, and I would remind my colleagues on the other side that it was a program that started in the city of Winkler. It was brought forward by an individual who said: I've got this great idea, and I think it's an idea that would bring new people to the province. It was an idea that was championed by members on this same side of the House, and it was designed and implemented and it was successful. But I would caution you in this, Mr. Speaker: The success of the MPNP program does disguise, to some extent, the extent by which young people continue to leave the province of Manitoba. It has been successful in my own

community at offsetting the loss of young people to places like Saskatchewan and Alberta.

And we know because we hear these testimonials all the time. Students who come back to me and I say, what are you studying? And they say, I'm studying such in—I'm studying in such a program. And I say: And what will you do after graduation? Well, I would love to move back home, but I'm going to have to go elsewhere. I'm going to have to go elsewhere. I'm going to have to look elsewhere for employment. That's not the message that we want to send to our young people. But it is, indeed, the message that a budget like this sends to Manitobans.

This is not a budget that is focused on what matters most to Manitobans. This is a budget that is focused on making it more difficult for Manitobans, for young people, to establish here, to say: I am confident that this government is creating the conditions within which I can succeed as a young person in my trade, in my profession. I can raise a family; I can pay my bills; I can get ahead. That's not the message that this budget sends. It's not the message that Bill 20 sends.

Mr. Speaker, I want to go on and I want to speak for a bit about the fact that I had mentioned that the last set of tax increases, the expansion of the tax last year, was less visible, but this tax increase is visible. And I think it is equally visible and offensive to Manitobans because there is very little you can do to disguise the big eight on the receipt—of every receipt you receive. Whether you're at Canadian Tire or Superstore or Home Hardware or in your local store, you are going to the till, you're coming back with that receipt, and that receipt tells you that's what I paid for the good—oh, but look what I actually paid to the government just to buy the same product that I could have bought for less only a month ago. And that is something that I think will make it very difficult for Manitobans to erase from their memory. They will constantly connect the action of that government and the hit in their pocketbook. I think that the government and this Finance Minister has been slightly less successful this time around in terms of being able to mitigate the effect or to disguise the extent to which Manitobans will feel the effect, will bear the brunt of this increase. The big eight will constantly be in their mind wherever they go, and, indeed, it will have the opposite effect. I could just hear some of the members chirping from across the way. It will actually work to cause Manitobans to keep that wallet in their pocket. It has that effect.

Or it may have another effect indeed. And I know it might have the effect of causing Manitobans to take their dollars elsewhere, and I can tell you, Mr. Speaker, in all sincerity, that the people who contact my office send me that message: this is a decision that will drive me to cross-border shopping. This is a decision that will drive me to do more online shopping. This is a decision that will drive me to Regina and Saskatoon and Yorkton to do more spending there.

It's the wrong message to send. We know that the best indication, that the best indication of the health of an economy is available money for spending in the pockets of consumers, and the extent to which you jack up taxes, you remove the ability of consumers to spend money. But you do far more than that. You do far more than that because you also take a tax like this and you foist it upon Manitobans who do not have all of that ability to spend, to generate the economy, to go into those stores.

We're not talking about wish lists and new sets of patio furniture and a new barbeque now that the weather warms up. We're talking about the Manitobans who are the working poor, the ones who are just getting by. And do not think that those people are only single individuals who are emerging into their trade or into their profession. Those Manitobans include seniors. Those Manitobans include the working poor who just do not have that ability to get that next raise at work, because even though the taxes keep going up, even last weekend in a conversation with one couple that I met, they remind me that their income is not going up at a level that is equal to the tax that the government is bringing down on their head.

Mr. Speaker, I would remind you as well, I will remind this Chamber, that the taxpayer protection act was exactly that piece of legislation that was contemplated. It was drafted. It was debated right here in this Chamber, and it was passed in order to give Manitobans a voice. And it's exactly that document now that this government would go around, that they would remove that layer of accountability. They would remove that voice of Manitobans.

They say we don't have the time to consult in a referendum. We don't have the money to consult in a referendum. We don't have the will to consult in a referendum, and so they want to run ahead. They want to race ahead. They even say now that they will race ahead, and the Minister of Finance (Mr.

Struthers) has clearly said that his plan is to implement the 8 per cent tax effective July the 1st. The only problem, Mr. Speaker, is that if the bill itself was not passed by July the 1st, this government would find themselves in a precarious position. And that position would be that they would be implementing a tax hike while there is still taxpayer legislation on the books in this province that prevents a government from implementing a tax hike. So the government is going to find themselves in a position, a very unpleasant position of trying to explain to Manitobans how it is that they are breaking the law and indicating they are going to go ahead and implement the tax increase without actually addressing the legislation we have in place in this province that says you cannot do it without the voice, without the opinion of Manitobans being gauged and being measured and being recorded and brought to bear on the actions of this government. And that cannot be a comfortable place for those members to be in right now as they think about the implications of this.

And, you know, Mr. Speaker, it's not a one-time thing. We know this exactly has been the attitude of this government to not consult, whether we're talking about the Minister of Health's (Ms. Oswald) refusal to consult third-party, faith-based groups with respect to new legislation she brings in in Bill 6. She doesn't want to consult them. She brings in new measures for CEO selection and CEO remuneration. That is an issue of consultation.

\* (16:50)

We also know when it comes to things like hydro expansion they're not consulting Manitobans. When we think about the Minister of Education (Ms. Allan) and asking MAPC, the Manitoba association for the parent councils, to issue a statement in support of a bill of hers, even then, we find out that MAPC comes back and says, we were not consulted—we were not consulted. Actually, as a matter of fact, I don't think we want to issue a statement in support of your bill, because the minister failed to actually consult us.

So, Mr. Speaker, coming back to this, here's what's clear—here's what's clear. What is clear—I want to be clear to all members—is that Manitobans, in lieu of the fact that the government is quick to remove their right to speak on this, Manitobans are actually speaking out. And they did last Thursday when they came here in droves, in large numbers to gather in the front of the Legislature and send a message that it

is inappropriate, that it is a breach of trust, that it is not right for the government to go around the convention of the referendum. And, indeed, instead of coming out the front doors and joining with those throngs of people, instead these members chose to scurry out the side doors and scurry out the back doors and get in their cars and slink down in their seats and quickly drive away with a hat on their head rather than face their voters, rather than face their supporters.

And Manitobans also continue to speak up by signing petitions and, Mr. Speaker, I have to report to you—I know you would be pleased to hear this—that just this afternoon, I got a message back from my constituency assistant, and my constituency assistant said, I cannot believe the traffic in and out of the door of the constituency office all week long and all month long—not only constituents coming by to sign the petition—no, they're coming by to ask if she could please run the photocopier so they could collect petitions and go to the coffee shops and go to the personal care homes and go to the post office and go to the friendship centres and the seniors centres and get those petitions signed.

And it has been my pleasure to stand and actually recognize the names, and I'm saying, wow, that's another signature of a Manitoban who is asking, what can I do? What can I do to send a message to this government, to this Finance Minister, to this Premier (Mr. Selinger), to the members for this constituency and that constituency? And that is such an important thing for people to do: to actually take up that right, that privilege to have their voice expressed. It's exactly that democratic process that this government is so quick to trample on, but one that they will uphold by making their voice known in appropriate, in courteous, in respectful ways—exactly the kind of qualities that this government has lacked. Because we know that they sold Manitobans a bill of goods and then they stood away from that pledge they made, and that is not a mandate that this—that Manitobans will accept.

Mr. Speaker, they told us that this PST hike was for flood mitigation, and then we uncovered that in 14 budgets and over \$116 billion of expenditures, only 0.18 per cent had actually been spent on flood mitigation—less than 0.5, even when you include the floodway.

And then they said, well, we changed our mind. It's actually for infrastructure. And then the mayor for Morden and the mayor for Winkler and the

mayor for Brandon and the mayor for Winnipeg and many other mayors stand in solidarity—and the mayor for Steinbach—stand in solidarity and with one voice, they declare, actually it's not for infrastructure, because they won't actually disclose—they won't make transparent the list of projects. Those mayors said, make transparent the list of projects. Hold it at arm's-length. Allow there to be a measured adjudication of your spending on all the revenues generated out of that one-point increase to the PST, but this government will not do it and they have not done it.

Instead, they run back and say, okay, well, it wasn't really all that much for infrastructure. It's for hospitals and schools. The problem is that is—it is the sacred obligation of that government to build hospitals and to build schools, and so they stand up and they say, well, we're going to build Sage Creek school. The problem with that statement, Mr. Speaker, is that, if they go back and check Hansard, they said it before. As a matter of fact, it turns out, they said it quite a few times. Sage Creek is not a new project; it's not a project that floated down from the clouds. As a matter of fact, that community has been calling for this government to build a Sage Creek school for years.

Now, they will sell a message to Manitobans that says, unless you support an 8 per cent PST you won't get your school. You won't get your hospital. You won't get a daycare. You won't get that bridge. It is the obligation outside of tax hikes for a government to do these things. And here's the actual story. Saskatchewan, isn't Saskatchewan building schools? Isn't Saskatchewan paying for health care? Isn't Saskatchewan providing daycare spaces? It turns out they are. The only—what would the difference be, the only difference would be, they're not doing it through a one point hike to PST. They're just doing it. And so should this government.

Mr. Speaker, I can tell you that I represent one of the fastest growing communities across this whole province, 21 per cent growth rate in Winkler, Morden and Stanley. And there are new—there's record new housing starts; it's an economic engine for the province. And people in my constituency, my community, constantly ask: What should be the role of government in our communities? And I can tell you, that they come back to me and say, the role of government should be to create the conditions in which business can thrive and families can succeed, and they are discouraged because this government will not do it.

Instead, when it comes to Bethel Heritage Park, they do it themselves. When it comes to the Many Hands centre that has just been opened, they do it themselves. When it comes to building the new Winkler fire station, they do it themselves. When it comes to building the new police station, they do it themselves. When it comes to building new schools, they have to chase this government for years and years and years until, finally, aerial photographs reveal the embarrassment of a network, a sea of temporary huts surrounding Garden Valley Collegiate, and, finally, the minister cannot bear the embarrassment anymore and they have to proceed and say, all right, you'll get a—I believe they could even see it from the space station. They could see it from space.

And so, quite honestly, it comes to this, that is, that Bill 20 is an exercise in hypocrisy. This same government will go around the referendum requirement and they will say at the same time, well, we've got this \$500-million structural deficit created through years of fiscal mismanagement, but we're not willing to touch that. No, no. Actually, government spending is not reducing; it's going up. And that's the part that really sticks in the craw of Manitobans. There was probably a way for this government to maybe lead here and to say: It's going to be tough medicine, and despite our years of overspending we will now do something. We will lead by example.

But, indeed, they have not. They have not led by example. They have not cut government spending. They have not cut the equivalent 1 per cent of core government that this same Finance Minister said one year ago he would accomplish.

No, government spending has come up, and that is why it's so important for us to be standing up and talking about this amendment that has been courageously and honestly introduced by the member for Charleswood (Mrs. Driedger). And it is an amendment that I am proud to speak about on behalf of my constituents.

Mr. Speaker, this is about choices. This is about the government having the courage to make choices, but this government, instead of making choices, makes excuses. And it is not too late for them to relent from that. I call upon this government to support this amendment. Get the job done for Manitobans.

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

#### Point of Order

**Hon. Jennifer Howard (Minister of Family Services and Labour):** On a point of order, Mr. Speaker.

**Mr. Speaker:** On a point of order.

**Ms. Howard:** Yes, I know there are many more members that wish to speak. I would—I ask you to canvass the House to see if there's will to not see the clock until we've disposed of this amendment.

**Mr. Speaker:** On the—I'm not sure I can deal with and ask the House for leave on a point of order, so I've asked the honourable minister, perhaps, to stand up and ask if the House would provide leave for that.

**Ms. Howard:** Will the House provide leave to sit, to not see the clock, until we've disposed of this amendment?

**Mr. Speaker:** Is there leave of the House to not see the clock to allow members wishing to speak to this amendment to speak?

**Some Honourable Members:** No.

**Mr. Speaker:** Leave has been denied.

\* \* \*

**Mr. Speaker:** The hour being 5 p.m., this House is—*[interjection]* Oh, yes, I forgot. The debate will remain open for the amendment and Bill 20.

And the hour being 5 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow afternoon.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 7, 2013

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