

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

Official Report
(Hansard)

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The Honourable Daryl Reid
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 18, 2012

The House met at 1:30 p.m.

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

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 204—The Criminal Property Forfeiture Amendment Act

Mr. Kelvin Goertzen (Steinbach): Good afternoon, Mr. Speaker. I move, seconded by the member for River East (Mrs. Mitchelson), that Bill 204, The Criminal Property Forfeiture Amendment Act, be now read for a first time.

Mr. Speaker: It's been moved by the honourable member for Selkirk, seconded by the honourable member for River East, that bill—the honourable member for Steinbach, pardon me, seconded by the honourable member for River East, that Bill 204, The Criminal Property Forfeiture Amendment Act, be now read a first time.

Is it the pleasure of the House—the honourable member for Steinbach.

Mr. Goertzen: You know, I think Selkirk used to be the third largest city in Manitoba; now Steinbach is. So I understand how you got confused.

Mr. Speaker, this bill establishes an administrative forfeiture mechanism where there is property under the value of \$80,000 that is the proceeds of crime or where it's been the instrument of crime where no person claims an interest in that property. It is intended to strengthen and streamline The Criminal Property Forfeiture Act and applies when no person disputes that the property is from crime or an instrument of crime and when no one claims an interest in the property, for example, it might apply to large sums of money found in a drug house.

Mr. Speaker, this legislation is similar to legislation that exists in other provinces in Canada who are leaders in seizing profits of crime, and I look forward to the government copying and adopting this legislation.

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

PETITIONS

Cellular Phone Service in Southeastern Manitoba

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

And this is the background to the position:

During early October 2011, parts of southeastern Manitoba were hard hit by wildfires. Thanks to the swift action of provincial and municipal officials, including 27 different fire departments and countless volunteers, no lives were lost and property damage was limited.

However, the fight against the wildfires reinforced the shortcomings with the communications systems in the region, specifically the gaps in cellular phone service.

These gaps made it difficult to co-ordinate firefighting efforts and to notify people that they had to be evacuated. The situation would have also made it difficult for people to call for immediate medical assistance if it had been required.

Local governments, businesses, industries and area residents have for years sought a solution to this very serious communications challenge.

We petition the Legislative Assembly as follows:

To urge the appropriate provincial government departments to consider working with all stakeholders to develop a strategy to swiftly address the serious challenges posed by the limited cell service—or cellphone service in southeastern Manitoba in order to ensure that people and property can be better protected in the future.

And this petition has been signed by W. Remenda, C. Roeland and G.V. Gentes and many, many more prominent Manitobans.

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

TABLING OF REPORTS

Mr. Speaker: I have—prior to recognizing the honourable Minister of Justice, in accordance with our rules, section 52.6.1(2) of The Legislative Assembly Act, I am tabling the Members' Allowances Compliance Report for the period ending March 31st, 2011.

Hon. Andrew Swan (Minister of Justice and Attorney General): I am pleased to table the following report: the Manitoba Regulations 152/2010 to 163/2011.

Introduction of Guests

Mr. Speaker: Prior to oral questions, I'd like to draw the honourable members' attention to our public gallery where we have from École Selkirk Junior High 56 grade 9 students under the direction of Ms. Joan Cooney. This group is located in the constituency in the honourable member for Selkirk (Mr. Dewar).

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

ORAL QUESTIONS

Budget

Government Record on Election Promises

Mr. Hugh McFadyen (Leader of the Official Opposition): I want to welcome the students from my hometown of Selkirk, Manitoba.

Mr. Speaker, seven months ago the Premier ran a campaign based on two key commitments: No. 1, he was ahead of schedule on the deficit, and No. 2, he would never raise taxes. The budget introduced yesterday shows two different things: No. 1, he's not ahead of schedule on the deficit, he's behind schedule, and No. 2, because of that, they're raising taxes on Manitoba families.

I want to ask the Premier why, so soon after the election, he's betrayed the families of Manitoba.

* (13:40)

Hon. Greg Selinger (Premier): I thank the member for the question. We are committed to the 2014 date on reducing the deficit in Manitoba, about four years sooner than the members opposite promised in the

election when they ramped up spending and didn't have any way of sustaining it other than through deficit spending. We have broadened our revenue base without raising the sales tax, which remains the second lowest in the country. And all of those things help Manitoba maintain its focus on protecting front-line services for Manitobans and doing it in a way that's affordable for all Manitobans.

Mr. McFadyen: Mr. Speaker, the Premier seems not to recall what he said during the election campaign. Here's what he said on September the 12th, 2011, and I quote: Our plan is a five-year plan to ensure that we have future prosperity without any tax increases and we will deliver on that. We're ahead of schedule right now.

I want to ask the Premier: Is he not concerned that his credibility is now in tatters in light of yesterday's budget?

Mr. Selinger: I'm pleased that yesterday's budget follows through on what we said we would do to protect front-line services for Manitobans. I'm pleased that we've kept the sales tax the second lowest in the country, even though we've broadened the base of it. I'm pleased that we've committed to renewing our infrastructure in Manitoba to the tune of \$589 million, all measures of which the members opposite have voted against in the past and, I would suggest, they will vote against in the future, they will vote against in this budget.

This budget keeps Manitoba affordable, it protects front-line services, and it invests in the future prosperity of the province.

Mr. McFadyen: Mr. Speaker, since the Premier made that promise he has jacked up hydro rates by 3.5 per cent. He has increased property taxes on Manitoba families. The budget yesterday increased gas taxes, after a 12 per cent increase in the price of gasoline since the beginning of the year. He's put up child-care fees. He's putting up vehicle registration fees. He's put a tax on volunteers. He's increasing taxes both on personal services and the small businesses that provide them. He's putting a tax on insurance premiums—those insurance premiums that are paid in order to protect Manitoba families—and he's put a job-killing tax increase on corporate capital.

Mr. Speaker, he said no tax increases in the election. He's done the exact opposite. Is he not now

concerned that his credibility has fallen like a house of cards?

Mr. Selinger: As I said earlier, we have maintained the cost-of-living advantage in Manitoba the top three in the country. We've retained the second lowest sales tax in the country. We have broadened our revenue base, which we have done in the past, as members opposite have done in the past.

We're making very significant record investments in infrastructure in Manitoba, which will rebuild the roads and bridges that were destroyed during last year's flood. We're making very significant investments in education, both at the K to 12 level and the post-secondary level, including reducing class size in the K to 3 area, including helping more people graduate from high school and get access to the trades so they can have jobs in Manitoba where there is a real need for more trades people in Manitoba.

This budget allows Manitobans to move forward, to have jobs in a prosperous economy where we have the second lowest unemployment rate in the country. That's our commitment, and that's what we'll forge direction forward on.

Budget Tax and Fee Increase

Mrs. Heather Stefanson (Tuxedo): The fact of the matter is, Mr. Premier, is that you broke your promise to Manitoba families and now you're expecting them to pay—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. Order, please. Order, please. I would caution the honourable member for Tuxedo to please direct her comments through the Chair.

Mrs. Stefanson: I want to ask the Minister of Finance today: Why did he promise Manitobans not to raise taxes during the election campaign, and then fast-forward to this budget and raise taxes to Manitoba families, hurting them?

Hon. Stan Struthers (Minister of Finance): Mr. Speaker, our commitment was very clear, that we would come back into balance in the year 2014. We would do that by at the same time protecting the services that Manitobans value the most, and you can

see that in spades in our budget that we presented yesterday.

On the other hand, Mr. Speaker, we had advice from members opposite saying, cut deeply, cut deeply into health and education. Cut deeply, don't put money into infrastructure. We got to come into balance in one year, according to members opposite. Oh, but then, on the night of the election, they decided we're not coming back into balance until 2018. Which is it, you guys?

Mrs. Stefanson: Mr. Speaker, the commitment was clear not to raise taxes. In this budget we see \$184-million increase in taxes. We see \$114-million increases in fees. This will have a significantly negative impact on Manitoba families. This was a dishonest, backdoor way of increasing taxes and fees to Manitobans.

Why did the NDP government increase taxes and fees to hard-working Manitobans? Will they just admit that they've done this on the backs of Manitobans to help pay for their spending addiction, Mr. Speaker?

Mr. Struthers: It's pretty amazing, Mr. Speaker. First they say it's in our budget, then they say it's backdoor.

The Leader of the Opposition (Mr. McFadyen) needs to worry about his own credibility on this, Mr. Speaker. First he tells us that we are cut deeply into health and education and those priorities of Manitoba, and then he tells us that we shouldn't be doing that, that we should be doing it some other approach. I mean, which other approach does he want us take? Which of the two of their approaches should we choose from?

I think the best approach is the balanced approach that we put forward yesterday, Mr. Speaker, a balanced approach that brings us back into balance in 2014 and protects those services: health care, education and—

Mr. Speaker: Order, please.

Mrs. Stefanson: Well, Mr. Speaker, we promised not to raise taxes; so did they. They're the ones that have broken their promise.

Mr. Speaker, the NDP budget introduced significant increases in taxes and fees for Manitobans. This will have a very negative impact on Manitoba families. It's time for this government to be transparent and honest with Manitobans.

Why not show them the real numbers, Mr. Speaker, of how these increases will affect those hard-working Manitobans?

Mr. Struthers: Mr. Speaker, not only did members of the opposition commit to cut deeply into health care and education and other priorities, they brought a resolution right to the floor of this House saying we should do it. We rejected that very harsh approach. We rejected that approach of reckless cuts and we settled on a very, I think, a very balanced approach that brings us back into balance in 2014, protects health care, protects education and training, invests in infrastructure, helps grow our economy so that we can come back into balance in the year 2014, unlike members opposite whose reckless cuts were just irresponsible.

Budget Gas Tax Increase

Mr. Kelvin Goertzen (Steinbach): Well, Mr. Speaker, we now know the story of the 2012 budget. Sometime in the past few months, the Premier went to the Finance Minister and he said, I've got a problem. I've created a massive deficit and I need you to come up with a list of the sort of things that average Manitobans do every day so I can tax them. And the Finance Minister came back with that list and at the very top of that list was gas taxes. Now, you know, that is a tax that will hurt every Manitoban. It'll hurt the working poor. It'll hurt single parents. It'll hurt students. It'll hurt families.

Mr. Premier—I'll ask through you, Mr. Speaker—Mr. Premier, this is your mess. You should have cleaned it up. Why are you doing it on the backs of ordinary Manitobans?

Hon. Greg Selinger (Premier): I thank the member for the question. Just earlier today he was bragging about the growth in population in Steinbach. I hope he supports maintaining the Provincial Nominee Program if he really wants to be true to supporting Manitobans.

You know, a lot of highways have been paved in this province. This morning we announced \$589 million of investments in highways and bridges in the province of Manitoba, including highways that go out to the community of Steinbach. The gas tax, after the 2.5-cent-a-litre increase, a flat tax, is the second lowest in the country. For every dollar in gas tax we raise, \$2 will be invested in roads and bridges in the province of Manitoba.

Mr. Goertzen: And I'd like to thank the member for River East (Mrs. Mitchelson) for helping Steinbach grow through the Provincial Nominee Program that she introduced, Mr. Speaker.

* (13:50)

You know, we know how this Premier operates. He takes care of its friends first. You got a retiring MLA that wants funding; no problem, we'll get him an office. You got a bunch of NDP donors who want an appointment; sure, we'll give them an appointment. But there's no restraint in his own office. There's no restraint in his own house.

He now is going to tax Manitobans who want to drive to their community centres to help out. He's going to tax Manitobans who might want to go to the Brandon Winter Fair and see that great festival.

But, you know, instead of just taking care of his friends, why doesn't he take care of average Manitobans? It was your mess; why don't you clean it up, sir?

Mr. Selinger: You missed it in the budget, but one of the measures we're taking is to reduce the boards and commissions by 20 per cent. We'll cut some of the excess appointments out that the members opposite made during their time in office.

And you know that road to Steinbach? You know that road to Steinbach, Mr. Speaker? That road to Steinbach is being paved. That Highway No. 1 project looks—it's a very handsome project with new infrastructure.

And all Manitobans will benefit from the investments we're making in infrastructure. For every dollar that we raise in the gas tax, we're investing \$2 in highway infrastructure and bridges in the province of Manitoba, investments which will make a big difference in the quality of life of all Manitobans, and in particular rural Manitobans.

Mr. Goertzen: And I'd like to thank Stephen Harper and Vic Toews for getting that road paved to Steinbach, Mr. Speaker.

And let's not forget—let's not forget—that this Premier, he made a promise. On September 12th, this Premier promised that he would not raise any taxes and now he's essentially raised them right across the board.

So who's going to be paying more? The family that's putting gas into their minivan, they're going to be paying more. The family that's taking their

children to a hockey practice, they're going to be paying more.

I want to ask this Premier, Mr. Speaker: When that mother, when that father, when that family is paying more at the gas station, why shouldn't they be thinking as they're filling up their tank, Greg Selinger, you broke your promise?

Mr. Speaker: I'm sure the honourable member for Steinbach is aware of the rules of the Assembly where we call ministers by their portfolios or the First Minister by his title or other members of the Assembly by their constituency names. Please, I ask the honourable member for Steinbach to remember that rule.

Mr. Goertzen: I correct that. I'm sorry. We haven't sat for a long time.

Mr. Speaker: I thank the honourable member for Steinbach. We're all honourable members here.

Mr. Selinger: Actually, while the member opposite was sitting around, we've been paving the roads of Manitoba, Mr. Speaker.

And unlike when they were in office when they raised the gas tax and cut the highway budget, we've maintained highway and infrastructure investment on a record level in the province of Manitoba, a record level of investment as we're rebuilding the roads and bridges around this province with the second lowest gas tax in the country. They increased the gas tax and cut spending; we're keeping a record level of investment and the second lowest gas tax in the country. That's how we keep Manitoba affordable. That's how we keep Manitoba prosperous.

And we don't sit around like the member opposite. We get out there and get it done.

Budget Gas Tax Increase

Mr. Ralph Eichler (Lakeside): This is the First Minister that said he wouldn't raise taxes. Shame on this minister.

Mr. Speaker, not less than a month ago, the member from St. Boniface was on CJOB and stated that he was upset that gas prices were on the rise, and he was going to make a call to the Prime Minister to see what could be done to keep prices down. He seemed very concerned about the type of increase that was being put on Manitobans.

Fast-forward to the budget day, Mr. Speaker, this very same minister threw Manitobans a

curveball by increasing taxes on Manitobans not by 1, not by 2, but 2 and a half cents per litre on fuel on all Manitobans.

Mr. Speaker, they say that time changes people, but obviously the First Minister was misleading Manitobans when he said he cared about keeping gas prices affordable in Manitoba.

Hon. Greg Selinger (Premier): The gas tax is the second lowest in the country. It's a flat tax, unlike the GST. Unlike the GST, it does not rise when the price rises and a windfall come to the federal government. The reality is we've maintained the second lowest gas tax in the country.

We're making a record investment in highways and infrastructure in this province of Manitoba. We're paving roads all throughout the province, including all the constituencies the members are speaking from from the opposite benches. We're doing it to ensure that we rebuild the infrastructure that was damaged during the flood. We're doing it to make sure we commit to having the kinds of infrastructure which will allow us to grow the economy. When we grow the economy more people are employed. We have a larger base in Manitoba from which we can then fund health care and education.

That's the objective: keep it affordable, keep it growing, keep investing in those things that protect front-line services for Manitobans.

Mr. Eichler: Mr. Speaker, that's not what this First Minister said back in September of 2011. I'll remind him of that, and I hope Manitobans remind him of that.

Mr. Speaker, when we talk about capital investments for infrastructure projects in this province, when we look at the Estimates for 2012-2013, we are seeing a reduction of 13.2 per cent. This at time when Manitoba's infrastructure is crumbling right beneath—between—beneath us. On one hand the government is saying they will increase infrastructure spending through an increase on gas tax. On the other hand, they're showing they are not committed to fixing our crumbling infrastructure by reducing spending. This gas tax increase on Manitoba families and Manitobans cannot afford this NDP government's spending addiction.

Mr. Speaker, my question is: After all the smoke and mirrors have cleared away, Manitobans have been misled, isn't that correct?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Well, Mr. Speaker, the only misleading is from the member opposite. He should check.

Here are the facts. MIT receives the second highest increase of any department in government, second only to Local Government. Here is—here's another fact. We're spending \$589 million, Mr. Speaker, on highways this year, both capital and maintenance.

The member opposite may want to put on the record that the last year that they were in government there was \$174 million spent. We've tripled the spending and we still will have the second lowest gas tax in the country while we're doing it, Mr. Speaker.

Mr. Eichler: I would suggest that the member look at page 136 of his budget. At the time of our message it had been that we're open for business here in Manitoba by building a new airport and CentrePort, expanding a whole host of other things to bring new investment to Manitoba. We are saying to those people, we have a spending problem so are raising our gas taxes by 2 and a half cents per litre. We'll use the money on crumbling infrastructure like roads and bridges, sewer and water projects, not to say that we are [*inaudible*] open for business within the province of Manitoba.

Why have we taken this step backwards? Shame on this government.

Mr. Speaker, this gas tax will impact every person in Manitoba and will send a message we are closed for business. Will this government stand up and just admit they have a spending problem?

Mr. Selinger: Mr. Speaker, when you listen to a full session of this Legislature around a budget, just about everything they raise is, why don't you pave my road in my backyard? That's what we get from the members opposite, and I guarantee that will come in this session as well. They'll be up there saying, why don't you pave this road, why don't you do this, why don't you do that? It'll all be infrastructure-related demands. They'll do a couple of days on the fact that they think we spend too much money, then they'll demand we spend more money.

The reality is we're spending \$589 million on infrastructure; that's at the provincial level. Through the equivalent on the provincial sales tax we're transferring \$262 million to municipalities; that's \$951 million of infrastructure we are funding at the

level of the Province of Manitoba. You add the municipal contribution to that, that's a gigantic investment in infrastructure in Manitoba. The only difference between us and the members opposite, we think it should be paid for; they want a freebie.

Budget

Vehicle Registration Fee Increase

Mr. Reg Helwer (Brandon West): Mr. Speaker, once again the NDP has raised and hiked the cost of registering a vehicle in Manitoba, this time by \$35. Since this government took office in 1999, vehicle registration fees have leapt from \$48 to \$154. This latest hike is purely and simply a tax that hurts hard-working Manitoba families.

Mr. Speaker, why is this minister punishing Manitoba families with these repeated vehicle registration fee increases?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Mr. Speaker, I think it's very important again to put on the record for members opposite what has been happening in this province in terms of our transportation system. And, indeed, there have been some changes in terms of registration fees. I believe there has not been an increase since 2008.

* (14:00)

But I want to stress, Mr. Speaker, that our investment in highways—we started in 1999 to rebuild a highway system that had become an embarrassment to the people of this province. Member opposite may recall returning, if he took a trip to United States, on Highway 75. It was an embarrassment. It was embarrassing, the condition of Highway 1 in this province, the conditions of 6, 7, 8 and 10.

So what do we do, Mr. Speaker, without any adjustment in the gas tax until this year? We brought in a 10-year capital program and this year we're going to be spending three times what they spent on highways. I can tell you, I'll be interested to see what—how they vote—

Mr. Speaker: Order, please. Order.

Mr. Helwer: Mr. Speaker, in April 2001, then-minister of Transportation and Government Services tried to justify a similar increase in vehicle registration fees. He stated that hike would, and I quote, ensure that quality of Manitoba's highway infrastructure is maintained long into the future. Yet anyone driving on our roads over the last several

years, especially this year, can see and feel that that promise has not been kept. And now we must pay an additional \$35 more for registered vehicles to dodge potholes and travel miles around bridges that are out.

Mr. Speaker, why do hard-working Manitobans keep being punished for this government's fiscal mismanagement?

Mr. Ashton: I don't know which part of the province the member drives in, but there's not one part the—this province, Mr. Speaker, where we have not seen significant investment in our highways over the last 12 years.

Highway 75, Highway 1, four lane to the border of Saskatchewan from—the work that's taken place on Highway 6, 7, 8, 9, 10, the work that's been done on Highway 59. We even paved the main street in Winkler. That is NDP quotability, Mr. Speaker.

Mr. Helwer: He didn't know which side of the country he's driving in.

Mr. Speaker, vehicle registration fees have increased 220 per cent since 1999 when the fee was \$48. It will now cost \$154, a huge increase for every registered vehicle in Manitoba. This huge fee increase is but one example of the unfair tax grab being made by this government.

Mr. Speaker, why do Manitoba motorists continue to be punished with these tax increases?

Hon. Greg Selinger (Premier): Mr. Speaker, every region of Manitoba has seen significant investment in improving the roads and infrastructure in the province, every single region in Manitoba. Unlike the members opposite when they said they would only pave roads in the south and would actually cut spending in the north, we have treated every region of the province equitably. The member is concerned about a licence plate fee increase on the auto insurance. The reality is auto insurance rates have gone down 8 per cent in this province because we have a Crown corporation that's well managed and has done a good job returning value to Manitobans.

If the member wants to be even-handed in this approach, surely he will acknowledge that auto insurance rates are going down 8 per cent in the province of Manitoba this year.

Budget Property Insurance Policy Tax

Mr. Dennis Smook (La Verendrye): Mr. Speaker, the hits in yesterday's budget keep coming for

Manitoba families. The Premier broke his promise not to raise taxes and now Manitoba homeowners are paying for this government's spending addiction. The government has added a new tax to homeowners' and tenants' insurance.

Mr. Speaker, does the Minister of Finance have any idea what the impact of his government's decision will be on hard-working Manitoba families who will find it harder than ever to afford their homes?

Hon. Stan Struthers (Minister of Finance): Mr. Speaker, first and foremost, the families of Manitoba have experienced, I think, some real benefits from many of the decisions that we've made, but not just in yesterday's budget but over the course of the term of this government. And when we do come back into balance in 2014, that, too, will—it will accrue more benefits for people in Manitoba families.

Mr. Speaker, we're committed to coming back into balance and we're committed to coming back into balance by controlling spending and, yes, with some modest, reasonable increases in revenue. It's a responsible approach. I think it's responsive to the economic times that we live in, and this will produce benefits for Manitoba families as the member across the way asks for.

Mr. Smook: We know that it's prudent to have home insurance, but unfortunately not everyone can afford it. We hear heartbreaking stories far too often of people who have lost their possessions to fire but were not insured.

Does the Minister responsible for Consumer Affairs not care that adding 7 per cent PST to the cost of property insurance could make it unaffordable for more families?

Mr. Struthers: We understand that Manitoba families have tight fiscal pressures on them in every part of this province. Mr. Speaker, we understand that. That's why we brought forward property tax credit relief, time after time, from this side of the House, in budget after budget. That kind of an approach, I think, you can recognize in this budget, and that kind of approach will continue from this side of the House.

We want to make it affordable for Manitoba families. That's why you'll—that's why we made the commitment, and we'll follow through, on bundling together electricity, hydro—electricity, heating and Autopac rates, to make sure that we are the most affordable province to live in in Canada. And,

Mr. Speaker, that's a real benefit for Manitoba families.

Mr. Smook: The Premier (Mr. Selinger) has broken his promise to Manitoba families. He raised or added no less than nine taxes and fees. Every little bit adds up. At some point it becomes too much for families to handle.

Does the Minister of Consumer Affairs (Mr. Rondeau) think it's really fair to add 7 per cent to property insurance when so many families are already struggling to make ends meet?

Mr. Struthers: Let me point the member, again, to the affordability advantage that Manitoba has. And let me point him, again, to our government's commitment to enhancing that affordability advantage and offering to Manitobans the bundling of those three aspects of daily living: the home heating, hydro and Autopac rates.

We made the commitment, and we will follow through on legislation that will guarantee that this province is the most affordable province in which to live. And I think, Mr. Speaker, that matters deeply to Manitoba families. I think they understand that that's a real benefit to them and I know that that's a real benefit to Manitoba families.

Food Banks Increased Use by Children

Hon. Jon Gerrard (River Heights): Manitobans are becoming increasingly aware that in this province we not only have a huge fiscal deficit, but we have a large and growing social deficit. Manitobans have been shocked to learn that under NDP government, the number of children in families who are so poor that they must use food banks has gone up from five and a half thousand to 29,000 in the last 10 years, an increase of more than 500 per cent. The government has talked incessantly about social justice, but it's failed miserably.

Why in more than 12 and a half years has this government failed to act, to stand up for families and children who are poor?

Hon. Greg Selinger (Premier): And I thank the member for the question because there's only one political party in this House that has supported increases in the minimum wage, and that's members on this side of the House. And that has helped many families who are among those trying to struggle to make a living in our society. We've lifted the floor on the minimum wage.

The Conservative opposition, when they were in office, disintegrated all people on social assistance from receiving the National Child Benefit. We've added that back and made it available to all working families in Manitoba.

The number of single parents living in poverty has been reduced by 50 per cent in the province of Manitoba, and we are providing record amounts of social housing and affordable housing so families can have a stable lifestyle and be able to allow their children to go to school successfully. We've made several very distinct initiatives that will help people have access to the resources they need, to get an education, to get training, to get a job, and to have proper housing and supports to do that, including better wages in the province of Manitoba.

* (14:10)

Mr. Gerrard: Mr. Speaker, the Premier has told us all about what he's doing, but the fact of the matter is it's not working.

The number of children who are so poor that they must use food banks has gone up and up and up under his government. And the fact that this government has been so ineffective in this area leads to at-risk children, children who are lured into gangs and increased crime in Winnipeg.

Doesn't the Premier even care about the fact that his efforts aren't working?

You know, David Northcott at Winnipeg Harvest sees the crisis created by this Premier's ineffective efforts every day.

I ask the Premier: Doesn't he care?

Mr. Selinger: Specific to people that need additional access to food resources, last year we put in place what we call the Nourishing Potential contribution in partnership with the Winnipeg Foundation to build up a permanent fund to provide access to low-cost food to low-income families in Manitoba. That fund will rise to at least \$5 million. We're making regular contributions to that fund.

We work in partnership with the voluntary sector as well as community organizations to make sure children have access to food, to have access to breakfast programs, to have access to nutrition programs, including in all regions of the province of Manitoba.

We've also increased wages for people. We've also increased benefits to allow people on social

assistance to get access to work. We've extended the amount of time people can have access to daycare while they're in training. We've extended the amount of labour market and training supports we make available to families.

Our commitment is to help families earn an income so that they could have a decent quality of life and then provide housing at an affordable rate so they can have a stable quality of life while they're working and be able to retain their families in the same communities and at the same schools.

We have a number of other initiatives that we will announce that will increase—

Mr. Speaker: Order, please.

Mr. Gerrard: Mr. Speaker, for all the Premier's fine rhetoric, the fact is that there was little in this budget that will make much difference for those 29,000 children in families who are so poor that they have to use food banks. These families will still need to use food banks and for many the funding for housing through social assistance is now so inadequate that they have no choice but to use their food money to pay for a place to stay.

Something is very wrong here when the number of children in poor families goes up and up and when the social deficit in our province is increasing and increasing.

When will the Premier act as Shauna MacKinnon for the Canadian Centre for Policy Alternatives has indicated? When will the Premier act to increase the housing allowance for low-income Manitobans?

Mr. Selinger: There is over \$8 million in the budget for what we call the RentAid program, which is a benefit for people that need it to pay rent and that benefit is a portable benefit. It allows them to receive that regardless of where they're getting their source of income, but when they go into work opportunities they can retain that benefit.

In addition, we have a targeted benefit for people that need housing in the community with mental health issues and there's an additional \$200 a month for those folks to have stable housing as well.

But most importantly, we're building more housing. We're building more housing for people that need it. We're building at least 300-plus additional units every year on the social housing portfolio and we are investing in private-market housing in partnership with Winnipeg and the private sector to

increase the total number of units of housing we have in the province. We have a very strong commitment to housing.

We have a strong commitment to opportunities to work in this province, opportunities to get training and income supports that allow people to do that, sufficient opportunity to get daycare, sufficient opportunity to get training supports, keeping the cost of tuition low in this province of Manitoba, RentAid, National Child Benefit and a family benefit. All of these resources are geared to reducing the number of people living in poverty in Manitoba, and there has been results. We have reduced poverty by 40 per cent globally and we have reduced it by over 50 per cent for single parents.

The member should recognize that. He was a member of the federal Cabinet that eliminated the Canada assistance program for low-income Canadians—

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

Highway Infrastructure Funding Plan

Mr. Tom Nevakshonoff (Interlake): Mr. Speaker, nothing is more important to Manitobans than investments in infrastructure, particularly highways. This is especially relevant in the Interlake—my seat—an area that saw virtually no investment whatsoever over the 1990s when the Filmon Conservatives were in power.

In fact, Vision 2020 told us that if we continued to spend the way the Conservatives were that we're facing a systemic collapse of our provincial highways network.

Today the Premier (Mr. Selinger) and the Minister of Infrastructure made an announcement. Could the Minister of Infrastructure and Transportation brief the House as to the details of that announcement?

Thank you, Mr. Speaker.

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Mr. Speaker, and you would know well the importance of the Vision 2020, which mapped out the need for a 10-year highway capital program in this province. And I'm really proud that we have exceeded the commitment that was made in that visionary document every one of the last four years, and we're going to continue with the historic investment in our highways.

And, dare I say, it's appropriate in the year that is the centennial of northern Manitoba joining this province a hundred years ago, that we're actually going to be building, under leadership with the minister of northern and aboriginal affairs, roads into the many of the 22 communities that don't have all-weather roads in this province as part of this visionary investment. We're going to be investing throughout the province.

I'll be very interested to watch members opposite because there's not one region of the province where we're spending more on highways.

Why, Mr. Speaker, I mentioned earlier we've tripled the overall funding in terms of highways. In 1999, you compare then to today, we have quadrupled the amount we're spending on highway—

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

Gardenton Diversion Upgrade Project Status

Mr. Dennis Smook (La Verendrye): Mr. Speaker, last spring, many regions of Manitoba were hard hit by flooding. There is a strong interest in seeing permanent improvements made to the Gardenton diversion in the rural municipality of Stuartburn. This diversion was built in the early 1900s but over the years its condition has deteriorated.

During inspections in the spring of 2011, Manitoba Water Stewardship found problems on the diversion's north side and the diversion was deemed unsafe. The government started to build a temporary earth dike, but because of rain, the rest of the work was completed with tube dikes.

Mr. Speaker, can the minister assure the RM of Stuartburn that the Gardenton diversion will be rebuilt this summer?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): I guess, Mr. Speaker, after a certain period in time—of time in question period we get into the spend section for members opposite, and I can tell the member opposite that we take very seriously the condition of our flood infrastructure.

In fact, if you look at what we did last year, not only in terms of what the member's referring but across this province, we invested significant amounts of money in flood protection and I want to put on the record, Mr. Speaker, that's part of the vision of this budget as well.

Whether it's in terms of highways, where we're going to be rebuilding bridges—there are 80 bridges impacted by flooding—over this year and next year, whether it be in terms of roads where we still have a lot of work to do, or whether it be the work of the two review committees that are going to come back with recommendations for long-term improvements, we are going to be investing in flood protection.

That, again, is part of our vision as a government over the last 12 years is in this budget and that's why I'd urge the member opposite, if he's concerned about flood protection in his area, vote for the budget.

Mr. Smook: Mr. Speaker, the Gardenton diversion was built to protect communities like Vita, which is home to a school, a hospital and a personal care home. If the diversion was operating at full capacity and failed, there would have to be an emergency evacuation and there would be extensive property damage. There have been repeated calls by the Rural Municipality of Stuartburn to have the diversion rebuilt. It just makes good sense to get this work done when we're not in the middle of a flood.

Mr. Speaker, will the minister explain where the Gardenton diversion project is on this government's list of priorities?

Mr. Ashton: Mr. Speaker, I do have to correct the member opposite, and I realize that may not apply in his area, but we are still in the middle of a flood in many areas of this province.

We have more than 2,400 people that are still evacuated. We have significant work that needs to be done over the next period of time, whether it be in terms of roads and—or bridges, and that's part of this budget; whether it be in terms of investment, both short-term and long-term in terms of flood mitigation; whether it be in terms of the compensation and assistance for flood victims.

So we're still very much in the middle of that and that, again, is one of the reasons why I would urge the member—not only I would urge him to raise questions in this House, to support this budget, because this budget is very much about doing the kind of work he's talking about: protecting Manitobans against floods and rebuilding this province over the next number of years.

Mr. Speaker: Time for oral questions has expired.

* (14:20)

Introduction of Guests

Mr. Speaker: Prior to members' statements, I'd like to draw the attention of all honourable members to our public gallery where we have 25 grade 5 students from Waverly Park School under the direction of Mr. Graydon Cramer. This group is located in the constituency of the honourable member for Brandon West (Mr. Helwer).

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

MEMBERS' STATEMENTS

École Bannatyne School Choir

Ms. Sharon Blady (Kirkfield Park): Mr. Speaker, I wish to acknowledge in this House the achievements of École Bannatyne grade 3 to 5 choir at this year's Winnipeg Music Festival, which was held between February 26th to March 18th. This festival brings together musical groups of all ages in order to showcase their hard work and talent. Choirs and bands from schools throughout Winnipeg compete for medals and trophies, and this year École Bannatyne's grade 3 to 5 choir performed exceptionally well.

The choir, taught by Gabriela Gallo, received two gold medals given to the best choir performances in their age categories. In addition, the choir was awarded the Lola MacQuarrie Memorial Trophy for most outstanding performance in the folk song category with their performances of "Changamano," "Ahe Lau" and "Makani." They are also received the Dr. Willis S. Prowse Memorial Trophy for most outstanding performance in the own choice category with their performance of "Can You Keep a Secret" and "Tamu Mu." Of the grade 3 to 5 performances at École Bannatyne, judges said, amongst other things, that the choir's dynamics were well executed, that their rhythm was accurate and energized and that their performance was infectious and that they demonstrated gorgeous rise and fall.

Mr. Speaker, the development of extracurricular skills benefits students in a variety of ways. Musical ability is a talent that stays with people throughout their lives. It demonstrates hard work, aids in self-confidence and can provide lifelong enjoyment. School activities such as choir give students the ability to find a niche for themselves in school and to gain a sense of belonging that is so important at a young age. Such activities also allow students to develop and showcase their talents and in doing so feel proud of their preparation and perseverance.

It is my pleasure to acknowledge the dedication that the students of the École Bannatyne grade 3 to 5 choir have shown, and I hope that all members of this House join me in acknowledging their achievement at this year's Winnipeg Music Festival.

Thank you, Mr. Speaker.

Manitoba High School Athletic Association

Mr. Ron Schuler (St. Paul): Mr. Speaker, I rise today to recognize the 50th anniversary of the Manitoba High Schools Athletic Association, an institution that is central to developing our high school students' school sports program. The Manitoba High Schools Athletic Association believes participation in sport enhances the overall education of the student and helps to develop their physical, social and emotional values. Their mission is to promote the benefits of participation in sport through providing athletic and educational opportunities. MHSAA membership consists of 192 senior high schools across the province, and they administer activities for high school hockey, basketball, volleyball, soccer, and track and field.

High school sports teams and athletic programs are significant developers of school spirit, pride and confidence for young athletes. One of the greatest 'accompliments'—accomplishments of the MHSAA is the positive impact with which their sports programs have had on Manitoba schools and communities in terms of the involvement of volunteers, coaching, partnerships, sponsorships and encouraging of values to advertise high school sports programs and give beneficial materials to the school and students. The which inspire students to set goals and succeed.

The MHSAA administers interzone and provincial tournaments, championships and other activities that are designated to give students a chance to compete in a positive environment as representatives of their schools and communities. The MHSAA aims to maintain a high level of sportsmanship, respect and integrity in all their activities while showcasing athletic skills, talent and school spirit through competition.

The MHSAA promotes their activities through their website, publications and promotional articles which are designated MHSAA administers awards and scholarships to our top athletes, keeps a hall of fame, administers the rules and regulations for official high school competition and gives advice for coaching and recruitment.

In summary, the MHSAA is an experienced athletic association which seeks to promote and encourage high school athletes for our up-and-coming athletes, and I'm honoured to recognize their 50th anniversary in our Assembly here today.

Thank you, Mr. Speaker.

Tribute to Firefighters

Ms. Deanne Crothers (St. James): This week, the United Fire Fighters of Winnipeg are hosting firefighter union leaders from around the world for the Fire Fighter Global Alliance meetings. The Premier (Mr. Selinger) had the opportunity to address the delegates this morning and he spoke about how Manitoba has pioneered the concept of presumptive coverage for firefighters who are diagnosed with an occupational disease. Manitoba firefighters have worked with the provincial government to gather scientific and medical research showing that firefighters experience higher rates of certain cancers. As a result, in 2002, Manitoba became the first province in Canada to enact presumptive legislation recognizing the firefighters who contract occupationally linked cancers. Since then, seven other Canadian provinces have introduced presumptive coverage, improving the lives of countless firefighters across the country. The government of Manitoba also provides free training for firefighters throughout the province.

And although we can never thank them enough, I would like to take this time to say thank you to those who choose this profession as a way of life. I want to thank the families of firefighters who also make generous sacrifices. This government will continue to advocate for firefighters, to make every effort to show how much we appreciate their hard work and commitment.

Every day, firefighters in Manitoba and around the world put their lives on the line to keep us safe. They put the needs of others before their own, providing essential services to our communities. I ask that all members please join me in thanking these everyday heroes.

Quarry Park Heritage Arts Centre

Mr. Ralph Eichler (Lakeside): It gives me great pride to stand and recognize the official opening of the Quarry Park Heritage Arts Centre on November the 10th of 2011, which took place nearly four years

ago to the day of tragic fire claimed the community's interpretive centre.

The interpretive centre, located in the heart of Quarry Park, was a staple in the community and provided an important venue for community events and celebrations. It was a devastating loss. After the initial feelings of sorrow subsided, the community rallied behind one another to clean up and rebuild. From the smouldering ashes of the destroyed interpretive centre rose a bigger, better building that will act as an important venue for community events in the years to come.

At the ribbon-cutting ceremony, which was attended by Mayor Ross Thompson, the Town of Stonewall council, Selkirk MP James Bezan and our Minister of Culture, Heritage and Tourism (Ms. Marcelino), and I had the pleasure of presenting Quarry Park manager Catherine Precourt with a plaque from the people of Lakeside commemorating this important day.

We were also treated to a fine performance in the Sunova Auditorium by dancer Katrina Grogan-Kalnuk and her musical composer-accompanist Zander Howard-Scott. Their dance routine was followed up by singing of the R.B.-R.W. Bobby Bend's grade 4 class, who performed "O Canada," "Rules of Living" and "One World We Share."

The high-energy atmosphere of this day was surely symbolic to resolve the people of Stonewall and surrounding area. This day was not only signified by the rebirth of this important site in Stonewall, but it's—is indicative of the everyday strength and perseverance of display by Manitobans all over the province.

The Quarry Park Heritage Arts Centre is now fully operational. I encourage all members in this House to make the trip and see what community spirit can do.

In recognition of their unyielding and steadfast efforts, Mr. Speaker, I once again congratulate those individuals involved in creating the Quarry Park Heritage Arts Centre.

Thank you, Mr. Speaker.

Regional Health Authority Mergers

Hon. Jon Gerrard (River Heights): Mr. Speaker, I want to talk briefly about regional health authority mergers and about research funding and our future.

The Finance Minister announced yesterday that his government will be merging a number of regional health authorities in order to save \$10 million. However, as Dan Lett has pointed out, the operations of regional health authorities are complex, and it's not clear that this move will either improve services or save costs. For example, members of regional health authorities will now have to travel more in the larger RHAs, and this, of course, will cost more, especially with the increase in the gas tax.

Now, we've checked out what happened when the government merged the Marquette and the South Westman regional health authorities to form the Assiniboine Regional Health Authority. The results of the analysis are very clear. There were no savings from the merger. For those who want to see the full analysis, they can visit my blog to see the details, but I'm afraid that the Finance Minister's hope for savings appears to be either an illusion or a delusion.

Second, I want to comment briefly on the federal government's recent cutbacks. They said on the back end, but it turns out that they are related to research our future. The federal Conservatives said that they were cutting back in areas that were at the back end, but, in fact, we're now finding out that they're cutting back on areas which are vital to the future, mainly the research at the Cereal Research Centre and the research at the National Research Council's institute of biodiagnostic. These research efforts have been vitally important to our agriculture, our health, and our economy in Manitoba. And in reducing or eliminating these areas, this may have a very negative impact on our future.

* (14:30)

Indeed, we should be investing more in research, not less, and if we want a positive future for Manitobans, we should be increasing our investments in research, not reducing them.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

BUDGET DEBATE

(Second Day of Debate)

Mr. Speaker: Resuming adjourned debate on the proposed motion of the honourable Minister of Finance (Mr. Struthers), that this House approves in general the budgetary policy of the government, standing in the name of the Leader of the Official Opposition.

Mr. Hugh McFadyen (Leader of the Official Opposition): And I want to just begin by again thanking you for your excellent role in presiding over this House; as well to thank the staff of Clerks for their assistance in helping us prepare amendments and do our jobs in the House; Hansard staff, who I learned are referred to as Hansardians just recently, so I want to thank all of them as well; as well as all the other people who support the activities of members of the House, including our staff, both in my office, in the leader's office, and within our caucus office. We are immensely assisted and supported extremely well by all of those individuals who go about their work here each and every day with very little recognition and acknowledgement. So I want to begin by thanking all of them for the great work they do on behalf of Manitobans each and every day.

Mr. Speaker, this is the seventh NDP budget I've had the opportunity to speak to since being elected in December of 2005. The prior six budgets contained a combination of wasteful spending, rising debt, and excessive reliance on federal bailouts. And for that reason, we voted—I voted and our caucus voted against each and every one of those budgets.

Along the way, the government did a variety of things to try to cover up for their mismanagement, for their excessive spending, for the rising debt and for their excessive reliance on federal bailouts, and the examples are numerous. They changed the accounting rules along the way several times in order to try to create a smokescreen to fool Manitobans into thinking that they were a fiscally responsible government. That smokescreen began with Bill 38 a number of years ago where they moved to a four-year rolling average on balanced budgets. They included revenues from Crown corporations. They created a series of loopholes that rendered balanced budget legislation all but meaningless.

That smokescreen also included changes to accounting rules that allow the government to capitalize what were in reality operating expenses, creating the impression that operating expenses were at one level when in fact they were higher than that. And that change in accounting rules is reflected in the very real growth in debt each and every year over the past 12 years that they've been in power and certainly over the seven years that I have been here in this House. That is evidenced by the fact that—I think, in a way that's counterintuitive to a lot of regular Manitobans.

There's—there are two different numbers that get printed every year that seem to be at odds with each other. There's a deficit number and then there's an increase in the debt. And what Manitobans see every year is a very large increase in debt and an increase in the deficit number which is smaller than that. That creates a misleading impression about the health of our Province's finances. And it creates a ticking time bomb in terms of the reality of having to repay that debt down the road for Manitoba taxpayers, for the families of Manitoba.

So for all of those reasons and our concerns about the long-term impact of these budgets and of the government's mismanagement, we voted against them.

This year's budget actually crosses the line from concerns about future tax increases to actual immediate tax increases on Manitoba families. The chickens are coming home to roost, and it's not a problem that's one year in the making, Mr. Speaker; it's a problem that's 12 years in the making that's finally manifesting itself in higher taxes for families in Manitoba.

When this government took over, they were handed a balanced operating budget. They were handed an economy that was growing at over 2.5 per cent, and they were handed a Fiscal Stabilization Fund that had more than half a billion dollars in the rainy day fund. Over 12 years they've depleted the rainy day fund. They've gone back to deficits, and now they're increasing taxes on Manitobans which threatens the growth of our provincial economy. It's been a long, slow march in the wrong direction for our province, and only with this budget are Manitobans starting to see what the consequences are of NDP mismanagement.

Mr. Speaker, eventually—eventually—when you spend more than you take in somebody has to pay, and that somebody is Manitoba families. And out of concern for those families we voted against each of those prior budgets and we are going to vote against the budget, the wrong-headed, tax-increased budget brought in by the Minister of Finance (Mr. Struthers) yesterday.

Mr. Speaker, one year ago, in the lead up to the election, the government, this NDP government, introduced a budget that said that they were on track to eliminating the deficit within their five-year plan. They said they weren't going to increase taxes and they said they were going to protect services that were important to Manitobans. We voted against that

budget because we knew that the numbers and the claims that were being made at the time were false and dishonest, and we are now—we now know that that view is being vindicated. The budget yesterday offers proof that in the lead up to that election and in the decisions made by members of this caucus that we were right and members opposite were wrong.

Mr. Speaker, seven months ago in the election campaign, the Premier (Mr. Selinger) said two things, and they campaigned on two fundamental issues in the campaign that just happened: No. 1, he said, and I quote: We're ahead of schedule in terms of eliminating the deficit; and No. 2, he said, and I quote: We will not raise taxes. He said it. He didn't say read my lips, but he may as well have because the words could not have been more clear.

And let me just read them back again, the exact quote from what the Premier said during the leaders' debate in September of 2011. He said, our plan is a five-year plan to ensure that we have future prosperity without any tax increases—without any tax increases. He didn't say, with some tax increases in some areas but no tax increases in other areas. He said, without any tax increases, and he went on to say, and we'll deliver on that. That was what he said to the people of Manitoba and that is the commitment that they went to the polls believing. He also said, some of them believed. He also said, we're ahead of schedule right now.

Now, Mr. Speaker, the public is rightfully skeptical of claims that come from politicians, regrettably, and I think that's a—an unfortunate reality that we all deal with as elected members. And that skepticism and that cynicism about politics was reflected in the fact that only 50 per cent of Manitobans showed up to vote, a record low in terms of voter participation in the last election. And that cynicism, which is justified to some extent by statements like this, is only increased as a result of these false and misleading statements that are made to the people of the province in the course of election campaigns.

And, Mr. Speaker, the people of Manitoba had a right and they had the—they had the right to rely on what the Premier said and to take him at his word, and, unfortunately, the Premier fooled enough people, including some journalists, back at the time that he made that comment. And, regrettably, those people who were entitled to rely on what this government says in its budgets and entitled to rely on what the Premier says in his public comments now

feel as though they've been betrayed. They feel as though they were lied to. They feel as though dishonest statements were made in the course of an election campaign by people who would say and do anything to win. And it's now clear that those statements, with the benefit of hindsight, were false.

* (14:40)

Mr. Speaker, over the past three months in particular I've had occasion to hear from many, many Manitobans from different walks of life, including some Manitobans who indicated that they voted for our opponents, that they voted NDP in the election. And many—and I've heard this, and it's the number of people over the past three months in particular who have made the comment that they feel betrayed by this NDP government, that they voted for them and then—and regret it. The number of people just in the past three months who have made those comments to me as I have been out in the community has gone up significantly.

As an example, I was shopping in Safeway just about two weeks ago, not something, as others will attest, that I do routinely, but it's something I was doing just a couple of weeks ago, and I was approached by a—I was approached by a stock clerk in Safeway, a unionized member of the UFCW who worked in a Safeway store who came up and said, you know, I voted NDP last time because I believed some of the things they were saying. I look at these increases in my property taxes and my hydro rates, and I wouldn't do it again. And I want you to know that you and your party should hold your heads high, keep fighting and hold these guy—these folks to account.

That's exactly what was said by a unionized, Winnipeg-based Safeway employee just a few weeks ago. When—and I know from colleagues that, as they attend events at their children—at their children's schools or they attend hockey games and other events within the community, that they're hearing from Manitobans a sense of disgust and disillusionment with this NDP government at the statements that are made in public at election time and then lining them up against what in reality happens after elections. We've heard from nurses and teachers, from small-business people, from volunteers in community clubs around the province that this is an NDP government that can't be trusted and that has let them down, a government that says one thing at election time and does something completely different afterward.

Mr. Speaker, the reality is this, that the negative consequences of the past 12 budgets are now becoming clear to Manitobans. Taxes are going up when the government promised that they wouldn't. Services for Manitobans are getting worse when the government committed to protecting those services. And I'll use as an example the state of roads and bridges around the province of Manitoba. I don't know what reality the minister lives in based on the comments made in question period earlier today, but if you drive the highways of Manitoba what you will find is that they are at an all-time low in terms of the quality of those roads. They're dangerously damaged in many parts of the province of Manitoba. The flood had a significant impact, but years and years of neglect on the part of this government are taking their toll. For people whose daily existence depends on their ability to drive on the highways of this province and to cross bridges, this government has not only shown disrespect and neglect of those—of that infrastructure, but they put lives and health at risk as a result of their failure to repair roads that are in need of repair and rebuild bridges that are needed.

And I know that colleagues will have example after example of roads, highways and bridges that have been neglected by the government and which are in desperate need of investment and repair. And for the government to try to dupe Manitobans with the smokescreen yesterday of raising gas taxes and then at the same time cut spending to roads, highways and bridges is about the most dishonest sleight of hand that we have seen for some time in this House.

The reality is this: They're cutting the budgets for roads, bridges and highways and infrastructure and they're increasing taxes that Manitobans pay each and every day. And so that, Mr. Speaker, is an example of neglect and an example that this government needs to pay attention to. And they need to spend some time outside the Perimeter, Mr. Speaker, getting to know what's happening in communities around the province. They need to spend some time in the southwest corner of the province where the roads are in deplorable condition. And workers, each and every day, are travelling those roads, who are involved in oil and agriculture and other important economic activities, who have to take massive detours or who have to put their life and their health at risk in order to travel roads that are unfit for travel.

Mr. Speaker, there are bridges that have been damaged beyond repair that have yet to be replaced

by this government. There are examples of municipal infrastructure, large and small, that require attention and investment that just haven't received it under this government. And there's no excuse. The government has received \$35 billion in transfers for the federal government; they've raked in record levels of revenue from Manitoba taxpayers; and yet the roads are getting worse and the government is now deciding that they need to increase taxes on Manitobans.

Let me just talk for a moment about the state of health care in Manitoba. We continue to hear examples from Manitoban families of breakdowns within the health-care system. Thousands of Manitoba families who still can't get access to a family doctor when they need one. This government has made changes to the way they operate the health-care system so that it's virtually impossible to get access to a doctor after 5 p.m., or overnight and over the weekend. These are the times when families need their doctors. This is a time when a child with an earache or a loved one who's experiencing heart-chest pains, or somebody who is involved in an accident; this is when you need access to your physician. This government has taken steps that have deprived and reduced the amount of service available to Manitobans outside of 9 to 5, Monday to Friday, the times when Manitoba families need access to doctors. And it's been particularly bad, and I hear these stories all through the city of Winnipeg, examples of people who haven't been able to get help in emergency rooms, people suffering symptoms of stroke or other severe conditions who haven't been able to get help on time and the—this government hasn't been there for them, contrary to the rhetoric and contrary to the promises that have been made.

It's a particularly—as bad as it is in the city of Winnipeg, it gets even worse for the citizens of rural and northern Manitoba who deserve better than what they're getting from this government. We've seen emergency rooms closed in communities around the province, we see services removed from communities including care within places like Swan River, where medical services have been withdrawn and where the people of Swan River have found themselves needing medical help and not been able to get it as a result of this government's cutbacks to health-care services in Swan River, and in communities like Swan River, around the province of Manitoba.

Mr. Speaker, we have seen, as well, in acute care, examples of the inability of Manitobans to get

access to treatment for severe conditions like cancer or heart disease, or other examples, in a timely way. It's not good enough, after 12 years and the amount of money that's been spent, to continue to make up excuses and continue to try to blame others, which has been the approach of this government.

Mr. Speaker, in the area of education, we have seen, thanks to people who work within the system, that things are going backwards rather than forwards in terms of what our kids are learning in schools. And I want to, as well, add my comments to the comments made by the member for River Heights (Mr. Gerrard) the other day, about the issue of math education. That's an issue that we have been working on and our education critic, the member for Morden, has—had—Morden-Winkler (Mr. Friesen)—has made many, many comments and advanced this issue in a significant way.

But Anna Stokke and Professor Craigen from the University of Manitoba and others, have raised concerns about what they're seeing in their classrooms. Students who are graduating from Manitoba schools are arriving in university ill-equipped to deal with significant challenges in the area of mathematics. And it shows up in so many different ways throughout the province and through our communities.

*(14:50)

We know that small-business people are finding that recent graduates are unable to deal with basic mathematical calculations. And what we saw, Mr. Speaker, years and years ago, because this wasn't a change that was brought about by Manitoba teachers, this was a change that was brought about by bureaucracy within the Department of Education and imposed on Manitoba teachers, a change in the math curriculum which has taken things backward, which has created confusion for teachers, students and parents, and which has made it more difficult for students to master basic mathematical problems: addition, subtraction, division and multiplication.

And our teachers are doing their best but they're required to teach to the curriculum that they've been handed by the NDP and those teachers are telling us that it's the wrong way to go, that they want that curriculum changed. They believe in doing the best they can for our students and it's really a problem and an issue that resides within this minister's office, and that has long-term consequences for our province.

If our kids are unable to succeed in mathematics, it limits their ability to succeed in fields like engineering and science and medicine and business and so many other areas that are so important to developing the future of our province. The ability to challenge and tackle major problems, like environmental challenges around cleaning up our lakes and cleaning up our waterways and our air, are based on discoveries made by people who are equipped in the areas of science and mathematics to deal with complex and challenging problems. The ability to have engineers who can undertake great projects and build the future of our province, like hydro projects and transmission lines and other major works of engineering that move our province into the future. When we have an inability on the part of students to excel in mathematics, it takes away from our ability to train the best engineers who can solve these major challenges.

If you look at some of the big, big issues that we face as a province going into the future, managing floods and managing water will arguably be the biggest challenge that we face as Manitobans in the coming generation. And we've had our share of big challenges in the past, major floods that have caused Manitobans to come together in a great way and to meet those challenges, and then it caused our best thinkers, our most talented engineers, to arrive at solutions to those problems and to protect subsequent generations.

I know, just having had the privilege years ago to spend time with the Honourable Duff Roblin, to listen to the respect that he had for the great engineers who came together and designed the floodway and designed the other works that were put into place, including Shellmouth and Portage Diversion and other waterworks which have been visionary acts on the part of a visionary leader and government. That wouldn't have been possible if it weren't for the engineering genius of those people who were out of the limelight, who were not front and centre in terms of political debate, but who diligently went about seeking solutions to these incredibly large and complex problems.

Our ability to produce more of those great thinkers is diminished when our students are unable to deal with complex challenges in mathematics. Our ability to protect ourselves in the future from major floods is reduced when we have less know-how amongst those involved in engineering. Our ability to design those great dams and transmission projects and other major works that will provide low-cost

electricity to Manitobans are diminished when our education system fails to operate at its very best level.

And we believe that students should have the ability to pursue their dreams and to build on their own strengths, and as a province we're enriched when we have students who excel in music, when we have students who excel in the arts, when we have students who excel in education and medicine and nursing and so many other areas. And this government, of course, puts value on all of those areas, as we do. But it's a government that seeks not to put any value on professions like engineering and science and business and those other areas that are the wealth creators that enable us, Mr. Speaker, to have all those other good things that are important to our quality of life here in Manitoba. Our ability to have a vibrant arts community, our ability to have well-funded schools and good roads is a function of our ability to move forward as an economy. And those great steps forward are almost always taken by engineers and business people and others who have big ideas and translate those ideas into new businesses and new projects that create wealth and protect Manitobans.

So it's a serious, long-term issue. It may, in fact, be the most significant long-term issue before legislators in this province today. There are lots and lots of short-term issues that we'll debate, lots of irritants and challenges and immediate problems that face us. But, perhaps, the greatest long-term challenge we face as a province is the ability to get it right within our public education system, the ability to pursue excellence at every level and ensure that every child develops to their fullest capacity, to ensure that our teachers have a curriculum that makes sense, that's forward looking, that's constructive and pragmatic. And for all of those reasons, Mr. Speaker, we are concerned that this government seems not to recognize that there's even a problem and that the budget does nothing to address this very significant issue.

If we look next door, Mr. Speaker, at Saskatchewan, when the issue of math education came to the attention of Premier Wall and his government next door they committed to address it. They launched a process to review the problem and they committed themselves to bring forward solutions. We need a similar approach in this province. As the issues are coming to light, and they've only really started to come to light in a significant way thanks to the efforts of people like

Anna Stokke and other professors and teachers and parents throughout the province of Manitoba who have raised this to our attention, and now that they have we owe it to them to respond in a forthright, in a proactive and in a constructive way.

And it's not a matter of politics, Mr. Speaker; it's about the future of our province. It's about our children and grandchildren, and we owe it to them to do the right thing today. And we know that at some point down the road they'll look back and thank us for our foresight, or we'll carry on down the path we're on right now and we'll live to regret the fact that we didn't take action when we had the opportunity.

So I call on the government, Mr. Speaker, to pay close attention to what Anna Stokke, to what parents and others are saying, because these are people who are working with students each and every day. They see it up close. They know exactly what's happening. They are educators within our public system of universities. And we ask the government to not disregard the concerns of our teachers and educators in Manitoba, to not show contempt for educators and professors and teachers in Manitoba, to listen carefully to what they're saying and to act on it, and they'll be given credit if they do.

Mr. Speaker, we can't afford to fall behind our neighbours in other provinces who are acting, who are responding. They're not pointing the finger and playing politics with the issue; they're looking at the facts, they're listening to what has to be said, and they're acting on it. And there's always an opportunity in public life to have the courage to not just play petty union politics all the time, but to actually look at the facts and make a courageous, bold decision to move our province forward in a constructive way and in a spirit of partnership with our front-line teachers who share the concerns that have been raised by members of our party and by educators at the level of our universities and colleges.

So, Mr. Speaker, we call on the government—*[interjection]* I know, and the member—that's a very helpful comment. The minister just said, the teacher—the minister just said the MTS, the union doesn't agree with us. Of course, they don't. We all know that the minister is getting her instructions from union headquarters right now on her BlackBerry. And her heckling and her comments are all about unions. They're not about teachers, they're not about

students, they're not about parents, they're not about the future.

This is a government that's all union, all the time, no union left behind. It doesn't matter if our debt to the unions means that we diminish our students, that we hold back our teachers, that we disadvantage our universities and hobble our economy. It's all about the special interest group politics that they play, and they play it well. I'm not going to argue with them on that point. They're good at special interest group politics, Mr. Speaker, and that, you know what, that's a concession that we're prepared to make.

* (15:00)

But, Mr. Speaker, they're not very good at governing the province for the future and that's really what we're getting at, and we ask them to just—you know, we're not saying, don't listen to the unions. We're saying, listen to the unions, but also listen to the front-line teachers and also listen to the parents, and also think about the future. Take all of those things together and make a decision. Don't just be a patsy to your special interest group friends. That's all we're saying.

Mr. Speaker, the—I'm sure that they're dialing up some attack ads from MTS right now. Elections Manitoba, I'm sure, will have an interest in looking into that in due course.

Mr. Speaker, I want to also address some other significant issues. We've talked about our crumbling roads and bridges; we've talked about the fact that Manitoba families can't get access to doctors and health care when they need it; we've talked about challenges within our public education system which are curriculum-driven—they're not created by teachers, parents, or students, they're created by the NDP government and its curriculum theories, and that's the issue that needs to be addressed.

In addition to all of those areas of concern, we have a budget that continues to pay lip service to, but neglect the issue of public safety in Manitoba. As the member for Steinbach (Mr. Goertzen) has pointed out many times, it is unacceptable for us to continue to be known as the violent crime capital of Canada, Mr. Speaker, and it's unacceptable that in 2011 we broke yet another record for homicides and violent crime within the province of Manitoba. It's clear that things are moving backward in this province on this front. I know that the NDP need to be number one on something, but they shouldn't be number one on

violent crime and that we ask them to start to address.

And so what we saw in this budget was a failure, again, to address issues of public safety. And they can talk all they want about news releases and announcements, we know they're good at that, but the results are this: that Manitoba continues to be rated the violent crime capital of Canada and our murder rate here, in the city of Winnipeg, reached an all-time high in 2011. Those are the only two facts you need, Mr. Speaker. No amount of rhetoric, no number of news releases, no amount of spin is going to cover up for the fact that 2011 was our worst year in history for murder and that Manitoba remains the violent crime capital of Canada. We call on the government to change course on that front, but we're not optimistic that they will, and the budget, again, fails Manitobans on the issue of public safety.

Mr. Speaker, as we see these declines in terms of public service, crumbling roads and crumbling bridges, as we see problems mounting in the area of health care, as we see the province moving backward in education, and the test scores tell the story; again, it's a fact that Manitoba students rank among the last in Canada in terms of mathematics, science and language arts. Those numbers are what they are: no amount of spin, no amount of rhetoric and no amount of getting down on their knees and quivering before union leaders is going to change that. And so they need to address it. No amount of spin and rhetoric is going to change the fact, that on public safety, the government is failing.

So we see failures in terms of those areas the government—where government is supposed to succeed. At the same time as we see a decline in the quality of public services—and it's a slow decline over many years in the quality of public services in Manitoba—we now see an NDP government asking Manitobans to pay more. We're asking the government as part of their—as part of what they are bringing to Manitobans, what they are imposing on Manitobans is a budget that says, pay us more so that we'll turn around and do less for you and your family. And that, Mr. Speaker, is the very heart of what's wrong with this budget. It is a budget that asks Manitobans to pay more while the government does less. That's a recipe for decline. It's wrong, and it's why we're voting against this budget.

When we look at the commitment that was made to not raise taxes in the recent election and the fact that Manitobans were entitled to take the Premier

(Mr. Selinger) at his word—and they now know better, Mr. Speaker—we look at what this government has done: no fewer than nine tax increases on Manitoba families since the Premier promised that he would never raise taxes, nine tax increases in seven months. I shudder to think about what's coming in the three years ahead if they raise nine taxes in seven months.

And let's just go through those one by one and look at the impact on Manitoba families. And what you're going to find when you look at these tax increases is that the impact of these increases falls disproportionately on Manitobans who can least afford to pay. The impact of these tax increases is greatest on the poorest Manitobans. That, Mr. Speaker, is not only morally wrong, but it demonstrates that this NDP government has completely abandoned its roots. It has completely abandoned all of the things that they said that they stand for. This is a tax-the-poor budget and they should be ashamed of themselves.

Mr. Speaker, when you look—and let's go through them one by one: Manitoba Hydro electricity, it is a basic necessity for every Manitoba family to have electricity in their homes. Every single family pays their electricity bills. Every single family, from the poorest family in the province to the wealthiest has to pay their hydro bills every month. And, as a proportion of their income, hydro bills make up a much larger share of the income of poor Manitobans than they do for wealthy Manitobans. So to increase hydro rates on the—on Manitoba families across the board has a disproportionate impact on the poorest families in the province of Manitoba.

The recent Friday night—there was a Friday night rush to raise hydro rates that took place on the last day of March this year. The government came in; they rushed before the PUB to ask for an emergency hydro rate increase of 3.5 per cent on Manitoba families. They held an emergency Saturday hearing in order to grant that increase on it to receive that increase on an interim basis.

And, Mr. Speaker, in addition to raising questions about how the government couldn't have foreseen what was happening, to come in for an emergency rate increase with a Saturday emergency hearing to push up rates on Manitoba families shows not only an unbelievable level of incompetence, but also a total lack of sensitivity to the families who are going to have to pay those hydro bills.

We learned at committee, a Hydro committee, just the week before last, Mr. Speaker, that this 3.5 per cent increase that they just went for on emergency basis is not by—not the last rate increase by any stretch of the imagination. The CEO, the new CEO of Hydro, said that this will be a long-term process of rate increases on Manitoba families year after year after year into the future. And that's a 3.5 per cent increase. It's above the cost of living, the increase in cost of living. It's above the rate of increase in Manitobans' wages. It's unaffordable for Manitoba families, and it's the first of many according to the CEO of Hydro in the years ahead.

It's a reversal of a long-standing policy on hydro rates under successive governments—Conservative and NDP—where rates generally have increased at less than the rate of inflation and less than the rate of wage growth. That policy has been turned on its head by this NDP government, and we've got years and years of hydro rate increases in store for Manitoba families.

And why is that happening? It's happening because of political interference by this NDP government. The member for St. Boniface (Mr. Selinger), as the former Hydro Minister, directly and personally interfered in Manitoba Hydro. That's what's driving up hydro rates on Manitoba families, and, Mr. Speaker, he owes them an apology not only for his interference in Hydro that's driving up the rates, but also for misleading them during the election by telling them that these rate increases wouldn't happen.

*(15:10)

Number 2, property taxes are going up on Manitobans around the province. They talk about property tax credits. They're completely eaten up and overtaken by property tax rate increases for people around the province. Those property taxes are paid by Manitobans. They're not a reflection of the income of those Manitobans, and they are going up each and every year on the people of Manitoba.

So we had a hydro rate increase. We've had a property tax increase. And now—and then we had, Mr. Speaker—the third in the list of tax increases—a hike in child-care fees for Manitoba families, having an impact on every single family in the province of Manitoba with children. The party that campaigned saying that they were going to protect Manitoba families turned around and slapped families with children with an increase in their child-care fees, because they've mismanaged the child-care system

the point where they've driven up costs. They haven't kept up with grants, and now they're going to Manitoba families in order to fill the gap. That's a step in the wrong direction for Manitoba families, and it's betrayal No. 3 of this Premier's (Mr. Selinger) promise not to raise taxes on the families of Manitobans.

And then, Mr. Speaker, we saw with the budget—those were the three pre-budget tax increases on Manitoba families, post-election, pre-budget, three tax increases. And then in the budget yesterday, we found—much to our shock and surprise, particularly given the Premier's promise not to raise taxes—a further increase in six other taxes to be paid by Manitoba families within this budget. At least six, I should say, because, as it usually turns out, there are sneaky, stealth taxes and rate increases that come in the weeks and months following the budget. And we don't look forward to finding out what those are going to be, but we can be almost certain that they're there.

We—what we saw, though, that they admitted to in the budget was a two-and-a-half cent increase on gas taxes, taxes paid by every Manitoba family. Every time a parent takes a child to a hockey practice or a hockey game, every time a family goes shopping for groceries, every time a worker has to travel from one place to another in the province; they go to the pumps. They're going to see that increase in gas taxes imposed by this NDP Premier, and they're going to be reminded of the betrayal of the commitment made not to raise any taxes made by this Premier during the election campaign.

Mr. Speaker, the thing that's particularly galling about an increase in the gas tax is that gasoline prices have already gone up by 12 per cent this year as a result of what's going on in the market. And the Premier had the gall to go public on the radio weeks ago complaining about high gas prices, and then turned around and pushed them up even more through his new gas tax. Now I don't know if he doesn't remember from one week to another what he's telling Manitobans, but the fact is that you can't just take the Etch A Sketch and wipe the slate clean after each and every day as this Premier seems to do. He campaigns in the election. He gets out the Etch A Sketch and he wipes it clean and pretends that he didn't say anything in the campaign. He goes on the radio and complains about rising gas taxes a couple of weeks ago. Then he gets out the Etch A Sketch, wipes that clean and comes in with an increase in the gas tax in the budget. This Premier's been spotted in

so many different places, with so many different positions on these issues that it's a little bit like, well, he's been spotted more places than Elvis on the issue of gas taxes.

And it goes to his credibility as a leader, and it goes to his government's mismanagement of our province's resources. So we saw the increase in hydro rates, the hikes in property taxes, the increase in child-care fees. And then, now we see in the budget an increase in gas taxes. Now, as if that wasn't enough, Mr. Speaker, on top of all these increased costs on Manitoba families, they've piled on increases in vehicle registration. They've piled on increases in background searches for volunteers. They've piled on increases to personal services by expanding the base of the PST, which penalizes not only the people who use those services but the hundreds of small businesses across the province who provide those services. So, while the government claims to be concerned about small businesses and small-business people, they pile on a tax making it harder and harder for people in those small businesses to get by.

Mr. Speaker, we saw in addition to that—and it was one of those things that the minister spoke quickly when he went through this part of the budget. He was speaking so quickly that it was hard to pick up on exactly every word that he was speaking, and I can see why he would have gone into high gear at this point in the budget.

But he also announced an increase in taxes on insurance premiums that are paid by Manitobans. And as the member for La Verendrye (Mr. Smook) quite correctly pointed out in question period today, this isn't—these are not fat cats that are going to pay these taxes. These are the most vulnerable families in Manitoba that are going to be hit by this tax. This is a tax on property insurance for families who deserve to have protection in the event that something happens to their home, who deserve to be protected if their home is—if they're a victim of a house fire, or if they're a victim of a flood or a natural disaster, and these are things that we confront in this province on an all too frequent basis.

Manitobans, who are prudent, want to protect themselves and their families against those sorts of disasters, and this government decides that they want to tax Manitobans who want to be prudent about protecting themselves and their families. The attitude of this government to Manitoba families who take a responsible step of taking out insurance is: we're

going to punish you for taking out insurance on your property and for protecting your loved ones in the event of a disaster.

It's going to—the result, Mr. Speaker, is going to be that more Manitoba families are without insurance, and that's going to bring about one of two results. Either they are going to be—become destitute in the event of a fire or a disaster, or taxpayers are going to be under more and more pressure to come to their rescue; either way, it's the wrong way to go.

We have a long tradition of Manitobans prudently taking out insurance and insurance companies bearing the risk of those disasters. Instead, what the government is doing is shifting the risk from insurance companies to Manitoba families and to Manitoba taxpayers. It's a massive step in the wrong direction, and we call on the government to step back and reconsider this tax on insurance here in the province of Manitoba.

Mr. Speaker, in addition to that, there's an anti-investment and anti-jobs increase in the corporate capital tax. At a time when economies are fragile around North America and throughout the world, the government has taken the very unwise step of discouraging people who make investments and create jobs in the province and putting them at a—in a position where they're—they face an even less competitive environment in Manitoba versus other places.

The people who make investments and make a decision to grow businesses have all kinds of options in terms of where they make those investments. They are under no obligation to invest in Manitoba, as they are under no obligation to invest anywhere else in the country. And every time you raise a tax it drives investment out of the province and it drives jobs out of our great province of Manitoba.

And so, Mr. Speaker, we see far too many examples in this budget of a government that, instead of taking responsibility for their spending, instead of reining in their spending, have instead decided to punish Manitoba families with higher taxes.

The government needs to take a hard look at the impact of these decisions. It's very, very easy, when you spend all of your time in a ministerial office and surrounded by friends, to lose touch with what's going out there—going on out there in the community. They need to talk to families, and particularly low-income working families in Manitoba about what they're struggling with: families who have hydro bills

that represent a high percentage of their income; families who have property taxes that represent a high percentage of their income; families who are going to have to pay more every time they go to the pump and fill up their vehicle in order to get their kids to school and to their—to music lessons and to sporting events; to those families who need child care, who now—who are now going to have to pay more, in terms of getting care for their children; families who have to pay for vehicle registration, and particularly rural families who are more reliant on vehicles than families within a city, who may be able to use public transit. Those families outside of the city of Winnipeg who rely on their vehicles, who are required to fill up every second day or so, are going to be—find themselves further and further behind. Families that need cars in order to get by, in order to exist and survive on a day-to-day basis are—have become targets of this NDP government, with their malicious and ill-considered increases in vehicle registration fees and their increase in gas taxes.

*(15:20)

Mr. Speaker, this budget is the culmination of years of overspending and mismanagement. And I think it's important to go back and just take a look at the big picture, the trend that we have seen emerge. As I said earlier on, the government inherited, 12 years ago, a balanced budget, a healthy rainy day account and a growing provincial economy. They have taken all three of those gifts and they have squandered them, and they have reversed course and they've put us in a position where we're deeper in the hole of debt than ever before.

We have seen the Fiscal Stabilization Fund depleted, and that includes a further draw on that fund in yesterday's budget. The government went out yesterday claiming a deficit of less than \$500 million, roughly \$450 million, and what they failed to disclose is that they took a \$50-million draw on the rainy day fund, which not only depletes that fund for future use, but also creates the impression of a smaller operating deficit than is actually the case.

In reality, Mr. Speaker, we have an operating deficit of just over \$500 million in the budget tabled yesterday. That's not moving forward, it's not ahead of schedule, it's behind schedule and it's moving backward.

Mr. Speaker, the budget that was introduced yesterday contains a number of other worrisome numbers and trends. We see in the budget, as the government is talking about cutting spending in

some areas, one area where we actually see a fairly significant increase in spending is on those interest payments that are sent to the banks—\$51 million more in debt-servicing costs in this budget than what was budgeted for last year. That's money paid in interest to bondholders; that's money that isn't going into services to the people of Manitoba. That is a very significant step in the wrong direction.

And so, Mr. Speaker, the trends are wrong. Service is declining, taxes on families going up, spending going down in some areas but going up in the area of debt servicing. Everything that should be going up is going down, and everything that's going down should be going up. This budget represents a very significant step backward, and my colleagues remind me of the Premier's quote, that flat is the new up. Well, this is not flat, this is down and where we come from, down is down.

Mr. Speaker, the budget, just as you look at it on a department-by-department basis, contains a number of items that give rise to concern for members of our party and our caucus. We see within the budget increases in core spending of roughly 3.6 per cent, contrary to the spin that was put out yesterday. We see no action to deal with the damage done to Brandon University, which was severely damaged and which is still recovering from the strike which took place some months ago.

We see step backwards in terms of agriculture and rural communities, and on that note, Mr. Speaker, the fact that we see cuts to that budget, we see cuts to highways, roads and bridges, and we note that the words “agriculture,” “rural communities” and “development of our rural potential” are completely missing from the budget speech. There is no reference at all.

And this is a budget speech that was given by a former minister of Agriculture, who seems to have forgotten where he came from. This is a member who represents—he represents a rural constituency. He represents many, many producers in Dauphin, and for him to introduce a budget that makes no reference to his own constituents, that provides no support for our producers, that provides no acknowledgement for the incredible contribution of agricultural producers around the province, that contains no acknowledgement for the importance of food production for the future of our society and our economy, that contains no credit for those people who work so hard throughout the agricultural sector whether as producers, whether as people who are

involved in supplying producers, whether it's people who are involved in processing food and creating good healthy food to serve to provide nutrition for the people of Manitoba and for people around the globe to—in a province like Manitoba, which has historically been known as the breadbasket of North America, to make zero reference to agriculture is an omission of epic proportions.

It is an unbelievable failure on the part of a former Agriculture minister to not even acknowledge, in the slightest, the significant contributions that are made by producers and their families throughout the province of Manitoba. Families who go above and beyond the call of duty to volunteer within their communities and around our province, families who pay their taxes, families who work exceedingly hard to build this province have been slapped in the face by this Finance Minister, by this member for Dauphin, by his colleague from Swan River, by their colleague from Interlake, by their colleague from Dawson Trail. The fact that none of those members insisted on recognition for our producers is a stunning failure on the part of those MLAs who so quickly have turned their backs on their own constituents only seven months after getting a mandate from those very constituents. It's shameful, Mr. Speaker, and they should apologize.

Mr. Speaker, the budget—you know, if it was only a matter—you know, and I think our producers are pretty, in my experience they're a pretty fair-minded and reasonable people, and I think if the government had only ignored them in this budget they may have said well, you know, it's better than being punished. You know, this is a government that when it acts it tends to turn its guns on our producers. So being ignored by a lot of producers may have been considered a victory.

But the fact is the government not only ignored them in terms of recognition, they went out of their way to punish them with the gas tax, with the increase in taxes on agricultural fuel, with the increases in vehicle registration fees, by allowing property taxes to increase and failure to keep their promise to producers on education property taxes, by failing to repeal the tax that was introduced with respect to quotas in other areas. The government ignored them in their rhetoric, and then in an underhanded way came in with a sucker punch and hit them with a whole pile of new taxes.

So, Mr. Speaker, it's worse than being ignored. It's a massive step backward for our producers, and

the government should take the opportunity—and the minister, I would hope, would want to take the opportunity to apologize to those producers for this appalling budget and for this massive step backward for Manitoba producers who are the backbone of our provincial economy.

Mr. Speaker, the budget is a failure. It is a—it is the culmination of years of overspending and failing to focus on the priority of Manitobans. It is a budget that betrays the commitments made in the recent election campaign, and for evidence of that we don't need to rely just on the comments of members of the opposition, we can take a look at what regular Manitobans had to say in reaction to the budget.

Here is an example from this morning's media. Dave Mouland, 63 years old, he took early retirement from his job with an aircraft engine overhaul company, he's a daily volunteer at Winnipeg Harvest—and I want to just take a moment to thank and acknowledge all of those Manitobans. It's one of the great things about our province that we all acknowledge is that we have a tremendous volunteer spirit here in Manitoba, and I want to acknowledge all of those organizations that do such a great job of supporting Manitobans in their time of need, including Winnipeg Harvest.

*(15:30)

We have so many great things in our province to celebrate, and I want to spend some time at the end of my comments talking with those regular Manitobans who are doing great things throughout Manitoba. Because while we may dislike the budget, while we may disagree with this government, we believe in the people of Manitoba who are out there each and every day working very, very hard to build a great province.

Mr. Speaker, I want to just quote what Mr. Mouland—[*interjection*] One of the members opposite just said it doesn't matter, in response to these comments—that these regular Manitobans don't matter. That's a comment coming from the NDP front bench, and I think Manitobans deserve better than the arrogance that we get day in and day out from members opposite, both in the House and in their comments, people who, after 12 years, who are completely out of touch with people like Dave Mouland.

But here's what he had to say. This is a daily volunteer at Winnipeg Harvest. He's active on transit issues. He has no formal political affiliations. And

what he—his comment was, he was initially excited at the thought of homeowners getting a break on their school property taxes, but then he realized that mini-windfall had already been offset by property tax increases, he said. He then said he would have liked to have seen something more for small business. There's nothing in there to make small business very happy. And he said he would have liked to have seen measures to make it easier to live in downtown Winnipeg. And here's what he says in terms of his general outlook. Dave Mouland, it says, a daily volunteer—I quote: "I'm not very optimistic, that's for sure", Mouland said in response to this provincial budget. This is a person who is a volunteer, who has worked his entire career. His response to the budget is, "I'm not very optimistic, that's for sure," he said, looking for something to make it easier to live in downtown Winnipeg.

Here's what one of the—somebody who, I think, would be a very strong supporter of the NDP had to say. This is a student, Sarah Cooper, a 33-year-old recent grad from the faculty of city planning. She also happens to be a researcher at the Manitoba office of the Canadian Centre for Policy Alternatives. She has no political affiliations but leans to the left. I feel reasonably confident, Mr. Speaker, in—and now, this is a guess, but I feel reasonably confident in asserting that Sarah Cooper didn't vote Tory in the recent election. I can—I feel pretty confident that she didn't. But this is what the researcher from the Canadian Centre for Policy Alternatives had to say in response to the budget. Quote: "It seems sort of the same as it's been before. I'm not optimistic or pessimistic," said Cooper. I was hoping for a long-term vision but that never really happens. So this is—now, this is one of their supporters. This is coming from one of their friends, one of their supporters. It's the same as it's been before, not optimistic or pessimistic. I was hoping for a long-term vision but that never really happens.

Now, here's actually what I think is quite a typical response from Richard Van den Broek, who is—was the president and general manager of Dynamic Machine for the last six years. He said he normally votes Conservative and he voted Conservative in the last provincial election. Richard Van den Broek had—and this is somebody who I think—and I think his comments actually captured the attitude of a lot of Manitobans and I think it's probably a comment that's—that represents very closely my own feelings about the province and this government. Here's what he has to say. Quote: "I'm

very optimistic about the province, but I don't know that the provincial government is necessarily responsible for that," said Van den Broek. I see from a business perspective we're not chugging on all cylinders.

This is what—this is the comment: that we have a great province but it's not because of our NDP government. And I think, Mr. Speaker, that is perhaps the best summary that we can arrive at, in terms of the attitudes of this party, and this caucus, about the province of Manitoba.

We have great faith in the people of Manitoba. We believe in all those people who get up early in the morning and work 'til late in the evening to provide for their families and to build our province. We believe in those front-line teachers and nurses and doctors, those front-line firefighters and police officers, those small-business owners. We believe in those farmers who do so much to contribute to our province. The entrepreneurs, the musicians and the artists, all of those Manitobans who work very hard each and every day, who deserve something better than higher taxes, broken promises, diminishing services and more debt for the future of our province.

And, Mr. Speaker, the biggest long-term financial issue that we face, that we spoke earlier about, the—about the issue of education and building for the future of our province, and how that is a significant—most significant overall issue for the future of Manitoba, but the biggest financial danger that we face in Manitoba is the large and growing iceberg known as the provincial debt of Manitoba.

Mr. Speaker, that debt has more than doubled since the NDP came to power 12 years ago. They inherited a debt of \$13 billion and the total debt, as of this budget, is \$27.4 billion, to be paid—repaid with interest by future taxpayers in the province of Manitoba. That debt has grown by more than \$2 billion in this budget, on top of increases in debt of more than \$2 billion in last year's budget as well.

These increases in debt may not have an immediate impact on Manitobans but we know, Mr. Speaker, that they will have a long-term impact on our children and our grandchildren. The—this growing debt represents a growing danger to the future of our province.

At \$27.4 billion and rising, we now have a debt of roughly \$26,000 for every man, woman and child in the province. We have a debt of over \$100,000 per family in Manitoba, which represents a government

imposing almost an entirely new second mortgage on every family in the province of Manitoba. That mortgage is going to have to be repaid over time, and I know members opposite think that debts are theoretical. They think that debts don't matter. They believe—they have a—an economic theory that they operate under, that debts don't matter. And I think, Mr. Speaker, the recent history would suggest that they're wrong. The theory is wrong. It has been proven wrong place after place, time after time, year after year, in countries around the world.

That was a philosophy that used to be in place in places like Greece. That was a philosophy that used to govern policies in countries like Great Britain. That's a policy that used to govern countries like Spain and Italy. That is a mentality that has, for too long, been in place to our neighbours to the south. It's a mentality that debt—let's not worry about debt, let's just focus on the here and now; somebody else will deal with that problem down the road. And, unfortunately, Mr. Speaker, that kind of failure of foresight and lack of concern is what it is.

It sends a message: we just don't care about what our kids inherit; we just don't care about what our grandchildren inherit. That's the message that it sends and it is a dangerous and growing problem that we face in our province. And this government has shown no willingness, no willingness, to deal with that rising debt through this budget.

They deplete the rainy day fund, they increase taxes and they continue to spend at rates that are unsustainable for the future of the province of Manitoba. And that, Mr. Speaker, that debt is going to be something that our children and grandchildren will quite rightly look back at our generation and say: What were you thinking? What were you doing? Why did you fail us? Who was in government at the time that these decisions were made? Why were they—why did they totally fail to take into account the sort of legacy that they were leaving for our generation?

And that sort of neglect, that sort of abuse of future generations, is something that will forever be the legacy of this NDP government. It will forever be the legacy of this Finance Minister, this Premier (Mr. Selinger) and this budget and that, Mr. Speaker, is a further reason why we as Progressive Conservatives cannot vote for it because we believe the next generation deserves better.

* (15:40)

Mr. Speaker, they continue to be in denial about the impact of the debt. And we continue to raise concerns, and it's reminiscent, because there's a pattern with this government. The Premier used to be the Crocus minister. He got warning after warning, red flag after red flag, which he ignored all the way along the way until the fund blew up, and until Manitoba families lost thousands. He failed to heed the warnings about overspending at Hydro, and now rates are going up. He failed to heed the warnings about his mismanagement—his failure to tender major projects like the new—like the stadium, 100 per cent taxpayer-funded stadium that he mismanaged, which is over budget and behind schedule already. And, through all of these, at every step along the way, he was warned. He failed to heed the warnings and Manitobans ended up paying the price. And we will continue to warn the Premier and the government about the mistakes and the dangers that we face as we look forward.

And when we look at page B7 of today's *Free Press*, we see a headline that says: Interest rates poised to rise? Central bank cites growth and inflation. And the story, which is on all the news wires today, says, and I quote: A strong signal that Canadians could soon face higher borrowing costs was sent Tuesday as the Bank of Canada indicated it's getting ready to raise interest rates based on improved prospects for the global and the Canadian economies. The hawkish statement took markets by surprise and immediately sent the loonie higher. As expected, the bank kept the trendsetting rate at 1 per cent, but warned that rates are due to rise as we go forward.

Mr. Speaker, when you talk about a debt of \$27.4 billion, even a one-point increase in interest rates represents staggering increases in annual debt-servicing costs. We already see it reflected in the increase contained in this budget in debt-servicing costs, and that number has nowhere to go but up as a result of the mismanagement of this government.

The government philosophy seems to be don't worry, be happy when every other responsible government in the country, and responsible commentators, are saying worry if you want to be happy down the road, worry if you want to set a framework in place for a better future for our children. We should be worried about these things, Mr. Speaker. It's not a matter of being pessimistic about the future. It's a matter of being responsible today and looking to the future, analyzing those risks

and dangers as we confront them, and taking responsible steps today to deal with those risks and those dangers. And this government seems to be so out of touch, and so lacking in concern, and so filled with a sense of arrogance and entitlement that they think that they can fail to heed the messages and the warnings. And we fear that it's Manitobans who are ultimately going to pay the price.

And so, Mr. Speaker, we see a debt that's growing. We see a growing danger, and we see a government that is utterly failing to take those steps required to deal with it. And, as the Bank of Canada has warned, those increased interest rates don't just impact on government borrowing and government finance and the cost of refinancing government debt as we go forward, they impact on the households of regular Manitobans. So as regular Manitobans are going to look at higher interest rates on their home mortgages, as they refinance, and higher interest rates on their car loans, this government is going to add to the burden by increasing the cost of gasoline, by increasing the cost of insurance on their homes, by increasing the cost of their—of child care, by increasing their property taxes, by increasing taxes in a whole variety of other areas.

And that is why you have regular Manitobans expressing concern and alarm about the budget that just came down yesterday. So, Mr. Speaker, we side with those Manitobans—like Richard Van den Broek, like Dave Mouland, like Sarah Cooper—who are looking for something better from this government. We side with those Manitobans and against this NDP government, which is why we will vote against the budget.

Now, Mr. Speaker, we—I know I hear members opposite laughing as we talk about the impact on low-income Manitoba families. That's a regrettable and out-of-touch reaction to the very real challenges that many Manitobans are facing. But we want to offer something better. And we want to see a budget come forward that moves the province forward and that acknowledges the greatness of those regular Manitobans who are working so hard each and every day to move our province forward.

On Friday, Mr. Speaker, the member for Tuxedo (Mrs. Stefanson), our Finance critic, put forward a very sensible and forward-looking proposal to do five things that—within this budget, including a program review to eliminate wasteful spending, including joining the New West Partnership to ensure that Manitoba could grow its economy and

attract new investment and join together with our western partners who are looking to the future with a view toward co-operation and building on the very many incredible natural advantages that we all enjoy here in western Manitoba.

And let's just talk about that for just a moment, Mr. Speaker. The reality is that we are blessed in Manitoba not only to have a diverse and hard-working population, but to have an incredible bounty of natural resources. And like our western neighbours—and this is part of the reason Saskatchewan, Alberta, and British Columbia have gotten together—it's a recognition that we in the West are blessed with natural resources and hard-working people which are the envy of the world when you consider our ability to grow and produce food, when you consider the mineral resources that we have in this province to provide opportunities in the mining industry for all of our citizens—including and particularly including First Nations citizens who deserve to fully participate the economy of our province—when you consider our timber resources, which if managed wisely can generate jobs and opportunities for Manitobans, when you consider oil in the western part of our province which is presenting opportunities, the potential for potash development in the western part of Manitoba, when you consider the water that we have in this province which is an incredible and abundant blessing for our province, generating hydro-electricity, providing opportunities for people engaged in fishing, providing opportunities for many Manitoba families to afford affordable cottages.

And let me just talk about those many middle-class Manitoba families whose cottages and lakefront homes were destroyed in the flood who have yet to receive respect from this government. But when you consider all of these incredible gifts that we have here in the province, it's beyond disappointing when a government fails to put in place a framework to properly develop those opportunities and resources, to create jobs and wealth and opportunities for Manitobans and to ensure a sustainable economic future for the next generation of Manitobans.

And so by not entering the New West Partnership the government is acknowledging its failure to grasp what the other western provinces have grasped, which is that we have a lot in common. We work hard, we have a certain attitude toward getting things done, we're innovative, we're diverse and we have abundant natural resources.

We're much like our western neighbours in that regard. And to turn our back on western Canada at a time when western Canada is surging ahead through the development of our natural resources, to turn our back on that opportunity is an unbelievable failure of vision. It's an unbelievable failure to acknowledge the incredible opportunity that our neighbours have presented to us to join with them, to travel abroad and encourage those foreign investors to put their money into Manitoba, Saskatchewan, Alberta, and BC.

And we have much to gain as the West moves forward. It's not a matter of Saskatchewan gaining at our expense. As the—as our—as the western provinces move forward we have an opportunity to move forward with them and to share the benefit of that. And that not only benefits Manitoba and not only benefits our neighbours in western Canada, but it lifts our whole country, because we all acknowledge that Canada is the greatest country on earth and Manitoba has the potential to be the greatest province within the greatest country on earth. And we have an opportunity to show leadership within confederation, to join with our western neighbours to grow our economy, to support other regions of the country who may not have the same level and the same—of activity and the same types of advantages that we have to be constructive players within Confederation, to acknowledge that in many respects the Manitoba economy is a hybrid of an Ontario industrial economy and a western resource-based economy.

* (15:50)

So that presents a massive opportunity for us to be part of the process of nation building, to be constructive players in attracting new immigrants to our country, and on that point, Mr. Speaker, of immigration, I want to first thank and acknowledge the incredible efforts of the member for River East (Mrs. Mitchelson) who is the pioneer. The member for River East and the former minister, Harold Gilleshammer, who, today, is distinguishing himself as a citizenship judge who had the foresight to work with the federal government to improve immigration to our province and to put in place supports for those who are coming to our province.

So the reality is this: The Provincial Nominee Program was the creation of a Conservative government and that program is going to be built on and improved by a federal Conservative government, and those Manitobans who have arrived in this

province know—they know, Mr. Speaker, I—*[interjection]*

Well, Mr. Speaker, members opposite are extremely sensitive—they're extremely sensitive and I understand why. They've been receiving cheques from the federal government, they've been erasing the logo and putting an NDP stamp on those cheques and then sending them out. I understand why they're upset that they no longer have the ability to mismanage federal money. We understand why, for political reasons, they're upset about the fact that they can't turn around and take credit for federal spending within the province of Manitoba.

But at a time, Mr. Speaker, when they've got budgetary pressures, the federal government is now saying, let's be nation builders, let's bring people into this province and other provinces across Canada and let's help them make the transition to be great Canadians, because that's what all of us are at the end of the day.

So, while the federal government engages in an exercise of nation building, the provincial NDP engages in an exercise of navel-gazing and whining over what's happening to the immigration system in the province of Manitoba.

At the same time as the provincial NDP has either frozen or cut back on settlement programming for new arrivals, the federal Conservative government has increased their support for immigrants to Manitoba and they deserve credit for taking that step.

Mr. Speaker, I—you know, we know, you know, and we're hearing, you know, we're hearing a lot of feedback, we're hearing—

Mr. Speaker: Order, please. I'm having a great deal of difficulty listening to the comments of the Leader of the Official Opposition. I would ask for the co-operation of all members to allow the Leader of the Official Opposition to conclude his remarks.

Mr. McFadyen: The sensitivity of members opposite on this issue is very much on display here. The reality is this: over the last couple of days, we've been getting calls from new Canadians and new Manitobans who are being told by the NDP that family reunification, that future immigration is going to be jeopardized, Mr. Speaker, and it's a continuation of the politics of fear and smear that characterized the political style of the member for St. Boniface (Mr. Selinger) and characterized the political style of members opposite.

This is the party of fear and smear, and, Mr. Speaker, Manitobans are starting to find out. And when this transition happens, 12 months from now, and Manitobans see that the world didn't come to an end, and in fact the federal government is increasing its commitment to settlement services, they will look back on this shameful chapter in history and they will ask themselves, again, just like the lie that was told in the election, why did the NDP go around scaring us? It turns out none of it is true; it turns out that the federal Conservative government is a government of nation builders. Now we know that that fact is true—

Some Honourable Members: Oh, oh.

Mr. McFadyen: Well, I—you know, I mean, Mr. Speaker, they just—and not that we want to engage in debate about things that are happening at other levels of government, but the federal NDP have somebody who denies that 9/11 happened as their new leader, and we wish him well. We wish them well. And they've got—there's no end of great debate that's going to happen at the federal level with the 9/11 denier that's now leading the federal NDP.

But, as delusional as they are at the federal level, this party is every bit as delusional at the provincial level, and Manitobans are figuring it out. They're going to find out as we go forward, and it's one more reason why we can never vote for our budget by this fear-and-smear, delusional NDP provincial government.

So, Mr. Speaker, this NDP government has gotten away with fear and smear, now, for a number of years. They're trying it again with some of the most vulnerable people in our province, with people who are new immigrants to Manitoba, some of the most vulnerable people in the province who are being told flat-out lies by a member of the NDP. Those vulnerable new Canadians deserve better.

The record's going to be set straight. We look forward to welcoming federal Members of Parliament to this debate over the next couple of days, and we look forward to an ongoing discussion. And we're looking forward to seeing the facts emerge, not the smear tactics from people who want to play politics with federal money, but real support for new immigrants to our great province and our new country for looking to the future and building a stronger province.

So, Mr. Speaker, the—I think it's clear by now that we're not going to vote in favour of this budget,

and we will—I will now offer a—I'm going to offer a fair and balanced amendment to the budget, and it's an amendment that I believe will attract the votes and the support of all fair-minded members of this Chamber. And I know that there are fair-minded members on the other side of the House. I'm—I acknowledge that there are people there that I both like and respect, and I anticipate that on hearing the amendment, many of them are going to want to vote for the amendment.

So, Mr. Speaker, I move, seconded by the member for Tuxedo (Mrs. Stefanson),

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

therefore regrets this budget fails to address the priorities of Manitobans by:

- (a) breaking the Premier's promise not to increase taxes; and
- (b) imposing \$184 million in new taxes on hard-pressed Manitoba families who are also facing higher hydro rates and property taxes, increased child-care fees and a range of other hidden taxes; and
- (c) driving gas prices higher at a time when gas prices in Manitoba have already increased 12 per cent so far this year, further increasing the burden on Manitoba families while cutting spending on Manitoba's crumbling infrastructure; and
- (d) failing to take action to build safe communities, as Manitoba has become the violent crime capital of Canada with Winnipeg's murder rate reaching an all-time high in 2011; and
- (e) failing to recognize the importance of agriculture, food production and rural communities; and
- (f) failing to take action to protect Manitobans from future floods and failing to adequately compensate families for past damages; and
- (g) failing Manitoba students who scored among the lowest in Canada on national and international reading, math and science tests; and
- (h) creating an even bigger sinkhole of debt, now at \$27.6 billion and rising which, as a result, will force Manitoba families to pay higher taxes in the years ahead; and
- (i) failing to encourage greater trade opportunities with Alberta, British Columbia and

- Saskatchewan by refusing to join the New West Partnership; and
- (j) failing to undertake a review of program spending across all government services; and
 - (k) failing to tackle the red-tape burden that's hurting business and private investment in Manitoba; and
 - (l) failing to comply with the recommendations of the Public Utilities Board to carry out an independent review of Manitoba Hydro's capital program; and
 - (m) mismanaging \$35 billion in federal transfer payments received since 2000; and
 - (n) failing to offer a plan to encourage private investment to create opportunity and wealth so Manitobans can feel hope that our province will one day emerge from the hole of debt and dependency and see a brighter future.

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

Mr. Speaker: It's been moved by the honourable Leader of the Official Opposition, seconded by the honourable member for Tuxedo (Mrs. Stefanson),

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

therefore regrets this budget fails to address the priorities of Manitobans by:

- (a) breaking the Premier's promise not to increase taxes; and
- (b) imposing \$184 million in new taxes on hard-pressed Manitoba families who are also facing higher hydro rates and property taxes, increased child-care fees and a range of other hidden taxes; and
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- (d) failing to take action to build safe communities as Manitoba has become the violent crime capital of Canada with Winnipeg's murder rate reaching an all-time high in 2011; and
- (e) failing to recognize the importance of agriculture, food production and rural communities; and

- (f) failing to take action to protect Manitobans from future floods and failing to adequately compensate families for past damages; and
- (g) failing Manitoba students who scored among the lowest in Canada on national and international reading, math and science tests; and
- (h) creating an even bigger sinkhole of debt, now at \$27.6 billion and rising which is—as a result will force Manitoba families to pay a higher taxes in the years ahead; and
- (i) failing to encourage greater trade opportunities with Alberta, British Columbia and Saskatchewan by refusing to join the New West Partnership; and
- (j) failing to undertake a review of program spending across all government services; and
- (k) failing to tackle the red-tape burden that is hurting business and private investment in Manitoba; and
- (l) failing to comply with recommendations of the Public Utilities Board to carry out an independent review of Manitoba Hydro's capital program; and
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- (n) failing to offer a plan to encourage private investment to create opportunity and wealth so Manitobans can feel hope that our province will one day emerge from the hole of debt and dependency and see a brighter future.

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

The amendment is in order.

Debate can proceed.

The honourable member for St. Norbert, on the amendment.

Mr. Dave Gaudreau (St. Norbert): I thank you for the opportunity to rise in the House today to support this budget, and I want to officially congratulate you on being elected Speaker.

I'd also like to thank the Leader of the Opposition (Mr. McFadyen) for keeping it short so I can actually have a chance to speak today.

I would like to thank all my 'femmer' fellows—members of the House for attending this session and my first speech in the House. I look forward to a productive session and working with all of you to

better—build a better Manitoba for everyone. I know that we can work towards the common goal of continuing to make Manitoba the best place to raise a family.

I've never been as proud as this moment right now, standing here before you all today, speaking in this House. I am honoured that the people of St. Norbert have chosen me to be their representative, and I will make sure that their voices are heard here in this House.

I've met so many wonderful people since being elected in October. I've met them on the doorstep, at community events, coffee shops and I look forward to meeting more of them. I made some connections that will last a lifetime and some friends that will last a lifetime. To my constituents in St. Norbert, I have a very heartfelt thank you.

I have the honour of being the historic 37th MLA in our historic fourth and largest majority government in Manitoba. Well, it was a bit of a wait to be sworn in, it was all worth the while in the end. I had the honourable member from Gimli remind me of that during my recount and it lifted my spirits. Thank you very much for that.

I want to take a few minutes here to thank some of the members in my caucus for their support over the last few months and during the election: the member for—from Concordia for his advice in the lead-up to the election; the member for Southdale (Ms. Selby) for giving me advice at events; the member for Maples for helping me along the way; the member from Point Douglas for all his support; and the member from Wolseley for taking time to come out on my campaign for—and all the great advice he's given me along the way; and especially the member from Fort Garry—or for—sorry, from Fort Richmond, who opened up her doors and shared her office, advice, energy and—energy from the campaign. It was simply amazing. Thank you.

I would also like to thank the Premier (Mr. Selinger) and his sons for all their kind words and their support in coming out door knocking with me. Finally, I want to thank all the members on this side of the House for your support during my run and after I'd become the MLA for St. Norbert. I'm truly humbled by your graciousness and generosity.

The campaign for St. Norbert was hard fought and there are others that I must thank for believing in me, standing 'behind' me—standing behind me, and providing the resources we needed to run a

successful campaign. So, in alphabetical order: Michael Balagus, Becky Barrett, Paul Beckta, who's in the gallery today, Marilyn Brick, Nathan Laser, Ihor Michalchyshyn, Chris Minaker, Bob Newman, Tim Smith, Navjit Sidhu, and Tony Zencowich. And, of course, I'm so grateful to all the other volunteers for their dedication, phone calls and completing drops, knocking on doors and just being there for me. Without all of them, this would not have been possible.

I also have to thank my friends who poured countless hours into the campaign, especially Brian Barron, Mike Davidson, Brian Ellis, Leah Gazan, Leonard Harapiak, Audra Ludwig, Alex McClurg, Kelly Moist, Dave Sauer, and my amazing sign crew, Krystal and Dwayne Kochie and Mark Shipp.

I'd like to take a moment right now to remember my mother. She lost her battle with cancer December 31st, 2010, at Health Sciences Centre. It was her love and guiding support that enabled me to be here today. My mother not only supported me but set the best example of public service that one can have. Even when she herself was terminally ill, she volunteered at St. Boniface Hospital hospice to help others. I can only hope to continue on with her love of life and caring service of other people. My mother supported me in every endeavour, and she always knew I would become an MLA, even when I feared I wouldn't. This moment would have made her so proud.

I also want to commend the hospital staff who provided wonderful care for her all the way through her battle with cancer. When she was near the end, the doctors and nurses cared for her were the absolute best. I have to say they are part of the reason I'm here today. I want to continue building on a health care system that cares and gives the kind and—of dignity and respect that people deserve in their final hours. They allowed my mom to move to a private, unused room where she passed with her loving family members surrounding her, the way it should be.

I owe a huge thanks to my family for standing behind me during the past few months, from the late dinners to the endless political conversations. I thank my partner, Michelle, for supporting me in my run, even though it meant not seeing me, except for the times we spent canvassing. And now it means many late night meetings with community groups, events and more.

I thank my dad, Gerry, who's in the gallery today, for his dedication in being my official agent and a job that goes long—on long after the election is over. Thankfully, he's an accountant and he's—and he can stomach the long hours of paperwork. He was a dedicated civil servant his whole career, from the director of finance at the St. Boniface Hospital to the director of accounting for Manitoba government, to the comptroller of the Manitoba government, and last year, finally retiring from the Public Utilities Board. I now hope to follow his love and dedication to this great province.

I thank my stepmother, Eveline, who not only worked on my campaign but put up with my dad working long hours with me as well. I thank my son, Cody, who I cannot spend enough time with because of the election and now the long hours in the evening but, fortunately, he's 16 and I'm not cool to hang out with anyways.

I was born in St. Boniface and raised in St. Vital, but at 18 I moved to St. Norbert. I lived in the constituency for most of my adult life in Waverley Heights, and now I'm moving back into the heart of St. Norbert, only a kilometre from my office.

* (16:10)

I love Winnipeg and lived here my whole life. I faced many challenges trying to find work during the Filmon era. I ended up going back to school, and my son was born in 1995, and took a new direction with a trade. I worked for a few years with a company that made bus parts for Motor Coach Industries and it was a good job, but I wanted more. I took an apprenticeship at Keewatin Community College, now known as university of the north, which is another great example of our government's commitment to education. My studies presented the challenge of being away for eight weeks at a time in The Pas. My son was about five years old and didn't want daddy to be away, so I must say I was the only welder that had a book of Mother Goose fairy tales beside his bed. I would phone every night and read him a story over the phone and drive six hours each way every weekend to be with him and my family. Once I completed my level 2, I took on the new job at Kleysen's trucking and worked in the fabrication shop for almost two years, completing my apprenticeship there and up in Keewatin Community College and graduating apprenticeship—apprentice of the year in 2001. I was then hired by the City of Winnipeg.

Those years of apprentice and training and all the time in The Pas, presented me with my biggest opportunity in life. I ended up getting a great job which led to a rewarding career and life. Now I want to give back to my province, city and community, that have done so much for me and my family.

This past year saw a record number of families coming home to Manitoba and it's easy to understand why. We should all be very proud of what we have to offer here: affordable, clean—affordable housing, clean, affordable publicly owned hydro and some of the lowest car insurance rates in the country, and, finally, a health-care system that other provinces envy. Things that we all often take for granted.

My son was born at the Victoria Hospital and his birth was not an easy one. He was overdue and he aspirated fluid in the womb and the only reason he is here today is because the health-care professionals who worked on him that night made sure that he survived. I remember talking to the doctors that night and the nurses. They were so kind and caring even though they were feeling the crunch of the Filmon era. I will never forget that, and this is what makes me so proud of this government: they have never cut doctors or nurses. This government understands that everybody deserves the high level of care. Having the opportunity to sit down and get to know our Health Minister personally, I know for a fact that we are in very caring, compassionate and capable hands.

Health care is one of the top priorities for Manitobans and this government. I know it certainly is for my family. My father had to have his hips replaced and during that process they discovered he needed a bypass. The fact that he is here today attests to our great system. Now he's not only healthy, he helped me on my campaign and flyer drops and he often rode his bike from St. Vital to the campaign office in St. Norbert. I'm sure that we all want the same care for our loved ones. I want to ensure we continue to train and hire more professionals like the ones who cared for my mom, the ones who saved my son and the ones who saved my dad and gave him his mobility back.

Mr. Speaker, St. Norbert is the southern gateway to the capital city of Manitoba. It is the sentinel that greets the Red River on the way north with its floodway gates protecting Winnipeg from the mighty Red when it floods. St. Norbert is a very diverse riding made up of four different areas: the new South Pointe area, the more established area of Waverley Heights and Richmond West, and St. Norbert proper,

with its rich history. St. Norbert is home to wonderful people of every economic and ethnic background and it's a wonderful place to raise a family.

From the community clubs to the farmlands, St. Norbert has so much to offer. The historic monastery, La Barriere Park, Duff Roblin Park and a much celebrated St. Norbert Farmers' Market, which I highly recommend everybody visits when it opens—reopens June 2nd, 2012. We need to continue to ensure that there are enjoyable and affordable activities for families. That's why we committed to a splash pad in the Waverley Heights area and I'm working alongside community groups to get it done. There are many more projects that I'll be working on for the area alongside the member for Fort Richmond (Ms. Irvin-Ross), projects that will improve the quality of life for people in our areas, like the health-care access centre and more child-care spaces.

St. Norbert is growing and I'm committed to working together with the constituents towards the potential of new schools as Bridgwater Forest and Pointe West areas expand. Working together, I believe that we can help St. Norbert grow and thrive and I am proud to represent such a wonderful area.

Of course, like any community, St. Norbert comes with its challenges and problems. I hope to work with all of the people who live in the area to improve the quality of life for everyone. I am a tradesperson with a background in labour management and I'm used to fixing problems and not afraid to get involved and roll-up my sleeves to work alongside the community members to improve our constituents' lives.

I truly feel that we have put forward a budget that protects what matters most to Manitobans without laying off thousands of people like the opposition's federal counterparts have done, endangering public safety. This is why we are protecting front-line services that we need to keep our community strong. We are improving Home Care and Pharmacare. We will hold Pharmacare to the rate of inflation, ensure that those Manitobans suffering from cancer have access to the prescription drugs they need. We will train and hire front-line health staff. We need to ensure our health care can provide a level of care that Manitobans want and expect.

As we continue to build Manitoba, we will remain committed to ensuring that our families continue to pay the lowest combined electricity,

home-heating and auto-insurance bills in the country. We can do this by keeping our public utilities publicly owned. We continue to fight for the—to strengthen the accessibility of CPP. We will provide an extra \$25 million in funding for Manitoban schools to start reducing K-to-3 classes to the 20 students per class. We'll build and expand 54 child-care centres and fulfill our commitment for providing 6,500 new child-care spaces since 2008.

This past year has been hard for some—for many Manitobans. We have seen and fought a flood of record levels in the Assiniboine watershed, and we remain committed to rebuilding and restoring the areas affected. We are providing supports to Brandon and areas in the watershed and at Lake Manitoba to help with these efforts. We also are continuing our efforts to rebuild infrastructure for future flood mitigation along the Assiniboine.

Mr. Speaker, since 1999 we have provided tax cuts that total more than \$1.2 billion in lower taxes, including \$334 million in property-tax savings in 2012. The basic exemption will be increased by \$250 this year, and the seniors' maximum property tax credit will increase to \$1,025. This is alongside the 500 millions in savings in provincial income taxes, 424 million in business tax savings.

I believe this budget protects the things that Manitoban family care—Manitoba families care about the most. It protects our front-line services and sets a responsible plan for the future of Manitoba. We have promised more child-care spaces and we will deliver. My son benefited from quality child care at the Waverley Heights community club, and I want other families to have that opportunity. This government has taken the appropriate measures to provide pensions and attract high-quality workers to care for our children, providing the stepping stone for our future of our children's care in this province. We are the first province to mandate that all new schools will have early childhood centres in them, and we will continue to work and make sure that families in my community will have access to quality child care.

Even in these uncertain financial times, we have not lost the vision. People and families come first. While we do face problems that create challenges, we don't just let them beat us. We find solutions and keep our province growing and our citizens well cared for now and into the future in Manitoba. I am proud to support this budget and continue working with my colleagues to make Manitoba an even better place than it already is.

In closing, I would like—once again like to thank the people of St. Norbert for giving me the honour of representing them today and for the next four years. Thank you to my family and all my volunteers on my campaign for their hard work and dedication, and thank you to my amazing assistant, Jodie. I commit to everyone that I will work as hard as I can for—as an MLA for St. Norbert. I support this budget and will work with our government to continue to find the solutions to the challenging problems that Manitobans face, always keeping in mind people come first.

Thank you, Mr. Speaker.

Mr. Larry Maguire (Arthur-Virden): It's my pleasure to stand before you this afternoon and put some words on the record in regards to why I support our amendment for this budget—this 'disasterly' budget that the NDP have brought down in the Province of Manitoba, Mr. Speaker. And, of course, they covered it up with some of the announcements that they had. You know, on one hand you give Sunday shopping to the small-business people of this province. And, on the other hand, you hit them with a tax on the back of the wallet before they even get a chance to turn around and realize what happened to them. And that's the tactics of this government. They aren't straightforward with telling people what's actually going to hit them and where they're going to be hit hard. And, of course, they've had 12 years to correct this situation and haven't been able to, and now they've dug themselves in a hole where they have to at least put lip service towards trying to provide some kind of relief to Manitobans. But this budget didn't do it. It didn't cut it, and our leader pointed that out.

Mr. Tom Nevakshonoff, Deputy Speaker, in the Chair

I must say, Mr. Deputy Speaker, before I go further, that I want to congratulate the member from Fort Whyte for his years in the House. And this may have been his—if his indication of what he's said publicly earlier—it might be his last budget speech reply in the Legislature here in Manitoba. And I want to congratulate him for the years of leadership that he's had in that area of—for all of us here.

* (16:20)

He pointed out very accurately that this budget leaves Manitoba in a—still leaves Manitoba in a situation with the worst debt ever, with the biggest deficit we've ever had other than the one that—at least the big—the worst one that's ever been budgeted for

other than the one that they had last year where they actually ended up budgeting for \$438 million and they ended up at \$1.12-billion shortfall, Mr. Deputy Speaker. So, if today's indication of a \$500—over \$500-million deficit in the province is any extrapolation, we'll be up somewhere around the one point three or four billion by the end of this year. And I just really feel that that's not a very accurate—well, it's just a deceptive way to treat Manitobans when we've had, as was pointed out earlier, \$35 billion worth of transfer payments from Ottawa over the last 11 years. That's four complete budgets that this government could have run on Ottawa, and yet they chastise them every time they get a chance.

So, you know, it's not—and it's not just the federal Conservatives, because they haven't been there all of those 11 years. It was the Liberal government before that, Mr. Deputy Speaker. And so this government is just mismanaged—the I think is one of the best words you can use, and that's why I think our leader used that in the wording here—mismanaging \$35 billion of federal transfer payments received since 2000. I think that's a very accurate terminology to use in this particular situation for the fair-minded amendment that he has put forward in his own words today in this House.

Not only do we have the largest debt the province has ever seen but the largest deficit that we've ever seen. But this budget actually increases taxes by \$184 million, and on top of that increases fees by another \$114 million, Mr. Deputy Speaker, at a time when we've got \$500 million in deficit over that. And they're still saying that they believe in the tooth fairy and that they're going to balance this whole thing by 2014. Well, his own books today wouldn't show that. If you look at the revenue increases in their own—focused on what matters most budget 2012 paper, it's just not there. Their levels of revenue—or of spending that they continue to work with would outstrip the revenues that they've actually got in the books today.

So, you know, they've been pretty creative at finding ways to steal money from out of Crown corporations in the past. They've changed the balanced budget legislation three times already that I'm aware of in my time in this Legislature since—and I've been here since they took power, Mr. Deputy Speaker. So I think it's a very deceptive move that they've left Manitobans with and one that certainly Manitobans are starting to pay a lot more attention to as they've—get hit in the wallet with all of these

increased taxes and fees that the government has just come out with.

And so where do we come up with some of those, Mr. Deputy Speaker? Well, of course, they have hit people in the pockets on gasoline at two and a half cents a litre at the pumps, 3 cents on the farms for purple fuel and other areas. They've got hydro tax—hydro rate increases that they said they wouldn't have to do but they've done, and the—even their own Public Utilities Board has told them that they better realign and relook at all of the capital investments that they're making in their Crown corporations, not just Manitoba Hydro, all of their Crown corporations. They should take a hard look at, a real good second look at the spending that they're putting forth in those areas before they go ahead and waste more of Manitobans' tax dollars, hard-earned tax dollars on some of these areas.

It's not that they're not needed, but we need to make sure that these dollars are spent as wisely as we possibly can, and that's the concern that I have. That's a concern that my constituents keep telling me about in Arthur-Virden. They just want to see—they don't, you know, they're very prudent fiscal managers, I would say, in most of the area there, as has been indicated earlier by myself and by some of the members of the government, that there is an oil, a growing oil industry going on in southwest Manitoba that I'd be remiss on if I didn't mention it, Mr. Deputy Speaker, because it's driving the economy out there. There's young people moving into our region simply based on that industry.

The grain prices have been good, in spite of the fact that we had the worst amount of land not seeded last year—the, I guess, in history, the worst flood we had in our rivers over time, but also in the overland flooding on—from rainfall, Mr. Deputy Speaker, as well.

I won't go into that again, but I will say later that the—you know—and now that we have had a lot of compensation claims—raised one in the Legislature here yesterday in regards to a dairy farmer—the only dairy farmer in Manitoba to ever be asked, or ordered, to be evacuated from his operation, when he had to take 230 dairy cows with him, lost quota because of the move—13 died. He's had to buy 56 back, Mr. Speaker—Deputy Speaker, to maintain his quota, and I know you've got members in your area that are dairy farmers as well. You know how important that quota is and they've got to keep it up or they lose it over time and so he had to buy extra

cattle to cover the 13 that died, but also to keep the quota levels up from losing 10 to 15 per cent of his production from the move.

He's out the feed cost; he's out funds that are—he's going to require his machinery to go back to the field in about three weeks and he's got corn planters that still haven't—he's got estimates on them, he was asked to get estimates to fix all his machinery. He's given it to the government some months—some weeks ago, I guess, more than a month ago, and they still haven't done anything with it, Mr. Speaker, he's—Deputy Speaker. He's sitting there in limbo waiting to get material out, so I was glad to raise it with the minister and the House yesterday. Glad to have the Premier's response to it, but we need action, not words on some of those areas.

And I've got a lot of people whose basements are still trying to collect a kind of—the compensation that they said, you know, go ahead and fix them, we'll help you. That was the hue and cry that we heard across the province last spring from the Premier when he was doing his photo ops across the province.

But the facts are I've got people who have received nothing, even now, this many months later for their damage done to their homes. They're fighting with insurance companies and the government says, you've got to get it there. And then we've actually gone to the insurance companies, five or six of them, Mr. Deputy Speaker, and received affidavits from them saying, no, we are not the ones responsible for these areas. So, they are—and the government is saying that they are. So there's a conflict going on in many of those and I think it's a tragedy that the government isn't dealing with the tragedy. I mean, they're really leaving these people out to drown, not out to dry, and so I think that's a mindset that the government needs to be more careful with and more cognizant of as they move forward looking at some of these areas.

Mr. Deputy Speaker, these are reasons why we will not be voting for this budget, and I certainly won't be, but I think, as our leader pointed out, a member from Fort Whyte, it is the broken promises of the Premier that people should be focusing on today and they will over the next number of years.

And his comments from September 12th in the leader's debate here in Winnipeg, Mr. Speaker—the Deputy Speaker, his comment, and I quote: our plan is a five-year plan to ensure that we have future

prosperity without any tax increases and we'll deliver on that. We're ahead of schedule right now.

Well, he's not ahead of schedule, he's just put Manitobans behind the eight ball. He's put them behind our neighbouring provinces by a long ways with this budget and if this is being on plane and ahead of schedule for a five-year plan, then I guess I would have to say there wasn't much thought put into these comments because he said he would balance the books by 2014 and that's only two years away, not five. So I think that there's a circumstance there that we need to be cognizant of.

We know there's another untold deficit in the province of Manitoba, Mr. Deputy Speaker, and that is the unaccounted for infrastructure deficit that I thought was \$11 billion in—that's not on the books for shortfalls in infrastructure, and that infrastructure includes all of roads, highways, lagoons and water systems in the province of Manitoba. But this morning on the radio I heard Mr. Chris Lorenc, who I've had the opportunity to meet many times when I was the infrastructure critic in this province, from the Heavy Construction Association, being on the radio this morning talking about that shortfall being \$13 billion today, and I think that that's, you know, just—I just mentioned that to point out the size and the magnitude of this. It's half of what the government already has on their books for a debt today at 26.4, I believe it is—\$27.6 billion, how about that.

Mr. Deputy Speaker, it is more, you know, the untold deficit today in these areas of shortfall, is half of what the provincial budget—summary budget is today. And of course, I just can't go by without mentioning that the government spent years trying to get us to a summary budget, but all of a sudden, now, in this budget, they start going back and talking about a core budget and the shortfalls that they have in it and everything, which they tried to get away from back seven, eight years ago. So, you know, like, they're trying to have it both ways, I guess, and it just doesn't always fool Manitobans as much as they may think it does.

*(16:30)

And so, I think that that's a situation that a two and a half cents a litre was—as was pointed out, these aren't my words, but the 2 and a half cents a litre isn't going to fix the problem, Mr. Deputy Speaker.

And there has been, as I said, \$35 billion of federal money coming into Manitoba from transfers

and equalizations over these years. Where has it gone, Mr. Deputy Speaker? We know that it's gone into some of the planning and programs and spending that was required in this province. But a lot of it has gone into doubling the bureaucracy of the province as well. And yet, today the government continues to grow that area and I'll—I'd be the first to admit, we do need people to carry out programs. We do need people to carry out the activities that Manitobans expect to have in their social programming in the province. But I think being able to plan more wisely is how you make better use of those dollars that basically we've been asked to handle on behalf of the taxpayers in not only Manitoba, but of Canada.

And so, I think that's why when we see, you know, contradictory things from the Premier (Mr. Selinger), whereas a couple of weeks ago when gas prices jumped 5 cents in the province, he was going to be just the—oh, he's going to write this letter to the Prime Minister. It was a devastating situation. He couldn't understand how gas prices could be allowed to go up that much. Well, he just raised it 3 cents to farmers and two and a half cents at the pump for everybody in the city yesterday, Mr. Deputy Speaker, and I certainly don't see him phoning the Prime Minister to find out if he should have done that, and he certainly didn't ask Manitobans.

Just like the RHA, you know, he—the amalgamation of \$10 million that he's hoped to save there. They tried this with the amalgamations of school boards some years ago, Mr. Deputy Speaker. And, the point is, whether it was required or not, isn't the issue. They said, the Premier said, just like he said here, that he wouldn't increase taxes. He said that this will save \$10 million. Well, the history is that he said the same exact thing on education and it ended up costing \$10 million. There was no saving. And so, where will the costs, I guess, fall out in regards to the whole issue of these costs in regards to the amalgamation of the regional health authority?

Now, I know going from 11 to five does leave some large areas in the province but it—maybe it was the goal of the Premier to just have one in the whole province. Most of the spending—is—takes place here in the city of Winnipeg, in the Winnipeg Regional Health Authority—or a lot of it—and he did nothing to change it, Mr. Deputy Speaker. And—like—you know, I guess, one of the promises that we've had for the last two elections is that we would look at the Winnipeg Regional Health Authority in manners that would allow us to try to utilize the spending in that

particular area on a much more accountable basis than what this government is willing to look at.

So I think that, you know, there's—they've picked up on some good ideas that we did have in the election last fall. One of them is trying to move people from distant rural areas into the city. Not sure that the program that they've set in place is the most efficient one and the most economically accountable mechanism, Mr. Deputy Speaker.

But they picked up on the idea that we were going to put a helicopter in Brandon during the—and have it functional there to pick people up and bring them to the Health Sciences Centre when needed. Like a STARS program, in a basis like that, Mr. Deputy Speaker. I have no problem with the one here in Winnipeg. But I have—you know, they decided, well, we won't exactly do what the Conservatives said that they should do, even though it was such a good idea, but we'll just kind of take a little bit further on that one. And they're not using it for people that need an emergency, it's for coming to the city for appointments to see doctors and that sort of thing.

So, Mr. Deputy Speaker, I go back to saying again, you know, here we are with a Premier (Mr. Selinger) that—who said one thing and does another, very quickly thereafter—probably the first time he had. We haven't sat in this Legislature for about eight months, since the 1st of November. I guess, November, December, January, February, March, five and a half, eight may be a little long. But, the point is, I guess I would have thought that the Premier would have used those periods of time to have come in with a much more accountable budget than he has in regards to spending in the province.

I think one of the deceptive points that he pointed out—or that—in his comments about not raising taxes, comes from the fact that—you know, and I guess it's not just him; it's also the Minister of Finance (Mr. Struthers) who stood right across the floor yesterday from us and said, I'm not going to increase the PST.

Well, he didn't. He left it at 7 per cent, but he had a good teacher. He was here when Mr.—when his now-Premier was the Finance Minister, as well, and he said the same thing. I remember it well, back in about '03-'02, '03—they were short of money, and they tried to take money out of Hydro for three years in a row. They only got \$205 million because the third year Manitoba Hydro didn't make any money,

so they were only able to take 150-some the first year, and 55 the second year.

So, Mr. Deputy Speaker, had to find some other creative way to get money and they did. They said, well, we'll—we know that there's seven—we collect 7 per cent PST on all the building materials for building a house or any building in Manitoba. Now we'll charge the labour 7 per cent as well. So they doubled the amount of PST that they could get out of construction. Well, that wasn't enough. A few years later, they went back and they said, well, we'll take PST then—we'll add 7 per cent to all of the professional skills that are required in those areas, like lawyers and accountants and, oh and by the way, architects. So here we are now. Any project that wants to get built: always paid it on the building materials; now they've added it to the labour on the material; then they add it to all the planning and professional skills that go into building those things as well.

So, you know, what did he do yesterday? He expanded it again. Still 7 per cent, but he took it into all of the property, liabilities, group, whole life insurance programs, Mr. Deputy Speaker. And that's what I mean about slapping small business when they're thinking that they're already getting something really good out of Sunday shopping, this program that he—that the deputy—or that the Premier announced yesterday. But so you give it to them on one hand and take it right back from them on the other. And I think that that's the kind of deception that people are starting to understand doesn't carry a lot of credibility in regards to long-term planning for a viable province.

And I live on the west side of the province, Mr. Deputy Speaker, in the Virden area and, as I said, it's a great part of this province. Not only has it got the oil and the agricultural industries out there, it's got some tourist industries. It's a very beautiful setting from a physical landscape point of view as well. People are very friendly. They've got great hospitality in those regions. They put on a lot of great events. In fact, there's a rodeo in Pierson this weekend that I invite everyone to come to. There's a volunteer evening tonight in Hamiota actually, as well, that I'll miss because—or tomorrow night, I should say, and that's there. There's a play in Minto going on in that area.

But I on Saturday night. I mean, there's always something want to say that living that close to the Saskatchewan border, I see every day—and it may be

these—maybe the New Democrats don't see it, sitting here in Winnipeg. I know that the member for Brandon East (Mr. Caldwell) once in a while gets a hint of it. But, when you're so close to the Saskatchewan border, the amount of shopping that already goes across that border because of a couple of cents in PST, or the amount of oil industry that moves across that border, it's like it wasn't even there, Mr. Deputy Speaker. There's new hotels going up in Moosomin. Sure, the potash industry is growing there as well as the oil industry, as the agricultural industry.

But—and there's few things going on like that in Virden, and much more happening than has been over the years due to the economic activity that's taking place in Melita, in Waskada, Pierson and Boissevain and Deloraine, and all the way up to Foxwarren getting close to the Russell area on the west side of the province. It's growing, Mr. Deputy Speaker, but I want to make sure that the government knows that there are ramifications of having us offside with what our Saskatchewan neighbours are doing.

And while we continue to work—I had meetings this winter with several of the members on the Saskatchewan side over water issues—and I'm glad to see after seven or eight years—when I was transport critic—that we're looking at—the government's now looking at planning, trying to harmonize a little bit, at least, some of the load restrictions that—from spring road restrictions that are going to probably benefit some of the oil industry, particularly, out in that area. But I want to say, Mr. Deputy Speaker, that there needs to be much more attention paid to the critical mass of activity that's going on in that area, because most of the trucks that are moving are heavy trucks. There's not just oil; there's fertilizer and grain that are moving in those areas, crop input items as well as crop production. And the oil industry is, certainly, key to that.

*(16:40)

Mr. Deputy Speaker, 83 Highway has always been a pretty reliable highway that, no matter what kind of weather we've had, you could rely on it. Right now, there's areas of—*[interjection]* It's just south of Pipestone, south of number—of the junction of 2 and 83 where there's a half—a whole half mile of highway completely ripped up. The pavement is completely gone for a half a mile. They keep piling more gravel and sand into it to try and keep it from

bottoming out. This is the same thing on the highway north of Hartney and 21 highway. And I just have to comment that one of the worst areas of Manitoba is the area between Deloraine and Goodlands, the Goodlands border crossing on 21 highway.

And I know that CAA—I want to make sure that I mention CAA's good efforts on the worst road program. They've got the program for Manitobans to phone in or email and say, which section of road in Manitoba do you think is the worst? Well, of course, with about 80 per cent of Manitoba's population being within 70 miles of the city of Winnipeg, you would expect, Mr. Deputy Speaker, that perhaps because of the proximity of the—most of the people that they would have the opportunity to phone in and—you're right, nine of the 10 roads in that area that they identified are around or in the city.

But the only one that isn't, Mr. Deputy Speaker, is the area that I just mentioned from Goodlands to Deloraine on Highway 21. And I was in this House last year and I indicated that it is the worst piece of highway in Canada, and I would defy anybody to try and find the worst one than what was there. And there was a lot of patchwork done last fall—I give them credit for that—just before freeze up, although the Premier (Mr. Selinger) just stated today that they were working on roads all winter trying to do that. Well, I know that they don't lay pavement in the wintertime. At least that's what they told me when they were trying to do No. 1 Highway back several years ago and finish it up. But they—so the work that ended up into about early into mid-November finished and it hasn't really got going again yet.

But there are huge areas of broken-up highway, and another one would be the area in-between Minto and the No. 2 crossing on the north end of the Souris River. The north side of that hill is breaking up again. There's about a quarter of a mile of pavement gone there completely—quarter of a mile or half a mile north of Hartney that's gone. There are other areas that I haven't had a chance to get to them all, Mr. Deputy Speaker, but I get phone calls from reeves and mayors and councillors all over the constituency talking about how their—the decrepit state of some of the infrastructure that we've got and how there is little—so much money coming out of the southwest in regards to the oil industry right now and none of it going into, not just our area, but other rural areas of Manitoba as well.

And I know that the city streets need to be kept up as well as anywhere else, all of our cities. We

need to try to have a balance of how we manage that, Mr. Deputy Speaker, because as I always said in the—when I was transport critic as well—you need to make sure that you've—you create your infrastructure in those areas where your economic activity is taking place, and as it expands, then you can continue to have the social programming needs that we need in this country as well as expanding into the other areas that maybe don't have such an economic impact on the viability of the province of Manitoba and get the job done. And it just takes strong, good sound planning to be able to do those things and I think that's what the people of my region are telling me are lacking in this area.

Mr. Deputy Speaker, when I talked about the items of government, of course, we know that health is over a \$5-billion budget now; it's 40 per cent of the budget still or much higher than that, I believe. But the—you know, and we've got education and child and family services.

But one of the biggest areas of cost items in the government today is debt servicing, Mr. Deputy Speaker. It's at \$858 million in their own books and that's—they tried to spin that as only a \$45-million increase from last year. Well, it's a \$45-million increase from what was actually spent to what is budgeted this year. But budget to budget, it's actually \$51 million because it came in at \$6 million over what they budgeted for last year as well.

And I think the—our leader indicated that, you know, interest rates could go up. It wouldn't take much from a 1 per cent rise to put us pretty close to a billion dollars in just money going from Manitoba taxpayers to pay debt on the rest of the—on the debt-servicing costs of the rest of the debt in the province of Manitoba, Mr. Deputy Speaker.

So I guess these are the things that concern not only myself, but many of the members in my region. And as I said, nobody trusts any five-year plan that they see nowadays from this government because they've botched them so badly in the past, Mr. Deputy Speaker, that with the debt that they say will be balanced in 2014 is—continues to rise, so the incline of that line is going the wrong direction.

And it doesn't matter whether you're a labourer in a mine, or a labourer on the street, or a lawyer in an office in downtown Winnipeg, or a farmer in rural Manitoba, or a nurse or a teacher or anyone, they know that if the debt continues to rise, that their children and grandchildren are going to be the ones

that have to pay for it. And so I think that those are issues that we need to take a long look at.

Mr. Deputy Speaker, other areas where taxes and fees have gone up: You know, the Minister of Education (Ms. Allan) announced that, oh, well, we're going to give you \$25 million for education. At the same time, she cancelled more than that in tax incentive grants, TIGs to—too, that they've had for four or five years to try to get the school divisions to stop increasing their taxation locally, and some of them just couldn't do it. They still had to. Some of them did buy into it, but now they're finding that they're left out to dry. I think Winnipeg's tried to go up—or looking at having to go up over 7 per cent. Some other areas are higher. And I think it's incumbent upon the minister that even the \$25 million, by the time you get into the special areas, and I'm not saying they're not needed, but by the time you take the funding out of the special areas, there was only about 4 or 4.5 million dollars left to spread across the whole province to take care of the \$35 million that they'd cut.

And so there really was, you know, a negative in the education funding side that the shell game that was played there is much the same as what was being played yesterday by the Minister of Finance (Mr. Struthers) when he said that the spending in the province would go down 3.9 per cent, when in fact in looks like it's going up 3.6, when you really look at the books that he's got before us. And, I mean, it would be one thing if it was actually something in his own books backed him up. But, when it's not even in his own financial statements, I don't know how he's got the credibility to stand up in front of the people of Manitoba like he did yesterday and talk about it.

Mr. Speaker in the Chair

So, anyway, I guess—but he's used to doing that, Mr. Speaker. We know that he didn't know anything about sewage ejectors when he was doing it with Conservation either; didn't even know what one looked like. And we know that he did back off the \$2-a-head tax on cattle when he was the Agriculture Minister in some of those areas, either.

So there's a lot of areas that I could have touched on, Mr. Speaker, in regards to the—this budget. I want to say in closing that there is an awful lot of the budget area today that, you know, many, many reasons why we won't be voting for this budget. The people in the Coulter area, Hartney area, have got bridges to be replaced over the Souris River. They—

and I just want to close by saying the people in Coulter have worked all winter trying to come up with a plan where the government—not even—they haven't even asked the government for any money, Mr. Speaker, and the government is still reluctant to let them put a shoofly detour around the bridge that was taken out—removed, actually—in January because of the flooding from last July. And they're not even going to tender for that bridge replacement until this fall. Shows you how broke this government is, when you can't fix a small—a hundred-and-sixty-foot bridge—you can't fix something like that in—and they're promising that it and Hartney will be done by the November of 2013.

Well, Mr. Deputy Speaker—or Mr. Speaker, pardon me—that's pretty close to, I think, a tragedy, when you look at the high impact, the high amount of use—there's 900 to a thousand vehicles going through Waskada and the oil industry here just recently—and we've got a situation where, for the safety of the people in school buses and the local people who are driving back and forth in those areas, the sooner we can get some shoofly around that area, get the co-operation of the oil industries to help build the approaches, put the temporary bridge in, the sooner we can avoid a—

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

The honourable Minister of Family Services and Labour.

House Business

Hon. Jennifer Howard (Government House Leader): Yes, Mr. Speaker, on House business.

Mr. Speaker, I'd like to give the House notice that tomorrow I'll be interrupting the budget debate under the provisions of rule 32(5) in order to call the government resolution on federal centralization of settlement services for debate.

Mr. Speaker: The honourable Government House Leader has announced and given notice that tomorrow that she will be interrupting the budget debate under the provisions of rule 32(5) in order to call the government resolution on federal centralization of settlement services for debate.

* * *

Hon. Dave Chomiak (Minister of Innovation, Energy and Mines): Mr. Speaker, I'm very pleased to have the opportunity to rise in this House and to speak again towards a balanced and a far-reaching

approach on a budget that's focused on what matters most.

* (16:50)

You know, Mr. Speaker, I've 'sitted'—I've sat here and very patiently listened to comments from the members opposite, and bitterness, thy name is Tory. I don't think I've heard such bitterness and such nasty ill feeling in this House for some time. And I imagine it has something to do with the fact that members opposite didn't do as well as they hoped in the last election.

You know, I listened to the comments of the member for St. Norbert (Mr. Gaudreau), and I was heartened, and I was proud again, Mr. Speaker, to be a Manitoban and to recognize that when you focus—when you're focused on people and when you focus on health care, and when you care for people and give them the attention that they deserve and need, it can make a difference. And that—what a contrast, what a contrast that was from comments that I heard earlier by the member for Fort Whyte (Mr. McFadyen), who I have some respect for and who I recognize it may be his last comments in this House dealing with budget, and I regret that they had to be so coloured in negative—in a negative response—because we're all in this together as Manitobans.

And I think that what members opposite have missed, and it was very clear, you know, it's even on the front page of the budget paper. Focus on what matters most. Focus on what matters most, Mr. Speaker. Members forget, there was a billion dollars in costs last year in the flood. There's a massive rebuilding going on. There's a massive amount of infrastructure prevention going on. There's 80 bridges that are being rebuilt, and members opposite stick to petty politics. They're—failed to notice the fact that this government and this province are working together collaboratively to rebuild those parts of Manitoba.

The last speaker from the opposition talked about development in the—developments in his area, Mr. Speaker, untold developments in his area. A billion dollars in investment in his area. Almost 50,000 barrels of oil a day in that area of the province. And you know, all the member could focus on is negative, is matters of, you know, matters of—there's some constituency matters that affect us all. But there's a focus: it's a road, it's at a road, and the road and the destiny that members are on is the road to nowhere. It's to build nothing. It's to have no future. It's to have no hope. But the members failed

to see this—that this budget invests in Manitoba. It invests in Manitoba.

You know, I'm looking at the capital plan in the budget: roads and highways, including preservation, \$580 million; universities, college, public schools, \$296 million; health facilities, \$250 million; water-related infrastructure, \$59 million; housing, \$284 million; assisted to third parties, \$121 million; public service buildings, \$80 million; parks and camping infrastructure \$49 billion—million dollars; for a total of \$1.7 billion dollars investment in infrastructure this year alone.

And the member and leader for Fort Whyte wants to lecture the members on this side of the House on math—on math. The very leader who, during Crown Corporations committee, said, well, you're doing \$18 billion in investment in Hydro in the next few years, and you only have \$7 billion in new sales to the United States, so you're losing \$11 billion. That's Tory math, Mr. Speaker. That's failing to recognize—when we built Limestone, they said the same thing. When they built Limestone, they said, oh, you're building lemon-stone, oh, Mr. Speaker, it's going to lose money. Not a single megawatt has gone through that dam that hasn't been sold, and sold to keep the hydro rates the lowest in the country.

And the members opposite have the audacity, the audacity to complain about hydro rates when members opposite's position is to go to the market for hydro rates, to go to the market, to triple the price of hydro rates. That's their position, and they have the gall to come before this House and say, well, you can't have an inflation rate increase, Mr. Speaker, or you shouldn't be investing in the future.

When I heard the very same arguments when we did Limestone; they wanted to mothball it. They want to mothball Wuskwatim. They wanted to mothball Keeyask. They want to mothball Conawapa. They want to mothball the line for security. They want to mothball the future of Manitoba. They want to mothball thousands and thousands of jobs, apprenticeships, peoples in the north, roadways.

All that, Mr. Speaker, from members opposite. So I hesitate. It's almost difficult to speak after the negativity, but I'm glad the member for St. Norbert (Mr. Gaudreau) was able to put into perspective some of the achievements that are achieved, that are being recognized in this budget.

Mr. Speaker, not only is there a billion dollars in infrastructure—1.7, in fact, but there's investments in people. And I only look back to the time, the lean Tory years, the lean, mean Tory years when the way to balance the budget was to balance the budget on the backs of front-line workers, balance the budget on the backs of nurses that were laid off by the hundreds—into the thousands—balance the budget on backs of doctors that were fired, balance the budget on the backs of programs that were cut, like technology programs to deal with X-ray technicians and lab technicians. Those programs were cut. The number of doctor spaces were cut.

That's how the Tories balanced the budget or tried to balance the budget in the '90s, and when they couldn't, what did they do? They took one of our assets, Manitoba Telephone System, and they sold it, Mr. Speaker, and they used that and the funds from that to balance the budget. And that's what they wanted to do last year with Manitoba Hydro, and that's what they would do if we weren't able to stop them by winning the last election and winning, in fact, more seats last election than we had the election before, than we had the election before, than we had election before.

And this budget focuses on building Manitoba. It also focuses on the kind of balance that Manitobans are used to, a fair-minded balance, Mr. Speaker, a fair-minded balance—a fair-minded balance that looks at the costs, looks at the savings and looks at priorities. And the priorities in this budget are the priorities of Manitobans: health care, education, services for people, and at the same time, rebuilding the infrastructure that's so important to Manitobans.

You know, Mr. Speaker, we heard about apprenticeship from the member for St. Norbert, and that's a story—that's a Manitoba story of someone who went back to school, who retrained himself, went up north, got some training, went back and forth to visit with his family, got a good position as a result of that, and now is giving back—now is giving back through public service.

That is a Manitoba story. That's being focused. That's what this budget's about: building Manitoba, helping Manitobans, holding each other's hand, going together forward instead of hearing about some of the lack of focus on the future, the lack of recognition of the children and the needs of children in this—by members opposite, the lack of recognition of what's—what are we doing for seniors?

You know, Mr. Speaker, members opposite complain about property taxes. All I remember when I was in opposition is property taxes going up, up, up, up, up and up and programs going down, down, at the future, recognizing the mistakes that down, down, down.

Now a senior can get over a thousand dollars in property tax credit. We committed to that in the election campaign that we'd move on that. We did move on that even though there is considerable pressures on us a government.

Now, Mr. Speaker, we all have choices as government. Federal government has choices, other provincial governments have choices, and we choose the path that has served us well in Manitoba.

And what served us well in Manitoba is being balanced and looking were done in the past, and I need not go on into the lean, mean Tory years when so many mistakes were made.

I'm thankful that we've done with that past, but I fear that we're on the abyss of going back. That members opposite who, I don't think have found their bearings yet, who I don't think have found their bearings and directions. I don't know if they're Conservatives or they're Progressive Conservatives or they're Progressive, oh, in-between Conservatives. But I'm fearful from the comments of members opposite that we'd end up going backwards. They're not looking towards the future. They're not staying focused, as this budget does, on what the needs are of Manitobans and what the requirements are for Manitobans.

You know, Mr. Speaker, when we talk about this budget—

Mr. Speaker: Order, please. When this matter is next before the House, the honourable minister will have 19 minutes remaining.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 18, 2012

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