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of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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<i>Vacant</i>	Elmwood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, October 6, 2008

The House met at 1:30 p.m.

PRAYER

ROUTINE PROCEEDINGS

PETITIONS

Air Canada

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

The background to this petition is as follows:

On September 29, 2008, the Member for Inkster stated in question period: ". . . when Air Canada was privatized, there was a moral, if not a legal obligation, for Air Canada to protect the bases here in Winnipeg."

On September 29, 2008, the Premier (Mr. Doer) responded by saying that: ". . . the wording of the law and the spirit of the law is consistent with the member's analysis that the presence would stay."

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider taking whatever action possible to keep both the Air Canada flight attendant base and the Air Canada pilot base here in Winnipeg.

This is signed by W. Stuart, L. Bourrier, T. Tschmier and many, many other fine Manitobans.

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

TABLING OF REPORTS

Hon. Nancy Allan (Minister of Labour and Immigration): I'm pleased to table the Annual Report for the Office of the Fire Commissioner for the year 2007-2008; the Annual Report for the Manitoba Women's Advisory Council 2007-2008 and the Labour and Immigration Annual Report for the year 2007-2008.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): I'm pleased to table the 2007-2008 Annual Report of the Manitoba Text Book Bureau.

Hon. Diane McGifford (Minister of Advanced Education and Literacy): I'm pleased to table the following reports: University of Manitoba Annual Financial Report 2008; the University of Winnipeg Financial Statements for the year ended March 31, 2008; Brandon University Annual Financial Report for the year ended March 31, 2008; Collège de Saint Boniface Financial Statements for the year ended March 31, 2008; the Manitoba Council on Post-Secondary Education Annual Report 2007-2008.

Hon. Jim Rondeau (Minister of Science, Technology, Energy and Mines): I'm pleased to table the 2007-2008 Annual Report for Manitoba Science, Technology, Energy and Mines.

I'm also pleased to table the 2007-2008 Annual Report for the Economic Innovation and Technology Council.

I'm also pleased to present the 2007-2008 Annual Report for the Manitoba Health Research Council. Thank you very much.

Hon. Andrew Swan (Minister of Competitiveness, Training and Trade): I'm pleased to table the 2007-2008 Annual Report for Competitiveness, Training and Trade.

Introduction of Guests

Mr. Speaker: Prior to oral questions, I'd like to draw the attention of honourable members to the Speaker's Gallery where we have with us Madam Zhu, the Consul General of the People's Republic of China.

Also I'd like to draw the attention of honourable members to the public gallery where we have with us today members of Manitoba Anaphylaxis Information Network who are the guests of the honourable Member for Southdale (Ms. Selby).

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

ORAL QUESTIONS

**Victims' Bill of Rights
Taman Inquiry Recommendations**

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, over seven years ago, on June 21, 2000, the government put out a news

release. The headline on that news release was: Manitoba Victims' Bill of Rights, a national first, says the Attorney General, and that news release said, and I quote, "Today's announcement re-balances the justice system and begins the process of ending the neglect of Manitoba victims by the justice system." The Attorney General said the proposed legislation signals the beginning of a new era in criminal justice, not just in Manitoba but in Canada. With these grandiose words on the introduction of this bill they got all kinds of great headlines and media accolades for their commitment to victims' rights under their new legislation.

I want to ask the Premier, in light of the findings of the Taman report, whether he takes any responsibility for the failure on the part of his government to follow through on the promise that was made over seven years ago to victims of crime.

Hon. Gary Doer (Premier): Mr. Speaker, I would certainly thank Judge Salhany for his report to the people of Manitoba. I would note for people in Manitoba that, if I recall correctly in the executive summary that I read this morning, he was complimentary to the two individual staff that worked in very difficult circumstances with the family members, both the husband and the other family members. I want to put on the record our thanks for their work. They, I think the judge said, went above and beyond the call of duty.

The judge did point out a couple of weaknesses in the act, weaknesses that were in the '98 act and repeated in the 2000 act, the whole area of the responsibility to consult, the fact that that may mislead or give a false impression I think was the wording that was used in the report. It may create a false impression that the word "consult" is consent when it's not. So the recommendation to amend the act to deal with the specific area of being informed and listened to, as opposed to actually having a misunderstanding on the word "consult," is a recommendation we're going to make.

The judge further recommends that we look at how we can take the existing computer information system that is available to prosecutors, who the judge argues if it was available to the independent prosecutor, Mr. Speaker, notwithstanding the privacy issues that are raised, may have been able to prevent a misunderstanding between the independent prosecutor who wasn't a regular member of the Crown prosecution team. So that is another recommendation we're going to implement.

Certainly, the victims' services act I think has over 50 people working with it and on it, and the staff that worked in that area did, as a job, an exemplary job.

I do think it raises the concern that the independent prosecutor—the weakness between an existing prosecution system and its relationship to the Victim Services Branch. The judge says there's a perception that they're too close. He says that has to be the case in terms of prosecuting an individual case but raises legitimate recommendations for the way in which it was handled by Mr. Minuk. Therefore we are going to take those recommendations and make the changes necessary.

* (13:40)

Mr. McFadyen: That sure is a different song from the one they were singing when they introduced the bill. A national first, said the Member for St. Johns (Mr. Mackintosh). It signals the beginning of a new era in criminal justice in Canada.

This is more than seven years ago, Mr. Speaker, that they made these promises when the bill was introduced. The fact is that the staff of the department did their best with the tools that they were provided, and the families were complimentary toward the staff of the department and made comments and raised concerns about the tools they were provided.

The Premier talks about the difference between consultation and consent on the part of family members, but the fact is the report found that the family members were misled, in fact, about what was going on, never mind not given a fair opportunity for consultation.

So I want to ask the Premier: Seven years ago they made the promise to respond to the needs of victims of crime. Now we know that hasn't been followed through on. They broke their promise to Manitobans when they introduced this bill that was supposed to be ground-breaking legislation. They got great headlines at the time, but, as usual, Mr. Speaker, there is a massive and growing gap in their credibility between what they say in their news releases and what their government actually does.

I want to ask the Premier whether he accepts responsibility for his failure to follow through on the promise that was made over seven years ago.

Mr. Doer: Mr. Speaker, I would point out that the Canadian Resource Centre for Victims of Crime, in 2000, identified that the provincial legislation would

be one of the most progressive pieces of victims' rights legislation in the country.

Mr. Speaker, the fact that the staff were available to the family and went, quote, above and beyond the call of duty, I think again I want to pay tribute to that work.

Having said that, the judge also states that the independent prosecutor, Mr. Minuk, a person the member opposite has commented on in the past, failed to properly consult the family. Even with the term "consult" not being changed, the report stands on its own, Mr. Speaker.

One of the reasons why we called the inquiry to begin with was because we were not satisfied with the application of justice and the standards of justice in this case based on what the judge said in the public courtroom just prior to us calling the inquiry.

We called the inquiry, Mr. Speaker, to look at every aspect of this case, the police, the prosecution, the relationship of the independent prosecutor to the Prosecutions branch. I note members opposite said a couple of weeks ago that the case was dictated by the department of Prosecutions. I would look at page 18, dealing with that issue of the Department of Justice, that satisfied in this case, Minuk made all material decisions and did not ask for approval from Manitoba Justice officials.

Mr. Speaker, the judge's assessment stands. We accept the judge's assessment that Mr. Minuk failed to properly consult the families. There was an ambiguity about families that he's asked us to clarify to deal with the direct family victim and the broader family. We will amend that. We will amend the section on consultation, but the comments made by the judge stand. We accept the fact that there were very serious concerns and criticisms made by the judge of how the independent prosecutor dealt with the family victims, and we accept those criticisms.

Mr. McFadyen: We agree that he got a lot of great media spin at the time of the announcement. Mr. Speaker, he doesn't need to remind the House of that point. He gets headlines every time he makes an announcement. We agree that staff in the department did the best they could with the tools that they were provided. Those points are not at issue.

Mr. Speaker, the fact is they made a promise to Manitobans over seven years ago with the introduction of the bill. It's clear from this inquiry they didn't follow through on that promise. It's also clear that they didn't want to have this inquiry in the

first place, and I think we get a sense of why that is today. The day before he called the inquiry, he said that the review of the East St. Paul police force would be good enough; we didn't need an inquiry. It wasn't until the Taman family went on CJOB radio the next morning and called for an inquiry that the pressure built to the point where they caved and had one.

So the question to the Premier is this: If he can't even be counted on to fulfil the existing obligations under legislation, Mr. Speaker, how can Manitobans have any confidence at all that when they introduce amendments, that those amendments are actually going to be put into practice under his government when all they do is make announcements, introduce bills, make amendments, and don't bother following through to make sure they're implemented?

Mr. Doer: Mr. Speaker, I would point out that in September of '07, we sat 19 days after Judge Wyant had expressed some concerns about the conduct of this case. We sat 19 days. The Leader of the Opposition didn't ask one question in those 19 days.

A day after the sentencing decision of the judge, we called an inquiry. We called an inquiry because we were absolutely very concerned about the way in which the case proceeded in the court. We were very concerned about the way in which the judge expressed that the plea bargain had come together. We were very concerned about what or what was not told to the family by the independent prosecutor. The judge was very critical of what conduct took place with the independent prosecutor, with the families.

We believe that the existing prosecutors in the Department of Justice and the existing department of Victim Services that deal with 1,200 cases a year, 12,000 cases a year rather, would be consistent with what the judge found, that the two staff members working directly in the Department of Justice on a normal basis with the existing Crown prosecutors, not with an independent Crown prosecutor, acted above and beyond the call of duty for the victims.

Having said that, Mr. Speaker, we called the inquiry because we knew the victims were not satisfied. We knew the public was not satisfied. We're pleased that we have called the inquiry. There's a lot of accounting to do in our justice system based on the recommendations of this inquiry, and we will proceed with the recommendations made by the judge to the people of Manitoba through amendments that we will make.

Victims' Bill of Rights Taman Inquiry Recommendations

Mr. Kelvin Goertzen (Steinbach): The record is clear that the government called the inquiry due to pressure by the public, by the opposition and, in particular, by the family. One of the things that's clear from the report that we received this morning is that the victims of the family, the Tamans and the Sveinsons, were not served well throughout this entire process. Despite the fact that the government trumpeted a victims' bill of rights several years ago, they simply didn't get the services, the information and the support that they were promised.

I wonder, in the almost 50 briefings that the Department of Justice received in the course of this case, whether or not the Minister of Justice received any briefings on how The Victims' Bill of Rights was working and being complied with for the Taman and the Sveinson families.

Hon. Dave Chomiak (Minister of Justice and Attorney General): Mr. Speaker, I made it very clear today when I received the report, I indicated that we will implement the 14 recommendations, that, essentially, the situation boiled down to five issues: an investigation that the judge found was flawed; a prosecution that the judge found there were major mistakes made; a judge who recognized there were problems; a commission that we called to identify those problems; and the implementation that we're undertaking to ensure that those measures recognized by the commission are indeed implemented to deal with this tragic and awful case.

Mr. Goertzen: Well, the minister didn't respond directly to the questions about the Sveinson and Taman families and their rights under The Victims' Bill of Rights, and I think that's unfortunate because they've been ignored for far too long, Mr. Speaker.

We did hear, in 2001, the former Minister of Justice talk about rebalancing and reinventing the way the justice process works for victims. He talked about a fundamental, different way of dealing with victims. He talked about a new voice being heard for victims and meaningful rights for victims, the first of its kind in Canada, he stated.

Now we have a new Minister of Justice (Mr. Chomiak) saying: Trust us this time. This time, we're going to get it right.

Why should Manitobans have confidence in this government, the former Minister of Justice, the current Minister of Justice (Mr. Chomiak), the

Premier (Mr. Doer) who before said that we were going to get it right for victims, but they didn't get it right this time? Why do we think they're going to get it right next time?

* (13:50)

Mr. Chomiak: Mr. Speaker, Victim Services deals with 12,000 cases a year. We had the first Victims' Bill of Rights, I believe, in the country.

That's one of the issues we asked the judge to look at. Clearly the system failed the families. Clearly they did, and we asked where it failed and what could be done to improve it. I don't know how much plainer or how more obvious it can be. Yes, the system did fail the families. Yes, we're going to put—*[interjection]*

As I indicated, Mr. Speaker, clearly the judge found that the investigation was flawed. The prosecution made mistakes. The judge identified the issues and the commissioner made his report, and we're following up on it.

Mr. Goertzen: I know the minister has his five talking points and he's dedicated to keeping to it, Mr. Speaker.

Within the context of the report, it's indicated that this conditional sentence should never have been recommended. In fact, the case should have gone to trial and there should have been a prosecution involved.

Under the current policy as it relates to independent prosecutors, the Attorney General or the Deputy Attorney General is given the right to not accept the recommendation. In fact, that same clause was used in British Columbia just a few weeks ago by their Attorney General.

In the report, under the recommendations, the commissioner doesn't suggest that this clause be removed. In fact, he says it should be strengthened and said that prosecutors are required to keep the Department of Justice advised so that the Attorney General or the Deputy Attorney General can exercise that clause.

Does the Minister of Justice agree with the commissioner in strengthening the clause and keeping it there as it currently exists?

Mr. Chomiak: British Columbia, which the member references, has had, I think, nine or 10 occasions when the former Minister Ujjal Dosangh and the present Minister Wally Oppal, mostly on the

Bountiful case, has overridden the prosecutions, and must do so in writing.

There has been a tradition that's always been followed in this province and been confirmed by the former Justice Minister Vic Toews, that the Minister of Justice does not interfere in prosecution decisions. That has been the policy of previous Conservative, NDP attorneys general, and it's confirmed in the report that there was not interference from our department with the Prosecutions division, contrary to allegations, spurious allegations by members opposite.

Headingley Correctional Centre Prison Capacity and Population Size

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

Mr. Kelvin Goertzen (Steinbach): Two weeks ago the minister said it couldn't be done, and now he says it can be done but it's just not his policy to do it.

Mr. Speaker, I want to ask a question about an individual who was charged with second degree murder who was housed at the Headingley Correctional Centre up until yesterday when he escaped last night from that institution. Clearly, residents of Headingley and, indeed, all Manitobans are concerned about their safety when a person with a long criminal record escapes from a provincial institution.

Can the Minister of Justice indicate yesterday how many prisoners were housed at Headingley and what the stated capacity of that institution is?

Hon. Dave Chomiak (Minister of Justice and Attorney General): I'll provide the member with that particular number. I normally have it here in front of me with regard to question period, but I was anticipating all of the questions on a particular topic. So I'll get back to the member with that number.

Mr. Goertzen: Well, I know the Minister of Justice is busy, but I'm surprised that when it comes to a high-risk individual loose in the community, escaped from a provincial jurisdiction, that he wouldn't ask his department these fundamental questions.

In fact, Mr. Speaker, we know that about a month ago there were 212 more people at the Headingley Correctional Centre than the building was built to house. We know from correction officials and from guards that this puts tremendous strain on this system and their security and their

ability to maintain safety in the institution and to keep those prisoners in the institution.

Mr. Speaker, will the Minister of Justice indicate whether or not he's asked his department not only to review the specifics of this case but whether or not overcrowding is putting the safety of people in the facility and outside the facility at risk due to escapees?

Mr. Chomiak: Obviously the department is doing a follow-up, Mr. Speaker. I think the last escape from Headingley was five years ago. I was advised recently there were six escapees who broke out of the new corrections institute in Regina, regrettably.

We are operating at full capacity, Mr. Speaker, and it is very difficult when a government indicates that we want to get tough on sentencing, as we have done, and we are using all the means at our disposal, as is the federal government to work towards that. We're also very pleased that we'll be opening up 150 more spots next year in this province that will deal with some of the capacity issues.

Mr. Goertzen: The Minister of Justice needs to be corrected. They're not operating at full capacity; they're well over capacity and they've been well over capacity for several years. In fact, in the last provincial election, Manitoba Conservatives ran and said that we would build a new provincial jail, because there needed to be a new provincial jail, not only for the safety of those who are working in the institution, but to ensure that people aren't escaping and getting outside of that prison. The government scoffed at that particular platform. They didn't think it was necessary. They made fun of it during the election.

Now that there's been an escapee and questions arise whether or not it has anything to do with overcrowding, will the Minister of Justice indicate whether or not he's reviewing what the situation is with overcrowding and whether or not he'll commit to building a new facility in Manitoba?

Mr. Chomiak: I'm always amazed at how members opposite are retroactively 100 percent perfect, Mr. Speaker. I recall for 11 years that there was no construction of a Brandon hospital that was promised 11 times, there was no construction at the Health Sciences, there was no construction at Selkirk Mental Health, et cetera, et cetera, et cetera.

I would also [*inaudible*] that we'll shortly be breaking ground on a new women's correctional centre, Mr. Speaker, that 150 new spots will be

opening up next year. We have very dedicated and hardworking people who are working on a daily basis to deal with our prison populations. I certainly saw that when I toured the Remand Centre two weeks ago and met with some of those people and worked with them.

Southeast Child and Family Services Status of Audit Report

Mrs. Bonnie Mitchelson (River East): Nearly a month ago I asked the Minister of Family Services about the operational review and the audit of Southeast Child and Family Services. Mr. Speaker, he committed to bring that information back to the House.

I wonder if the minister could tell us today whether that report has been completed or what the time line is for completion of that report.

Hon. Gord Mackintosh (Minister of Family Services and Housing): Mr. Speaker, I understand that that report is still under way.

Child and Family Services Agencies Current Audit Reviews

Mrs. Bonnie Mitchelson (River East): Southeast Child and Family Services is not the only agency that's under review. Cree Nation and Sagkeeng agencies were both recently reviewed, and, at the moment, both Anishinaabe and Peguis agencies are also under investigation. These are just the agencies that we know about, Mr. Speaker.

Can the minister confirm to the House today which agencies are currently under review and when Manitobans can expect those reports?

Hon. Gord Mackintosh (Minister of Family Services and Housing): Yes, Mr. Speaker, I'm pleased to advise the House that, unlike under this very same member's watch when the accountability unit was disbanded, we've enhanced the accountability unit. As well, we've designated more resources for the authorities to make sure that there are operational reviews, that there are quality assurance reviews. A number of them are under way and more are being scheduled.

We're now into an era where there will be regular reviews, quality assurance reviews of the child welfare agencies of Manitoba. It's our expectation that each and every one of them will face a review on a calendar basis.

Mrs. Mitchelson: Mr. Speaker, chaos still reigns supreme under this minister's watch in the Child and Family Services system.

The minister, Mr. Speaker, is in the habit of failing to disclose important information about his department to Manitobans. On Friday, we learned that the CEO of the northern authority resigned at the end of August. Clearly, Child and Family Services is out of control and in chaos.

Mr. Speaker, can the minister tell the House what other critical information should he be disclosing? How many other agencies or authorities have administrators appointed while they look for new management?

Mr. Mackintosh: It has been an important duty of the child welfare authorities to make sure that where there are identified shortcomings with child welfare agencies, that changes are made, that administrators are put in place, that sometimes boards have to be taken out, sometimes executive directors have to be taken away from the agency and administration strengthened. That has happened at a number of agencies and will continue until we have routed out the shortcomings.

I remind members of this House, and question what credibility the member wants to bring to this file, Mr. Speaker. When she was in office, a report was presented to her entitled child welfare in crisis, where 90 percent of the social workers that she was accountable for said that they could not do their job under the act, Mr. Speaker.

We need no lessons from the member opposite.

* (14:00)

Bill 46 Government Intent

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, in the last week, markets around the world are showing that we're obviously facing a volatile time in our economy, and yet at this time when governments should be showing fiscal restraint and management and trying to curb their spending habits, we see an NDP government that continues to spend, spend and spend more beyond their means.

Last May, the government introduced a bill to allow for tax increment financing. Certainly on the surface it sounds good, Mr. Speaker. Of course, with every NDP government legislation that comes through, the devil is always in the details.

Well, we found the flaw in those details, Mr. Speaker, and I'm wondering, knowing all the while that there were serious flaws within this legislation, why did they introduce it in the first place?

Hon. Steve Ashton (Minister of Inter-governmental Affairs): Mr. Speaker, if you ever wanted to know why the Conservatives have such a difficulty with urban vision and urban policy, it's their knee-jerk reaction to tax increment financing.

Let's put on the record that the City of Winnipeg has been calling for tax increment financing legislation similar to what we brought in. So was the City of Brandon, because both are working in terms of the redevelopment of their downtown.

Let's put on the record that CentreVenture sees this as a valuable tool, Mr. Speaker. Let's put on the record that we announced historic commitment to rapid transit of which tax increment financing will be a significant part of it. We're moving ahead with an inland port, but the members opposite are nitpicking. They don't get it.

Tax increment financing is about urban policy and urban vision. The NDP has it. The Conservatives don't.

Mrs. Stefanson: Mr. Speaker, Manitobans are maybe calling for tax increment financing, but Bill 46 is not tax increment financing. What it is is it's a government that has set up a slush fund that takes future potential revenues from education dollars and puts it into a fund that is managed by the Minister of Finance (Mr. Selinger), that can go towards any project anywhere in this province that they want.

Mr. Speaker, that is not tax increment financing, and I suggest that if the Premier (Mr. Doer) and the minister thinks that that's what tax increment financing is, they better go back to the drawing board.

They should do the right thing here, Mr. Speaker, and pull this bill in favour of coming forward with something that is true tax increment financing.

Mr. Ashton: Mr. Speaker, they want us to pull the bill. They want us to pull the rug out of Renaissance Brandon. They want us to pull the plug out of CentreVenture in terms of redeveloping downtown Winnipeg.

I want to put on the record that if the member bothered to read the bill, no school division will be worse off under the tax increment—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable minister has the floor.

Mr. Ashton: I appreciate the Member for Brandon West (Mr. Borotsik) is probably trying to put in a few words. I hope he's speaking out for Renaissance Brandon, because the City of Brandon is one of the big supporters of tax increment financing.

The bottom line is this bill leaves no school division worse off. It will take underdeveloped areas of this province; it will take economic development opportunities; it will dedicate the tax increment financing for those specific opportunities like rapid transit and—

Mr. Speaker: Order.

Mrs. Stefanson: Mr. Speaker, what we want to pull the rug out from under is this government slush fund that has been introduced under this Bill 46. That's what we want to pull the rug out from under.

But the real issue here is that this government has a very serious spending problem and it needs to be curbed, especially at a time when we have severe market volatility all over the world. It's time for fiscal restraint and accountability in this province, and so I'm asking the Premier (Mr. Doer) and I'm asking the minister to do the right thing, to pull Bill 46 today.

Mr. Ashton: Well, Mr. Speaker, you know, let's put on the record that we're taking a creative approach to financing—*[interjection]* And, yes, they have some difficulty with the word "creative."

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable member asked a question and I really don't understand how anyone can hear the response. Let's have a little decorum here, please.

The honourable minister has the floor.

Mr. Ashton: Well, Mr. Speaker, it's pretty obvious that the "c" in PC doesn't stand for creativity. They don't have a creative idea in terms of urban vision or urban policy.

They can ask us to kill the bill. Maybe they should wake up to the reality that thanks to the NDP, we now have rapid transit; we're going to have an

inland port; we're going to redevelop downtown Brandon; we're redeveloping downtown Winnipeg.

That's what really counts. That's the bottom line. That's the NDP difference.

Disraeli Freeway Bridge Repair Options

Mrs. Bonnie Mitchelson (River East): Mr. Speaker, we've seen much creative financing by the government of the day.

Last week—*[interjection]*

Mr. Speaker: Order.

Mrs. Mitchelson: Thank you very much, Mr. Speaker. Last week, the Premier, in his flippant way, when the Disraeli Bridge was closed for 25 minutes, said on CJOB to my friends in East Kildonan and North Kildonan, find an alternate route.

I'd like to ask the Premier which alternate route he would have suggested they would have taken. Would that be the Chief Peguis Trail that was backlogged? Would that be the Louise Bridge that was backlogged? Would that be the Redwood Bridge that would be backlogged? Which route did the Premier want the people of northeast Winnipeg to take?

Hon. Gary Doer (Premier): Mr. Speaker, I'm pleased the member opposite, nigh years ago when I was Minister of Urban Affairs, worked on getting the Chief Peguis bridge identified as a priority for northeast Winnipeg. We have said and consistently stated that our view to the City of Winnipeg has been that closing both spans is not the way we do bridges. On the Perimeter Highway, we closed one span at a time.

I think the incident last week emphasized the impact that will have on transportation and traffic use in that area. We notice that the RFP from the City does provide for the issue of time. We're hoping City Council—I know the member opposite works very closely with a number of city councillors that are on the—elected across the city as part of a broad coalition. I hope that she's able to influence that council to have an appreciation of the way we do bridges, which is one span at a time, as opposed to both spans really creating havoc in northeast Winnipeg.

Mrs. Mitchelson: But it seems like the Premier is indicating that the City of Winnipeg is incompetent or incapable of making decisions around bridges. He

talks about the Chief Peguis Trail. We worked together as community members on the Chief Peguis Trail. I asked the Premier in July whether he would work with me and meet with the mayor and try to find a solution to the Disraeli impasse that will see it closed for 16 months.

Will he, today, Mr. Speaker, sit down with the mayor and myself, and let's work together to find a solution for northeast Winnipeg.

Mr. Doer: Mr. Speaker, with the greatest respect to the member opposite, I raised this issue directly with the mayor long before the member wrote her letter.

Mrs. Mitchelson: Well, Mr. Speaker, but obviously, the Premier didn't have any impact on the mayor. He doesn't seem to have any influence. If he raised it with him, then we haven't found a solution. The Disraeli Bridge and the closure of the Disraeli Bridge for 16 months is unacceptable.

I want to ask the Premier today whether he will find a solution to ensure that it is fixed. Obviously, the minister for Elmwood didn't have any influence on the Premier. Will he now stand up today and ensure that the residents of northeast Winnipeg are served in a manner that residents right throughout the city of Winnipeg are served and ensure that we find a solution to the traffic backlog in northeast Winnipeg?

* (14:10)

Mr. Doer: Again, I'm glad the member wrote—a long time after the member for Maloway. I know the member has promoted him to be minister—from Elmwood. He would thank you for that in his campaign.

Mr. Speaker, we believe that the RFP that's been issued by the City does provide now an ability to make a decision at City Hall for a broader ability to have a longer period of time and have a period of time where, as we do, we have only one span closed at a time to make sure that we don't have the bottlenecks that you could predict if both spans are closed on the Disraeli. So we've raised that with the mayor, and hopefully we can get a solution that's similar to how we operate.

The member opposite would note, in northeast Winnipeg we've taken the northeast—*[interjection]* You know, a lot of noise here, but we had a single lane Perimeter Highway in northeast Winnipeg 11 years after the member sat around the Cabinet table. We're almost finished now twinning that on the northeast section of Winnipeg.

We're doing our best, Mr. Speaker. We're not perfect like the member opposite, but we're getting work done.

Federal Liberal Green Plan Government Support

Hon. Jon Gerrard (River Heights): Mr. Speaker, addressing climate change is urgent. There are new reports of melting of Greenland glaciers, of decreased ice in the Canadian Arctic.

With a cap and trade system supported by actually both NDP and Liberal parties, greenhouse gases—they will take some time to reduce greenhouse gases and for those measures to be effective.

But the Liberal green shift can be implemented much more quickly, and because we use so much hydro-electric power in Manitoba, Manitobans will be major beneficiaries.

For two weeks, the Premier has stood up and stood up for Albertans who use coal and natural gas power instead of for Manitobans who use hydro-electricity. When will the Premier start standing up for Manitobans and the benefits for Manitobans?

Hon. Gary Doer (Premier): Well, Mr. Speaker, I remember, I recall the materials from the tar sands that the member opposite wanted to import to Manitoba with questionable environmental benefits to the people of this province.

Mr. Speaker, we are working with British Columbia, Québec, Ontario and Manitoba. We've signed together with 11 American states a cap and trade system.

We note that both Barack Obama and John McCain have promised a cap and trade system.

I know the member opposite believes in the carbon tax. We just disagree.

He can campaign in the next election campaign to increase the price of natural gas to homes in Manitoba with a carbon tax. He can campaign on an increase in diesel fuel to northern Manitoba. We would like to actually eliminate those four locations that still remain with diesel fuel in some of our remote communities.

Mr. Speaker, we recognize that under cap and trade, we will benefit. If you have a cap of emissions, you're going to have less fossil fuels producing electrical power.

We note that Minnesota and Wisconsin have both signed a cap and trade program. They have both established the fact that hydro-electric power, unlike the Republicans, is a renewable energy under their definition of 25 percent renewable energy portfolios, and that's what we're pursuing.

I would point out, Mr. Speaker, that having an agreement with 80 percent of the population, two Liberal provincial governments, Québec and Ontario—in fact, three Liberal governments, with British Columbia, although we don't support their carbon tax, but the cap and trade system we think is an appropriate way to proceed for the future.

Mr. Gerrard: The Premier is hot on the cap and trade, but will he tell us what is the cap on Manitoba emitters, when it will be implemented, how much it will reduce greenhouse gases in the next three years. The fact is that greenhouse gases have gone up, not down, under this Premier over nine years.

In fact, the green shift will benefit people in western and northern Manitoba and it will support individual Manitobans.

Is the Premier not supporting it because the money will go to individuals in Manitoba rather than the government? When will the Premier start standing up for Manitobans?

Mr. Doer: Well, Mr. Speaker, a week tomorrow, the people of Manitoba will decide. If the people of Manitoba decide, obviously, on the policy that the member opposite is articulating, I guess they will elect 14 members. If they don't decide with the member opposite, they won't.

So we'll have this debate, but, Mr. Speaker, I would point out that our cap and trade plan has been endorsed by other jurisdictions. I would also point out that you can't have just one—if you have two major trading partners in North America, and we have one ecosystem that we share, and we have 11 states and four provinces representing 80 percent of the population, developing a plan that might work with Luxembourg doesn't make any sense for Canada.

So I would suggest to the member opposite, we have John McCain; we have Barack Obama; we have 11 American states, we have four Canadian provinces with 80 percent of the population. You know, get on board, Mr. Speaker.

The Forks-North Portage Partnership Standing Committee Appearance

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, Manitoba's premiere visitor attraction is The Forks, and I was there earlier today and I must tell you what it is that I witnessed.

If you go into The Forks Market, you'll see pails all over the place, on the roofs because the roof is leaking so badly. You see warped floors. You see plastic covering stores. Mr. Speaker, this is our premiere visiting location. Over 4 million people visit The Forks every year.

The last time The Forks was before a standing committee was in the year 2001. I'm asking for the Premier (Mr. Doer) and this government to take immediate action in protecting the interests of The Forks as our tourist attraction here in the province of Manitoba and to have The Forks Corporation come before a standing committee. Seven years is a little bit too long.

Hon. Steve Ashton (Minister of Inter-governmental Affairs): Mr. Speaker, I am somewhat surprised that the member who seems to have an interest in The Forks hasn't attended the annual general meeting. I attended the annual general meeting. I believe the Member for River East (Mrs. Michelson) was there.

As minister responsible provincially, as a shareholder of The Forks, I would say that The Forks Corporation does a tremendous job. Indeed, it may have some issues today with the maintenance, but I point to some of the exciting things happening at The Forks, not the least of which is going to be the Museum of Human Rights.

Again, The Forks North Portage Corporation is a key part of that, so I appreciate the member may have some interest in The Forks, but I'd suggest, Mr. Speaker, calling a legislative committee isn't going to change the very good work that The Forks North Portage Corporation is doing. It's a great asset and it's getting even better with the Museum of Human Rights coming.

Mr. Speaker: Time for oral questions has expired.

Introduction of Guests

Mr. Speaker: Before we move on to members' statements, I would like to draw the attention of honourable members to the public gallery where we have with us from Horizons Adult Learning Centre, 10 adult students under the direction of Tara

Dubreuil. This school is located in the constituency of the honourable Member for Fort Rouge (Ms. Howard).

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

MEMBERS' STATEMENTS

Royal Military Institute of Manitoba Awards Dinner

Ms. Bonnie Korzeniowski (St. James): Mr. Speaker, I had the pleasure and privilege of attending the Royal Military Institute of Manitoba's military awards dinner last week on September 20. The Royal Military Institute of Manitoba's aim is to encourage, promote and further the interest in Canadian military issues. This dinner was to recognize those who work with, in or for the military.

I would like to recognize the award recipients in the House today. The institute awards recognized members of the RMIM for their unselfish long-term dedicated military service to the nation. Recipients of these awards were retired Colonel Z. Michael Zawislak, Lieutenant-Colonel Robert Gordon and Major John Lawrence.

Unit citations recognize units and organizations that have served the nation with dedication and honour. This year, the Royal Winnipeg Rifles, St. John Ambulance and the 26th Field Artillery Regiment received this award.

Former premier, the Honourable Duff Roblin, received Twice the Citizen Award, which recognizes prominent Manitobans who've demonstrated distinguishable lifetime achievements in both their military and civilian careers. Crawford Gordon II received the Arrow Award, and Canadian actor, director and producer, Paul Gross, received the Fellow of the Institute Award, which recognized his work as a military artist for his passionate film *Passchendaele* which promotes awareness of Canadian military history.

* (14:20)

Mr. Speaker, I was also humbled to receive the first ever Bonnie Award, which recognizes the contribution of Manitobans as individuals or groups for the dedicated service to the military community. I've had the privilege to work with military personnel my entire life. It was with the support of my work with the troops from this government that I was able to accept this honour in the company of such prestigious individuals.

The evening was filled with further recognition as the Right Honourable Edward Schreyer and General Rick Hillier were awarded the Patriot awards for their outstanding and exceptional support to Canada's defence and our allies.

And lastly, the Intrepid Society of Canada presented the Intrepid Award to the Honourable Gary Filmon. It was indeed a night of recognition, celebration and commemoration.

Mr. Speaker: Order.

Ms. Korzeniowski: I ask for leave—

Mr. Speaker: Order. Does the honourable member have leave? *[Agreed]*

Ms. Korzeniowski: I ask the House today to join me in congratulating the Royal Military Institute of Manitoba for its fantastic job in supporting the good work of our military and for the hard work in putting on such a tremendous evening. Thank you, Mr. Speaker.

Beausejour Lions Club 60th Anniversary

Mr. Gerald Hawranik (Lac du Bonnet): I had the pleasure of attending the 60th anniversary celebration of the Beausejour Lions Club this past weekend. Support for this event not only comes from current Lions members but also past members of the Lions and from Lions Clubs in other communities such as Lac du Bonnet, Steinbach, Winnipeg and other clubs around the province. The Beausejour Legion had the honour of hosting this event. The food, prepared by the Legion for the dinner, was second to none.

The 60th anniversary celebration was an important event not only to the Beausejour Lions Club but also to our communities of Beausejour, the Rural Municipality of Brokenhead, Tyndall and Garson as well. The influence and the benefits of the good work completed by the Beausejour Lions Club are felt through the entire region.

The Beausejour Lions Club built the first seniors' housing project in the town of Beausejour. Lions Lodge is an important seniors' housing facility and was a catalyst for the construction of other seniors' housing units and projects in Beausejour, Tyndall and Garson.

Mr. Speaker, the Canadian Power Toboggan Championships is the longest-running, annual, national sporting event in Canada, and there's not one other community the size of Beausejour anywhere

that has successfully hosted a national sporting event as long as the Beausejour area has. This does not come about easily. It requires hundreds of volunteers each year to be successful, and the Beausejour Lions Club volunteers have been there every step of the way.

The Beausejour and area food bank was established in 1991, and it was the first rural food bank in Canada. The food bank relies entirely upon our community for support in terms of food supply and volunteers. Since 1991, the Beausejour Lions Club has always supported the food bank with funds and food drives. Without the support of Beausejour Lions Club and others, the food bank would not continue to operate.

These are just some of the good works that the Beausejour Lions Club has been involved with, and there are many others too numerous to mention. The members of the Beausejour Lions Club are volunteers and, as volunteers, they have made our community a better place to work, to live and to raise a family. For that, I thank them, Mr. Speaker.

Elaine Ranville

Mr. Doug Martindale (Burrows): Mr. Speaker, I would like to bring the attention of the Assembly to grandmother Elaine Ranville. She was one of seven women honoured as a grandmother at a gala dinner held in their honour on June 19, 2008, as part of National Aboriginal Day celebrations.

Mr. Speaker, Keeping the Fires Burning: Honouring Aboriginal Elder Women, celebrates the achievements of First Nations, Métis and Inuit women who have dedicated their lives to promoting, protecting and preserving Aboriginal peoples' cultures.

Nominated for the honour of being recognized as a grandmother by the Aboriginal Council of Winnipeg, Elaine's recognition was very special in that it originated from her youth co-workers. Elaine fulfils the role of camp kookum at Winnipeg Aboriginal Sport Achievement Centre during the spring and summer sessions. Throughout the school year, she works to provide support to the University of Winnipeg Innovative Learning Centre programs and initiatives.

In her role as camp kookum, she exemplifies herself in a manner that motivates children, youth and co-workers to be at their best in whatever they are doing. She does this by creating a positive

environment where children feel secure and loved. She is quiet and caring in a way that is very effective in empowering children and youth to persevere.

Mr. Speaker, Elaine holds education in high regard both professionally and personally. As a teaching assistant, a parent and a grandparent, she encourages learning and growing. She is an asset to professors, teachers and program staff in the development of new opportunities for education.

I ask all members of the Legislative Assembly to join me in congratulating Elaine on the honours she has so rightfully earned.

Pierson's Carnival of Crafts

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, it's with great honour that I rise today to congratulate the people of the town of Pierson, Manitoba's southwestern-most community. Their innovation and dedication have kept their rural town thriving throughout the years.

The Carnival of Crafts, held annually, is a tremendous morale booster and fundraiser. On October 4, the Carnival of Crafts in Pierson was held for the 30th consecutive year. In 1979, this sale was the dream of four women: Barb Pettinger, Barb Lee, Joan Trott and Mary Wang, who had a vision for the town. Their concept was to raise money to operate and renovate their arena. To date, the community has raised over \$180,000 to acquire tables, cupboards and to make electrical improvements and to help finance operating expenses during winter months. The carnival's success has since allowed support to other community projects as well.

The event welcomes 80 exhibitors from all over Canada and attracts 1,200 to 1,800 people per year. It requires the whole town stepping in and doing their share of volunteering. School kids clean the rink with help, set up tables and help exhibitors set up. The great tasty canteen is served all day. Everyone helps get the arena ready for hockey after the craft sale.

Local businesses and individuals donated 1,200 cloth bags in support of Manitoba's environment. The Carnival of Crafts sale in Pierson is recognized as one of the top craft displays in rural Manitoba and brings shoppers from all over Manitoba and Saskatchewan, as well as many of our American neighbours.

Betty Mayes is the chair of the eight-person craft sale committee. I wish to congratulate the committee

and all Pierson citizens for the high standards they consistently display.

As MLA for Arthur-Virden, I urge all Manitobans to come to Pierson on the first Saturday of October in 2009 for the 31st anniversary of the Carnival of Crafts sale. Thank you, Mr. Speaker.

United Nations World Teachers' Day

Ms. Erna Braun (Rossmere): Mr. Speaker, I rise today in recognition of the United Nations World Teachers' Day on October 5.

The United Nations Educational, Scientific and Cultural Organization and Education International first proclaimed World Teachers' Day in 1994. Mr. Speaker, it is celebrated annually to commemorate the adoption of the 1966 recommendation that international governments should recognize the enormous importance of teachers' contributions to every society.

I am honoured that as a teacher I am able to today acknowledge the importance of the work educators do every day. As children, our teachers are often our first connection to the world beyond our families. They are significant in shaping the way we learn, live and perceive the world. Teachers help us grow by exposing us to new ideas and ways of thinking. The sharing of knowledge is a timeless gift, and teachers are in a unique position to inspire that lifelong love of learning.

I am proud to be part of a government that values its teachers. In the words of the honourable Minister of Education, Citizenship and Youth (Mr. Bjornson), Manitoba's schools are among the best in Canada, and our government recognizes the role that teachers play in unlocking the potential of the students whose lives they touch.

Manitoba's Celebration of Excellence in Teaching awards seeks to pay tribute to our valued teachers, everyday heroes who have inspired their students with their words and deeds. This year, three teaching excellence awards will be presented in early, middle and seniors years. There will be recognition of an outstanding new teacher and of a team of up to three teachers for a collaboration award. As well, the Outstanding School Leader Award is open to principals and vice-principals who are exemplary leaders, effective administrators, active learners and strong supporters of student achievement. The schools of award recipients will also receive a cash award for projects or equipment in the classroom.

Mr. Speaker, World Teachers' Day gives us an opportunity to say thank you not only to the teachers in today's classrooms but also to remember the teachers who helped us all get to where we are today.

Let us remember that a commitment to our educators is a commitment—

Mr. Speaker: Order.

Some Honourable Members: Leave.

Mr. Speaker: Does the honourable member have leave? [*Agreed*]

Ms. Braun: Thank you.

Let us remember that a commitment to our educators is a commitment to the youth of Manitoba and an investment in the citizens of tomorrow. Thank you, Mr. Speaker.

GRIEVANCES

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

Mrs. Heather Stefanson (Tuxedo): Yes, Mr. Speaker.

Mr. Speaker: On a grievance.

Mrs. Stefanson: Mr. Speaker, regrettably, I feel compelled to stand in this House today before Manitobans and grieve on what is a number of issues with respect to this government and their lack of accountability, their mismanagement, and the way that they have been governing this province for the past nine years.

Mr. Daryl Reid, Acting Speaker, in the Chair

There have been so many issues of concern, whether it be in the area of health care or family services, Child and Family Services, whether it be in the Justice area or the environment or certainly the economy, Mr. Acting Speaker.

* (14:30)

There are so many issues that I just feel compelled to touch on today. Unfortunately, we don't have a lot of time to grieve in this House. We're only allotted our 10 minutes to do so, and there are so many issues that I want to touch on, so I may have to touch on a few issues more quickly than I would otherwise have spent on them because each and every one of these issues that I will be grieving on today deserves their own time and their own area,

Mr. Acting Speaker. Unfortunately, our rules do not allow for that.

But, certainly, every day out there in my community and in communities across this province where I have had the opportunity to travel, I am hearing from people all across the province with respect to things like health care. People are really concerned about not being able to have access to the health-care services that they need. It's a very serious problem out there. I think that the most recent emergency room crisis at the Health Sciences Centre is only but one example of the catastrophic situations that can arise as a result of a government who is complacent and really who just lacks the managerial accountability and experience to be able to properly administer the health-care system within this province.

There have been unprecedented levels of funding that have come from the federal government to fund programs for health-care services to be able to provide better health-care services to the people in our province. Yet, unfortunately, Mr. Acting Speaker, it's not about how much money goes into the system; it's about whether or not people within our health-care system are able to access the health-care services that they need when they need them.

So what we see time and time again from this government is that they make announcement after announcement after announcement. It sounds wonderful; all of these wonderful things that they're doing for health-care services and so on in our province, Mr. Acting Speaker. But the problem is that the access to those services continues to decline all across the board, and people are suffering and people are falling through the cracks as a result. I think it's unfortunate that what happened to the person in the emergency room at the Health Sciences Centre in the last—what was a week or 10 days ago or so—what happened with him going in to the emergency room and not having any access to care for 34 hours at which point in time he was found to have passed away. This kind of treatment I think we all believe is unacceptable. It's a horrific story, but, unfortunately, it's going to happen time and time again if we continue to—and this government continues to go along the managerial path of our health-care system that they have gone on.

I think the other thing to do with this ER crisis that should be made a note of—and when we're talking about government accountability and ministerial accountability and responsibility—it's the

responsibility of the Minister of Health (Ms. Oswald). She should have been informed of this incident within hours and minutes after this occurred. According to her own legislation that she brought through, that is the policy of this government: to have the minister be made aware of critical incidents that occur within our health-care system on a timely fashion.

Now the minister claims that she didn't know until the afternoon on Monday, some day and a half after the event occurred. Unfortunately, Mr. Sinclair was found to have passed away in the emergency room at that time. The unfortunate part about this is that she claims she didn't know until quite some time after, being a day and a half after. I think that there are two things here that we need to look at. First of all, if she didn't know until that time, then her own government policy has been broken and that someone within the department needs to be held accountable for that. The buck stops with the Minister of Health. If she didn't find out until a day and a half after, it's unacceptable and she should be calling and demanding upon her department that she did know earlier than that. So I think that's the first problem.

Mr. Speaker in the Chair

The second is that, in fact, she may have been made aware of the situation—and I take the honourable member at her word that perhaps she didn't know, but, had she known about the situation, it questions, sort of, why certain steps didn't take place immediately upon her finding out, why the public was not informed in a timely fashion as to what was going on.

This is a very serious issue, and I just believe that either way I don't believe that this situation was handled appropriately. It was not handled with accountability on behalf of the Minister of Health and the Premier (Mr. Doer) of this province. I think Manitobans were kept in the dark as to what really transpired.

I think they did this all because, in the Premier's own words, they were afraid of what kind of backlash they would have from the public as a result of this. He called it an embarrassing situation, and I think it's unfortunate that a Minister of Health or a Premier would withhold information from the public within this province in order to save their own face. It's unbecoming, it's inappropriate, and it's just a

wrong and bad way to manage the health-care affairs and any affairs within our province.

So that is my first area of grievance. Of course, I could go on in many areas of health care with wait lists and so on and just the decline over the years despite the billions of more dollars that have been put into our health-care system. Manitobans believe, and we believe, as the wait lists continue to rise in many different areas, they're not getting the amount of service that they deserve as compared to the amount of money that they are putting into the system. So I think that is unfortunate.

But I think I also want to grieve because a number of Manitobans in my own constituency, certainly around the city of Winnipeg and outside the city of Winnipeg, have grave concerns over the Child and Family Services division within this province. Children are falling through the cracks under this government's watch. Every day they stand up in this House, and they say, well, you know we've got more to do.

Well, you know, after nine years, the system is getting worse, and it seems that the more they do the worse it gets, and I think it's unfortunate that they seem to be able to get away with just standing up and saying, we've got more to do. It's unfortunate, Mr. Speaker.

I've got a number of areas that I want to focus on. Certainly justice. Crime is getting worse. People are escaping from our jails because the jails are bursting at the seams, Mr. Speaker, and the revolving door of juveniles who are in and out of our jail system who are re-offenders in car thefts, and so on.

I didn't even get a chance to get on to the environment, which I have spent a fair amount of time already dealing with grievances day in and day out in this House with respect to the waste-water treatment facility in the city of Winnipeg—how this government has completely botched that entire issue. We said to them, and we warned them more than a year and a half ago. I asked questions in this House more than a year and a half ago. There is no need for the removal of nitrogen from the waste water in our city, and I asked them to refer that directive, based on scientists who were coming forward and saying that phosphorus should be the main focus and there is no need. In fact, the removal of nitrogen could make the situation in the lake even worse.

I think scientists were coming forward years ago, and more than a year and a half ago I asked that

this be referred back to the Clean Environment Commission. At that time, the government ignored us. They ignored the scientists. Now a year and a half later, they've decided to listen, and they've decided to send this directive back to the Clean Environment Commission. It's too little too late. Facilities for nitrogen removal have already been removed, and it's unfortunate that that had to take place.

Mr. Speaker: The honourable Member for Russell, on a grievance?

Mr. Leonard Derkach (Russell): On a grievance, Mr. Speaker.

Mr. Speaker: On a grievance.

Mr. Derkach: Mr. Speaker, I rise today on a grievance because, I think, as the end of this session comes closer, we're looking at a government that is in chaos in terms of addressing the real needs that Manitobans have.

*(14:40)

Complacency has become kind of the order of the day with many of the ministers of this government, and we can see that, regardless of which area you address, there is a problem. Yes, we always have challenges before us, Mr. Speaker, but it is up to the ministers of the Crown and the Premier (Mr. Doer) to ensure that there's leadership shown and that some of these problems are resolved.

Mr. Speaker, when you look at the whole health-care system as the No. 1 issue that Manitobans have on their minds in terms of the social issues that confront Manitobans, we find that this government has spent an inordinate amount of money, but, yet, the results of the health-care system are not in tandem with the amount of money that is being spent.

Other jurisdictions across Canada and even into the United States are spending less per capita on health care than Manitoba does, with better results. So it's not an issue of the amount of money that is being put into the health-care system; it's an issue of the way that the system is managed and, in the case of this government, in the way that the system is mismanaged.

When you have an individual in an emergency ward for 34 hours and dies and is not seen by anyone, Mr. Speaker, that says that there is a systemic problem in the way that the administration of health care is being done in this province. It all

goes back to the Premier and it all goes back to his Minister of Health (Ms. Oswald) because, at the end of the day, they are the ones who are accountable to Manitobans for how the system is managed.

Mr. Speaker, over the course of the last nine years, the Premier repeatedly promised that if the health-care system needed fixing, he would fix it. He said that he could do it with a minimum of \$15 million. We know that that was unrealistic but, beyond that, he said, if we need the nurses, we'll hire them. If we need the doctors, we'll hire them. Today we find hospitals are being closed across this province because we don't have the sufficient human resources available to be able to maintain the standards that are expected by Manitobans.

When you look at rural Manitoba, you have to think that we live in a second-class world out there because, Mr. Speaker, today the health-care services in rural Manitoba, compared to even six years ago, have deteriorated dramatically.

The Minister of Agriculture, Food and Rural Initiatives (Ms. Wowchuk) can shake her head in denial, but all she has to do is visit the Erickson hospital, the Rivers hospital, the Rossburn hospital, the Birtle hospital. I'm talking about hospitals in western Manitoba, and she will find that the services there are not what they were six years ago.

I remember the days when this government would scream about hallway medicine. Mr. Speaker, in rural Manitoba today, we have highway medicine where people who have been injured or who are desperately sick are loaded into ambulances—and, yes, this government can crow about the new ambulances it has on the roads, but that is not medicare. That is not medical services to those who are in need.

You can have a new ambulance but, when you don't have the personnel to operate that ambulance, it goes nowhere. We see ambulance services being as much as an hour away, and they call that emergency response. That's how this system has become so mismanaged by this government.

Yes, we can pay attention to certain pockets in the province but, if you don't look after the general population in terms of its needs, Mr. Speaker, you are not doing your job. I say that this government is not doing its job when it comes to health care in our province.

Mr. Speaker, we look at the education system and we have heard the cries coming out from the

public, whether it's Winkler or whether southwest Winnipeg, talking about the need for infrastructure for education. The students in our province are the most important investment that we can make in terms of their future. Yet this government doesn't mind to see the overcrowding in our schools, doesn't mind to see second-rate education being delivered despite the fact that it has at its disposal lots of money that it could be directing to that infrastructure which is required to ensure that the future of this province is secured through the education system that we have.

This government has been fortunate in getting its hands on more revenues than any other government in recent history. Mr. Speaker, when we see the in-source revenues of this Province and the amount of federal transfers that have come to this Province and we look at the budget and how it has exploded over the course of the nine years, we would expect a government that has that kind of revenue capability to be able to supply the needs for its citizens.

But this government has proven that it has a spending habit, and it will spend money without asking for the outcomes, without asking for the results, without asking what it's getting for the dollars that it is spending. Mr. Speaker, that is government in trouble.

I come from a rural part of the province, a part where agriculture is still the foundation of the province, but a part of the world where the transportation network links the communities together, links us to the markets of the world and links us to the markets across this country. Mr. Speaker, when you look at what's happening in our neighbouring provinces, whether it's Saskatchewan, Alberta or Ontario, you will find that Manitoba is losing ground in terms of its network of roads, its network of transportation arteries throughout this province. And why? Because the government can crow all it wants about the amount of money it spends on highways, the reality is, as a percentage of budget, it is spending less money today than it was spending nine years ago. That is where the problem is.

I know that things are becoming more expensive when it comes to infrastructure needs. But, Mr. Speaker, you have to take a look at your global budget and you have to ensure that the transportation network that you've got across your country is maintained at the high level. Today I can tell you I drive our two major highways across the east and

west of this province and they are not in as good a condition as highways are in the rest of this country.

Mr. Speaker, I have to look at the minister responsible for infrastructure and highways to say that he has to start paying more attention. Yes, this government took a big chunk of money and said it's investing it in the north, and that's fine, but you'd better look after what's happening in southern Manitoba where the transportation routes are so important to the trade and the economy of our province. That's what you have to pay attention to as well.

So, yes, spend your money in the north; that's fine, but make sure that you do not abandon what happens in the south part of our province because that's where the money is generated. That's where the transportation routes are needed to ensure that our economy is strong so that we can deliver the services that we need.

We look at the attraction of CentrePort and the attraction of an inland port for our province. That is critical for the economy of our province, but, you know, Mr. Speaker, I remember that it was the leader of our party who had to jolt the memory of the Premier (Mr. Doer) in order to have him get off his duff, if you like, to do something about CentrePort and about the fact that we were not even in the race when the leader of our party raised the issue about what the Premier was doing as far as the inland port for Winnipeg was concerned.

Slowly, the Premier then became aware of the critical part that this would play in our economy and finally got on board. Other jurisdictions had moved significantly ahead of where Winnipeg was, but I have to say thanks to the people who are involved in CentrePort. I believe that they have the ability to bring this together and to put a good proposal in front of the federal government to make sure that Winnipeg has an equal chance to other jurisdictions. As a matter of fact, if you look at the advantages Winnipeg has, we should be ahead of the game. But, because of a government that is negligent, Mr. Speaker, the ball has been dropped on this one. It's going to take some catching up to do in order for us to join the race.

Mr. Speaker, I can go on into every single department that we have in this government and show significant shortcomings but, in total, I believe that the government has become complacent. The government has started to lose its focus on what it was elected for, and they are tired. There's no

question this is a government that is tired and is ready to be replaced. Unfortunately, we have to wait for another two and a half years for that to happen, but, rest assured, it will happen. There is a need for a fresh government with new ideas that is ready to respond to the needs of Manitobans, and that time is coming.

So, although the ministers across the way can sit back and say, well, we're not perfect, but we're doing what we can—I listened to the Minister of Intergovernmental Affairs (Mr. Ashton) today stand up and rant and rave in an answer that made no sense, and, at the end of the day—

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

The honourable Member for Charleswood, up on a grievance?

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I rise on a grievance—

Mr. Speaker: Okay, the honourable Member for Charleswood.

Mrs. Driedger: I rise to grieve the NDP government's gross and negligent mismanagement of the Child and Family Services system. This system, which is supposed to protect children, is a mess, and this government is to blame for most of it. Mr. Speaker, despite warnings from front-line, health-care workers since 2002 who were saying that the system was in crisis and in chaos, this government didn't do what any good government should have done.

* (14:50)

In the fall of 2002, there were several calls for an external review of Child and Family Services: the Children's Advocate, the MGEU, front-line workers who felt too afraid to speak up publicly, but were phoning us, were leaking us information saying that the system was in serious, serious trouble.

We did not see what a good government should have done. A government that is supposed to protect children, basically weaved and ducked their way through this and did not do what they should have done in order to protect children.

Many concerns were out there. They were saying that the problems were systemic and that if these systemic problems weren't addressed, then children would fall through the cracks. These red flags were being waved in front of this government.

With devolution on the horizon, there was a lot of fear that the problems would be devolved to the new agencies, that the new agencies would be set up to fail because this government did not do their homework and did not ensure that everything was set right before devolution occurred.

Now what do we see? We see numerous situations, numerous deaths of children and numerous reviews that are going on right now to look at how the system has failed.

I would point out that one of the reports that was leaked to us in 2002 was actually a report that the government had sat on. It was a report that had been done in 2001, and this government sat on the report. The report actually was done by Viewpoints, and it was prepared for Winnipeg Child and Family Services and the Manitoba Government Employees Union.

What the review showed was that long-term child-protection workers were the most concerned about the impact of devolution. These were the expert workers, the ones that had worked in the system for a long time. They were front-line workers. They were the most concerned about the impact of devolution. They repeatedly expressed their concerns that devolution was a politically motivated initiative which will not improve services to families. This was coming from front-line workers.

They were also very, very impatient about the lack of information that was available at the time about how the new agencies would work. Apparently, several had attended meetings about the new agencies, and they always came away concluding that these organizations would not be ready to provide the services they are being mandated to offer. This reinforced the long-term child-welfare workers' views that these agencies were being created too quickly and were being put in place largely to meet the government's political goals.

Did this government listen? Absolutely not. In fact, had that report not been leaked to us, a lot of these views of front-line workers would never be out there.

These workers also were indicating that there were severe morale issues in the system and a lot of concern that the government did not act on a report to address some of the various concerns out there. They indicated there were heavy workloads, that

intense cases were causing workers to burn out at a very high rate. There was turnover data from Winnipeg Child and Family Services showing that between April and September of 2002, 50 positions came open in the services to children and family programs which provide front-line assistance to families in crisis, the backbone of the CFS system. What was happening was, because the system was in so much stress, there was so much burn-out, there was a very high turnover rate amongst front-line workers. It had been something that was a huge concern raised at that time. Again, this government chose not to look at that.

Then, in 2006, we have the MGEU saying that the Province ignored warnings from social workers that rushing the transfer of cases from Child and Family Services to native agencies was dangerous. The union had indicated in 2006—and the president of that union, Peter Olfert, representing about 500 provincial social workers, said the union warned the Province a number of times over the last few years that the devolution of Child and Family Services was not being done in a safe way.

Why in the world wouldn't a government listen to the Children's Advocate, to front-line workers and to a union that is made up of 500 front-line workers that said that it was not being done in a safe way? The union had made a number of recommendations and the Province refused to act upon them.

What did we see through all of this time? Our lives are still being haunted by looking at the faces of some of these children—Gage Guimond, Phoenix Sinclair—beautiful little faces that have stared up at us from the newspapers, which is exactly what everybody was warning this government would happen. It happened and this government chose to ignore it.

Instead, how many ministers of Family Services have we seen under this government? Too many, and most of them incompetent in doing their jobs. This government certainly did not have the best interests of children and child protection in their minds when they went ahead to devolve Child and Family Services. They ignored all the red flags and they devolved a system that was already in crisis and devolved it to new agencies that were not ready.

In fact, what we have heard in 2007, the *Free Press* spent three months investigating the child-welfare system. Amongst their findings, the number of children in care jumped drastically; the Province failed to set workload standards; CFS workers were

overwhelmed; risk assessments were not always required; education was lacking among workers; children's files were incomplete and employees' work histories unknown.

Mr. Speaker, what a botched, botched process this government led in devolving Child and Family Services in this province. That is shameful because it's negligent. There were enough warnings put out there that this government should have known better.

Then, in 2008, we have the Children's Advocate report that came out. Again, it was another one in a string of reviews that points to a system that is failing to help Manitoba's most vulnerable children. Again, she references worker shortage, high turnover rates, many case workers learning on the job and different case workers handling the same family, sometimes to wildly different conclusions.

This is not a system that's working. Right now, we also hear that there are six little children out there who have been torn from their foster family, and all allegations of abuse which caused the situation in the first place have been proven to be false. Yet we find this government refusing to return these six little children to their foster family.

Something is seriously wrong with this system, Mr. Speaker. It is this government that bears the brunt of the blame for what is going on in this system right now because they are failing our children. They are failing the little kids that need them to be helping protect these kids; instead, we see children dying under their watch, and it's shameful because a lot of this was preventable.

Mr. Speaker: The honourable Member for Ste. Rose, are you up on a grievance?

Mr. Stuart Briese (Ste. Rose): On a grievance. I'm pleased to rise today and speak to some of the issues that have been bothering me lately and put forward a grievance.

The area that I'm most concerned about right now is the attitude the government is taking toward the agricultural sector lately, particularly the livestock sector.

We have the Minister of Conservation (Mr. Struthers) passing, putting a bill through the legislation on the moratorium on hog barns, literally going out and putting a damper on an industry that's

one of the drivers of the agricultural sector in this province.

Mr. Speaker, while he's doing that, the Minister of Agriculture, Food and Rural Initiatives (Ms. Wowchuk) is ignoring another part of the livestock industry, which is the cattle sector and the wet conditions that are taking place in the Interlake and the Westlake regions. I don't care whether you call it a disaster or call it a crisis or what you call it; it's definitely an emergency that's taking place out there, and I've said that before in this House. It's an emergency situation. The cattle are coming off the pasture now and there's inadequate feed. Where feed is available, it's at high prices. It's hardly worth paying for it and feeding it to cattle.

* (15:00)

That emergency is emerging right now. I've talked to some producers just over the weekend in those areas. I'm hearing stories like guys just the other day doing silage bales and they have to be moved off the field immediately. They were able to bale them but to get them off the field, they were half loading their trailers and their wagons, and they had two tractors on the front of the wagon and another tractor pushing to get them out of the field. They're leaving ruts two feet deep in the fields

The Minister of Agriculture, Food and Rural Initiatives continues to say that everything that we need is available under the Growing Forward program and under the different legs on those stools. AgriRecovery, outside of the transportation program, which, by the way, I was pushing for. I think it was a good move to put it in place, and I will give the minister credit on that one. Outside of that, there's very little happening under the AgriRecovery program. The AgriStability, the producers can take cash advances under that program, but one of the problems that's been happening and has happened for quite a period of time, the cattle industry has been under stress since BSE.

Under the AgriStability program, it's the old CAIS program and you use a five-year rolling average. You take out the highest year and the lowest year and you average the other three years. That gives you your margin. Well, we've been under pressure. That works very well if you have one-year failure. We've been under pressure in the livestock industry ever since BSE. We're close to five years so the margins are gone.

I talked to another producer on the weekend. He said his margins have gone from \$90,000 to \$30,000 over a three-year period. So he goes and he takes a cash advance under the AgriRecovery for a portion. You're only allowed a percentage of that \$30,000. It doesn't buy very much hay.

There are already some herd dispersements going on. One of the areas I did raise with the minister in Estimates last fall, I believe, either last fall or last spring, was on the issue of the amount of hay ground and permanent cover that was going to be broken up in this province. This government touts itself as being great environmentalists, and everybody knows that permanent cover is a carbon sink. Yet they allow this industry to get into such serious shape that the cattle herds are going to disperse. There are going to be dispersal sales. The breeding cattle are hitting the markets.

I suggested to her in Estimates that there could be as much as a million acres over the next two years taken out of permanent cover. That's a million acres taken out of—as a carbon sink. Her response was that she hoped my figures were wrong. *[interjection]* I hear the Member for Interlake (Mr. Nevakshonoff) use phrases like disinformation campaign and the vaunted declaration of disaster. I wonder if he has any contact with the livestock producers in his area or not.

I don't care whether you call it a disaster, as I said before, or a crisis or any other title. What you do have in the Westlake and Interlake area of the province is an emergency of epic proportions, and you're ignoring it. If calling it a disaster brings quicker responses from all levels of government, then call it a disaster. What's the problem? The Member for Interlake is taking a petty, partisan position to the real problem by trying to blanket-blame everybody, from the producers to the opposition to the federal government, rather than listening to the people and producing some solutions.

You asked what Bezan is doing. Bezan is telling us that there's money available at the federal level, but the Province is sitting there not asking for it. So that's what he tells us. He tells us there's probably—what they need out there is a per-head payment or a per-acre payment, a cash infusion to help them through this problem. They're cash-advanced and they're financed to the maximum. They need some kind of cash infusion and they need it now.

I have already seen quite a large number of young farmers leaving the Westlake region. The

young farmers that leave have not had an opportunity to build equity in their operations pre-BSE; they move out and they will not be returning to the industry. They're gone and those are the ones we need out there. Those are the one that we can't afford to lose.

The serious situation related to cash flow doesn't stop at the farm gate. It impacts every business in the urban communities and in the Westlake and Interlake regions. The government has the opportunity to do the right thing. Listen to what the people are saying and take meaningful action that will alleviate some of the problems.

I recently attended meetings in both Eriksdale and Eddystone. The Member for Interlake was at the meeting in Eriksdale but at Eddystone there was sadly missing in action any of the members from the government side of the House. And it was noticed. There were over 200 people at that meeting and it was very much noticed that they weren't there.

I farmed for 40 years, good and bad. I've been involved in my community; I hear what people are saying. They tell me how they feel about what is happening. Ag issues in this province—the primary ag producers of Manitoba have lost all confidence, all trust in this Minister of Agriculture, this NDP government. These producers have some very long memories, and it's going to come back and haunt this government because they have the opportunity take some action, take it now and do the right thing out there to help these impacted producers.

They're getting rain again today, on top of all the other problems they've had, and I suggest that it's time that this government take some action, help these people out in whatever way we possibly can and solve some of those problems that are out there. Thank you very much, Mr. Speaker.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Steve Ashton (Deputy Government House Leader): Mr. Speaker—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Minister for Intergovernmental Affairs, with orders of the day.

Mr. Ashton: Could you please call Bill 232, which is for concurrence and third reading, and then Bill 38, to resume debate on that bill?

Mr. Speaker: The business we'll deal with this afternoon, we'll start off with Bill 232 and then we'll deal with Bill 38.

CONCURRENCE AND THIRD READINGS— PRIVATE BILLS

Bill 232—The Public Schools Amendment Act (Anaphylaxis Policies)

Ms. Erin Selby (Southdale): Mr. Speaker, I move, seconded by the Member for Kirkfield Park (Ms. Blady), that Bill 232, The Public Schools Amendment Act (Anaphylaxis Policies); Loi modifiant la Loi sur les écoles publiques (politiques sur l'anaphylaxie), reported from the Standing Committee on Private Bills, be concurred in and now be read for the third time and passed.

Motion presented.

* (15:10)

Ms. Selby: Mr. Speaker, I am so proud to be standing here speaking about Bill 232 today, and particularly grateful to my constituents, Krista Wiebe and Peter Wiebe, both who are with us in the gallery today, for bringing this issue to my concern.

Krista Wiebe first spoke to me so honestly of how frightening it can be to be the mother of a child with life-threatening allergies. She spoke emotionally about the difficulty of dropping your child off at school or at daycare and wondering if this will be the day that you get that horribly frightening phone call that something has gone wrong. I hope that never happens for Krista Wiebe, her family, or anyone else across Manitoba.

I'm also grateful to the Manitoba Anaphylaxis Information Network, also, who are with us today in the gallery for providing such a valuable resource to families right across the province. I'm thankful to the Minister of Education (Mr. Bjornson) for his support on this legislation. Also, thank you to the Minister of Health (Ms. Oswald) and the Minister of Family Services (Mr. Mackintosh) for their interest and their valuable insight into this matter as well.

This bill provides clarity and consistency across Manitoba, and I hope that it'll provide some comfort to families who are living with such a difficult thing as an anaphylactic allergy, a life-threatening allergy to their children. I am very proud to be the one that Krista Wiebe and Peter Wiebe brought this to, and I hope I've done them justice in presenting this bill to everyone today. Thank you.

Mr. Speaker: Is the House ready for the question?

Some Honourable Members: Question.

Mr. Speaker: The question before the House is concurrence and third reading of Bill 232, The Public Schools Amendment Act (Anaphylaxis Policies).

Is it the pleasure of the House to adopt the motion? *[Agreed]*

DEBATE ON CONCURRENCE ON THIRD READINGS

Bill 38—The Balanced Budget, Fiscal Management and Taxpayer Accountability Act

Mr. Speaker: Okay, we'll now move on to Bill 38, The Balanced Budget, Fiscal Management and Taxpayer Accountability Act, standing in the name of the honourable Member for Carman, who has 21 minutes remaining.

Mr. Blaine Pedersen (Carman): Mr. Speaker, I'm pleased to continue on from where we left off last Thursday speaking to Bill 38, The Balanced Budget, Fiscal Management and Taxpayer Accountability Act, but I would first of all like to take inventory from last Thursday. Inventory is a business term, so I'll excuse some members if they don't understand it, but, if you go back to last Thursday, since last Thursday, the U.S. has agreed to pay out over \$700 billion to offset bad loans, which is going to add to the debt of the U.S. government.

Since last Thursday, California—and I understand the governor and the Premier are very good friends, but the state of California is asking the U.S. federal government for \$7 billion to help pay their teachers because they can't borrow any more money.

Since last Thursday, the European Union is working on a bail-out package similar to what the U.S. is doing.

Today, the TSX was down, at one point, over 1,100 points, and the latest I heard, at noon, was the TSX was down over 750 points. The Dow was down 550 points.

Since last Thursday, we've had major layoff announcements in Winnipeg.

So what is the government's reaction to this? This is just in a period of four days. Their reaction is pass Bill 38 to allow us to go into debt and borrow more money. Don't bother balancing the budget.

We'll just do it once every four years, on the backs of the Crown corporations.

Now the government likes to call the opposition the doomers and gloomers in their predictions, but, you know, this comes at a time when we've had record transfer and equalization payments coming out of Ottawa to prop up their budget here in Manitoba. At the same time as those record transfer payments were coming in, since the provincial debt was \$13.5 billion in 1999, now it's standing at \$19.5 billion in 2008—over a 40 percent increase in just nine years, over \$6 billion in nine years. This is at a time when there were unprecedented federal transfer payments.

Now the government likes to tell us how great the Manitoba economy is doing and, of course, if it's doing as well as it can, that means a windfall of tax revenue for Manitobans from their highest personal income tax rates west of Québec and for Manitoba companies through things like the payroll tax.

The question is: What happens to Manitoba when there is a slowdown, and there will be a slowdown. You cannot expect Manitoba to be an isolated bubble in North America in the world economy when we have this kind of business reaction happening around the world. There's going to be a slowdown in Manitoba. What this government is doing now by preparing for a slowdown, it's preparing to borrow more money. They're going to spend their way out of economic trouble on the backs of taxpaying Manitobans.

Then we have things like Bill 46, the TIF legislation. The Minister of Intergovernmental Affairs (Mr. Ashton) stands up today in question period and accuses us of nitpicking. He says it's creative financing when really this is a slush fund being set up by the Minister of Finance (Mr. Selinger). You're taking money away from the municipalities. If TIF works as it's supposed to, it would take that money and keep it on the project. But what this legislation, Bill 46, is going to do, it's going to create a slush fund for the Minister of Finance to use wherever he chooses. It's taking money away from schools and from municipalities, and this is at a time when we see the economy starting to slow down. So, instead of being proactive and doing some cost analysis, cost cutting, at a time when they should be doing this, they're going to bring in Bill 38 and use it to borrow more money to run Manitoba higher into debt each and every year.

and they say to balance the budget only once every four years, conveniently after the next election.

This is a raid on the Crown corporations. They will use net profits. They've used them before. They took over \$200 million out of Manitoba Hydro, forcing Manitoba Hydro to increase their rates. They'll use the other Crowns, Manitoba Hydro and the other Crowns again in years to come to balance their budget, and this all comes at a cost to Manitobans because, as they very well like to say, the Crowns belong to Manitobans. So, when the Crowns go into debt and when the Crowns have to have their profits used to prop up this government, it's going to cost all Manitobans.

This Bill 38, it's a signature of a government that has no idea how to manage an economy. We've seen how they can spend when times are good. There is no indication out of this, and Bill 38 leaves us with the indication that there will be no change in their spending habits once the revenues start to slow down, dry up, however you want to call it. I think it's imprudent of the government not to consider that the transfer payments will slow down. We've had this huge run on the stock market in the last month or whatever, and yet this is going to affect economies.

We've seen major layoffs in Ontario already in the auto sector. This all affects government's ability to raise funds and to run the government. And what it's going to do is it's going to cost—the federal government is going to have to cut back on transfer payments, and Manitoba, being the welfare state, is going to be hit directly from this. If it was any different, the Minister of Finance would be able to stand up and say, this is what we are going to do in terms of cost cutting, in terms of balancing the budget on an annual basis, but, instead, he's taking Bill 38 and will move it out so that he doesn't have to show the deficit until four years down the road. It's going to cost us a huge cost to our debt, to our credit rating, to our children and grandchildren, who are going to be paying on this debt forever at a time when provinces like Saskatchewan—we don't even talk about Alberta with no debt—but Saskatchewan is reducing their debt. Newfoundland is reducing their debt, and yet Manitoba is continuing to run up its debt.

* (15:20)

Running up debt, there's nothing wrong with debt when you're fiscally sound and you have the cash to repay it. But, if you're borrowing money at a time when your revenues are decreasing, you're in a

serious cash flow problem. I think that is what is shaping up here for Manitoba is a huge cash crunch coming in, and their answer to this is to use Bill 38.

Mr. Speaker, this bill should not pass. This government should be pulling Bill 38 to come back to the people of Manitoba, come back this Legislature, come back to the province of Manitoba, Manitobans, who each and every day balance their own budgets, whether it's in their household or whether it's in their business, they balance their own budget, and if they can't, if they don't have the cash flow to do this, they will seek ways of making their business and their households financially viable.

This government does not do that. I'm sure that if they got credit for press releases, they would be multimillionaires because they're great at press releases and very slow on action to come out of them.

An Honourable Member: They make municipalities balance their budgets on an annual basis.

Mr. Pedersen: In fact, Mr. Speaker, that's an interesting point because municipalities—I talked about households and businesses—municipalities have to balance their budget on a yearly basis, on an annual basis. Perhaps the Minister of Finance (Mr. Selinger) is thinking of doing the same for municipalities. Maybe municipalities will be eligible now to balance every four years.

They could do some creative financing here. You can take the school board's budget and use the surplus from that to balance the municipal budget. But, apparently, that's not to be so. They're more interested in taking away future revenues from municipalities and school divisions through TIF. So there's no doubt that this bill is the NDP government's answer to declining revenues, and it's going to cost us dearly in the long run. We are going to pay for this, and it's coming very quickly.

As I mentioned, just since the events that have happened just from last Thursday, and this is only Monday, we've got a major financial crisis around the world, and there is no backing off by this government in terms of bringing in a bad legislation.

We're not even sure if and when Bill 38, if they persist in passing this bill, when we'll even be able to really get a true picture on the finances of Manitoba because for four years they'll be able to hide deficits. That's wrong. Manitobans expect better out of their government.

So, just summing up, Mr. Speaker, I've given my points on why I think this is a bad business move by this government. They're out of touch with financial reality that's happening in the world. We know that it's a fast-paced world, but just in terms of the last four or five days, what has happened, and yet this government, it seems like, has no intent to back off with a bad bill like Bill 38.

They need to do the right thing. They need to withdraw Bill 38—keep a balanced budget. We have the balanced budget legislation in place right now. We need to keep the balanced budget legislation that we have and withdraw Bill 38 so we can make Manitoba a have province in years to come. Thank you, Mr. Speaker.

Mr. Ralph Eichler (Lakeside): I just didn't want to get up too quick in case some of the government side wanted to speak in regard to Bill 38. But, obviously, that's not going to happen.

I do want to put some comments on the record in regard to Bill 38, the balanced budget that was brought forward. I know there are people getting their e-mails, listening to their voice mails and concentrating on their task at hand. But, in order to make sure that the government does listen, I'm sure they do multi-task, and I'm sure that they are able to listen to what we have, on this side of the House, to say in regard to Bill 38. I know how important it is that we do, in fact, speak in regard to Bill 38, because I know that the Minister of Conservation (Mr. Struthers) listened to what we had to say on Bill 17, so we're sure, even though they got 36 on that side of the House and we got 19 on this side of the House, that they will carry this bill through, even though it's not necessarily the best thing for the province of Manitoba. Again, of which they will have to live and wear this legislation as a result of their mismanagement as well.

In 1995, Mr. Speaker, the legislation was passed to bring in balanced budget legislation. It required a referendum before taxes were increased, reduced salaries for Cabinet ministers who ran deficits, and has put in place measures to prevent the province from an increasing debt.

What Bill 38 essentially does is do away with balanced budget legislation. It removes the responsibility to operate as a balanced budget; it requires departments to run direct control. Mr. Speaker, Manitobans clearly view and assess financial performance of the government. We have our Estimate process which we go through each and

every spring. It's certainly going to create the ability for the government to hide a number of issues from us.

We know that, including the Crown corporations and universities, government-related operations are certainly going to be another way for the government to have the summary budget. Also, what will happen is we'll see an artificial boost in the performance of the balance of the summary budget.

Bill 38 also allows the Province to use the net income of Crowns to balance their books every four years, which we don't feel is significant enough in order to make sure that we are, in fact, holding the government accountable, Mr. Speaker.

It's highly unlikely that the government will follow the information, the past balanced budget legislation which was brought in 1995 by this government. What it is is an excuse for the government to ease their accountability to the Manitoba people. The PC caucus, the Auditor General, the Canadian Federation of Independent Business, the Taxpayers Federation, the chambers of commerce in Manitoba have repeatedly called for the NDP to adopt GAAP before they moved to do so in early 2006.

A change in the accounting policy does not mean that the Province shouldn't be accountable to the taxpayers. We, on this side of the House, have asked time and time again in regard to financial matters of this Province, more than just during the Estimate process.

I know, we, on this side of the House, have asked tough questions of the government in the past in regard to accountability and in regard to ensuring that Manitobans are safe, to ensure that Manitobans have the responsible leadership that it needs when it comes to spending.

I know that the government has spent a tremendous amount of money. In fact, when we look at the debt, any other province west of Québec, the average to each Manitoban to service the debt is well over the national average of \$1,143 per year. During this time of which we have economic uncertainty, a method of which we're trying to make sure that the government does follow those transactions in a way that's going to be beneficial for all Manitobans, the Chartered Accountants of Manitoba shows research that Manitoba has the highest debt to the GDP in the ratio in the west.

The total debt of the province of Manitoba—the budget in 2008 is \$19.5 billion. In 1999, the provincial debt was \$13.5 billion in 1999-2000. It's an increase of \$6 billion. Total debt from 1998 to 1999 was \$13.4 billion. In 1995, the Progressive government introduced the 30-year debt retirement. If the current government had continued with the plan, Manitoba would retire over a billion dollars in debt. Instead, the government has gone ahead in a spending spree, and that debt has grown by some \$6 billion.

The debate in 1995—it's interesting to note that the Member for Concordia (Mr. Doer), the current Premier of the province, said: Your "silly balanced budget legislation . . . does not deal with people working." Yet the province's budget has been balanced for the past 13 years.

*(15:30)

Also, it's interesting to note that back in 1995, the Member for Swan River (Ms. Wowchuk) said, I quote: "No government needs balanced budget legislation." It took nine years of NDP rule, but she got her way. If Bill 38 passes, unadmitted to, Manitoba will no longer have balanced budget legislation.

We certainly know on this side of the House how important it is to have balanced budget legislation. When we look at the economy and the forecast that's out there, the forecast that we on this side of the House take very, very seriously, we know that just the interest rates of 1 percent, what impact that would have on Manitoba's economy and, in fact, to the housing sector, to the business sector, the manufacturing sector. The other sectors as we know them could be challenged. Any debt that would be increased by 1 percent could certainly have a significant impact.

When we look at the debt for 2008-2009, it is forecast to be \$806 million. This is more than the 2008 preliminary operating budget for the City of Winnipeg. The cost to the service to debt is greater than the cost of the Human Rights Museum, which is estimated at \$265 million.

The \$806-million debt service is already more than the combined 2008 forecast spending for Justice; Finance; Labour and Immigration; Water Stewardship; Science, Technology, Energy; Competitiveness, Training and Trade; and Aboriginal and Northern Affairs. Manitoba's not prepared to service a debt of interest that goes up.

Certainly, as I started talking about earlier, the Fannie Mae and Freddie Mac in regard to the housing debt there—we saw what happened with the \$700 million that was passed, or \$700 billion passed in the U.S. House last week and the impact that had. In fact, it had no impact. If anything, we've seen a definite decline in the U.S. economy. In fact, the markets today are down once again. We're very concerned about where Manitoba is going to go, where we're going to be.

The leadership that we need to be taking forward is significant enough for us on this side House to have significant concerns in regard to the debt and the financial wherewithal in the province of Manitoba in the next weeks and months to come. I know as a grandfather, my debt, the debt that has been brought forward by the government is debt that I'm concerned about for my grandchildren and my great-grandchildren and those generations to come.

When we look at the overall scheme of things and the buying power of the baby boomers—whenever we look at the buying power which is out there and the pension plans, if that happens to take a short decline or sharp decline the way it has in the United States, our buying power is going to be significantly less. As a result of that, it's going to have a ripple effect on down the road, and the way that we see the economy here in Manitoba certainly may be in question. I know that we on this side of the House take that debt very, very seriously.

So what can we do to get that debt down? Pay back in a meaningful manner, a manner which is going to be sustainable for the province of Manitoba.

In fact, we had talked about CentrePort just the other day and the impact that that may or may not have on the province of Manitoba, but it's not a done deal. We can't rely just on CentrePort being the saviour for Manitoba. If we don't get CentrePort as a result of that, what we will see is we're going to have to go back to Ottawa again, being a have-not province and ask for more and more money. We're going to have to be back there on our hands and knees. We have the biggest transfer payments in the history of this government, in the history of the province. We know that on this side of the House we can't just rely on those transfer payments.

We need to be creative. We need to find ways in which to attract businesses to Manitoba other than through CentrePort. We have to be competitive. We have to be very supportive of new business coming. We have to look at ways of getting rid of the payroll

tax. We have lowering the corporate tax for those businesses that want to come and locate here in the province of Manitoba.

So, Mr. Speaker, what we need to worry about when we look at the overall scheme of things in regard to balanced budget is critical. By Bill 38 coming in and every four years having that opportunity to balance their budget—again, by the corporation of the other businesses as involved with the Crown corporations, that's going to have a significant impact.

We look at the hydro rates that have just been passed through the PUB. Certainly, we know that was recommended by the PUB and that's going to create a definite surplus for our government to be able to use in order to balance their budgets.

We also look at the cost that is incurred with regard to health. We have one of the largest health budgets in Canada, and the most poorly managed. So we know when we look at the overall cost of things, it's going to be significant and we have to make sure that we do have those checks and balances in place.

In fact, I know in regard to the drought that we had in the western part of the province, the floods and the rains that we've had in the Interlake and the Westlake parts of this region, there are significant dollars that need to flow there. So we never have a true figure of which we are going to be able to use each and every year. Yes, we have a budget that we're supposed to follow, but whenever we look at Bill 38 in regard to that, we can go either way we want and spend as we want. There's not going to be enough accountability, at least in our opinion, to see that that does stay true.

With that, Mr. Speaker, I do want to say that we're certainly opposed to Bill 38. I know the Member for Brandon has done an awful lot of work in making sure that we brought forward amendments to this bill, some of which have been presented, some have certainly made sure that the government is accountable. The government did not decide to support these amendments, unfortunately.

In regard to the overall budget, we certainly feel that the government needs to be accountable, ministers need to be accountable, so we are not going to be supporting Bill 38, Mr. Speaker.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise to talk to Bill 38 at third reading.

This bill, which uses the words "Taxpayer Accountability Act," sadly provides for less accountability than we have had previously, and certainly provides for the opportunity for all sorts of things to be tossed over or covered up.

To have the budget balanced every four years instead of each year, we know why the government did this, because of the fluctuation in Manitoba Hydro revenues, but it was a bad move because, in fact, what we want to know is what the basic operating budget is, the revenues without the Crown corporations and the expenses without the Crown corporations and whether the government is keeping on track in terms of being able to balance those core parts of the budget.

As I will discuss in more detail, the way this is framed there is a lot of potential for the government to cover up or gloss over what could be poor fiscal management. Let us look at, for example, when we want to know what happens with the core operating budget. Although it may be easy to ferret out the differences, we know this government is good at spin and one-liners, and they will say, we balanced the budget. Don't worry about those—the fact that the core budget wasn't balanced. Don't worry about the fact that, you know, this includes several hundred million dollars of Manitoba Hydro income. The overall balanced budget—and they will go and produce commercials and tell everybody, but we balanced the budget even when they didn't so that the accountability is much less than it was. The ability for government—this government, in particular—to cover up and not provide really good details is there. Even though those details may be findable, that is that those who want to search through will be able to get the details. The fact that they don't necessarily appear on the bottom line means that it will be very easy for the government itself to say, but you've got to look at the bottom line instead of these details.

*(15:40)

So I think that the fact is that this measure will provide for considerably less accountability than before. It will be a lot easier to move money less well observed from Crown corporations to the core budget back and forth and, although it all will need to be reported, the problem is that because the government can get up at the end of the day and say, but we balanced the budget, when it includes everything, it is going to make it easy for the government to cover up deficits, problems in the budget, and it will be harder for the average

Manitoban to understand when you've got a government which is talking about, yes, we balance the budget, and when there is not an agreement in terms of what is the essence of what you need to balance.

Let's look at the situation of Manitoba Hydro, and I do this in this context. Manitoba is unique in a lot of respects, and one of those is in terms of Manitoba Hydro and the amount of revenues that can fluctuate in a given year, from one year to the next, under ordinary circumstances, a slightly drier year or a slightly wetter year. Because you can have these fluctuations, it can be much more difficult to manage the budget and much more easy to cover up problems when they exist.

Let us look at two years, for example. In 2003-2004, it was a somewhat drier year than usual so there was a net loss in Manitoba Hydro, from the hydro-electricity part of their budget, of \$428 million, and in 2005-2006, there was a net surplus of \$420 million. Now, between those two years, that's a difference of \$848 million from the top to the bottom of the cycle. If you can have from one year to the next a difference of \$828 million, that can give you quite a change from year 1 to year 2 in terms of what happens not only with Manitoba Hydro budget but with the overall budget.

The fact is that with the addition of additional hydro-electric generating capacity at Wuskwatim and Keeyask and Conawapa we would expect increased exports. Mr. Speaker, this number may actually fluctuate not just plus or minus \$420 million or \$430 million, but it might be plus or minus \$600 million or \$700 million or \$800 million. Under conditions where we're going to have increased power generation from Conawapa, considerably greater export capacity, we expect the large proportion of that capacity will be exported as opposed to being used in Manitoba, and appropriately so, given conservation programs and so on in our province.

This is a huge difference to account for from one year to the next, and there are probably very few jurisdictions which would have an equivalent circumstance as Manitoba Hydro that will bounce up and down like that in the normal course of events. That is one of the major reasons why, although other governments have rushed to use solely generally accepted accounting procedures, in Manitoba, we need to be looking and making sure we've got an

assessment of what really is happening with the core budget. We can have an overall summary budget, but to present the summary budget as the one and only budget for the province is asking for trouble.

Let's look at what happened in 2003 and 2004. Because of the drier conditions in 2003 and 2004, there were 19.338 billion kilowatt hours of electricity generated, and, in 2005-2006, it was up to 37.62 billion kilowatt hours. The fact is that those differences, that's essentially a doubling between those two years of the amount of electricity generated. Just based solely on the amount of water going through means that those kinds of dramatic changes can and will certainly occur in the future.

Indeed, we are looking at circumstances where, with climate change and with the situation of climate change, we are expecting more, not less, variation in climate. There is considerable concern that there may be more dry years.

Let me take, for example, suppose we had four dry years in a row and Manitoba Hydro had four years in a row where it had huge deficits of several hundred million dollars each year because of the dry years. Now, hopefully, toward the end of the dry cycle, Manitoba Hydro would be better planning to deal with dry years, but suppose that was \$400 million each year for four years. That would be \$1.6-billion deficit on the basis of Manitoba Hydro over a four-year cycle and the kind of pressure that would put on the government to balance the books on the backs of which programs would they cut—\$1.6 billion in program cuts. Would that be health care? Would that be the environment? Would that be education?

We don't know, but that's the reality of what this government is proposing to do to balance the budgets over four years, even when you've got moderate changes in climate and moderate changes in income as a result of changes in climate.

So we see this as fraught with problems as the way the government has brought in this bill. We believe that the bill should have been withdrawn and, although the original balanced budget legislation by the Conservatives wasn't perfect, there could have been amendments to that which would be reasonable and sensible amendments, but these are not reasonable and sensible amendments to the balanced budget legislation. It is a recipe for unbalanced budgets, and we do not agree with this and we will vote against this.

Let's look at some of the implications of this. This clause which says: Adjustments in determining balance—that the net income or loss for a fiscal year may be adjusted by excluding a revenue shortfall or increase in expenses for the fiscal year that occurred because of unusual weather or climate conditions, the fiscal impact of which was not anticipated in the budget.

So what will happen inevitably is the government deliberately will not plan for a drought. Right? Because if they planned for a drought, then this section wouldn't click in. But, if they didn't plan for a drought, then they're okay, because this section clicks in. They become like people who are managing a situation—weather—poorly and claiming that the problem was none of their own, because nobody could have planned for a drought. It is the government's business and Manitoba Hydro's business to make sure that, in all circumstances, the eventualities are planned for.

Certainly, the last thing that we would want is legislation which, in fact, encourages a government not to plan for a dry year, not to plan for a circumstance which would cause trouble. This is the wrong way to go. Governments should be able to plan well in terms of balancing the budget, but also planning well in terms of having the contingency approach that will allow the government to deal adequately and well with changes in climate conditions, which we expect are going to be the norm instead of the unusual, in the future because of climate change and the increased global temperatures. Speaking of which, the government of the day, the NDP, have not done an appropriate job, and we're still increasing our greenhouse gas emissions instead of decreasing them.

* (15:50)

So, you know, this government is just doing some odd things. Anyway, an unanticipated natural or other disaster: well, we don't know what they might include in that. At the moment we have and periodically there will be recessions and there's a lot of speculation that we're going to be in a time of recession in the near future, that the economic turmoil south of the border, starting with the sub-prime lending in the housing and working through and affecting a whole variety of financial institutions, decreasing the availability of credit, decreasing the construction of houses, decreasing the imports of various products from Manitoba, can result in a number of firms in Manitoba experiencing

some difficulties. The net result is that there may well be a decrease in economic activity in Manitoba, and we could well experience a recession.

We've had recessions in the past. Those recessions, of course, need to be planned for by government. One needs to expect that there's going to be at time of a recession, a significant dip in revenue, and at the same time, there may be a significant increase in expenditures, on social assistance, on a whole variety of other needs that can crop up during depression times.

Well, is the government going to say, oh, well, we weren't able to anticipate a recession or a depression coming along and therefore this doesn't apply? Well, you know, people have known about recessions and depressions for years, for decades, for centuries, and it would be unwise for the government not to plan and make sure that they're going to be able to manage well at the time when the economy is not doing so well.

This is the standard approach which we would expect, but the reality is that this government seems to be putting in here some language that they could use: oh, no, no, if we couldn't have anticipated this recession or depression, therefore, we're going to click in No. 3(a). So, you know, the effect is that this, depressions and recessions, have to be planned for, that governments need to be prudent enough and know that they are going into troubled times. Certainly, this government has been warned many times that it needs to prepare both for good times as well as for bad times.

So our argument here would be that the way that this is framed is not optimum, that the 3(d), which a decision by another level of government or of a regulatory body which was after or within 30 days before the budget was tabled, the fiscal impact of which was not anticipated in the budget. Well, the reality is that a Finance minister who's doing his job should have some idea of what's going to happen at the federal level, at the municipal level, you know, some concept of what regulations are coming along when we're talking regulatory changes.

We know that, in the past, managing the equalization payments, which can fluctuate quite a bit from year to year, has been a problem and something that's not always easy to manage. At the same time, there has been an effort at the federal level, particularly in the early 2000s under Jean Chrétien and Paul Martin, to have the equalization transfers a little bit more predictable. So this is a

setup for an excuse, and we know that this NDP government has tended to bring forward excuses. We are not looking forward to having to deal with this act and the sort of excuses that they will deliver in terms of trying to explain why the budget wasn't balanced. The reality is that these things, the weather from year to year, some of these other things may happen or may not happen. You may get lucky. You may not be lucky, but, as a government, you need to be in a position where you can plan, and Manitoba Hydro needs to be in a position where it can plan and be accountable. To have the two so closely interrelated that they—an increase and a decrease of \$400 million from Manitoba Hydro immediately shows up as a surplus or a deficit on the Province's books and is claimed as a surplus or is excused as a deficit by this government. This is not a good planning environment and, I suggest, will lead to more confusion among average voters. We should be presenting things simply, but not in a way that tends to cover up some of these major adjustments and cause problems in explaining budgets to the average Manitoban.

So we argue against this legislation. We believe it will provide less instead of more accountability, that it will provide more opportunities for excuses, that it might more properly be called the unbalanced budget legislation or bill and the unaccountable government bill. Certainly, I think that this was not a smart move by this government to move in this direction and that at a minimum they should have kept up with producing a regular budget and then provided the overall summary budget. To have tried to have one budget for all circumstances given the increase and shortfalls under Manitoba Hydro, it is going to create a significant problem, I am sure, in the future.

It also, for a government, the NDP, which has often seemed to believe in governing by illusion rather than reality, when there's a \$400-million surplus in Manitoba Hydro, it will be very easy to create an illusion that they've balanced the budget even if the rest of the budget is \$300 million down. If the core budget is \$300 million down and Manitoba Hydro has a surplus of \$400 million, this NDP government is likely to say, well, the overall balanced budget was balanced, rather than admitting that the essential parts of the budget were not balanced and being accountable.

It will, as a result, make it a lot easier for the government to slide monies back and forth in ways that will cover up, cause problems, make it harder for

the average person to see what's happening. I think that the sad thing about this law is that it didn't need to happen.

The sad thing about this government. I would point out that, a number of years ago, I think it was in the fall of 2000, this government was provided evidence that were problems with Crocus and with the Crocus Investment Fund. The Crocus Investment Fund was going downhill, and what they did was to try and create the illusion that the Crocus Investment Fund was doing just fine, and a lot of Manitobans went and invested—I think it was about \$100 million over the next several years into Crocus, at a time when the government knew that Crocus was going down hill. It was a very sad day, and I predict, Mr. Speaker, that this will be, again, a sad day, because it will lead to less accountability and people making poor decisions based on the illusions of what's there rather than the reality.

* (16:00)

Those are my comments, Mr. Speaker. I will let others speak, but I certainly believe that this is a sad day when we're seeing this act coming before this Legislature, being supported by this government and supported in a way that is, I am sure, going to lead to more difficulty in the average Manitoban understanding the budget, more ability of the government to use sleight of hand to cover up deficits and more difficulty, because this government is getting used to doing things in a way that it wants rather than in ways that the people should want and do want. Thank you.

Mrs. Heather Stefanson (Tuxedo): I am pleased to put some words on the record with respect to Bill 38, and I think we need to start off with—first of all, I will be voting against this legislation.

I think the title actually—and the reason for that is there are so many different reasons which I will go through, over the course of the next little while, as to why we'll be voting against this particular piece of legislation.

I think one need look no further than the title itself, Mr. Speaker. The title of the bill, No. 38, is called The Balanced Budget, Fiscal Management and Taxpayer Accountability Act. I think, unfortunately, what really the title should read and would be a more accurate reflection of what is, in fact, in the bill is the unbalanced budget, fiscal mismanagement and taxpayer lack of accountability act.

Mr. Speaker, certainly, amendments have been brought forward by this side of the House to try and bring back the idea that the operating budget of this province should be balanced on an annual basis. We heard from many people at committee. I sat on committee several evenings, and we heard from actually hundreds of people. I'm just looking back to see exactly how many, but there were close to a hundred people on the list, if not more—yes, about 98 people on the list that I have here, who actually spoke out on this bill.

Primarily they spoke out against it. We had people come out, people like—and members opposite should be familiar with him—former NDP Cabinet minister, Sid Green, came and spoke out against this bill. He obviously sees that this is a way out for this NDP government, a way out of trying to be accountable when it comes to the financial management of this province.

I think members opposite could take a lesson from Mr. Green and the comments and the words that he made on the record at committee. He spoke very passionately. I know members opposite were very concerned at the time; they were very uncomfortable in their seats. I can recall looking across the table and watching them fidgeting as Mr. Green is making his eloquent speech, opposing this bill. I think members opposite should listen to Mr. Green and should have listened to him and see why that he was opposing this bill as a former NDP Cabinet minister.

Of course, we also heard from a former Finance Minister, Clayton Manness, who spoke very eloquently, passionately and with a great deal of understanding and knowledge in this area, being the former Finance Minister of our province. He was gravely concerned, in particular, about the lack of government accountability when it came to what this will do to the finances of the province.

In particular, he was concerned about the fact that the operating budget would no longer be required to be balanced on an annual basis, and he spoke very passionately about that. Certainly, he felt that it's important, and that was the true nature of the original balanced budget legislation which was brought in by former Finance Minister Eric Stefanson. What the true nature was behind the legislation, to ensure that, in good times and bad times, the government operating budget was balanced in this province. That means that, if you're

going to be fiscally responsible and accountable to Manitobans and accountable for the money that's being spent, it means that in good times you set aside money to help pay for the bad times.

Certainly, Mr. Speaker, what we have seen from this Province and the Minister of Finance (Mr. Selinger) and others opposite who manage various government departments within this NDP government, what we have seen time and time again is they're very good at spending, but what they are not so good at is actually saving for the tougher and harder times that we are going to face out here.

We see already what is happening in the marketplace out there over the last week, 10 days. We see extreme volatility within the markets. There's concern out there among average citizens, including Manitobans, about what the future holds in terms of economic opportunity in this province, in Canada and around the world. I think that members—it's incumbent upon members opposite and the Premier (Mr. Doer) of this province to ensure that we prepare for the tough times that we're about to face. I think all of us, through various times in our lives and all Manitobans through various times in our lives, have run through, you know, difficult times to be able—where we had to pull in the spending and refrain from maybe buying the extra thing we may want to buy because we need to ensure that we balance our own books at home. Well, Manitobans are used to that. Manitobans are told they have to abide by the law. They have to abide by the law by balancing their own books at home. I guess what I would ask is why is it not okay or why is it required for Manitobans to balance their books at homes, but it's not for the provincial government to do the same?

I would suggest that, if this government really wanted to take a leadership role with respect to fiscal management and accountability within this province, they would set an example to Manitobans to say, you know what? Good for you for balancing your own books at home; that's the right thing to do. It's the fiscally responsible thing to do and the way to manage your own family expenditures and your own family affairs.

What they would do is if they really, truly cared and wanted to set an example, they would set an example by doing just that. But, unfortunately, that's not what Bill 38 does. It does exactly the opposite of that. It sends a message to Manitobans that, you know what? It's okay, we don't have to balance our books anymore. It's not required. It's okay. So you

know what? It's okay for you. You know what? In your own pocketbook, well, if you can't make ends meet this year, then we'll just average that over the next four years and we'll see where that goes.

Well, we know what happens with that when people have to borrow; it costs them to borrow money. It costs them to do that and we know that it'll cost this province money and this government money to borrow the money that they need to balance budgets on an annual basis. So, when they do that, that doesn't cost government money. It costs all of us money as the taxpayers in this province. That's where the money will come from, from each and every single person out there.

I think it's unfortunate that, through Bill 38, this government has decided that instead of setting a positive example for Manitobans, they have, instead, chosen the alternative route and to say to them that it's okay, you don't have to balance your own books. We know what would happen to families; it would have devastating consequences, devastating effects within families if they didn't balance their books on a regular basis, but, yet, it's okay for the Province to do the same.

I think that this government needs a bit of a wake-up call. It needs to realize that, you know what? They've come through nine years of a fairly good economy across Manitoba, across Canada, across the world. But you know what? We're about to face some times that are going to be tough and I think it's going to be a huge wake-up call for Manitobans. It's going to be a huge wake-up call for the Minister of Finance, for the Premier, for other ministers opposite, that you cannot get away—it's easy to spend in the good times, but you cannot continue that kind of management into the future in the tough times. I think that, unfortunately, the message that is being sent to Manitobans is that in the good times, you know what? It's okay, we'll just spend, spend, spend. In the bad times, oh, well, we'll just deal with that when the time comes. You know, we'll deal with the consequences.

* (16:10)

They'll likely sit back and say in their NDP way, you know what? It's just tough times. We just can't balance our books, and so we'll try and do it over the next four years. Well, Manitobans can't do that with their own pocketbooks and nor should this government be allowed to do it with its pocketbook. So, Mr. Speaker, I think that there are some general themes that come out of this. Certainly, it's one of a

lack of accountability, one of mismanagement, one of, sort of, an unbalanced budget, that it's okay to run a budget that is not balanced, and I think it's unfortunate.

Mr. Speaker, if you look back, in 1995, Manitoba's balanced budget legislation was passed to ensure that the Province lived within its means. It required a referendum before taxes were increased, it reduced salaries for Cabinet ministers who ran deficits and put in place measures to prevent the Province from increasing the debt. That offered balanced budget, it offered accountability and it was extremely prudent fiscal management within this province. I think what's unfortunate is that we're taking, through this bill, through Bill 38, we're taking several steps backwards when it comes to prudent fiscal management within this province.

Ms. Marilyn Brick, Acting Speaker, in the Chair

Bill 38 essentially kills the 1995 budget legislation and, most importantly, as I've already stated, it removes the Province's requirement to balance its operating budget on an annual basis. I think that's one of the most unfortunate and glaring things to do with this legislation.

The Province's operating budget includes all departments under the government's direct control and allows Manitobans to clearly view and assess the financial performance of the government. Without balancing the budget on an annual basis, how do we know whether or not individual government departments are living within their means? How do we know that, if it's okay to carry it forward for four years? These are some of the things that we have serious concerns with and is not, in my mind, prudent fiscal management.

Under Bill 38, the Province is only required to balance its summary budget. The summary budget, Madam Acting Speaker, includes all the government departments under the government's direct control, plus the government-related operations such as Crown corporations and universities, et cetera. In fact, the Province can now use the net income of Crown corporations and other reporting agencies, such as the universities, to artificially boost the performance of the government and balance—so-called balance—their summary budget.

Bill 38 not only allows the Province to use the net income of Crowns to balance its books, they will only have to balance their summary budget every four years, which we have talked about. The 1995

legislation included a requirement that the operating budget be balanced every single year. There was a reason why that was put into place. It's to hold the government accountable each and every year. We cannot afford to go back to the days of the deficits in the 1980s, under the former NDP government, that left the fiscal house of this province in a complete mess before Gary Filmon and his government came in and had to, essentially, clean up the mess that was left by Howard Pawley and the NDP government of that time. So we cannot afford to go back to those dark days in the 1980s.

Bill 38 not only allows the Province to use the net income of Crowns to balance its books, they would only have to balance their summary budget every four years. The 1995 budget legislation said they had to do that every year, et cetera. It will be virtually impossible for a deficit to occur with a four-year summary budget, even with hundreds of millions of dollars of unfunded spending by core government each year. In the extremely unlikely event that the Province can't balance its summary budget, some losses can be excluded. For example, if there's a drought in this province, Madam Acting Speaker, Manitoba Hydro's loss would not be included in the summary budget balance.

Cities, municipalities and individuals have to balance their books. It isn't right that Bill 38 sets a different standard for the Province. This government has an unprecedented level of revenue, at almost \$10 billion. There is no reason why it cannot live within its means and be accountable for its operating costs every year. If we look back to 1999 when this government first came into power, the operating budget of the Province, at the time, was around \$6 billion. If we look at the operating budget of this Province now, we're looking at almost \$10 billion. That is a huge increase in the size of government in this province. I think at a time when we had unprecedented increases in revenues from the federal government, when we had increases in revenues because of good economic times, it would have been prudent fiscal management for this government to save some of that money or give some of that money back to people in the way of tax cuts. Let them decide how to best spend their hard-earned taxpayer dollars. But, rather than doing that, Madam Acting Speaker, this government shows the alternate route. They chose the typical NDP route, and that is, no, no, we know best how to spend your money; we'll spend it way better than you, and so we will spend, spend it and spend it and spend it.

So now, when we're on the verge of potentially a—well, a very volatile situation with the markets, when we've got a potential economic downturn, a potential recession coming along, unfortunately, what this government has done has spent all the money that they could find. As a matter of fact, they didn't only just spend all the money that they could find, they spent more, and they borrowed to do that. Beyond that, now, they've turned over every single stone imaginable in this province to try and find every single last penny out there that they can grab and spend, Madam Acting Speaker. They've done all that. But you know what? That's not enough. Now they had to introduce Bill 46 so they could take potential future education dollars and borrow against those to spend now.

Madam Acting Speaker, it is unbelievable that this Province does not see, this NDP government does not see that there is a very serious problem that plagues this province. That problem is the fact that this government, this NDP government, has a very serious spending problem. They can't stop. They keep going and going and going, and every special interest group that comes and knocks on their door, here you go; we'll throw some more money at it. They like to send out fancy news releases—fancy news releases that state how much money they're pouring into a specific project here and there. What's unfortunate about that is that we never ever see them say, you know what? This is what we're putting into this; this is what we expect to get out of it. No, we're never results oriented when it comes to the NDP. What they're more concerned about is inputs. What we and the rest of Manitobans are concerned about is outputs. We want to know and Manitobans want to know that their taxpayer dollars are going to fund the social services that will show that this government is accountable for the dollars and where they are going and how they are being spent, and that people are properly taken care of within the system.

What we see as a result of this government's complete fiscal mismanagement of this province is that we've got a lot of money going into health care. We've got a lot of money going into family services. We've got a lot of money going into education. You know what? Members opposite will want to stand and congratulate themselves and pat themselves on the back and say, yeah, you know, we've done so much; we've spent so much more money in education and all of this sort of stuff. But the fact of the matter is we need to look at the system, and is the system really working for the people? I think, to use

one example, I think we can see there, there are some glaring errors when it comes to our health-care system in this province. There was a prime example of Mr. Sinclair who fell through the cracks, so members opposite like to say. He fell through the cracks because of this government's mismanagement of the health-care system, and I think it's unfortunate.

So they need to stop talking about how much money they're spending everywhere. They need to start talking about what kind of results are we getting for the money that is being spent, because our system, the wait lists continue to get longer, people continue to, quote unquote, fall through the cracks, and that's okay, I guess? That's okay to members opposite. Well, it's not okay to us, and it's not okay to Manitobans.

* (16:20)

So I would challenge them that next time they decide to go out and make a fluffy government announcement and how many more millions of dollars that they're spending in the Department of Education and the Department of Family Services, it's not about the money that is being spent. It's about what kind of results we are getting for the money that is being spent in those areas, and are people actually getting the help that they need. What we're finding from this government is that they're great at spending, but they so badly mismanaged that money that we're not getting the best results that we can get for Manitobans. I'm hearing that loud and clear as I'm out speaking to various people all across this province. But I digress, Madam Acting Speaker, and I will get back on focus here.

While the government might say that Bill 38 is about accounting, it is really about using accounting as an excuse to limit accountability. What we see from that and really what that means is this government is all about creative financing. What I say by creative financing is—and, certainly, the Minister of Intergovernmental Affairs (Mr. Ashton) has said, let's talk about Bill 46 for a second, because it does stem out of this and it is about balanced budgets and so on, so I'm going to take a little bit of time to talk about that bill.

But what we see from that is here is a minister of the Crown who has introduced a bill that will take money, potential future revenues from Education and spend it in whatever government project that this government feels that it should and that it can. That is just plain wrong.

TIF financing is all about helping those communities that need to be helped. That bill has nothing to do with that and it should be pulled. I was concerned when the Minister of Intergovernmental Affairs was up answering questions, when I asked him to pull the bill today. He was so concerned about protecting himself and so on—again, very typical of this government—that he refused, he absolutely refused to pull the bill. It's the right thing to do.

They know that there are problems with the bill. They realize that it is creative financing, and those are the words—those are not my words, Madam Acting Speaker. Those are the words actually from the Minister of Intergovernmental Affairs. He said that Bill 46 was a way of creative financing for various projects that the government sees fit, whether it be rapid transit or whatever the government pet project is of the day.

So, whatever they decide, they're going to take these revenues from these communities and put it back into whatever government project that they see fit. The unfortunate part about that, and really what that is called— it's not even creative financing.

I'll give the minister credit for that, for at least recognizing that it is creative financing. It is his government that's trying to put this creative financing in place. I give him credit for coming clean on that because, at least, he's being honest about what the bill does and what it is. But what it really is just—why don't they just be out with it and say, we're introducing this Bill 46 because we believe that we should have the right to take your tax dollars from Education and spend it on whatever project that we want? It's indicative of a government, particularly an NDP government, that feels that they know best how best to spend our taxpayer dollars, the hard-earned taxpayer dollars of people in Manitoba, and—

An Honourable Member: In conclusion.

Mrs. Stefanson: —well, the members opposite say, in conclusion. I could go on for hours about all the different reasons for not supporting Bill 38, Madam Acting Speaker. The list just continues to go on and on and on, but I think we also need to look at some third parties and what some of the third parties have said out there when it comes to this Bill 38.

What we heard when we were at committee—and, certainly, I had the opportunity to sit in committee several nights for this—but what we found is that many people came forward to speak out against this. I think it's important to look at some of the

organizations across Manitoba, across Winnipeg, organizations like the Winnipeg Chamber of Commerce, which our Premier likes to quote all the time, saying how wonderful our province is doing and all of these sorts of things. He likes to quote the Chamber of Commerce.

Well, let me quote Chuck Davidson who's the vice-president of policy and communications for the Winnipeg Chamber of Commerce. He said, in a nutshell, Bill 38 makes it virtually impossible for a government not to balance the books, and, in fact, allows for governments to run annual operating deficits and, in turn, increase the provincial debt. Manitobans should demand more and urge that future governments continue to balance the operating fund on an annual basis to ensure accountability and transparency.

Well, you see, that's what the Member for Brandon, who's been spearheading this bill for us and has been out and spoken very eloquently on several occasions against this Bill 38. This is what he has been saying all along, but you know what? I know you may not want to listen to the Member for Brandon even though he's got a lot of great things to say about this bill, or maybe not so great for you, but a lot of honest things to say about the fact that this is a terrible bill. Maybe, if you don't want to take his word for it, take it from people out there. Take it from the hundreds-plus people who came out to committee and spoke out against this legislation. I think Mr. Davidson was probably one of those people who did, although I didn't hear him myself, but he certainly felt strongly enough against this legislation that he felt he needed to come forward in public.

Let's look at the Business Council of Manitoba, who stated in their 2007 pre-budget submission, they said: We agree that a four-year rolling average is appropriate when factoring in the performance of Crown corporations and government reporting entities. We do believe, however, that it is appropriate to keep the provisions of the balanced budget law that require annual compliance on the operating line of government. End quote.

See, the Business Council represents lots of businesses across Manitoba. Those businesses, by the way, that have to balance their own budgets, balance their own books. It's required by law that they do so, and, Madam Acting Speaker, what would be prudent is if this government would set an example by balancing its own books and by not

repealing that part of the legislation that currently exists, but keeping it in place so that future generations, quite frankly, in our province, don't have to be forced to pay for the mismanagement of this government in future years to come.

I think that when it all comes into play here, the government really should listen to groups like the Business Council of Manitoba because they really represent the future of our economy in Manitoba as well. They are the people who hire people in our province. They employ people. They employ the people who pay the taxes, who pay for our salaries. I think rather than discrediting them and saying, you know, they do nothing for us. Oh, you guys are for big business.

Well, don't forget that someone has to pay for the social programs that we have in this province, many of which are good and do offer a lot to help to those people who really are in need of a hand up. Madam Acting Speaker, members opposite like to talk negatively about business owners and business people and the Business Council, and so on in Manitoba. I think they need to, before they continue to speak that kind of empty rhetoric, take a step back and really look at what these people do for our economy in this province because they are who keep it going.

The problem though is that members opposite truly don't understand that. They really believe that it's government that keeps things going in this province. That's really the fundamental difference between the NDP and ourselves is that we know it's private business. We know that it's hardworking Manitobans who keep our economy going. We know it's not government that keeps things going.

* (16:30)

I see my light is blinking here. I'm running out of time, and, again, I could go on for a long time about the reasons why I will not be supporting this legislation, but I think it's never too late. It's never too late for members opposite to change their minds and do what's right for Manitoba, to ensure that we have fiscal responsibility, and continue to ensure that governments are held accountable for fiscal management and prudence in this province. I would encourage members opposite to maybe break away from their Premier (Mr. Doer) and from the Minister of Finance (Mr. Selinger) and the Cabinet and really show their communities that they can stand up for the people in their communities, that they respect the people within their communities who are

hardworking Manitobans. I hope that they see the light, and, at the end of the day, vote this bill down.

Thank you, Madam Acting Speaker.

Mrs. Mavis Taillieu (Morris): I feel compelled to stand and speak on Bill 38 today as an actual abhorrent piece of legislation being brought in by this NDP government. Madam Acting Speaker, just look at the name of this bill: The Balanced Budget, Fiscal Management and Taxpayer Accountability Act. I can say to you and to anybody that wants to be reading this at a later time, this bill is not about balanced budgets, it's not about fiscal management, and it's certainly not about taxpayer accountability. But what we see with this government is, when they bring pieces of legislation in that are going to be a little tricky because there's going to be opposition to them, they will use a name on the bill which hoodwinks, I think, the general public into believing that there's something good in the bill, where in actual fact there's nothing—nothing good in some of these pieces of legislation that they bring in and give names like this to the bills.

I look at the Minister of Finance, and I know that he does go around and listen to pre-budget submissions in a variety of communities around the province. I would just like to ask him, who came up to him and said we don't want you to balance your books every year, we want you to run deficits. We don't think you should balance every year. We think you should use all the money you want from the Crown corporations and not even bother to balance except maybe every four years. I'd like to know what Manitobans came forward and asked this government to produce this most heinous piece of legislation because, even if people did come forward, which I doubt, why then would they go into the last election and run on balanced budget legislation? They ran on it and then they get elected and the first thing they do is they want to repeal balanced budget legislation, gut the legislation so that they don't have to balance their books. I think that's being dishonest to Manitobans when you campaign on a platform, you go and you get elected on that platform, and then, what do you do right after that? You turn around and you do the opposite as to what you promised to do, and that's wrong. Manitobans know it's wrong, and they'll be watching as to what this government does with this piece of legislation.

I also want to commend the Member for Brandon West (Mr. Borotsik), who's done a lot of work on this piece of legislation, who's actually put a

lot of time and effort into amendments that were going to be brought forward to this Legislature, to try and make some semblance out of this piece of legislation, to bring it back within a realm that all Manitobans could live with. Unfortunately, this government would see fit not to pass, not to debate, not to listen to any of the amendments brought forward by the Member for Brandon West, and that's very unfortunate, because those amendments would have provided at least some semblance of order in this bill and not allow this government to just go forward and gut this legislation in its entirety.

This balanced budget legislation, brought in by the former Conservative government under Premier Gary Filmon in 1995, was to ensure that the Province would live within its means, and it, in fact, required a referendum before taxes were increased. It reduced salaries for Cabinet ministers who would run deficits. It put in place measures to prevent the Province from increasing debt.

Now, Madam Acting Speaker, this government wants to gut this legislation and show that it doesn't have to live within its means; it doesn't have to have any kind of referendum to increase taxes; it doesn't reduce the Cabinet ministers' salaries if they run deficits; and it doesn't provide any relief from the possibility that this government will, indeed, increase the debt.

Madam Acting Speaker, this piece of legislation has worked for 13 years in this province. Now, why now are they going to repeal it—gut it, so to speak? It just seems to me that any time something goes a little bit wrong or a lot wrong in this province, there is a change that comes up in the way there's recording or reporting or accounting.

I'll give you a couple of examples. When the number of child deaths, children in care in Child and Family Services, escalated so high in the numbers, the Province, the NDP, changed the way they recorded those numbers to make it look better for them. Madam Acting Speaker, they also received a lot of money from the federal government for social housing, and when the money dried up and was gone, because it was spent in other ways, they changed the way that was recorded.

So every time there's something that goes wrong, they change the way in which there is a recording in the province, and that simply is not accountable, it's not transparent. When the general public wants to see what's happened, they cannot compare year to year because the Province has changed the way it did

things. No different than changing the way they calculate the number of people in the hallways by changing the name "hallway" into waiting room, or—it just defies reason, Madam Acting Speaker.

I don't think Manitobans are particularly fooled by that. But it just begs the question: If you have a piece of legislation, balanced budget legislation, that has been working—the NDP campaigned on it in the last election; I don't believe one Manitoban came forward and asked them to gut the balanced budget legislation so they could run deficits—there has to be something about to occur that we're not quite sure of yet but they are. They're mitigating before it happens by allowing themselves to run deficits, Madam Acting Speaker.

Madam Acting Speaker, by not having to balance the operating budget yearly, and allowing the government to use the finances of the Crown corporations to balance a budget, a summary budget, over a four-year period, really opens up the door to use the Crown corporations as cash cows.

Now, we've seen this before. We've seen the government try and take surpluses from the Manitoba Public Insurance Corporation and use that to fund the University of Winnipeg. The University of Winnipeg is my alma mater, and I believe in funding of universities. That's not the point. The point is that Manitobans said that was money that was collected for auto insurance, and if it's not going to be used for that, please give me some of my money back so that I can use it how I want to. If I got money back and I chose to give it to a charity of my choosing, that would be just fine with me.

So we've seen that, Madam Acting Speaker. We've seen just recently the money that's been called—through a suggestion from the Premier (Mr. Doer) that the Crown corporations donate to the Human Rights Museum. Again, the Human Rights Museum is a great thing for our city, and I think that we all would be supportive of that. But, again, when you have political intervention and suggestion taking monies from Crown corporations to be used in a certain way, a political way, for the governing party, that's wrong. Manitobans can use their own money, can be rebated any surpluses and be then allowed to make their own decisions as to how they would like that money to be spent and choose the charity of their choice as to where the money should go.

* (16:40)

If the NDP government does not have to balance the books every four years and runs deficits, which I think we are going to see in the economic times that we are now headed into, if deficits are going to be necessary, and I think that's what this is all about, they then have the ability to take the money from the Crown corporations to balance the books. What that says to me is they can use these Crown corporations to actually raise the money that they need. So, for example, if Manitoba Hydro needs to raise rates, if MPI needs to raise auto insurance rates, if the cost of liquor sales goes up in the province, all to gain more money for the government to balance their books, then that's just patently unfair to Manitobans because we don't have that debate here in the Legislature. That's just allowing them, other Crown corporations to raise the money for the government, and the government doesn't have to say we've raised taxes. But they have, in fact, raised the fees and rates, because, if Manitobans pay more money, have less money in their pocket because of the actions of the government, because of this bill, it is the same as raising taxes. There's only one tax, and raising fees is the same as this government raising taxes, except that they are burying that, placing that burden on the Crown corporations and shirking their responsibility as a government. I think this is very, very risky going into a situation where you don't have to look at balancing the budget for four years.

In Canada, all the provinces get equalization payments. The equalization payments are made so that there's an equity among provinces in the country, so that provinces that aren't doing as well are given a handout—handout from the federal government at the expense, I might add, of those provinces that are doing well. Manitoba is a have-not province because we have not, under this government, under nine years of NDP government, have not been able to raise ourselves up off welfare and be a have province here, even though other provinces have done it. Even Saskatchewan is not a have-not province any more, but a have province.

With the economic turmoil of the times, both south of the border and encroaching into Canada, we are likely going to see some bad times, and it behooves this government to be saving money for bad times ahead rather than unfettered spending to all their interest groups. Whenever they have cash in the hand, they spend it immediately without forethought as to what will happen. What will happen if those equalization payments dry up? Supposing next year or the year after there isn't that

40 cents on every tax dollar coming from the federal government. Suppose that money does not flow from the federal government. Then where will this government find themselves? They'll find themselves taking money out of Crown corporations, and the Crown corporations are going to have to be raising rates and fees, and Manitobans are going to be affected by the lack of management, fiscal management of this government and the bad policies and the bad decisions with bills like Bill 38.

Madam Acting Speaker, can you imagine that you would not have to balance your chequebook? Your family would not have to balance every week, every month, or every year, but didn't have to worry about spending for four years and then, at the end of that, try and account for all of that. I don't think that Manitobans see that as a very responsible, fiscally responsible thing to do.

It's very difficult, it's very difficult to say to yourself, you know what, we've got to cut down on the spending because we just don't have the money. We have to live within our means. All families, all families in this province need to do that and they do that. They budget. They say this is what we can spend, and we can't go beyond that because we don't have any more money. It's not right, Madam Acting Speaker, to try and spend money based on the hope that you're going to make it some time in the future because, and particularly in these economic times, there's a very real risk that the money will not be there in the future.

Manitobans are very prudent money managers, and they would like the government to be prudent money managers as well. Every person that sits around a kitchen table, that sits around a boardroom table, who runs a business, who runs a municipality, all of these people, cities, towns, they all need to balance their budgets. They all are required. Municipalities are required to balance their budgets every year, Madam Acting Speaker.

Families know the importance of balancing their budgets because they need to live within their means. It's ruinous to suggest otherwise, and that's what this government is proposing to do to allow itself to spend this year. Oh, well, maybe we'll get the money back next year, and then next year, what if the money doesn't come? Okay, well, we've got a couple more years, and then it gets worse and at the end of four years, Madam Acting Speaker, that's when the crunch comes. *[interjection]* The Member for Flin

Flon (Mr. Jennissen) says they'll sell Hydro. I just heard him say right now—

Some Honourable Members: No, no.

Mrs. Taillieu: He just said, in four years he said, we'll just sell Hydro. That's what—

Some Honourable Members: Oh, oh.

The Acting Speaker (Ms. Brick): Order.

Mrs. Taillieu: I can't believe it. That's what he said. I guess I struck a nerve, Madam Acting Speaker.

Some Honourable Members: Oh, oh.

The Acting Speaker (Ms. Brick): Order.

An Honourable Member: Nobody will buy it. It's bankrupt.

Mrs. Taillieu: Madam Acting Speaker, the NDP government has gutted Manitoba Hydro. It has spent so much on wasting money on the west side of the province transmission line that they're proposing, and the money that's excess, over budget, on the new Manitoba Hydro building that, even if the Member for Flin Flon wants to sell Hydro, there won't be anything left to sell.

Point of Order

The Acting Speaker (Ms. Brick): The honourable Member for Flin Flon, are you up on a point of order?

Mr. Gerard Jennissen (Flin Flon): Yes, Madam Acting Speaker, I think my words were definitely taken out of context.

I'm a proud member of the Manitoba Hydro Board. This government has no intention of ever selling Manitoba Hydro, and I think the member is just trying to make a cheap political point, Madam Acting Speaker.

The Acting Speaker (Ms. Brick): The honourable Member for Flin Flon does not have a point of order.

* * *

The Acting Speaker (Ms. Brick): The honourable Member for Morris, to resume her debate.

Mrs. Taillieu: Well, thank you, Madam Acting Speaker, no, there's no point of order there. He knows what I've said is true because he's said it himself.

Madam Acting Speaker, I know that the process of legislation here in the Province of Manitoba is that

a bill is brought in, such as this most horrific piece of legislation, Bill 38, which guts balanced budget legislation and allows the Province to spend freely and not worry about balancing their budget and raid the Crown corporations should they need to do so.

Then, after they bring this in, what happens is we debate it and then we take it to committee, and that's when the people of Manitoba have a chance to come and say what they have to say. I just want to comment on some of the people that came and presented at the committee on Bill 38. I want to quote Jesse Hamonic, who is a young Aboriginal student of economics and presented at the committee. This is what Jesse said, and I'm quoting: Permitting such an act is nothing less than deceit. It will allow the government to continue amassing large deficits and debts while dismissing concerns year over year by explaining the government still has time to turn it around. The consequence of such a pernicious policy is that at the end of the four-year period not only will Manitoba's finances be practically irreparable, it will lead the province to a lower bond rating causing higher interest payments—end quote.

* (16:50)

This is a young Manitoban, Madam Acting Speaker, who has actually spent time out of the province to attend college because he is looking for opportunities outside of Manitoba, and this is one of the reasons why, because he has no faith in the NDP government and their management, their fiscal management of budgetary dollars here in Manitoba.

I might add, it's very easy for this government to spend other people's money. They have a responsibility here to manage the taxpayers' dollar, the hardworking Manitobans that every day go to work so that this government could take money from them and do what they need to do in terms of running the programs in this province. But when there's no fiscal responsibility, unfettered spending, there is no regard for the taxpayer in this province.

I want to go back to what some other people said at the committee. Graham Starmer, who is of the Manitoba Chambers of Commerce, also a presenter, and I quote what he said: "While the balanced budget legislation has helped shrink the debt of a number of Canadian jurisdictions, the need for government to live within its means is as important as ever, as you've seen from the last presenter. If Manitobans do not get this issue right, it's our future generations that will pay, generations we are working so hard to

retain with promises of an engaging and rewarding future, generations that will be saddled with demographic crunch where less workers will support an aging population with growing medical needs and therefore ill afford a growing amount of government revenues towards spiralling debt costs."

Shannon Martin, from the Canadian Federation of Independent Business, said this, and I'm quoting: "Moving to a four-year average and blending income from Crown corporations into the government's bottom line makes the odds of any provincial government running a deficit . . . as likely as it is to end hallway medicine. Bill 38 opens the door for this government to return to the days of deficit financing. Manitoba's Crown corporations can be consistently counted on to post income in the hundreds of millions of dollars providing a huge but fictional cushion to overspend. What should send a chill through every taxpayer's wallet is the fact that under the proposed legislation, this government could, using the proposed four-year summary budget average, overspend its core budget by as much as \$3 billion during its current mandate and still legitimately claim a balanced budget. Overspending on this scale will only add to Manitoba's growing provincial debt of almost \$11 billion, diverting hard-earned tax dollars from funding health, highways and higher education to paying off interest charges."

Also, I'd like to comment that Clayton Manness, a former Member for Morris and a former Finance Minister in the Filmon government, also presented at committee, and I did speak with Clayton at length about this. He's a person that has enjoyed his retirement and has not engaged himself in some of the legislation that's been brought forward, but he simply said, this defies any reason, I feel compelled to come out and speak against this very regressive legislation.

Mr. Speaker in the Chair

I know speaking to people in the constituency that I represent, they feel the same way. Hardworking people recognize the need, even when times are tough, they have to balance their books. They have to balance their own budgets and would suggest to this NDP government that it is prudent and fiscally responsible to do the same.

Mr. Manness said, and I'm quoting: "Only an economist could have dreamt up this plan or an outside financial consultant wanting to lend more money to the government, and that has happened—I'll refer to MPI a little later on, Mr. Schroeder and

Mr. Kostyra—or a policy wonk who decided to take all the recommendations about a summary financial year-end report from various sources, including the Auditor General, turn it into some rolling, lagging retrospective average over four years and try and convince us all that somehow this proposed legislation will be more accurate and more comprehensive, more transparent and a better way to budget.

"As a trained economist myself, all I can say is nonsense. Patent nonsense. I, too, was Minister of Finance when provincial auditors wanted consolidation of accounts, but the focus then was on reporting after the budget year was completed. By extension, it was never in my time believed that any . . . in the preparation and the presentation of the current account, the in-house operating budget, should ever be compromised. For what possible reason would this government, or any government for that matter, want to stray from very simple single-year budgeting, not including the Crowns, fairly easily understandable to those Manitobans, those few Manitobans who really are concerned about deficits, accumulated deficits, debt and interest" payment on the debt?

I can't support Bill 38. I can't believe that there are Manitobans out there that would support Bill 38. We heard many, many people come to committee and present against Bill 38. Who out there is saying, let's not have balanced budgets? Let's have the government spend all the money that they take from us as taxpayers. Let's allow them to take money from the Crown corporations. In fact, we want you to take money from the Crown corporations.

Who out there has come to the Minister of Finance (Mr. Selinger) and said this is what you need to do? In fact, if someone has done that, I'd like to know who that person is and hold them accountable for that. I'd like to know what the ulterior motive behind that would be and what disaster is brewing in this government that they feel the need to put themselves in a position to run deficits at a time when there's a economic downturn, and people in this province are going to be feeling, or are already

feeling, the impacts of that as it creeps across the border and across the country, Mr. Speaker.

This is bad legislation. We've had good legislation that's worked for 13 years to hold the governments accountable. We are now faced with the very real possibility, and it seems apparent that this government will immediately pass this legislation not listening to the Manitobans who put them there when they campaigned on keeping the balanced budget legislation. They've simply not been truthful to Manitobans about their intentions, and Manitobans need to hold this government to account.

I talked to people just this weekend who said, this is unbelievable what this government is doing, creating a slush fund, creating monies to be just used however they want with no care of fiscal responsibility and management, allowing monies to be spent and not balancing the budget. It's just not good accounting. Any single person in Manitoba sitting around their kitchen table can tell you that, Mr. Speaker. They can tell you that this government is going to spend their money irresponsibly, and Manitobans will repay this government in the next election by voting them out. Thank you very much.

Well, my light is flashing, but I do need to also say that this is a very dangerous bill. It's dangerous. It's risky because in four years' time when the government needs to go and balance their spending against their revenue, they're going to see that, oh, we spent more than we brought in, and because of that, we're going to have to go to the Crowns. Because of that, the Crowns will have to go to Manitobans and raise fees and rates. Manitobans are going to be paying more because of this government's spending habit that they can't get under control, Mr. Speaker. I don't think that that's what Manitobans want in a government. All the money that is—

Mr. Speaker: Order. When this matter is again before the House, the honourable member will have one minute remaining.

The hour being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow. (Tuesday)

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, October 6, 2008

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