

**Fourth Session - Thirty-Eighth Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**

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

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Eighth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	P.C.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garri	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McFADYEN, Hugh	Fort Whyte	P.C.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 1, 2006

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

### *PRAYER*

**Mr. Speaker:** I would like to advise the House that today I received a letter from the chair of the official opposition caucus, the honourable Member for Pembina (Mr. Dyck), advising me that the Member for Fort Whyte (Mr. McFadyen) is now the new Leader of the Official Opposition. Accordingly, from this point onward, I will be recognizing the Member for Fort Whyte as the Leader of the Official Opposition. I congratulate the member.

There has also been a minor change in the seating plan with the Member for Fort Whyte and the Member for Kirkfield Park (Mr. Murray) exchanging seats. That is information for the House.

### ROUTINE PROCEEDINGS

#### PETITIONS

##### **Grandparents' Access to Grandchildren**

**Mrs. Leanne Rowat (Minnedosa):** Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

It is important to recognize and respect the special relationship that exists between grandparents and grandchildren.

Maintaining an existing, healthy relationship between a grandparent and a grandchild is in the best interest of the child. Grandparents play a critical role in the social and emotional development of their grandchildren. This relationship is vital to promote the intergenerational exchange of culture and heritage, fostering a well-rounded self-identity for the child.

In the event of divorce, death of a parent or other life-changing incident, a relationship can be severed without consent of the grandparent or the grandchild. It should be a priority of the provincial government to provide grandparents with the means to obtain reasonable access to their grandchildren.

We petition the Manitoba Legislative Assembly as follows:

To urge the Minister of Family Services and Housing (Ms. Melnick) and the Premier (Mr. Doer)

to consider amending legislation to improve the process by which grandparents can obtain reasonable access to their grandchildren.

This petition signed by Jody Michaelis, R. McLean, Dorothy Briscoe and many, many, many others.

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

##### **Funding for New Cancer Drugs**

**Mrs. Heather Stefanson (Tuxedo):** Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

Cancer is one of the leading causes of death of Manitobans.

Families are often forced to watch their loved ones suffer the devastating consequences of this disease for long periods of time.

New drugs such as Erbitux, Avastin, Zevalin, Rituxan, Herceptin and Eloxatin have been found to work well and offer new hope to those suffering from various forms of cancer.

Unfortunately, these innovative new treatments are often costly and remain unfunded under Manitoba's provincial health care system.

Consequently, patients and their families are often forced to make the difficult choice between paying for the treatment themselves or going without.

CancerCare Manitoba has asked for an additional \$12 million for its budget to help provide these leading-edge treatments and drugs for Manitobans.

Several other provinces have already approved these drugs and are providing them to their residents at present time.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier (Mr. Doer) of Manitoba and the Minister of Health (Mr. Sale) to consider providing CancerCare Manitoba with the appropriate funding necessary so they may provide leading-edge

care for patients in the same manner as other provinces.

To request the Premier of Manitoba and the Minister of Health to consider accelerating the process by which new cancer treatment drugs are approved so that more Manitobans are able to be treated in the most effective manner possible.

Mr. Speaker, this petition is signed by Sandra Foderaro, Doug McKim, J. Cheturd and many, many others.

\* (13:35)

### **Crocus Investment Fund**

**Mr. Kelvin Goertzen (Steinbach):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Auditor General's *Examination of the Crocus Investment Fund* indicated that as early as 2001, the government was made aware of red flags at the Crocus Investment Fund.

In 2001, Industry, Economic Development and Mines officials stated long-term plans at the Crocus Investment Fund requiring policy changes by the government were cleared by someone in a "higher authority," indicating political interference at the highest level.

In 2002, an official from the Department of Finance suggested that Crocus Investment Fund's continuing requests for legislative amendments may be a sign of management issues and that an independent review of Crocus Investment Fund's operations may be in order.

Industry, Economic Development and Mines officials indicated that several requests had been made for a copy of Crocus Investment Fund's business plan, but that Crocus Investment Fund never complied with these requests.

Manitoba's Auditor General stated, "We believe the department was aware of red flags at Crocus and failed to follow up on those in a timely way."

As a direct result of the government ignoring the red flags, more than 33,000 Crocus investors have lost more than \$60 million.

The relationship between some union leaders, the Premier (Mr. Doer) and the NDP seems to be the primary reason as to why the government ignored the red flags.

The people of Manitoba want to know what occurred within the NDP government regarding Crocus, who is responsible and what needs to be done so this never happens again.

We petition the Legislative Assembly of Manitoba as follows:

To strongly urge the Premier to consider calling an independent public inquiry into the Crocus Investment Fund scandal.

This is signed by Stan Toews, M. Nault, Claire T. Riddle and thousands of other Manitobans.

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

The background to this petition is as follows:

The Manitoba government was made aware of serious problems involving the Crocus Fund back in 2001.

Manitoba's provincial auditor stated "We believe the department was aware of red flags at Crocus and failed to follow up on those in a timely way."

As a direct result of the government not acting on what it knew, over 33,000 Crocus investors have lost tens of millions of dollars.

The relationship between some union leaders, the Premier (Mr. Doer) and the NDP seems to be the primary reason as for why the government ignored the many red flags.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider the need to seek clarification on why the government did not act on fixing the Crocus Fund back in 2001.

To urge the Premier and his government to cooperate in making public what really happened.

Signed by G. Barclay, L. Switzer, L. Barclay and many, many other Manitobans.

## **ORAL QUESTIONS**

### **Government Ministers Accountability**

**Mr. Hugh McFadyen (Leader of the Official Opposition):** Mr. Speaker, just very briefly and in the spirit of non-partisanship, I thank all members for the warm welcome to the House this morning as I

assume the new position in the front row on this side of the House.

Mr. Speaker, my question is for the Premier. There is now a litany of examples of negligence and wilful blindness. They are indicative of a management style in this government that values control and spin over accountability and results. We have the Hydra House scandal, we have the broken promise to fix health care, we have the Crocus scandal, and, finally and most tragically, we have the deaths of 31 young people in the care of this NDP Premier's government.

Well, Manitobans do not expect perfection, Mr. Speaker. They do expect that their Premier will have a genuine commitment to accountability and results. Instead, what they have is an NDP Premier who has fostered a culture within his government of "do not know" and "do not ask."

My question for the Premier is: What steps has he taken to date to demand accountability and results from the ministers in his government who are failing Manitobans in so many important ways?

\* (13:40)

**Hon. Gary Doer (Premier):** I would like to officially congratulate the new Leader of the Official Opposition. I will not use some of those old Jean Chrétien statements. I think they have become cliché in political culture.

I would also like to welcome the families and friends of war brides here today. I think it is very important that they are here. I know that many of them came to Canada over 60 years ago, left their family and friends to locate in Canada and have built our country and our province into the strong, strong province and country that it is. So thank you again on behalf of all members of the Legislature.

Mr. Speaker, the member mentioned a couple of examples of issues. Of course, the Hydra House file was between two governments in terms of the Auditor General's report. The Auditor General did clearly identify some areas of improvement. I think the St. Amant Centre now is a new location for those residents. We are very proud and accountable for the follow-up action it took moving these people from a profit centre to a non-profit centre and moving the management to a volunteer board that has a great reputation in Manitoba.

We also note that ministers are accountable for Workers Compensation. I would point out on Friday

we noted that it was a 20 percent decrease in the number of people injured at the workplaces in Manitoba, the number of people that were injured in Manitoba and, certainly, we are proud of that.

We would also note the investment fund, I think, had the second-best performance in Canada and, Mr. Speaker, the whole issue of the rates, I think they are the second lowest, if not the lowest, in Canada. So we are obviously accountable for that.

Mr. Speaker, we are accountable for the wait-lists for cancer care treatment going down from eight weeks to one week. I think in some cases now it is down below a week. We are accountable for the reduction in cardiac waiting lists being reduced by some 60 percent. We are accountable for 200 more doctors in Manitoba to deal with waiting lists, but there are also issues of quality of life that we are still working on and we still, certainly, are accountable for.

**Mr. McFadyen:** Mr. Speaker, I would just point out to the Premier that there is a major difference between being prepared to take credit for things and being prepared to take accountability and responsibility for things when they go wrong.

My question to the Premier is that we have 31 children who have died under the care of his government. He has established a culture within his government of "do not know," "do not ask," and if the Premier has done nothing to date to demand accountability and results from his ministers, will he commit today to this House that he will take immediate steps to end the "do not know," "do not ask" culture that permeates his government before any more Manitobans have to pay the price?

**Mr. Doer:** Well, Mr. Speaker, again, notwithstanding the slogan of the member opposite, we take every, every, every issue—

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

**Mr. Speaker:** Order.

**Mr. Doer:** Mr. Speaker, we take every individual case that is presented to us very seriously, and all members should. Baby deaths with children in care are not unique to this government. Twelve babies were deemed to have situations which were preventable in terms of their deaths at the cardiac ward at the Health Sciences Centre. We did take action when we received the report. We did not stand up and blame the former government. We took action to move the cardiac children deaths, we

moved those cases to a co-ordinated unit in Alberta, which is now being recognized as a world-class cluster of cases.

We did take action dealing with the recommendation that sat gathering dust, a recommendation from the judicial inquiry that was not implemented. We did take action and we are accountable for taking action.

I would note that the member opposite may want to look at the Justice Hughes inquiry in British Columbia. He, too, recommended that, with the overrepresentation of Aboriginal children who are considered to be vulnerable and are in our child welfare systems, we need more participation of child welfare agencies. That is a recommendation that was made in British Columbia last month. That was a recommendation made to members 10 years ago, and that is a recommendation we acted on and are accountable for, Mr. Speaker.

\*(13:45)

**Mr. McFadyen:** Mr. Speaker, to be very clear, as I said in the first question, there was no expectation that things are always going to go perfectly and that bad things do not happen from time to time. The issue though is when red flags are raised, when warnings are provided, as they have been time after time to minister after minister in this government, and those red flags are ignored and the warnings are ignored, and people suffer as a result of that wilful blindness and that negligence, somebody has to be held to account.

So my question is to the Premier again. You cannot avoid certain facts. We have young people leaving this province of Manitoba. We have taxpayers and investors who have lost in Hydra House and Crocus. We have patients suffering because of his minister's lack of progress in health care and, most tragically, our community has lost 31 young people while under the care of this government.

Now, Mr. Premier, we accept that, from time to time, things will go wrong, but the issue is who is to be held accountable to ensure that these things do not happen in future. So, in view of the Premier and his government's dismal record on all of these fronts, the fact that our system of government cannot function without accountability and responsibility and that the Premier seems unwilling to demand accountability from his ministers, will he do what is honourable and

take personal responsibility in the event that any more such tragic situations arise under his watch?

**Mr. Doer:** Well, the member opposite goes through a number of issues and he has already repeated himself in two questions, but I will deal with another—

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

**Mr. Speaker:** Order.

**Mr. Doer:** Well, Mr. Speaker, we have a new leader but the same heckling comes from opposite members.

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

**Mr. Speaker:** Order.

**Mr. Doer:** Thank you, Mr. Speaker. Dealing with young people leaving Manitoba, we know that there is accountability for that issue. Some 7,000 net young people left the province when he was part of the former government. We have had a situation where over 450 young people left a year, on a net basis, under their administration. Yes, we are not perfect, but today there are 500 young people net increase every year we have been in office. Yes, we are accountable. They are accountable for the dismal past, and we are accountable for a bright, optimistic future in Manitoba.

#### **Manitoba Securities Commission Crocus Hearing Postponements**

**Mr. Gerald Hawranik (Lac du Bonnet):** The Manitoba Securities Commission is an independent arm of government and one which is mandated to investigate the actions and decisions of Crocus board members in the Crocus scandal. The Premier does not have the courage to call a public inquiry. Now the Securities Commission is postponing its hearings with respect to Crocus for over a year.

So I ask the Minister of Finance: Why has he supported the postponement of Securities Commission hearings until next year?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, the member answered his own question in his preamble. He said that the Securities Commission is an independent commission. It operates under its own terms of reference.

The member then says that I support them in what they are doing. I support them being independent, and they have to make their own decisions like any quasi-judicial body will do about

their readiness and the readiness of the people they are calling in front of them for a hearing to deal with the facts and to deal with the issues. Yes, we support the independence of the Securities Commission.

\* (13:50)

**Mr. Hawranik:** Mr. Speaker, the decision to hold Securities Commission hearings next year, after the next provincial election, smacks of political interference. The Premier (Mr. Doer) has avoided the scrutiny of a public inquiry at Crocus and now he is avoiding the scrutiny of the Securities Commission. Obviously, these hearings are going to be damaging to this NDP government.

I ask the Minister of Finance again: Why has he supported the postponement of Securities Commission hearings until after the next provincial election?

**Mr. Selinger:** The independence of the Securities Commission is absolutely supported by this side of the House. Members opposite may wish to suggest that there be interference in that. They have apparently said they need more time in order to convey their hearings, conduct their hearings. They have not indicated when that will be. There is no clear indication when an election will be. The member is simply making it up. It is another one of his fantasies that bears no relation to the facts, Mr. Speaker.

**Mr. Hawranik:** There was political interference in Crocus and now there is political interference at the Securities Commission.

Mr. Speaker, the Premier (Mr. Doer) has stated that the Securities Commission plays a role to bring out the facts in the Crocus scandal. Postponing the hearings until after the next provincial election allows the NDP to hide from its involvement in the Crocus scandal. If the Premier has nothing to hide, why are the Securities Commission hearings postponed until after the next provincial election?

I ask the Minister of Finance: If he will not demand earlier Securities Commission hearings, why will he not demand that the Premier call an independent public inquiry?

**Mr. Selinger:** Mr. Speaker, the member has just made an allegation that there was interference with the Securities Commission. I say to him if he has some concrete evidence put it before the House. I say to him, if he really stands up and is convinced that he is correct in what he is saying, step outside of the

House and make that allegation where he is not protected by the immunity of the Legislature.

The member opposite is really trying to create a scandal where none exists. The Securities Commission is a completely independent body. It is a quasi-judicial body.

The members of that commission have a high degree of continuity before we were government and after we were government. Yes, we support the independence of the commission. I would hope the member opposite would afford them the same courtesy and the same basic principles.

#### **Crocus Investment Fund Public Inquiry**

**Mr. Glen Cummings (Ste. Rose):** Well, Mr. Speaker, what is scandalous is that this government continues to avoid calling a public inquiry into Crocus. They stand up and talk about all the other tentative investigations that are going on, one of which is Securities. Now it is delayed by a year.

Mr. Speaker, the Minister of Finance just made a case that there should be a public inquiry called so that we can get to the bottom of this as soon as possible. Will he now stand up and tell his Premier that is what he wants.

**Hon. Greg Selinger (Minister of Finance):** I appreciate the attempt of the Member for Ste. Rose to try and put words in my mouth, but I can assure him that it is a mistake to do that. We will speak for ourselves, and we will actually put on the record what the Auditor General said. After the Auditor General's report came out, we set up an implementation team who worked diligently to find solutions to the problems at hand and deal with all of the recommendations of the report.

This is what the Auditor General said: I would be hard pressed to think of what more could have been done in the last few months than has been done to respond to what was a very complex and difficult situation.

We do not put political rhetoric in front of the House. We put results. We have a bill in front of the House, we had a bill last year. If members want to debate the legislation and move forward on solutions, let them do so.

**Mr. Cummings:** Well, again, as much as the Minister of Finance does not like it, he time and time again validates the fact that there needs to be a public inquiry, Mr. Speaker. Who is investigating what

responsibility was laid out in that government? Who in that government knew that Crocus was in trouble and did nothing? Who in that government knew that there were practices over there that were unacceptable and did nothing? It is time for an inquiry, and I ask that Minister of Finance to stand up and tell his Premier (Mr. Doer) now.

**Mr. Selinger:** The only way the member can make the case that he is making is if he ignores the facts. When we did have a Public Accounts meeting, which members opposite walked out of, the Auditor General asked a very specific question that we hear daily about the petition: Was the e-mail sent to the minister? Mr. Singleton: No, it was not. That is one of the arguments they are saying for an inquiry.

The Auditor General, with all the powers we gave him, special powers in 2001, investigated the e-mail. He said the minister did not have access to it. What more information does the member need for an inquiry? That was the answer and it is on the public record. All the member has to do is take time to read Hansard.

\* (13:55)

**Mr. Cummings:** Mr. Speaker, to the Minister of Finance, through you and to the members of the public, this Minister of Finance will not even answer the most rudimentary question about whether or not he ever had a meeting with Sherman Kreiner, whether or not he ever got a briefing on the financial risks associated with co-investments with Crocus.

Now, again, he stands up and rails about what may or may not have happened in committee. In fact, in committee, and I hope the public is listening carefully because very often they ignore things that we do in committee, but the minister coached the deputy on the answers and said we could only ask questions that were related to whatever the scope of the Auditor's Report was. Mr. Speaker, that is not adequate. We need an inquiry from this government. I ask the Minister of Finance to do it now.

**Mr. Selinger:** Contrary to what the member has just said, not only have we answered all his questions, we have made all the information available. We made all the information available to the Auditor General which is why he has such an ample report at 245 pages.

The Member for Lac du Bonnet (Mr. Hawranik) went on and said, were the ministers of Finance and Industry ever copied on this e-mail. Did that e-mail go to either the ministers of Finance or Industry? The

Auditor General: No, it did not. That is definitive. That is clear. All the member has to do is read the Hansard and he will have the answers he is looking for, but he ignores the facts in the pursuit of his inquiry at the public's expense.

### **Health Care System Emergency Services**

**Mrs. Heather Stefanson (Tuxedo):** Mr. Speaker, when you see the crisis level that the Minister of Health has let our access to emergency services reach in our province, you can see why the Manitoba health care system is ranked dead last in our country. There are more than a dozen emergency rooms closed throughout rural Manitoba, most of them in the southwest quadrant of the province, and Winnipeg's emergency rooms are short 14 ER doctors.

Given the serious crisis that our health care system is in what assurances can the Minister of Health (Mr. Sale) give to Manitobans that they will have access to emergency health care services when they need them?

**Hon. Dave Chomiak (Acting Minister of Health):** Mr. Speaker, there has been a number of initiatives undertaken by this government in order to deal with the emergency situation such as the expansion of the Misericordia Urgent Care Centre; the rebuilding of a hospital in Brandon that had been promised for years; the introduction of over 200 new doctors to the province of Manitoba when there had been losses year after year after year; 800 additional practising nurses relocated to Manitoba and new equipment, not only in urban centres but in rural centres, all put in as part of a co-ordinated plan to deal with the day-to-day health care needs of the province.

**Mrs. Stefanson:** Again, the members opposite like to talk about the hospital in Brandon. Well, Mr. Speaker, it would be great if there were actually some doctors to work in there.

Mr. Speaker, ERs in Benito, Whitemouth, Reston, Cartwright, Emerson, Rossburn, Erickson, Rivers, McCreary, Manitou, McGregor, Wawanesa, Treherne and Crystal City are all closed and Winnipeg is short more than 14 ER doctors. Health care workers are telling this minister that they are in crisis and he continues to ignore them. They are angry, they are frustrated, and they have had enough with this Minister of Health (Mr. Sale) and his inability to manage our health care system. Health care workers have identified this as a crisis.



Why will the Minister of Health not listen?

**Mr. Chomiak:** Mr. Speaker, let me quote from Dr. Tony Herd, president of the MMA. Through the 1990s, Manitoba was losing doctors. The recent contract, and I quote again, puts doctors on par with the top-paying provinces, 63 more doctors in rural Manitoba than when members opposite were government. I call that progress, 454 students have received grants for return of service; no grants for return of service all through the 1990s.

Expanded medical room spaces, when members opposite were in government, what did they do? They cut the medical spaces at the college. They actually cut the number of students. We have expanded it, Mr. Speaker. We expanded it when we came to office. We have expanded again this year to train more doctors to keep them in Manitoba.

\*(14:00)

**Mrs. Stefanson:** Mr. Speaker, more and more patients are being sent by highway to Winnipeg from our rural areas to get access to health care services that they cannot get at home, that they used to be able to get at home. That is going to be the legacy of this government and shame on them.

Patti Bright, president of the CUPE local, represents nurses and health care workers in the Rock Lake health district that is said to be only temporarily closed but has now been closed for almost two months, Mr. Speaker. Ms. Bright has said that the delay in critical care could cost lives.

How many lives is the Minister of Health going to risk before he takes action to reopen this emergency room and other emergency rooms in Manitoba? When will they stop sending patients on highways to be able to access health care services in our province?

**Mr. Chomiak:** Mr. Speaker, the member may have attended a conference held last week of physicians from rural parts of Canada, Alberta, Saskatchewan, B.C. and all of the provinces, with respect to the difficulty of retaining physicians in rural parts of Canada.

Having said that, Mr. Speaker, we took action to expand Brandon Hospital; new hospital in Swan River; new hospital in Gimli; Morden and Winkler, new hospitals. For the first time in history, we took surgeries from Winnipeg and moved them to rural Manitoba. What a change. Surgeries from Winnipeg, moved them to rural Manitoba. First time in history;

MRI outside of Winnipeg, expanded CT scans in eight locations outside of Winnipeg, 67 new doctors outside of Winnipeg.

### Operation Clean Sweep Shutdown

**Mr. Kelvin Goertzen (Steinbach):** This morning the president of the Winnipeg Police Association again confirmed that Operation Clean Sweep is facing either elimination or serious cutbacks this summer when gang activity is going to be at its highest. The latest information he has received is that as of May 10, this program is virtually gone. This was only a week after the NDP government justified increasing fines for speeding to pay for the program. Fines are going up; officer numbers are going down.

Can the Minister of Justice indicate whether he used false hope on Operation Clean Sweep as a reason to increase these fines?

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, I was very pleased that, as a result of co-operative efforts with the City of Winnipeg and the Winnipeg Police Service, we were able to ensure that Winnipeggers will have additional funding for policing by way of the Operation Clean Sweep initiative which by all accounts appears to be successful. We think that is positive.

That initiative, by the way, is on top of the 46 new officer positions that are directly funded by the provincial government now, and I understand those officers will be graduating in May and in November.

**Mr. Goertzen:** The minister failed to answer the question. The president of the Police Association received notice that as of May 10, the program would shut down and would not be reinstated till fall. Manitobans are concerned that Operation Clean Sweep is going to become operation dustbuster.

Mr. Speaker, currently in the Winnipeg police force there are 210 people eligible to retire with 25 years or more of service. There are also another 125 who are currently eligible to retire with 20 years or more of service. The Minister of Justice must have known about these concerns last week. He must have known about the inability to keep the program running in its current form last week when he told Manitobans that he would be increasing fines and giving them false hope that Operation Clean Sweep would stay in place.

Why did he offer that false hope last week, Mr. Speaker?

**Mr. Mackintosh:** Mr. Speaker, we are assured by the chief of police and the mayor of the city of Winnipeg, which, of course, are the entities responsible for staffing the positions we are funding, that Clean Sweep is now a permanent entity. I understand that there are concerns with regard to the staffing of policing positions all across Canada. I am pleased the federal government is well dedicated to enhancing the recruitment.

I would urge all youthful Manitobans to consider a career in policing. It is most rewarding. They are our heroes for Manitoba, and we will continue in the meantime to fund the positions so that these new recruits can go to work for our well-being. Thank you.

**Mr. Goertzen:** The minister talks about a permanent program but it is going to be a permanent program that does not have police in place. It is going to be scaled back according to the president of the Winnipeg Police Association. He received this notice that, as of May 10, it is going to be shut down for the summer. It is sort of like a temporary hospital closure, by the sounds of it, according to this government. This is a program that this minister assured would continue on with increased fines. He had no problem quickly increasing the fines, but now we find out a few days later that those police officers are not going to be in place at the same level that they were before.

Why was he so quick to increase the fines and say that the reason was Operation Clean Sweep? Was it just a politically correct way to get more money into their hands, Mr. Speaker?

**Mr. Mackintosh:** Mr. Speaker, the chief of police has dealt with the statement that the member opposite is quoting from, and that is within the operations of the City of Winnipeg Police Service and the mayor's office. Chief Ewatski made a statement that the Winnipeg Police Service would maintain a significant presence over the summer months, and to meet that challenge of the vacation periods he says, and I quote, our approach will be more focussed and more intelligence-led to ensure effectiveness.

Our role as a Province, Mr. Speaker, has been to step up to the plate to ensure that—[interjection] Oh, I heard someone opposite, after asking the question,

wanting to cut off the answer. The answer is that unlike any—[interjection]

**Mr. Speaker:** Order.

**Mr. Mackintosh:** Mr. Speaker, the challenge has been to make sure that our police know there is a provincial government in office that will support their efforts. Unlike any time in Manitoba history, this Province is funding directly Winnipeg policing.

#### **Devils Lake Outlet Pollution Stoppage Strategy**

**Mr. Jack Penner (Emerson):** The Minister of Water Stewardship has told the province of Manitoba and the people of Manitoba continually that the Devils Lake water is polluted, that there are striped bass in that lake and other species of foreign biota that might enter the Red River through the Sheyenne River. Today these pumps were scheduled to start at the Devils Lake outlet. However, North Dakota state's own regulations might have stopped the pumps from operating.

Can the minister inform this House today whether the pumps are running or not in Devils Lake?

**Hon. Steve Ashton (Minister of Water Stewardship):** Well, Mr. Speaker, the member opposite knows and we have stated before that, in terms of May 1, there was no guarantee that it would begin operations in terms of the outlet. The key issue in the state of North Dakota is in terms of sulphates. I point out that our concerns about Devils Lake have very much been in regard to foreign biota, as well as other water quality issues. Those concerns remain. That is why our Premier (Mr. Doer) has been in direct contact with the governor of North Dakota again urging a co-operative approach. We have the U.S. federal government, the Canadian federal government and Manitoba on board. The only issue remaining is for North Dakota not to operate the outlet until the filtration is put in place. We are making significant progress but we clearly need a co-operative approach, and we are offering it.

**Mr. Penner:** We are now past the deadline of the operation of the pumps at North Dakota, and we know that if the sulphate levels in the Sheyenne River are reduced the pumps will start running, Mr. Speaker. We also know that there is no agreement between the federal and the U.S. government to build a filter. There is no signed agreement, however the deadline has passed.

What is this Premier's plans now to ensure that water he has called polluted continually will not enter the Red River and the Sheyenne River?

**Mr. Ashton:** Mr. Speaker, I think, unfortunately, once again, the members opposite clearly do not understand that when you have the CEQ, this is the White House, this is President George Bush's environmental agency having the budget, doing the technical work, when Mr. Connaughton last week in Ottawa stated very clearly that there is a commitment, I do not quite understand why the members opposite continue to question that.

The issue here is not whether there is a commitment to advanced filtration; there is, Mr. Speaker. The key issue in this particular case is ensuring that filtration is in place prior to the operation of the Devils Lake outlet. Indeed, we have been talking about this directly with the State of North Dakota, with the U.S. and with Canada. I would hope the members opposite would support those efforts because clearly there is still time for a compromise in this approach, and that is our goal.

\*(14:10)

**Mr. Penner:** Mr. Speaker, the Water Stewardship Minister has continually drawn attention to the dangers posed by the waters of Devils Lake entering the Red River and Lake Winnipeg. He has offered little reassurance to Manitobans that those dangers are being addressed.

If the minister's statement that Devils Lake water is polluted with foreign biota and striped bass is correct, how will the minister permanently stop the polluted waters from entering Manitoba?

**Mr. Ashton:** Well, Mr. Speaker, I would hope that the member opposite would have read the material that I tabled at their request. Members opposite requested the survey that was done last July and it was tabled in October. In fact, it has been public information since that point in time. He would know the concerns that are in place in regard to algae and fish parasites. In fact, the biota survey did not find striped bass.

Clearly, again, we do not need to continue to debate the findings. The precautionary principle is very clear; the logical thing to do in this case is go beyond the basic filtration that is in place. We have commitment from the U.S. federal government, commitment from the Canadian federal government. We are committed to that, and I would hope that members opposite would support our efforts to

persuade North Dakota to make sure the outlet is not operated until that filtration is in place.

### **Lake Winnipeg Pollution Clean-up Strategy**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, my question is to the Premier. At every turn, this NDP government has fallen short when it comes to protecting Lake Winnipeg. Back in August of 2003, the government said it was going to clean up Lake Winnipeg in three years. Well, it is almost there, but the situation with algal blooms and phosphorus content in Lake Winnipeg is worse, not better. There is no sign that the situation is improving. Now we have an NDP government supporting the construction of an unpopular hog processing and rendering plant inside Winnipeg, and this could make the situation worse.

Why has the Premier been so long on promises and so short on effective action when it comes to cleaning up Lake Winnipeg?

**Hon. Gary Doer (Premier):** Mr. Speaker, I would point out that we did say that Lake Winnipeg required a 20-year action plan to deal with 20 years of policies that had contributed to its degradation. I would add that many other lakes are in the same situation.

Some members here go out and talk about Lake Winnipeg in the morning and then talk about water regulations in the afternoon. Some members, Mr. Speaker, talk about the issue of taking an unpopular stand on a food processing operation, and then they talk about the issues of farm income and go out to farm rallies and talk about oh, how they are committed to the farmers. Thirty percent of the agricultural economy, in the last five years, has relied on livestock and on hogs. It has been important for rural communities.

So you cannot always take a popular or unpopular position. You have got to take the right position. We have put in higher standards, Mr. Speaker, for the approval of a second shift at Maple Leaf. Why have we put in higher standards for the approval of a second shift at Maple Leaf? Because protection of the water is more important than the extra jobs. All the way along the Assiniboine River, we put in extra approval processes and new, improved standards for the Simplot potato plant in Portage la Prairie. Why did we do that? Because, yes, we wanted those jobs in Portage la Prairie, but we also wanted the water quality enhanced standards

to be improved. We have put in new environmental licensing requirements for the raw sewage that has gone into the city of Winnipeg water for the last 50 years.

This member was part of a government that cut all the environmental staff, including staff working on Lake Winnipeg, when he was in Cabinet. He had a chance to take a stand on principle then. He failed Manitoba then.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, the Premier knows not of what he talks.

My supplementary is to the Premier. The clean-up of Lake Winnipeg is vital to our province. Indeed, it is so vital that I would ask the Premier this question. I would ask the Premier whether he has discussed the situation of Lake Winnipeg with his federal leader, Jack Layton, who, of course, in a minority Parliament, has quite an influence on the government in Ottawa.

I would ask the Premier whether he has asked Jack Layton to make strong federal support for Lake Winnipeg and other things which are vital to Manitoba a condition for the Layton NDP to support the budget to come down tomorrow.

**Hon. Gary Doer (Premier):** I am more than willing to discuss federal politics with the Leader of the Liberal Party, Mr. Speaker, because, again, not only did he cut the Coast Guard in Selkirk and Gimli, not only did he cut all the water quality staff in Lake Winnipeg, when the federal Liberals were in power they cut the testing on that boat the Namao, the proper name of that boat, they cut the money for that boat to test in Lake Winnipeg. In fact, they were paying some Liberal lobbyist more money than they cut from the boat in Lake Winnipeg. How dare he ask questions in this Chamber.

#### **Crocus Investment Fund Public Inquiry**

**Mr. Kevin Lamoureux (Inkster):** The need for a public inquiry regarding the Crocus Fund is just as strong as ever.

Mr. Speaker, Alfred Black gave \$375 in one year; Peter Olfert and someone else from his household, \$592, \$1,189; Darlene Dziewit, \$1,591 and \$300, again from someone in that household; Robert Hilliard, \$648, and someone else gives \$956 from that very same household; Eugene Kostyra

gives \$1,060 and someone from that household also gives \$1,137.

I smell corruption here. There is a need for a public inquiry regarding the Crocus Fund. When will this Premier recognize the need for a public inquiry regarding the Crocus Fund? Mr. Speaker, 33,000-plus Manitoba investors lost \$60 million plus. Give them what they want, a public inquiry.

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, the member may wish to look at the donations from the Crocus venture capital fund to the Liberal Party of Canada. I believe they are in the thousands of dollars.

But, you know what, Mr. Speaker? The real issue is how are we going to reform democracy in this province. We are only the second province in the federation which banned corporate and union donations and that includes donations from venture capital funds. Members opposite, in both political parties, still have never come out and supported that ban on corporate and union donations. So if they want to be holier-than-thou, either the Conservatives or the Liberals, they will support our law in this province.

#### **Centre on Aging Spring Research Symposium**

**Mr. Bidhu Jha (Radisson):** Mr. Speaker, seniors are the most valuable people who have great experience in all facets of life. They have contributed tremendously in building our societies. Our government recognizes this greatly.

Mr. Speaker, I understand that the Centre on Aging held their Annual Spring Research Symposium today. Could the Minister responsible for Seniors inform the House about this important event?

\* (14:20)

**Hon. Theresa Oswald (Minister responsible for Seniors):** Mr. Speaker, I am very pleased to let the House know that the Centre on Aging's Annual Spring Research Symposium, its 23rd, was held today discussing such issues as ageism, the issues concerning healthy aging and social isolation. It is an opportunity for Manitoba seniors to get together to hear the latest cutting-edge research, to come together to speak with service providers and all the great researchers here in Manitoba and from across Canada for the issues that affect seniors the most.

We know how important it is to promote such things as Aging In Place, Mr. Speaker. We are very pleased that the Centre on Aging focuses their research in this area to make life for all seniors in Manitoba even better today. Thank you.

**Mr. Speaker:** Order. Time for Oral Questions has expired.

### Speaker's Ruling

**Mr. Speaker:** I have a ruling for the House.

Following the daily prayer on April 13, 2006, the honourable Member for Minnedosa (Mrs. Rowat) raised a matter of privilege regarding the relocation of jobs with the provincial Crown Lands Office from Minnedosa. She concluded her remarks by moving "THAT this matter be referred to the Standing Committee on Legislative Affairs." The honourable Government House Leader (Mr. Mackintosh), the honourable Deputy Official Opposition House Leader (Mr. Goertzen) and the honourable Member for River Heights (Mr. Gerrard) also offered advice to the Speaker on the matter. I took the matter under advisement in order to consult the procedural authorities.

I thank all members for their advice to the Chair on this matter.

There are two conditions that must be satisfied in order for the matter raised to be ruled in order as a prima facie case of privilege. First, was the issue raised at the earliest opportunity, and, second, has sufficient evidence been provided to demonstrate that the privileges of the House have been breached in order to warrant putting the matter to the House.

The honourable Member for Minnedosa asserted that she was raising the issue at the earliest opportunity, and I accept the word of the honourable member.

Regarding the second issue of whether a prima facie case was demonstrated, I would note that in her submission to the Chair, the honourable Member for Minnedosa indicated that the issue impacts on her ability to do her duties as an MLA. However, she did not demonstrate how such an imposition occurred. I would like to remind members that the individual protections provided to members by parliamentary privilege as identified on page 51 of Marleau and Montpetit's *House of Commons Procedure and Practice* are: freedom of speech; freedom from arrest in civil actions; exemptions from jury duty and exemptions from attendance at a witness. From what

I can discern of the issue raised, none of these privileges were affected. In addition, claims regarding the obstruction of members must relate, as noted by Maingot on page 14 of the second edition of *Parliamentary Privilege in Canada*, to the parliamentary work of members, that is, any of the member's activities that have a connection to a proceeding from Parliament. Again, I did not hear any indication from the member about her ability to raise issues in the House or ask questions or perform her parliamentary duties were impeded.

Essentially, what we have on the surface is a complaint by the member that she disagrees with actions taken by the government. While the member has every right to scrutinize the actions of government and offer disagreement with the actions taken by government and the policies of government, she has not demonstrated that a prima facie case of privilege exists in this case.

Therefore, with the greatest of respect, I must rule that there is no prima facie case of privilege.

## MEMBERS' STATEMENTS

### War Brides

**Hon. Diane McGifford (Minister of Advanced Education and Training):** Mr. Speaker, earlier today, I was delighted to attend the ceremony honouring war brides, during which the Premier (Mr. Doer), together with Margaret Haggerty, president of the Manitoba War Brides, unveiled a plaque. War brides are now officially remembered in our Legislature and enshrined in bronze.

I thank, too, the Member for St. James (Ms. Korzeniowski) for her diligent work in ensuring that our war brides will not be forgotten.

The ceremony today was important to me since my mother was one of the 45,000 women who married a Canadian serviceman, my father. Unfortunately, my mother passed away in 1987 without the recognition that the new plaque conveys, so I accept the honour on her behalf. Today, in remembering my special war bride, I recognize all these courageous women, women from all over Europe. Women like my mother-in-law, Elizabeth Wojczynski, who survived a dreadful war in Holland.

It was not all bad. Men and women fell in love and lived with decided passion, perhaps because tomorrow was unknown. People lived on the edge, which I think gave an added sweetness and intensity, a small advantage of living so close to death.

When my mother came to Canada, came to Winnipeg on February 14, it was 40 below. Rumour had it that she lost heart until spring when she planted the first of her famous flower and vegetable gardens. Then, in the fall, my Canadian grandmother initiated her into the prairie mysteries of canning and pickling. At Christmas, she and her war bride sisters sent their first parcels home, for in Europe rationing was the order of the day. Slowly, war brides set up their lives in Canada, developed their yearly rituals and gradually became real Canadians.

In the Year of the Veteran I received a CD from the Minister of Education, Citizenship and Youth (Mr. Bjornson), a recording of Second World War music, the music which my parents knew and loved: "Sentimental Journey," "La Mer," "The White Cliffs of Dover." My mother loved "The White Cliffs of Dover" and could never hear it without weeping—

**Mr. Speaker:** Order.

**Ms. McGifford:** Mr. Speaker, I ask leave to complete my statement.

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

**An Honourable Member:** Leave.

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

**Ms. McGifford:** Thank you, and I thank my colleagues opposite as well.

My mother loved "The White Cliffs of Dover" and could not hear it without weeping. Along with other war brides, my mom believed in Vera Lynn's famous song, and I quote: "There'll be bluebirds over / The white cliffs of Dover, / Tomorrow / Just you wait and see. / There'll be love and laughter / And peace ever after, / Tomorrow / When the world is free." These women lived to see their tomorrows in Canada. No bombers, no V-1s, no V-2s. Canada was good to them. These admirable women kept the faith, often at great personal cost.

Mr. Speaker, surely at the going down and the setting of the sun, we will remember them, and especially now in the Manitoba Legislature. Thank you.

**Mr. Ralph Eichler (Lakeside):** I would like to make a few remarks about the all-party event honouring Manitoba's war brides.

I, on behalf of the Progressive Conservative caucus and our new leader, the Member for Fort Whyte (Mr. McFadyen), would like to warmly

welcome the war brides, veterans, families and all the guests to the Legislative Assembly of Manitoba. I would also like to acknowledge those war brides who were not able to join us today.

It was an honour to participate and officially recognize the lasting legacy of war brides in our province and across Canada. Mr. Speaker, 2006 has been declared as the Year of the War Bride in Manitoba, and it is only fitting we pay tribute to them in a memorial plaque on the grounds of the provincial Legislature.

Nearly 45,000 women who met and married Canadian soldiers in World War II travelled to a new country. Setting abroad on the war bride ships and landing at Pier 21 in Halifax was only the beginning of a long journey for numerous women. From Halifax, I know many war brides and their children arrived in Manitoba on special war bride trains.

That special place that war brides have in our collective history is acknowledged today, but for many Manitobans, it is also a lasting piece of our family legacy. Today, many Canadians are privileged to call these brave women family. These women have made many sacrifices and contributions in their journey to Manitoba in establishing new families and communities.

The exceptionally exciting and historically significant lives that war brides may have lived holds many lessons for us today. It is my hope that we will continue to honour our war brides and learn from their experiences, challenges and successes. Thank you, Mr. Speaker.

**Mr. Speaker:** Order. The honourable Member for River Heights up on a point of order or a matter of privilege?

**Hon. Jon Gerrard (River Heights):** I ask leave to say a few words on the war brides.

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

**Some Honourable Members:** Leave.

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

\* (14:30)

**Mr. Gerrard:** I am pleased to be able to join my colleagues and fellow MLAs in saluting the achievements and the contributions of the war brides to Manitoba and to Canada.

War brides came here a long way from their homelands and they clearly demonstrated the level of bravery under the conditions of the day. In the years since, the 45,000 or so war brides who came to Canada have made a major contribution both here in Manitoba and across our country. It is fitting that today we remember the contribution of the war brides—we have a plaque that will be in the Legislature—and that we salute their achievements because they have done something that is very precious to all of us.

### International Labour Day

**Mr. Jim Maloway (Elmwood):** I rise in celebration of International Labour Day or May Day, an international day of recognition for working people around the world. Several events will take place throughout the city today to mark the important contributions that working people and labour unions have made and continue to make to our province.

In Manitoba, the month of May will forever be associated with the Winnipeg General Strike. The General Strike began on May 15, 1919, when young women working at the telephone system walked off the job and joined building and metal trade workers on the picket line. The following day 35,000 Winnipeg workers took to the streets in solidarity, demanding collective bargaining rights. The strikers faced brutal reprisals from the Citizens Committee of One Thousand, who were organized by the employers to crush the strikers. The strike ended in June when the federal government decided to intervene. This culminated in a charge by the RCMP into the strikers which resulted in 30 injuries, including one death. The leaders of the strike were arrested, four deported, and the remaining six sentences were served in Headingley.

Mr. Speaker, to commemorate the strike, local artists have organized May Works, a festival which is comprised of 30 events at 20 venues throughout the month of May. Highlights include the debut of Loa Henry's musical, *Mouseland*, based on the fable by Tommy Douglas, and the debut in Old Market Square of the film trailer for Danny Shur's, *Strike! The Musical*. I encourage all members to visit [www.mayworks.org](http://www.mayworks.org) for more information on this festival.

Mr. Speaker, I thank the organizers and artists participating in May Works. Their work helps us remember and celebrate the courage and conviction of the young men and women who fought and continue to fight for better wages and working

conditions and for the dignity of labour. The struggle for better working conditions and wages is a global one. In recent years, many of us on the left are heartened by South America's renewed sense of independence. Chile, Peru, Bolivia, Venezuela and Brazil have elected candidates who pledge political independence and better wages and living conditions for the peasants, workers and the indigenous people of the region. Thank you, Mr. Speaker.

### War Brides

**Mrs. Leanne Rowat (Minnedosa):** Mr. Speaker, it is my pleasure to rise and pay tribute to all the war brides who are in attendance on this day in honour of the bravery and loyalty that they have shown and continue to express every day in their adopted nation. I have great respect and admiration for these women who gave up their lives and their families to start a new life in Canada.

In speaking to the war brides in my constituency, I have learned of the hardships and the challenges they faced in moving to a new country. Several of these women were here today and I would like to personally recognize Kay Wagner and Pat Johnson of Souris; Irene Alex and Ruth Delmage of Minnedosa; and Margaret Haggerty of Shilo. I would also like to honour others like Joan Skatch, who could not be here today due to illness or other challenges, and have shared their experiences with me. Mrs. Skatch wrote of the memorable day that she and other war brides were honoured with a personal audience in Minnedosa with Princess Anne to share their experiences.

This past September, the War Brides Association met at a reunion in Brandon. Due to their declining numbers, it was decided that that would be their final reunion. However, I believe that we must continue to remember the sacrifices that these war brides made to start families and to make a better life in Canada.

Mr. Speaker, I applaud the members of my constituency who made the sacrifice to move to Canada with their new husbands at a time of great turmoil and uncertainty. I am honoured that so many made the journey here today to the Legislature in celebration and honour of the Year of the War Bride, and I would encourage all members to take the time and to get to know these wonderful women who have given so much of themselves for others.

### Taras Korol

**Mr. Doug Martindale (Burrows):** Mr. Speaker, April 19 was the official opening and dedication of

the Taras Korol theatre at Sisler High School. A gala performance honoured the immense contributions that Taras Korol made to Sisler High School and Winnipeg's artistic and cultural communities for over 40 years.

A life-long Winnipegger, Taras began his artistic pursuits in the 1950s. An art and drama teacher at Sisler High School from 1957 until 1983, Taras spearheaded an impressive and innovative performing arts program. He was one of the first drama teachers in the city to adapt Broadway musicals for Winnipeg's high school stage. Apart from his teaching career, however, Taras still found time to be deeply involved with such Winnipeg artistic institutions as the Royal Winnipeg Ballet, Ukrainian Theatre, the Manitoba Opera and Rainbow Stage, with whom he worked directly for 36 years. His prolific career left its mark on Winnipeg's art community in the form of the sets he constructed, the costumes he designed and the productions he helped pioneer.

It is fitting then that his alma mater has continued his legacy and commitment to the performing arts by renovating an old gymnasium into a state-of-the-art theatre. It should be noted as well that Pantages Playhouse has also recently dedicated a studio in his honour.

Mr. Speaker, I would thank Sisler High School for having continued Taras' legacy and memory. Taras recognized that the arts are the lifeblood of any community, and we are all the richer for the flourishing artistic heritage that he bequeathed.

#### ORDERS OF THE DAY

#### GOVERNMENT BUSINESS

#### ADJOURNED DEBATE

(Third Day of Debate)

**Mr. Speaker:** Resume debate on the proposed motion of the honourable Minister of Finance (Mr. Selinger) and the proposed motion of the honourable Member for Kirkfield Park (Mr. Murray), in amendment thereto, and the debate remains open.

**Hon. Steve Ashton (Minister of Water Stewardship):** Mr. Speaker, I am almost speechless. I know members opposite would love for that to be the case, but I mention for me almost speechless means I still have a lot to say.

Mr. Speaker, I cannot believe, earlier today, I drove in from Thompson this morning, I left at about five, and lo and behold listening to the news, first on

CBC and then CJOB, I heard the voice of the new Leader of the Opposition (Mr. McFadyen) announcing that they were going to actually debate the budget.

Well, Mr. Speaker, I know you would like to hear some dramatic description that I nearly had an accident as I pulled across the road. But, you know, I actually did believe that that was exactly the case because I really think that the members opposite either came out with the most brilliant or the dumbest strategy you can ever imagine, that both of them were tied in with the Conservative leadership.

First of all, Mr. Speaker, I want to wish the new Leader of the Opposition a long career as Leader of the Opposition. I want to say, the Member for Fort Whyte, I think, probably is now in the most difficult job in Manitoba. I am not talking about being Leader of the Opposition; I am talking about being Leader of the Conservative Party. It is a bit of an oxymoron at times.

I do want to, by the way, say that I think all of us on our side, and this is not out of identification as to the Member for Springfield's (Mr. Schuler) political ideas, certainly give him credit for putting his name forward. We look forward to hearing his voice again in the Manitoba Legislature. I notice, Mr. Speaker, his heckling has gone down somewhat over the last period of time. But I am sure he will be well respected for having made that choice of running. I always feel that we do not do enough to encourage people to put their names forward.

By the way, I want to add my own views on the former Leader of the Opposition. On Friday, I thought, he really summed it up very well. I thought he gave a tremendous statement why all of us see public life as being something that is the highest calling.

I want to get to my basic thing with the Conservatives here, Mr. Speaker, because I actually tracked my notes down, and here they are. I had done some extensive research. The members opposite will testify to that. Tuesday, March 7, 2006, I want you to remember that we are in day six of the budget—

**An Honourable Member:** No, no, day three.

**Mr. Ashton:** Well, day three, six days remaining, the member opposite corrects me.

Mr. Speaker, I want you to remember, actually this is kind of unique, this will be the first budget speech, I think, on the same budget where you will



have, I am assuming, two leaders of the opposition speaking on the same budget because, assuming the Member for Fort Whyte actually does decide to contribute in this House now that he is leader, I think that may be the case.

\* (14:40)

But I want to run through some of the scenarios as to why members opposite started ringing the bells on March 7, and, here on May 1, nearly two months later, have decided to actually debate the budget. Now, they either fall into their really, really, really brilliant strategy or their really, really dumb strategy. I think you will see the point here.

Well, first of all, Mr. Speaker, let us look at it this way, I think the No. 1 scenario is they recognized it was a popular budget, because if it was unpopular, they would not have been ringing the bells on the budget, they would have been bringing hundreds and thousands of people down to the Legislature demanding the fall of the government. Then they would have tried to have a vote to defeat the budget.

Now, I realize, Mr. Speaker, that this is probably giving them far too much credit, but just think about it for a moment, this scenario could be followed through. I think the Opposition House Leader may have had this as kind of a general idea. Think about this for a moment. Are there many people around the province criticizing the budget? Have you heard anybody? You know, I went back home this weekend, the previous weekend, the weekend before, went home, I did not hear anybody talking about the budget.

In fact, you know what is interesting, believe you me, I know one thing from my experience of politics here, it is unpopular budgets that get you. Usually, the ultimate tribute for a budget is whether a few weeks down the line people are enjoying the benefits, perhaps, of the budget, but they are not talking about the debate of the day because good governments bring in good budgets, and that is part of being a good government.

Well, Mr. Speaker, there is sort of this brilliant strategy scenario No. 1, that the Tories understood that they were not going to win the debate on the budget, so they just decided to skip it until no one was talking about the budget. That is kind of in that brilliant scenario. I do not think it says too much about their views on the budget. Now that is scenario No. 1.

Scenario No. 2 is that they knew there was a leadership and, let us not forget, by the way, the Leader of the Opposition did speak on day one. They did not start ringing the bells until after their leader had spoken. Now, by this time the Conservative leadership race was under way.

Dare I say, Mr. Speaker, one of the side benefits of ringing the bells was clearly that leadership candidates did not have to spend a lot of time debating the budget, debating bills. In fact, they did not have to spend any time debating the budget or debating the bills. One could even talk about votes because, I think, again, we saw votes on various matters in this House, where the only question on our side was how low would the numbers go on the other side. No reference to absence or presence of members, but the voting records are a part of our record. So this is kind of in the brilliant strategy No. 2, which is they wanted time for their leadership candidates, because everybody knows when you are ringing the bells for that one hour, you can be phoning delegates, you can be travelling around the province.

Well, the only problem with that brilliant strategy, Mr. Speaker, it is also a rather dumb strategy if you put it to public scrutiny, because I do not think too many people would accept that that would be reasonable. But let us understand, today we have a new Opposition Leader and, surprise, surprise, guess what? The bells have stopped ringing. So both of these two scenarios fit in.

Now, Mr. Speaker, I want to get into the less brilliant strategy theories, as well, because I just want to put on the record here that we have certainly seen over the last number of months that there is something about Conservatives, there is something about Conservatives, it seems to be the case here in Manitoba, it is the case in Alberta, we see it across the country, and we, on this side, do not have to attack the Conservatives; they do such a good job attacking themselves. I mean no one could match the soap opera we saw, the former Leader of the Opposition, the critics—I think it was called "the committee." Then those committee members being bounced back. Someone has called it "the gang of four."

We watched over one weekend the Conservative Party decided that was it with their leader, and they were into that, Mr. Speaker. I took great pleasure in watching this weekend, you know, the united Conservative Party—that is another oxymoron—all sort

of enthusiastically supporting their leader. I have not seen so much enthusiasm since the standing ovations the former Leader of the Opposition got on a regular basis after his opponents within the caucus and the party had forced him out. When members of the Conservative Party say they are behind you all the way, just make sure you do not turn your back because I think we have seen clear evidence.

So I think that may be part of the strategy here. But, you know, quite frankly, I think there is another strategy and it is called—this is really not on the very brilliant side of it, and that is that we have a Conservative Party that is in disarray, not just in terms of leadership. We have seen that, but not just in terms of leadership, and certainly I wish the new leader luck. But do you notice the new leader? His fingerprints are all over the Filmon record, the former chief of staff. They took the package of soap detergent and they slapped on "new and improved" and guess what? It is no change in ingredients. Even the leader comes right out of the Filmon 1990s. It is like back to the future, Manitoba version. It is called the Conservative leadership convention.

But, you know, Mr. Speaker, I think that is really the real story with the Conservative Party over the last period of time. Let us look at what they did tactically. They rang the bells. They put the budget in peril, and then they announced, well, it was going to pass anyway in June. You know, I am a great believer in Gandhi and non-violence, but if this was to be analyzed from a military-strategy point of view, essentially they declared war on the government, but they announced they were going to surrender in June. It is one of the most absurd tactical displays I have seen.

*Mr. Harry Schellenberg, Acting Speaker, in the Chair*

There have been times when bells have been rung: the sale of MTS, the constitutional issues of the 1980s, the French language issue. Whether you agreed or not, there was a tactical logic to the strategy. But, you know, Mr. Acting Speaker, I think you see even more than that. They did not only just ring the bells on the budget, they were arguing for something completely different, the Crocus Fund, right? Despite the Auditor's report and all of the investigations that are under way, they decided they were going to hold up the budget because of this other issue.

Mr. Acting Speaker, let us look at that for a moment. What do budgets do? Budgets raise the

finances of the province. In this budget, we have significant relief for taxpayers. Budgets also are part of the expenditures. With the concurrent release of the Estimates, you have in place the spending plans. So this opposition, I think, early on decided on the tactical version of holding their breath till they got blue in the face. Then they got into it a little bit further, and they started grabbing more and more at straws. I tell you, on occasion I have used some creative arguments involving *Beauchesne*, but we are going to have to have an award for some of the most frivolous points of order or matters of privilege I have ever seen.

But they got caught tactically. I am surprised at the Liberals because they were part of it, Mr. Acting Speaker. They were the tail on the Tory dog. They were wagging along faithfully. I remember on March 7, they tried the tactical move—before they figured out what they were doing, if they ever did—to get the Member for River Heights (Mr. Gerrard), the Leader of the Liberal Party, to speak ahead of me in terms of rotation because I wanted to speak. That is every member's right. But, you know, you had the dog and the tail on the dog with this tactical brilliance.

**An Honourable Member:** Quit insulting dogs.

**Mr. Ashton:** Well, I know, Mr. Speaker, we have dog lovers on our side, and I take that back. I am trying to create sort of a mental picture here for members opposite. They got caught in that trap.

But, you know, they are not just caught in a tactical trap. I would suggest they are caught in a time warp. They are clearly pining for the days of the 1990s. You know, Mr. Acting Speaker, if you are here, you see that element that the Tories, ever since I have seen them in this House, always have when they are in opposition.

\* (14:50)

You know, Mr. Speaker, I have been in opposition, too. Believe you me, after the election when we went from government to opposition, I said to myself, wow, did we get a message. We better listen. We better understand why we went from government to opposition if we are ever going to end up back in government again. It takes a certain amount of humility. It takes a certain amount of grounding, I think, for anybody to learn the lessons, not only of victory, but defeat.

Let us face it, Mr. Acting Speaker, Sterling Lyon actually accurately described it, about the only time I ever agreed with him, when he talked about

governments being temporary. All governments are. The difference with the Tories is if you ever listen to them, they still have not gotten over 1999. They really believe that there was some mistake. It just creeps into every statement they make. You could see on the weekend; they thought the universe was unfolding as it should, getting back to that sense that they often have, that divine right of Tories to govern the province of Manitoba. They still have not gotten over 1969, let alone 1999.

They keep pounding away at that. They keep trying to convince themselves, I am sure, that this is the case. I see it most particularly on health care. I always get a kick out of Tories asking questions on health care. You know, that is the political definition of chutzpah, Mr. Acting Speaker, Tories asking questions on health care. But, today, the Health critic gets up and asks questions talking about health care workers.

You know, Mr. Acting Speaker, when they are in opposition, they quote them. When they are in government, they fire them. That is what they did with health care workers throughout the 1990s.

You know, Tories talking about education, post-secondary education, in particular. I mean, can anybody forget what happened in the 1990s? Who wants to remember it, in terms of what happened to our crumbling universities, the complete lack of any vision for matters such as University College of the North.

Our public school system, you know what the School District of Mystery Lake in Thompson received this year in the way of funding? 8.5 percent. Why, Mr. Acting Speaker? Because we have a funding formula that accurately reflects the needs of the school division. We lost 8 percent in the 1990s. Since that time, we have had over a 30 percent increase. That means programs in the school. That means opportunities for our children, and that is only one school district. It is the same throughout the province

But you know what, Mr. Speaker? You will see the same Conservative members—the first thing they want you to do is believe it is not the same Conservatives from the 1990s. But, you know, on issue after issue after issue they are into deluding themselves.

Do I have to remind you? You know, the talk about the divine right to govern here. The members opposite set up a transition team, a transition team to

what? You know, they go from opposition to opposition, same members. I guess this is the shuffling the deck chairs on the *Titanic* team, but who do they appoint? A very respected Manitoban, Eric Stefanson. I mean, do not let anybody fool you, the new Tories or the old Tories, the same policies, the same people, the same failed ideology. Do not let anybody fool you.

Well, Mr. Acting Speaker, as you get into the divine right of Tories, in this rather interesting last couple of months I always like to talk about what is actually really going on in this province because, if members opposite dare to get beyond the ringing bells or the smoke-filled back rooms of Conservative leadership politics, there were certain elements here of, you know the way the Pope is selected, you know with puffs of smoke coming up once the cardinals have decided. They had a bit more of a race this time. I wonder really how much encouragement and support the Member for Springfield (Mr. Schuler) did really have, because I had the feeling right from day one that he was in the same situation as Darren Praznik, only decided to stay with it to create the sense of a race.

I give the Leader of the Opposition (Mr. McFadyen) all the credit in the world. Obviously, he knows how to organize within the Conservative Party. I think he is the voice of, what, 6,000 Manitobans that voted their leadership. But, Mr. Acting Speaker, if there is 1.1, well, going on 1.2 million Manitobans, that is the real issue. And, while they have been organizing their leadership race the last couple of months, let us talk a bit—I want to talk about what I wrote in the way of notes here, these extensive notes that I wrote because I was inspired by the budget to actually go and, you know, being an economist by background, to check a little bit of the reality, because I listened to the Leader of the Opposition speech, and what I found interesting was, I do not know how many more negatives he could have put in. I know that oppositions play a certain role. I mean, on Friday was the best where he accidentally voted against his own motion. There comes a time where things are going well you should give acknowledgment, and you think you can do better, fine. That is part of the political process.

You know, Mr. Acting Speaker, let us talk about Manitoba today, the year 2006. And you know what? These notes were written on March 7. Today is May 1. The same thing applies. Let us talk about our province. First of all, I am proud of the fact we have the most diverse jurisdictions in the country. You

know, there are more than a hundred languages spoken here. We have got a tremendous ethno-culture. We have got tremendous diversity in terms of our ecosystems, in terms of water ecosystems, for example. No other jurisdiction has more of a diverse ecosystem than we do.

Mr. Acting Speaker, we have one of the most diverse economies as well. We are not a boom-and-bust economy, but I think that is something that Manitobans see as an advantage.

You know, one of the things that is being missed here because of our diversity, we have now the second youngest population in the country. It is going to be a huge advantage. You know, increasingly we see Aboriginal people entering the work force, a very young Aboriginal population, certainly, in northern Manitoba. We see our immigration has tripled, has tripled since we came into office thanks to the work that successive ministers of Labour have done. I had an opportunity to be briefly Minister of Labour, but I want to commend Becky Barrett, a former member in this House, for her work and, certainly, the continuing work of our current Minister of Immigration (Ms. Allan).

But you know what has happened, Mr. Acting Speaker? The bottom line here is—*[interjection]*

One of the members says MaryAnn Mihychuk, of course, on the business side. Correct. Not Minister of Immigration, but responsible for the—but, you know, Mr. Acting Speaker, we have turned back the clock in a lot of ways. A lot of the roots of our immigration problems were the dramatic cuts that took place in terms of family sponsorship when the Liberals in the early nineties cut back on that key element that was so much a part of so many of our ethnocultural communities being able to bring family and have that opportunity for Canada.

And, Mr. Acting Speaker, I always said that only—*[interjection]* Well, I will show the Member for Inkster (Mr. Lamoureux) what happened to family sponsorship in the 1990s. It dropped dramatically as the previous government moved to a human capital approach in the last few months—*[interjection]*

Well, Mr. Acting Speaker, the Member for Inkster talks about immigration. The facts show that the federal Liberal government had a target of 300,000 immigrants. They never exceeded 230,000, and I daresay that one of the key elements that saw a very fine individual, Rey Pagtakhan, lose his seat to

Judy Wasylycia-Leis, was the Liberal record on immigration. They even voted against a once-in-a-lifetime bill. So I am quite happy anywhere, anytime to debate the Member for Inkster about immigration, because, under the NDP, it is increasing, no thanks to the former government.

But, you know, Mr. Acting Speaker, I want to talk about our unemployment rate here. We have a unique situation, the second lowest rate, the second lowest in every respect. We also have the second highest participation rate. The economists will tell you that there is usually a bit of an inverse relationship, right? You know, if you have got a high unemployment rate, you have low participation. We have got both. And one thing that makes me feel good about being part of this NDP government, whether it is here in the city of Winnipeg or my own community of Thompson, for 11 years I did not see those help wanted signs in the store windows, but, right now, employers are saying to us they cannot get enough trained workers, they cannot get enough skilled workers, and that is why we are stepping in, in terms of immigration, in terms of training. We understand. We have created a good problem to have, which is an economy where you have low unemployment and high participation rates.

You know, Mr. Acting Speaker, our income is up. It is up by 16 percent since 1999. Members opposite do not like to hear these macro numbers. I know the critic across the way does not like us, but here is another one: housing starts up 40 percent since 2002. I have to admit—I am giving away a secret here—when I used to go to Chamber of Commerce meetings in Winnipeg for an event, if I wanted to start a discussion at a table, you know, it was easy. All I had to do in the 1990s was ask people: How is your house doing? What is the price you are getting for your house? Because, you know what? Throughout the nineties, in fact, in the remaining years that members opposite represented the city of Winnipeg, many of their constituents saw the values of their houses plummet. You know, I have friends who, like in Lindenwoods for example, bought a house. It is only now that the NDP is back in power that they have got their value back.

\* (15:00)

Now, Mr. Acting Speaker, here is something that members opposite really do not like to hear. Corporate profits: they are always trying to attack the NDP in terms of our relationship with the business community, or on dead issues. I want to deal with

those too. Corporate profits since 1999 are up by 84 percent, 84 percent. This is under an NDP government that, by the way, has done a number of things, such as raised the minimum wage on a regular basis, built up our health care system, built up our education system. While we have been doing that, it has also been a good business environment. Why? Because we did not just pay lip service when it came, in this budget, to dealing particularly with small businesses. We are leaders. We have done what the Tories never did, which is cut the small business tax rate.

Public debt: they always like to get into this in terms of public debt. But, you know, public debt as a percentage of GDP is down dramatically. We are looking at it having gone from 1.5 percent to 0.6 percent since we have been in government. So we have proven that we can prudently manage the debt in this province.

By the way, Mr. Acting Speaker, I have no problem when members opposite like to play games with the debt figures because their favourite is when they are looking at general purpose debt, and they throw in Manitoba Hydro's debt, and they throw in some of the capital investments that we are putting in place. Well, let us look at it this way. If you have Tories in office, you do not have to worry about them adding to the debt of Manitoba Hydro because they do not build hydro dams. They do not create jobs. They do not keep our rates low.

My favourite question wherever I go in the province is I ask people to tell me one hydro dam that the Tories have built since 1969. The answer, it is a trick question, is none. They shut down Conawapa. They shut down Limestone. When they were in opposition in the 1980s, they wanted to buy power from the U.S. Can you imagine if we had listened to them in the 1980s? I could not believe it. You know why? They want to buy power because that would keep the debt of Manitoba Hydro down.

Well, Mr. Acting Speaker, in my own community today, Inco, which is dealing with a situation of record-high nickel prices, they are investing in capital investments on an unprecedented scale. Guess what? They are borrowing the money. Is it a good investment? Yes, it is. When Manitobans invest in Hydro, is it a good investment? Yes, it is.

I could run through statistic after statistic, Mr. Acting Speaker, but I want to get into some of the issues that they have kind of discovered the last period of time. One thing we have dealt with, as a

government, I would say anybody looking at the 1990s would have to acknowledge the challenges we faced in terms of health care, in 1999. The previous government, let us look at what they did. Not only did they fire health care professionals, they cut back the number of admissions to medical school, down to 70. We are increasing that to 100 this year. They fired nurses. They eliminated nursing training in many areas of the province. We are dealing now where we are training and we are hiring hundreds, in fact, we are into the thousands, of nurses. We have more doctors today in rural Manitoba, in northern Manitoba and in the city of Winnipeg than we did in 1999.

I cannot believe them getting up and talking about some of the problem areas out there because they do not recognize it. If they were to really recognize what is really happening, they would be getting up and they would start their questions with, well, you know, the government has made some progress, some significant progress, but there are still areas, there are still problems that are out there.

I point out that one thing we did was give accreditation to foreign-trained doctors. I am very proud of my community, that we have three doctors who are doing an excellent job of taking care of patients, because it was an NDP government that did that. So that is the health care side. Mr. Acting Speaker, we all know the Tories have no credibility in health care in this province after the 11 years they were in government.

I mentioned earlier in terms of education. But I love talking about our highway system because when I came in as minister of highways, I want to tell you where they had left our highway system. They had spent as little as \$93 million in 1997. When they got money from the federal government, do you know what they did? They took it out of their budget. They gave it straight over to their Minister of Finance, who is now leading the transition team.

Mr. Acting Speaker, we are rebuilding the highways. Now, I know they do not like it when we rebuild northern highways, but you know what? We are also rebuilding highways across the province. It took an NDP government to four-lane the Trans Canada Highway in Westman and a four-lane strip on Highway 59, so we are concerned about all areas of the province.

But that is what it comes down to, Mr. Speaker. I think over the last period of time, we have seen a demonstration of their tactics. I will not say strategy

because I have not quite figured out if they have one yet. But you know what? We have a choice here over the next period of time, and, yes, we are probably going to be in an election sometime soon, but it is going to be between the retread party, the Conservatives. You know, it is the new and improved slogan, New Day New Way. I do not know, it sounded like something out of *Deal or No Deal* to my mind, because I think most Manitobans, when they hear the *Deal or No Deal* being offered by the Conservatives, they are going to say, no deal; push that Tory briefcase back, because the only deal they have for Manitobans is maybe, just maybe—I want to say this. Maybe, just maybe, they might do a little bit more for some of their corporate friends. They might. I do not know, because they did not do it when they were in government, but they will not do anything for ordinary Manitobans.

On the other side, Mr. Acting Speaker, we have a government with a budget that has stood the test of time. I can stand here a month, two months, three months and longer and support the NDP vision for all Manitobans because that is what this budget is all about.

**The Acting Speaker (Mr. Schellenberg):** We thank the member.

**Mr. Glen Cummings (Ste. Rose):** Mr. Acting Speaker, I was listening somewhat bemused to the Minister of Water Stewardship and his revisionist history, but I guess he is entitled to put whatever he feels he can substantiate on the record, even though I am afraid his vision of the truth is somewhat tainted through orange-coloured glasses.

My favourite story about an NDP budget, and while it is not quite true yet in this budget, it is coming with the trend that they are developing, Mr. Acting Speaker. My favourite story about an NDP budget is what we found in terms of borrowing when the previous government changed, when we came into government. We found that they had borrowed money in Japanese yen and we wanted to repatriate that loan and get it to something closer to American dollars, or eventually, obviously, you have to pay it back in Canadian dollars.

Well, Mr. Acting Speaker, when we tried to repatriate that loan, they had not hedged it. They had not seen there was a chance of the currency changing. It cost the province of Manitoba 28 percent to get out of the type of financing that the previous NDP administration had put this province

into. That is the type of mismanagement the people of this province saw from an NDP government.

Now we have another Premier, another socialist NDP government, that wants to pretend they wear blue underwear. In 1999, the current Premier (Mr. Doer) said, oh, well, it is okay. We will just keep what the Conservatives did right and we will improve the rest.

Well, Mr. Acting Speaker, they have tried very hard to snuggle up to Conservative policies, in the meantime sliding in NDP activist policies that have led, what I believe, this province into a perilous and difficult financial situation.

Mr. Acting Speaker, aside from the fact that the current Premier wants to pretend that he is Stephen Harper with a different smile, the fact is that, as we have progressed in the last few years, this government has progressively driven this province further into debt. They have progressively spent every dollar that has come in increased revenue to this province. We all know that in the nineties there was actually a reduction in transfer payments, and the people of this province had to not only absorb the loss of transfer payments but had to make up the difference. So it was actually two for one.

\* (15:10)

Now, we have a history in the last few years of rampant growth in transfer payments, but in our own source revenues, Mr. Acting Speaker, we are not doing nearly so well. So, if there is ever a change in the foreseeable future on those transfers, Manitoba would be, again, as vulnerable as it was in the nineties. But this government shows no sign of thinking about what it might have to do under those circumstances.

Mr. Acting Speaker, I want to just pause for a minute and reflect on the fact that we had in the gallery today a number of the war brides. I want to particularly say thank you to the ladies who came in from my area. You talk about small town and small town politics and small town acquaintances. In this case, it is not about politics, it is about respect and acquaintances. I went to church in my childhood in a community where we had about 30 families that were part of the church, and then that shrank to 25, and then to 20, and eventually the church amalgamated with larger churches.

But two of those ladies that were here today, Lil Brown and Jo Hart, were stalwarts of that church when I was a child. Mrs. Bobbi Scott and Brenda

Ellis, their grandchildren, were friends and played with my children through their years in school. That is what makes rural Manitoba what it is, and that, I think, demonstrates in no better way the involvement in how the war brides became the stalwarts of the communities and became the builders of this province. I just want to pay particular attention and say thank you to those women.

Meanwhile, back at the ranch, the debate on the budget, Mr. Acting Speaker. I can tell you that this is one of the more frustrating aspects of sitting on this side of the House and watching how this government, without any priorities, without making an honest effort to deal with their priorities on the long-term benefit to this province.

I will give you an example. The Minister for Thompson (Mr. Ashton) wanted to talk about highways. Well, that is rather brave of him. He should come and have a look at some of the roads on the west side of the province, even on the south side of the province and between here and the North. He knows the roads in this province are in a mess, Mr. Acting Speaker. He knows that the infrastructure deficit and the budgetary allocations are so far apart that there is no relevance anymore. What are they doing? They keep announcing money every year, more money for highways. That is what they are saying, look at what we are doing.

Mr. Acting Speaker, they failed to tell the people of this province that they are amassing a massive lapse factor every year, holding back on expenditures, money that did not flow. When that happens, it takes a little while before the public starts to understand what a government is doing when they do that. We can announce 100 million, 110 million, 90 million, but it is actually what gets spent, what gets put into the base, what gets put into pavement, what gets put into the bridges. People in this province are being short-changed. They are being short-changed in the middle of surplus. They are being short-changed at the very time when the money was available that, with the proper choice of priorities, it could have been handled a lot better.

The government will talk about health care. I cannot quite remember the Member for Thompson's comment, but it is sort of related to the same comment that his Premier (Mr. Doer) made about Colonel Sanders and chickens and farmers. I think he was talking about how voting Conservative would be like chickens voting for Colonel Sanders. Well, Mr.

Acting Speaker, that was accompanied by a little do-si-do with the fingers in the belt, and I am thinking that that does not exactly reflect what is happening out there in rural Manitoba.

We are going through the toughest economic times that this province has seen in agriculture in several decades, Mr. Acting Speaker. We are going through something equivalent, I would suggest, to the industrial revolution we saw in Great Britain and Europe. It is a change that people in agriculture, more than anyone else, understand that there will be changes that need to occur.

Mr. Acting Speaker, put in context, what is happening in Manitoba is happening to a greater degree than it is in other parts of this country. It is because of the lack of leadership on that side, the lack of commitment. You know how they make the agriculture budget look bigger? They can actually say there is a little bit of extra money there in the agriculture budget. What is that? Well, that is that tax rebate, that school tax rebate.

Well, Mr. Acting Speaker, if we were to be honest, if there was honesty in government, that is tax relief for education. That is not anything about development of agriculture. It is true that those who own the agricultural property will benefit from some reduction if and when it occurred. But then, at that very time we are seeing assessments change, so the net result is very low to the farmers of this province. I am not going to delve into the details of assessment. That is murky waters that would take all day to talk about, but the people of this province understand that the net taxes have not reduced by very much even after you take back the rebate.

Mr. Acting Speaker, I saw my colleague from Minnedosa and the minister of natural resources—the Minister of Conservation (Mr. Struthers), pardon me. That is the modern name for that department, I believe. It is now Conservation. It seems to me that is what it was called in the fifties, but nevertheless the modern name for that department. They were having a discussion. I hope they were discussing decentralization, or lack of it, that this government has embarked on. A small issue, but it stands out boldly in front of this government.

In the 1990s, there was a government that understood that services should be available to the people of rural Manitoba, and in a manner that was convenient, service would be available roughly closer to the area where it was being most demanded. Now we see the government reversing that trend.

The government has every right to make decisions about management and how they are going to distribute offices and responsibilities. I understand that. But I cannot understand why a government at this very time in the history of rural Manitoba would talk about recentralization.

Now, the government has said, well, we are not recentralizing; we are moving them to Portage la Prairie, and the people of Portage la Prairie have every reason to welcome additional jobs. I would, too, if I represented the area of Portage la Prairie or if I lived there. But, Mr. Acting Speaker, what we are talking about is what are the opportunities for lateral movement. This government talks about doctors. We have the same problem bringing medical professionals into rural Manitoba. If they do not have a collegial framework in which to work, if they do not have the opportunity for their spouses to obtain employment, they do not want to relocate in the communities that are too small to actually make that happen.

Yet, in terms of service, Mr. Acting Speaker, I give you an example. Everyone in this room is familiar with the map of Manitoba, and I ask you for a minute to consider right where my constituency is located between the western shore of Lake Manitoba and the eastern boundary of the national park in this country, to the north to Crane River where Lake Winnipegosis comes over towards Lake Manitoba. That entire area, if they do not have medical services in McCreary, as an example, there are services at opposite ends of that area and a large unserved area in the middle. It is about geography. It is about making sure that people have roughly an equivalent opportunity for service in this province. I know that it is a leap from health care to general government offices, but it reflects on the government and how they manage their budget.

This member who spoke ahead of me and thank goodness he did—it inspired me somewhat to bring a few points to the table here. But, Mr. Acting Speaker, he talks about the immigration policy in this province. He forgets that it was the Member for River East (Mrs. Mitchelson) who implemented that policy, who developed that policy and made it possible for this government to now bring immigrants to this province. But what we need to do is remember that bringing them here is only half, maybe not even half of the issue. Bringing them here and making them welcome is important, and we all do what we can to make that happen. But, beyond

being friendly, we need to be able to make sure that there is job opportunity here.

\* (15:20)

The net population loss in this province is going the wrong way. People are using Manitoba as a stopover, Mr. Acting Speaker, a stopover. That is not right. That does not speak well for the future of this province. The Member for Thompson (Mr. Ashton), I thought, laid a lot of eggs when he was up there speaking, because the fact is he talked about the encouragement of the women in his caucus and in his Cabinet, but he did not talk very long about former Minister Mihychuk who has put on the record more than once that she is prepared to put her hand on the Bible and talk about what went wrong at Crocus. She apparently has a clean conscience who is prepared to explain her side of what happened, either that or maybe the government does not have a clean conscience and is not prepared to debate whether or not there were people in government who knew and who did not do anything about it. Perhaps former Minister Mihychuk could enlighten all of us about. Did she get a call after 5:30 in her office to talk about what was going on over at Crocus? Did she meet with any of the principals in Crocus? Let us not beat around the bush; she has said she is willing to participate in a public inquiry.

Mr. Acting Speaker, that is not something that appears that this government is comfortable with. We have one of their colleagues, well respected in the business community and well respected politically, so far as I understand, someone who is of stature in this province, high name recognition, has an unblemished record in government, so far as we are aware, saying she will come to the proper forum to talk about what went wrong in Crocus.

Mr. Acting Speaker, through the skillful work of my House Leader, we have unanimous approval of a private member's bill in this Chamber that talks about the truth about Crocus. Unfortunately, on this side of the House we have to call for things, like calling for the vote on first reading so that we could get the government to acknowledge, albeit under pressure, that that might be a useful private member's bill to put forward. We have been reduced to asking the Minister of Finance (Mr. Selinger) whether or not he met Sherman Kreiner, whether or not he ever received a Treasury Board paper that indicated problems with Crocus, whether or not there were mutual communications between him and someone that we all believed to be one of the more powerful



operatives within government, certainly a significant Cabinet minister from previous NDP administrations, Eugene Kostyra, someone who, we know, is well capable of making things happen within this government because he has the ear of the Premier (Mr. Doer) and I would think that he is in pretty reasonable relationship with our Minister of Finance.

Now, Mr. Acting Speaker, what good reason would any government have to not want to get to the bottom of this issue? If the roles were reversed and I was on the government side of the House and people started saying we have government by auditor, I mean what an awful situation for a government to be in. Government by auditor, that is what has been happening across there, and individually there are some people still in Cabinet and some who perhaps are not in Cabinet who know about what went wrong with Crocus. They know the truth about Crocus, and we need to use every forum that we have available to us to drag that out.

I hate to think that we have to drag it out, Mr. Acting Speaker. It is about honesty and forthrightness with the population of this province. When the government treats with disdain the questions coming from this side of the House about whether or not simple questions are or are not being answered, then I know that we have this government in a position where the only route they have other than calling an inquiry is to go on and on and on denying. The more they deny, the more they look culpable; the more they look guilty and the more the people of this province are going to turn on them. They are going to demand answers from this government. They are going to demand that there will be accountability.

The government can wind its way down whatever road it wishes to go on this, but, as sure as I am standing here, Mr. Acting Speaker, an inquiry will come. If this Premier or this Minister of Finance (Mr. Selinger) do not call the inquiry, rest assured that it will be called by someone else, and they will be held accountable. It is better that they would come forth and do it now, rather than wait and have the people who invested money in Crocus wait.

Many of them, frankly, when we think about the fact that those were retirement funds that they put in there, they are going into their retirement, and they do not know, frankly, who shafted them out of that opportunity to have a quiet and adequate retirement. That is the part that hurts so many people out there.

When the current government talks about it being the champion of the downtrodden, the champion of those who are at the lower end of the income food chain, and then they let something like this happen. Then they have no right to sit in their place and deny the opportunity to hold someone accountable. If they have nothing to hide, if they have nothing to hide, Mr. Acting Speaker, then let them get on with it because it will come. If it does not come now, it will come with a full vengeance later.

Mr. Acting Speaker, I want to look at a couple things related to taxation in this province. A one-earner family of four with an income of \$40,000, now, that is reasonably—

**An Honourable Member:** Normal.

**Mr. Cummings:** Well, I do not want to make any observation, but that is not the high end of the salary range. One earner, \$40,000, that is pretty good. But four dependants, that should be a family that would pretty much eat up their income, I can guarantee you. But, in terms of ranking and taxation that is paid, they would pay about \$2,100.

Now, I will take out Alberta because they would pay about a third of that in Alberta, but let me look at Ontario. In Ontario, they would pay about half of that. In B.C., they have a little more than half. In Saskatchewan, they would pay about \$500 less. Well, 500 bucks for a family of four, maybe you got one kid playing hockey, maybe one in ringette or baseball, any of those things, you know that \$500, and as a former schoolteacher—I apologize, Mr. Acting Speaker, let me rephrase that. Those who have spent time as schoolteachers and have seen the cross-section of the community and the demands that are on families in raising children, you would know that the 500 bucks might make the difference about whether or not their children are able to participate in some of the community events. It is simple mathematics and it is not pretty.

Manitobans with a one-earner family of \$40,000 and \$60,000, in other words, two professionals within the same family, by all outward appearances they should be living better than most because they have got two professionals in the family earning money. Mr. Acting Speaker, they rank No. 7 in terms of taxation. Basic personal exemption, they are No. 7. In other words, we only allow them half of what they would be allowed to deduct in Alberta, again, half. But leave out Alberta. It is close to half—*[interjection]* Pardon me, it is three quarters of what

they would be allowed in Québec, that bastion of taxation as many people see Québec from afar. It is well known that Québec has a high level of taxation, and they have a high level of government involvement and responsibility in that province, but we cannot even keep up to what they are doing. So I point out to you, simply, if you have a \$60,000 one-earner family of four, same thing. We are No. 5, that at a time when we have growth in revenues for this province that are just beyond belief.

\* (15:30)

I certainly do not want to turn this towards myself, Mr. Acting Speaker, but a couple of members of the government asked me the other day whether or not I had spent any amount of time on Treasury Board. I spent 11 years on there, 11 years when the revenues to this province were lean, 11 years when we worked to turn the economy around so it would start producing. Now, in the year 2006, following on about five years of vibrant growth, transfer payments, expenditures, this budget is a third bigger than 1999—a third bigger.

Now, I look around this House, a lot of people, there are some business people, there are some professionals. Who has received a third more free tax money in this building as an example of how they could compare the province to some kind of a personal financial stature? One-third growth in that period of time is unheard of. I will tell you what it reminds me of, Mr. Acting Speaker. It reminds me of what Pierre Elliott Trudeau did on a national scale and a grand scale, as a matter of fact.

Pierre Elliott Trudeau grew expenditures in this country at 24 percent annually when the revenues were coming in at 17–17 percent year over year. He should have been in heaven, financially speaking, and he grew the expenditures in this country by 24 percent. Not only that, what happened was the programs grew. That, Mr. Acting Speaker, on the surface seems like a good thing, more availability of certain services, programs that are of service to the families, services to the communities, service to the business opportunity in the province, but if it is not underpinned by a strong basis in growth in business, growth in productivity and growth in population, it will implode. It will implode.

We are terribly dependent on transfer payments and, well, that has been Manitoba's lot for a long time. The trend was going the other way in the nineties, Mr. Acting Speaker. The trend was turning around. Manitoba was headed towards being able to

sustain itself on its own source revenues without having to depend on the growth and the continuous and significant growth of transfer payments. But that, under this government, is not to be.

What I fear, Mr. Acting Speaker, and what I will tell the public out there every opportunity I get, is that if we continue this way, if we continue down this path, we will be unable to sustain any levelling off of the Canadian economy because our payments will suddenly not grow, and might even retract as they did in the 1990s. We will be subject to difficulties with our own revenues on terms of personal income tax because we will not have the growth in the professionals who have the revenue to pay the taxes. We will not have the growth in taxes from the skilled labour force that will be working.

You know, the Member for Thompson (Mr. Ashton) talked about the growth in housing. I will grant you growth in housing, but it has been pretty slow getting off the mark. Frankly, Mr. Acting Speaker, in the early stages of any turnaround in the housing market in this province, it was so low that a 20 percent growth still was not a lot of houses. Now we are starting to see some changes there, but that cannot be sustained if it is not also coupled with the growth in some of the industries that are the basic producers of wealth in this economy.

Now, I am not an economist and I am not going to pretend to be one, but, if we do not have growth in the basic creators of wealth in this province, then we will suffer the consequences down the road, and this government will be only too anxious to call an election rather quickly on a number of fronts. One, of course, is because they want to avoid further inquiry and imposition on answering questions about Crocus. Secondly, they will be further concerned about whether or not the economy of this country will be able to sustain their lifestyle as a government into the next couple of years.

I am looking at the fact that I have run out of time, Mr. Acting Speaker, and I want to make it very clear that the Member for Thompson, when he wants to talk about lack of investment, they are failing on the immigration file that they brag about. They are failing on the health care file that they brag about. They are failing rural Manitoba. It is not about just spending money. It is about knowing what needs to be done to make the economy of this province work.

I thank you for your time.

**Mr. Conrad Santos (Wellington):** The Member for Wellington will speak about the ethical and moral and legal duty to pay taxes.

It is the duty of every citizen and resident in any political community to voluntarily and willingly pay their taxes. The answer, Mr. Acting Speaker, lies in a story in the Good Book. The Pharisees went and plotted how they might entangle him in his talk, and they sent him their disciples in the Herodians, with the Herodians saying: Teacher, we know that you are true and teach the way of God in truth. Nor do you care about anyone, for you do not regard the person of the man. Tell us, therefore, do you think, it is noble to pay taxes to Caesar or not?

That was a dilemma. It is a catch question, because in those days Rome was Caesar collecting taxes from all the governed, colonized people. If he said, yes, then the rebels will not like him. If he said no, then Rome will be against him. So what did the good Lord say? Jesus perceived their wickedness. He saw the plot. He said: Why do you test me, you hypocrites? Show me the tax money. They brought to him a denarius and he said to them: Whose images and inscription is this? They said to him: Caesar's. He said to them: Render therefore to Caesar what is Caesar's and to God what is God's. So there is a positive duty to render unto Caesar what is due to Caesar and that will be taxes.

Now, what are some of the guiding principles that we should remember when we do our duty as citizens and pay our taxes? What must we bear in mind? What is a desirable tax system? A desirable tax system is based on the basic principle of taxation which leads to the use of taxes to preserve and promote economic growth and prosperity. It makes possible the conveniences and amenities of civilized life in a framework of public peace and order.

The prosperity of any country including our own is determined by the national wealth of the public and the private sectors of the community. This national wealth must be preserved by a strong government able to maintain peace and order within the country and protection from outside.

\* (15:40)

In an article entitled "Who Says Money Can't Buy Happiness?" *The Independent Review: A Journal of Political Economy*, Volume 10, Number 3, Winter, 2006, the author, Dwight Lee argued that money can buy happiness, but only temporarily. He also stated that the benefits of living in a wealthy

country, living, residing, making a life here. *[interjection]* No, L-I-V-I-N-G. These are the benefits that accrue from those tax collections: less infant mortality because of our increasing health care, fewer deaths, improved job safety because of regulation in the workplace, better health for all ages because of medical services, better and less painful dental care, reduced poverty as measured by what people consume, increased leisure time for everybody, improved educational opportunities, cleaner environment, better and cheaper communication, more opportunities for women and minority groups. These are some of the benefits of national wealth of any country that should be shared with every member and resident of the community through the tax system.

If we think deeply enough about taxes, taxes as the price we pay for a civilized and convenient life in a prosperous and wealthy country like Canada and like Manitoba in the upswing, sometimes we resent, but we should welcome instead the opportunity to share the cost of maintaining and preserving those economic activities that make possible a better quality of life for individuals and firms, commercial, social, economic aspects of our community and national life.

What are taxes? How do taxes differ from other charges that we have to pay when we get services? Taxes are compulsory charges imposed by the government upon the person or property of citizens and residents for the financial support of government activities.

What are those government activities? They are health care services, educational services, post-secondary education, educating our children, instructing them to be prepared for life, flood protection when we build the dikes and all the things that we need to protect our homes, protection from people who would hurt us in our body and our property, from these kinds of elements. These are uses for taxes: pay the police services, pay the courts, pay all the traffic rules enforcers. These are essential so that we have an organized and civilized life.

In other words, as historically evolved, taxes are the primary means by which we as a people, as a group, as members of a community are able to provide ourselves with organizations and institutions which are imbued with public purposes so that we can enjoy with satisfaction the necessities and amenities of civilized and convenient life that our

political economy can provide under the guidance of our political, industrial and business leaders.

Now, we ask the question: Are there any other purposes for which taxes are collected other than simply providing tax revenues for government in undertaking governmental activities? Are there any purposes or goals beyond simply collecting money? That is the question. Is it simply a gotcha, like what the Premier (Mr. Doer) said about these big photos?

**An Honourable Member:** Slush funds.

**Mr. Santos:** Yes, there are some non-pecuniary purposes for taxes. The task of managing the economy through fiscal and monetary policy is a basic and an unavoidable function of modern government.

There are two types of fiscal policies in managing the economy: discretionary and non-discretionary fiscal policy. What is the difference? Discretionary fiscal policy in both the use of mechanisms, consciously to alter the government's spending or tax rates, or a combination of both spending and tax rates. So that if there is demand-pull inflationary pressures, the government will resort to the contractionary fiscal policy of contractionary fiscal measures of decreasing government spending or collecting higher taxes, or doing both, spending and collecting higher taxes to control inflation. That was experienced already, as mentioned by the honourable Member for Ste. Rose (Mr. Cummings), during the Trudeau era; taxation becomes so high and the economy so heated, you have to pay interest, double-digit, 18 percent. Those are inflationary pressures that must be controlled.

What happens if it is the other way around? Deflation.

Now, there are some built-in fiscal stabilizers in the monetary mechanisms of government. What is a built-in stabilizer? A built-in fiscal stabilizer is any arrangement which tends to moderate the tendency and reverse such tendency to prevent extreme situations. Such a mechanism which tends to increase the government's deficit during a recessionary period to increase the budgetary surplus during inflationary periods without any explicit action being taken by the policymaker or by the government, from McConnell, Campbell and Pope, *Economics: Principles, Policies and Problems*.

*Mr. Speaker in the Chair*

For example, an example of a built-in stabilizer is a progressive income tax system. If there is prosperity in the economy and the gross domestic product increases, the tax revenue collection will, under a highly progressive income tax, automatically increase also, and because there are leakages in the sense that households which receive some of those increases will save some, importers will spend some, to the extent of such leakages, the economic expansion is automatically restrained. As far as monetary policy is concerned, if there is unemployment and deflation, then the corresponding increase in spending is reducing interest rates through easy money policy techniques of buying bonds in the open market, lowering bank rates, transferring government deposits from the central bank to chartered banks, lowering secondary reserve ratios and increasing lending by moral suasion.

Conversely, if there is inflation, the government will induce a contraction of money supply and a corresponding decrease in spending by increasing the interest rates through tight money policy techniques; selling bonds on the open market, raising bank rates, switching government ratios, decreasing lending through moral suasion.

\* (15:50)

There is, now, a very high value to the Canadian dollar, almost 90 cents. There is an implication, whether you are an importer or an exporter, to reduce the disparities in income. There is another important principle of taxation. It is related to the natural operation of the open market. They say, let there be an open, free market; let there be free competition. But, then, we know as a matter of experience that, despite the so-called free market system, in practice the free market is not really free. Certain features are characteristic. Pockets of monopoly, pockets of oligopoly will be contesting to control the forces of the market itself by some overly powerful and wealthy firms and individuals. For example, can you say that there is really competition between gasoline companies? Can you think that there is really competition between the banks? I am just asking the question.

For such and related reasons, governments are prone to promote social redistribution of income and wealth among individuals and groups. Governments of any stripe may want to do this to correct the deficiencies in the workings of the marketplace, and the one principle that justifies an action of government is so-called social justice. Social justice

justifies social redistribution of income and wealth among individuals of a political community and among groups in society, but it is a principle that is qualified by other principles. In other words, principles will qualify principles, so it will not be to the extreme.

The universality principle, the equality principle and the ability-to-pay principle are examples of such qualifying principles on a progressive income tax that redistributes income. What is the ultimate wisdom, the ultimate rationale, the ultimate reason for this? Why is it that people who make large incomes belong to higher tax brackets and must pay higher taxes, and people on the lower income will pay less taxes, and at a certain level will pay no taxes? How is that?

It is written: For everyone to whom much is given, from him much will be required, and to whom much has been committed, of him they will ask the more. That is the principle and it is an eternal principle. If you have money flowing everywhere in your pockets and you do not know how to spend your money, it is your moral and legal obligation to pay your taxes. Do not go to tax loopholes because that will be against your own ultimate interest as an individual human being.

So equality in principle does not mean equal person, equal pay taxes. That is not the reason. It means equal sacrifice on the part of citizens. What sacrifice will you have if you have millions and millions of money in your investments, in your banks? Nothing. What about that poor lady who only had to pay two lepta and the Lord said, this is the one who gave the most because whatever she had, she gave it all.

People resort to all these tax loopholes. They invent all these kinds of mechanisms in order to evade paying their taxes. That is against morality. It is called tax avoidance, and if it is against the law, it is called tax evasion. You can be prosecuted by the revenue services.

The equality principle of taxation means that some well-read, well-informed taxpayers are still able to take advantage of some tax deductions, some tax benefits known only to themselves, open and available to those who have no time for it, or those who do not prepare their own income taxes.

The ability-to-pay principle means that the total tax burden be distributed to individual members of the community according to their respective capacity

to bear the tax burden, taking into account all relevant personal characteristics, such as the relative loss in economic capacity from the tax equality among individuals.

That is why sometimes your accountants will say: Oh, well, this is tax deductible; oh, well, this is not; oh, well, your tax lawyer will advise you, take advantage of this.

You have to be very careful about those things because it can be a basis of prosecution from tax revenue people.

The indicator of the ability to pay is generally the income complemented by net wealth. Net wealth is indeed complemented in determining individual ability to pay for two reasons: Net wealth generally produces extra income in the form of gains or interest earned, and second, even if net wealth does not immediately generate extra income like a collection of jewellery, or a collection of valuable paintings in your basement, still it implies some degree of capacity to pay on the part of such owners as distinguished from non-owners.

The person's ability to pay, therefore, is most visibly linked to the kind of taxes that are qualified as direct taxes, such as individual income tax or taxes on net worth. This is the difference between your total assets and your total liabilities; that is your net worth.

What about indirect taxes? What do we mean by indirect taxes? Indirect taxes are those imposed on the sale of consumer goods like the Goods and Services Tax Act, the VAT, Ad Valorem Tax. The goods on the cost of production imposed on legal transactions, tax burden, are technically called incidental tax. They can be shifted by those who actually pay the tax to others, generally their customers. So that the ultimate bearer of the burden of taxation, who do not necessarily have the ability to pay the excise taxes, are the consuming segment of the general public, generally the poor. Therefore, indirect taxes like sales taxes, goods and services taxes, imposed on necessities like bread, non-essentials like coffee or tea, or even luxuries like diamonds, the consumption type of taxes, they are regressive in the fact the ultimate bearer of those are the poor elements in our community, in our society, and should be discarded.

There is another category of taxes that is imposed on specific commodities, particularly those imported outside of the country, the so-called excise

taxes. They are generally different from the general consumption, and taxes based on citizens or not citizens. The question is: If such indirect taxes are regressive, why are we using them? The Member for Emerson (Mr. Penner) is advocating increasing sales tax. Does he know, or does he not, that such an increase will ultimately be borne by the poor segment of the community?

A specific example of indirect taxes, we know that: taxes on bread, taxes on coffee or tea, even non-essentials, they are still indirect taxes.

Now, the question: Should we make a difference between the citizens and the non-citizens when we collect taxes from the members of the community who are enjoying all the amenities of life? In the context of the university, should we make a difference between those who are foreign students? Should they pay more taxes than those who are our students? Has it been the practice, not only on this side of the border, but also on the other side of the border on the south side? Generally speaking, foreign students are charged more than local students.

\* (16:00)

**An Honourable Member:** You were going to change that.

**Mr. Santos:** No, I am just trying to ask the question. I am asking the question. The Member for Steinbach (Mr. Goertzen) should understand between asking the question like a philosopher does and making the policy like a policymaker would do. I do not know what they will do, but I am asking the question.

This is answered carefully by another story. When they had come to Capernaum, the Lord and Peter, they received tribute money. One of those people who were collecting money came to Peter and said: Does not your master pay tribute? Does not your master pay taxes? Peter said yes. When Peter came to the house, Jesus prevented him, saying: What thinkest thou, Simon? Of whom do the kings of the earth take customs or tribute, of their children or of strangers? Peter said to him: Oh, strangers. Jesus said to him: Then are the children free? Notwithstanding, notwithstanding, lest we offend them, the taxpayers, go out to the sea, cast a hook and take up the fish that come first, and when thou has opened his mouth, thou shalt find a piece of money. That take and give it to them for me and thee.

Again, this is a principle that comes up from the highest source. It is a duty to pay taxes. Where will the tax come from? Where will our tax money come from to pay all this duty? It will be provided by the one who has control of everything in the universe.

In relation to the payment of taxes there are certain codes of behaviour and codes of conduct that we, as citizens, should be able to cultivate in order that we may have a community that is pleasant, a community that is safe, a community that is secure, a community that is desirable. These are some of the rules of conduct that apply to the taxpayer, that apply to the citizen and, I venture to say, that also apply to all the members of this House. [*interjection*]

I am not making a ceremony, and if you think that way, so be it. Always be honest to your colleagues. In other words—well, let us be honest, when you file your income taxes—

**An Honourable Member:** Oh, oh, I have got to re-file now.

**Mr. Santos:** The deadline is already gone. It is now May 1.

Second rule, better care for others, better care for them.

Third, count your blessings. Do not be envious about other people. Count your blessings. How much have you been blessed? When you deal, deal sincerely and openly, sincerely. When you want to serve, as we claim we want to serve, serve earnestly others' needs, earnestly you serve. From the high, you serve. Then, if somebody offends you or somebody spoke behind your back, somebody stabbed you in the back, forgive and forget those offences. Difficult to do, easy to say. But let us practise it, little by little, in our life. Give rather than receive. Honour your words in acts, be faithful to each other in action. Judiciously look after others' interests, not only your own. Your own is always connected with others' interests. Keep your promises. If you make promises, keep them. If you do not want to keep them, do not make them. Love from the heart rather than from the head.

These are some of the dutiful rules of behaviour related to the paying of taxes and related to the behaviour of citizens that will improve our quality of life in our community, in our home, everywhere. Thank you, Mr. Speaker.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I rise to speak on the budget, but, first, let me offer a

word of congratulations to the MLA for Fort Whyte who has become the new Leader of the Opposition. Like the Member for Thompson (Mr. Ashton) a little earlier, I wish the MLA for Fort Whyte many, many, many years in opposition. It is about time for a Liberal government.

It is interesting to me that when the MLA for Thompson finally got up to speak on the budget, he spent most of the time talking about the bells ringing, very little, actually, about the budget. He did say a word about immigration.

**An Honourable Member:** He blew that.

**Mr. Gerrard:** That is for sure. There were so many inaccuracies that he tried to put on the record that it is a little bit difficult to understand where he was coming from or where he has been the last little while.

Clearly, the provincial sponsorship program was provided to the provinces and this government by the Liberal government in Ottawa, so he has much to be thankful to the Liberal government for, and people in Manitoba should recognize that, that the federal government provided a major advantage to Manitoba in helping to dramatically improve immigration, immigration for Winnipeg, immigration for communities like Steinbach and other communities around the province. So at least it is important to set the record straight.

I would also think that it is important to set the record on some of the things that the MLA for Thompson said about housing. There is an article on Des Moines and Winnipeg, a comparison of Des Moines and Winnipeg. In those comparisons, it is quite clear that, when you look at downtown, the number of houses and spaces for people to live downtown in Winnipeg is not growing anywhere near the same as Des Moines, even though Des Moines is about the same size, maybe a little bit smaller than Winnipeg. Clearly, the NDP are trying to exaggerate what they have accomplished and create, as is their way, lots of spin when there is not very much substance.

Let me talk a minute about the problems with the budget. First of all, the budget does not have a lot of credibility. In the 2002 budget, the NDP government overspent by \$10 million. In the 2004 budget, the NDP overspent by a \$164 million. In last year's budget, they overspent by \$275 million at the end of the year compared with what they started out. We clearly cannot trust the numbers they present in a

budget as anywhere near what we may end up with at the end of the year. So the NDP, over the last several years, have lost a tremendous amount of credibility when it comes to the budget which they present.

\* (16:10)

The second point I would like to make is that it clearly was not a genuinely balanced budget. The NDP deliberately plans to raid the rainy day fund by \$69 million to supposedly balance the books. But the money from the rainy day fund is to be used for financial emergency, not to cover up financial incompetence. The NDP budget continues the same old practice of drawing off rainy day funds, Hydro profits, slush funds, et cetera, to hide their fiscal incompetence and protect their ministerial salaries. It was shocking that the Premier would not even commit to not raiding Hydro anymore. He was asked a question, but he would not commit to not raiding Hydro.

Part of the situation and perhaps the real issue with the budget is not just spending—it is up by some \$555 million—but it is the results from the spending. Where is the long-range plan? Where are the performance indicators? Where are the results? The NDP consistently spend for the sake of spending but without being able to achieve practical results. So, when someone asks them, what have you done for X? The answer is, well, we spent Y. Manitoba needs results, not just Xs and Ys, not just their approach, which is money scattered to the wind instead of ensuring that there are some real results.

We have seen this approach year after year in health care. We have seen, as I will go into, lots and lots and lots of money but not very much in the way of accountability, not very much in the way of results. And the NDP have failed to protect investors. We saw this with the Crocus Fund: 33,000 Manitobans lost \$60-plus million, and the estimates of the total loss from not only individual investors but from the government, from tax credits that were put in, it has been estimated that it may rise as high as \$200 million. It is shocking and it is time for a public inquiry. The NDP clearly are determined not to call a public inquiry. They want to hide things behind closed doors instead of ensuring that we have an informed electorate who is able to see what really happened.

When we look at health care, we have a huge approach in terms of spending but poor management and inadequate results. Year after year, the health

spending has increased, and this year it is up in the budget by another \$217 million. Of course, we do not know what it will be by the end of the year. It may be \$300 million or \$400 million. Who knows, given their past practice? After six years of NDP mismanagement, as the Conference Board has indicated, we have the worst health care system on a comparative analysis in the country. We have the best province, but the worst government and the worst health care system. There is no connection between spending and health care results delivered under the NDP.

Over and over again, we have seen the government using a crisis-to-crisis approach, lurching from one crisis to another. They have indicated that there are certain waiting lists that may have improved slightly, but the problem is that other waiting lists have gone up. The problem is this, that if the waiting list for treatment of cancer may have decreased by two or three or four or five or six or even seven weeks, but if your waiting for a diagnostic test has gone up by six months, then you have got a big problem and a big delay. You just have to read Harry Lehotsky's experience in *The Winnipeg Sun*; it mirrors what has happened to person after person after person in this province. The access to diagnostic tests is not what it needs to be. The access to health care is not what it needs to be. This is a government which has not performed. This year's new numbers are not showing any improvement, and the number of people who are calling with problems is just seeming to go up and up.

With a six-year history of consistently poor health care management, it is time to change the approach. Liberals want to see a complete overhaul with health care accountability, change to RHAs, a focus on much better service and accountability than what we have now, the legal right to quick access to quality care to make sure that Manitobans are served well, but, of course, that is not the approach of the NDP who have just given us wait list and wait list. You know, guaranteeing that you are going to have to wait is not a good policy, and it is about time to change this government and change the policy.

Let me talk a little bit about road and water infrastructure. Time and time again the NDP has put off to tomorrow what needed to be done yesterday. We have had years and years of crumbling roads, of underfunding of Manitoba's transportation infrastructure coming home to roost, roads which should be at a certain level not being kept up so people have to go miles and miles out of their way, roads down to

the border which are so bouncy that things are bouncing off the trucks and we are getting things all over the ditches. It is a sad commentary on the legacy which the NDP are leaving behind of poor and crumbling roads.

According to the Infrastructure Council of Manitoba, Manitoba's roads have now deteriorated to the point where they require an annual budget of about \$310 million just to keep roads in their current condition. What we got instead was a \$257-million road budget. Well, that is about \$50 million short, and the \$8.5-billion infrastructure deficit in this province will continue to grow and grow under the NDP.

What we need is real road investment, not photo ops. Just because the government likes to produce photo ops and press releases does not mean that it is very effective. The problem is that people have to drive on these roads to get to their photo ops and then they find out what it is really like.

The NDP approach to water infrastructure, to water drainage and water management is appalling. We just have to look at what happened last year in terms of water damage in rural areas of Manitoba, and it clearly demonstrates more adequately than anything else the appalling NDP neglect in this area. There is clearly a need for much better approaches to drainage and water storage, to water management in a much more effective way than we have seen under the NDP. These are areas which Liberals see as priorities, the infrastructure, basic things for Manitoba that need to be looked after properly.

The NDP, when it comes to entrepreneurship and the business climate, time and time again they have taken steps which made the business climate less hopeful, less beneficial here in Manitoba. They continue the NDP payroll tax, killing off businesses and jobs. There is an illusion of some business activity in this province which is related to government spending. *[interjection]* You are cheering for an illusion. That is what I said, an illusion, but the fact of the matter is that when you spend lots of public-sector dollars, you do have a little bit of a spinoff. But the real wealth-creating is not going where it needs to be. We are not doing anywhere near in terms of what we should be doing, and we are getting further and further behind the other provinces in western Canada.

\* (16:20)



What we need, clearly, is an approach which is wise in creating an economic climate, but also wise in creating strong environmental stewardship. The basis for future growth, clearly, is adequate and into environmental issues. Those that are limits to growth in today's world are often environmental limits. We have got to recognize that. We have a choice between putting a hog plant in an urban area, as the NDP like to do, and the hog plant outside the city, as occurs in the hog plants in Neepawa and Brandon. The choice should be obvious to the NDP. No. No. No. They want to make sure that when people open their windows they can smell the hogs. They want to ruralize Winnipeg.

Let us talk a little about education. You know, each year under the NDP the province was provided a smaller and smaller proportion of the total package of education funding, which means that local school boards must provide a larger proportion of education funding and local property taxes go up. Offloading onto local property taxpayers—not a good idea.

Liberals see that we need to ensure that 80 percent of the primary and secondary education funding is provided by the Province, which would very significantly improve funding to primary and secondary education in the province, and provide a much better circumstance for local property owners. Clearly, it would provide a better distribution of what is happening and of the funding, and it will provide better quality all over the province.

The increase in provincial funding for post-secondary education in this budget is small compared with other western provinces like Saskatchewan and Alberta, and it also is an issue that the overall policy of the NDP with respect to post-secondary education funding is not working. Liberals see a need to provide some funding through a modest increase in tuition with a cap on increases at the rate of inflation. Students benefit from the education, and it is only appropriate they share in the yearly cost increases. Increased revenue from tuition, as well as government grants, would allow post-secondary education institutions to maintain higher standards which are badly needed in today's world. There is a huge need to do better, and there is a big need to provide students with better education.

Let us talk about the environment. There is no long-run vision in this government. Let us talk about Kississing Lake in northern Manitoba, one of the most damaged lakes in Canada because of the toxic

wastes from the Sherridon mine tailings pond, which are next door, which have been leaching out into Kississing Lake and will continue to leach and cause problems until action is taken. The MLA for Flin Flon knew about this; indeed, he was talking about this when he was in opposition more than six years ago, but, once in government the NDP has done nothing. The toxic wastes have continued to leach. The damage to the waters has continued to grow. There is a continued problem; no plan, no long-term plan.

But Lake Winnipeg, the government has made lots of promises, lots of talk, but little in the way of action. The levels of phosphorous continue to grow. The levels of algal blooms continue to grow. There are no clear time lines and outcomes except for the government which, back in about August 2003, said, oh, we will have it done in three years. But, clearly, they are farther away from doing it now than they were almost three years ago.

There has not been the kind of support that there should have been to improve the high incidence of poverty in the province. Let me give you one example. This year, the NDP did not even include a section in the budget on addressing poverty. Maybe they are not really interested. Maybe they are embarrassed by what happened last year when last year's budget provided what was called Paper F to look at some of the issues around poverty. What was shown was that single working parents with children earning \$22,500 a year are paying an effective marginal tax rate of 60 percent. This means single mothers with children are sometimes having to pay 60 cents out of every dollar earned to the government in taxes.

It is appalling. This is a higher rate, a higher marginal rate than most wealthy people in our society. As Liberals, we say this makes a mockery of NDP claims to be the so-called champion of the poor. It is another illusion. They love illusions and spin, but they are not very good at results.

Let us talk briefly about children in the care of Manitoba Child and Family Services, or shortly after leaving care. Thirty-one children have been killed in the last six years in care or shortly after leaving care. Names like Phoenix Sinclair, Preston Martin, Heaven Traverse and on and on. The record is shameful. There clearly need to be some changes. There has not been the accountability. There has not been the performance that we should have seen. As I pointed out last year, there is a shocking state of

affairs when they have not followed Jordan's principle, that is, that the child should be looked after and considered first. So, under this government, for two years they fought about who was going to pay for what rather than allowing the child to go home. So the child sat for two years in hospital and sadly died and never went home.

This is an appalling record. We clearly need to change this government and move on to a better government and a better situation.

So, Mr. Speaker, I now move, seconded by the MLA for Inkster,

*THAT the amendment be amended by adding thereto the following words:*

And further regrets that this budget also ignores the present and future needs of Manitobans by:

(n) failing to present a genuinely balanced budget as demonstrated by the government's raid of the Fiscal Stabilization Fund, as explained above;

(o) failing to protect the province's financial sector by calling a public inquiry into the Crocus Investment Fund scandal;

(p) failing to take adequate measures to protect children in the care of Manitoba Child and Family Services and to provide adequate transition to children in care so that they are at high risk after leaving care;

(q) failing to provide an effective strategy to deal with child poverty; and

(r) failing to provide Manitobans with the legal rights to timely, quality health care.

**Mr. Speaker:** The amendment is in order. It has been moved by the honourable Member for River Heights, seconded by the honourable Member for Inkster (Mr. Lamoureux),

*THAT the amendment be amended by adding thereto the following words:*

And further regrets that this budget—

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense?

**An Honourable Member:** Dispense the subamendment.

**Mr. Speaker:** The subamendment. Dispense?

\* (16:30)

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

**Mr. Doug Martindale (Burrows):** Mr. Speaker, I rise to speak on the amendment to the amendment to the budget motion proposed by the Member for River Heights. The original amendment to the budget motion was on the Order Paper on March 10, and today is May 1. We have not been allowed to debate the budget due to the official opposition and the third party holding up the business of the House with phoney points of order and phoney matters of privilege. The opposition members could have been beating up the government in the budget debate or pummelling our ministers in concurrence debate or critiquing the government daily in the estimates of departments; or, if they were really interested in representing their constituents, they could have been debating legislation and even encouraging the public to make presentations on legislation at the committee stage of bills. But, instead, they did nothing, absolutely nothing, except ring the bells and hold up the business of the House in the most undemocratic actions I have seen in my 15 years in this Legislature. They are a disgrace to democracy.

Before I talk about our good-news budget, I would like to speak briefly about the former Leader of the Official Opposition, the Member for Kirkfield Park (Mr. Murray). He spoke last week and thanked his wife and daughters, and this was very appropriate. Most of us here have families, and all of them make sacrifices because of the long hours we put in as MLAs and the many evening and weekend events we attend. I would also like to compliment the former Leader of the Official Opposition for being a gentleman and for knowing when to be non-political. I remember being at a banquet for Rural Forum in Brandon, shortly after the Member for Kirkfield Park became leader, about five years ago. He came to our table and introduced himself to the people he did not know and shook hands with everyone, including members of the NDP caucus. Then he went from table to table, introducing himself and shaking hands. I commend him for coming to our table because he did not have to, but he went out of his way to do so. It is a small example, but I think it illustrates the decent person that he was as leader and still is as a person.

I congratulate the new Conservative Party Leader on his election to the highest position in his

party and a decisive election at that. I wish him luck in his new position but, of course, not too much luck.

I want to congratulate all of the athletes from Manitoba who participated in the Olympic Games in Turin, Italy, who made all Manitobans and Canadians proud. They received standing ovations when they were in the Speaker's Gallery in the Legislature recently.

In our budget, we announced that our government is donating \$50,000 to KidSport. KidSport is Sport Manitoba's charity which raises funds that are used to offset the cost of registration fees for financially disadvantaged children between the ages of six and 18. New and recycled sports equipment is also made available. As a result of these initiatives, many children and youth can take part in organized sports who otherwise could not afford to.

Our government also made a donation of \$50,000 to a Canadian NGO, Right to Play. I think this was inspired by one of our Manitoba Olympic athletes, Clara Hughes, who made a substantial donation to Right to Play from her own bank account. I spoke to her briefly the day she was in attendance here because I wanted her to meet our daughter, Tanissa, who has recently returned from Azerbaijan where she volunteered with Right to Play. Tanissa and her roommate, Doug Waters, lived in Baku from February 2005 to March 2006. They set up new projects and trained people to provide sports and recreation to internally displaced persons and refugees in several communities in Azerbaijan. As parents, we are very proud of our daughter, who was making use of her degree from the University of Manitoba in exercise and sports science.

Another Right to Play volunteer is Drew Gardner, who is in Zambia and whose parents recently moved to Winnipeg from British Columbia. I commend our government for making donations both locally and internationally to assist children to be involved in sports and recreation which can only enrich their lives.

Mr. Speaker, there is so much good news in our budget that I hardly know where to begin. Our budget is based on four building blocks. The first is Growing Green, Growing Smart. We have more hydro-electric development in partnership with Aboriginal and local communities, and I think this is significant. This is a new departure. In the past, Manitoba Hydro initiated hydro-electric projects in northern Manitoba on their own. Sometimes, there were adverse effects. But, this time, we have

negotiated agreements with Aboriginal communities in which they will be partners, in which they will be investors, and from which they will benefit from the economic spinoffs, not only of jobs, but from return on investment in new hydro projects in northern Manitoba.

We have provided further support for biofuels development, which is going to help both farmers and rural communities in Manitoba, as well as help our environment by burning cleaner fuels. We have new wind-farm projects attracting \$2 billion in potential investment. We have a new environmental enhancement loan program for farmers. We have more funds for water quality and infrastructure. We have provided further resources to improve drinking water safety, and we have the riparian tax credit extension and enhancement.

Our second pillar of this budget or building block of this budget is healthy families and healthy communities. We have a new cardiac centre of excellence at St. Boniface General Hospital. We have a new children's physical activity tax credit which will parallel the federal proposal. We have a \$60-million, three-year funding plan for universities and colleges. We have an enhanced shelter benefit to help low-income individuals and families. We have increased funding to upgrade provincial highways No. 75 and No. 1. We have \$8 million more for municipalities through the Building Manitoba Fund. We have more resources to fight crystal meth, auto theft and gangs. We have additional funding for police in Winnipeg, Brandon and Aboriginal communities.

The third of our four building blocks is tax savings for Manitoba families and businesses. We have \$80 million in new personal income and property tax cuts. We have one education property tax completely eliminated, and I will say more about that later. We have homeowner savings of \$163 on a \$150,000 home. There has been a reduction in farmland school tax increased to 60 percent. We have invested \$17 million in new business tax cuts through a multiyear plan. The business tax reductions will reach \$146 million annually. We have personal income and property tax cuts to total \$472 million annually.

Our fourth building block of this budget is a responsible approach to government finances. We have a \$148-million summary budget surplus forecast for 2006-2007. We have the seventh straight balanced budget under balanced budget legislation.

We have committed \$110 million towards paying down debt and pension liabilities. We have Manitoba's first-ever plan to pay down the pension liability which is on track. In the Fiscal Stabilization Fund, which is at \$345 million for 2006-2007, it is up \$81 million from 1999-2000.

I would like to provide more details on some of these beginning with the Family Services and Housing budget. I mentioned our shelter benefit, \$5 million for the implementation of a new shelter benefit. This implementation is scheduled to roll out in July 2006. The target of the program is to make housing more affordable including for people with disabilities. This multiyear strategy is intended to provide enhanced benefits and improved access. The aim is to ensure that shelter benefits keep pace with the needs of low-income families so that they can better access affordable housing in this challenging housing market. This announcement built on the 2005 budget commitment of \$3 million. More than three times as many individuals and families will qualify for support under our new program, and I am sure that many low-income renters in the constituency of Burrows will benefit from our shelter benefit program.

Supported Living: The budget for Services for Persons with Disabilities division will increase by \$30.5 million or 8.2 percent. Funding will be provided for a crisis accommodation and support initiative for adults with a disability in Winnipeg. In addition, funding will be provided for the development of a fetal alcohol spectrum disorder or FASD centre that will provide supports to transitional youth and adults suffering from FASD. This is something that individuals have lobbied me for due to having a child that suffers from FASD, and this budget increases resources for those individuals. The department is part of an FASD committee, which is co-chaired by Healthy Child Manitoba. This inter-departmental committee has been meeting for a number of years, and it is good to see co-operation amongst departments in this important initiative.

Also, in Supported Living, we have Phase II of a sprinkler initiative. In the 2005-2006 budget, in response to potential health and safety concerns, the department began to provide funding to install sprinklers in residential facilities providing services to persons with disabilities who are non-ambulatory or unable to care for themselves. The 2006-2007 budget will allow this initiative to continue in up to 21 facilities.

\* (16:40)

In Family Violence Prevention, funding will be provided to wait lists at the Winnipeg Children's Access Agency, The Laurel Centre and the Men's Resource Centre. I was pleased to visit the Winnipeg Children's Access Agency, along with the MLA for Minto. We were hosted by the executive director, Mary Dawson, who explained what they do there and answered our questions and gave us a tour of this very successful and much expanded agency.

Also, recently, I, along with other members of the Legislature—I know that the Minister of Healthy Living (Ms. Oswald) and the Member for Fort Garry (Ms. Irvin-Ross) attended The Laurel Centre breakfast, and we heard a very interesting guest speaker from Thornhill, Ontario, my home community. He talked about his non-government organization, but he also had many kind words to say about The Laurel Centre in support of their programs. His name is Craig Kielburger. Some of you may have heard of him. He has actually written a book. He discovered a need when he was 12 years old, and that is the need to advocate on behalf of child labour around the world. He told about discovering this need through a newspaper article and bringing it to the attention of his classmates at school, and 12 of them got together and started fundraising and, since then, he has been travelling around the world. His non-government organization has been establishing programs for children around the world.

It was fascinating to listen to him speak. In fact, he is probably one of the best public speakers that I have ever heard. It is too bad that more members were not there to hear him, but it was good that The Laurel Centre was able to bring him to Winnipeg for a fundraiser to enhance their programs of counselling.

Funding will be enhanced for services to women, children and men affected by abuse and family violence, and to increase counselling services to child witnesses of abuse, and to increase support for Wabung Abinoojiag, a family resource centre located in the constituency of our Speaker (Mr. Hickey).

This budget will also allow tutoring services for 30 additional children in the school-age Applied Behavioural Analysis Program at St. Amant Centre. It will allow for additional staff at the St. Amant Centre to deliver the pre-school Applied Behavioural

Analysis program. We will also expand recruitment and training to respite workers.

In the housing budget, we have included \$250,000 for the Manitoba Housing and Renewal Corporation to support a congregate meal program and supportive housing staff, in conjunction with the regional health authority's aging-in-place initiative. I was pleased to tour one of the supportive housing programs at Arlington House on Arlington Street, and was hosted by the executive director of Bethania, who is Anita Kampen. She explained with great passion her commitment to and belief in supportive housing. So I was very pleased to send her news releases about our aging-in-place strategy which is going to expand supportive housing. I believe it is going to initially start in Manitoba Housing Authority buildings. The purpose is to keep people living independent longer, and to continue to live in their own accommodation longer, and to keep them out of personal care homes which, of course, are much more expensive to run, and people do not have as much freedom as many alternatives in PCHs as they do in supportive housing. We wanted to keep people living where they are, so they do not have to move as soon to a PCH. I commend the Minister of Health (Mr. Sale) and the Minister for Seniors for this aging-in-place initiative.

By way of new legislation, the 2006 budget makes a clear commitment to share all profits from major land developments, such as Waverley West and Royalwood, to be reinvested in inner-city housing. I am hoping that some of this funding might be available for seniors' non-profit housing in Burrows. I do not know whether I am going to qualify as inner-city or not—depends on what sort of social-economic characteristics they consider. But there is a great need to alternatives for seniors in Burrows and in Wellington, and this need was identified by the Keewatin-Inkster Resource Council for Seniors. They had two consultations for seniors a couple of years ago. One of them was held in the Keewatin area and the other in the Inkster area, in my area, actually at Fred Douglas Lodge on Burrows Avenue, and the seniors there said that they were becoming older and wanting to move, wanting to sell their homes, but there were very limited choices in their neighbourhood, but they want to stay in their neighbourhood.

**An Honourable Member:** Yes.

**Mr. Martindale:** I know the Member for Southdale (Mr. Reimer), the former Minister responsible for

Seniors, supports this. In fact, he has been very supportive of seniors in Burrows because, I think, for three years in a row, he has gone to the Fred Douglas Foundation Tea and Humanitarian Awards. He was there yesterday, as was the Member for Minnedosa (Mrs. Rowat). We actually, in a spirit of non-partisan—even though I am president of the board of the foundation, we appointed the Member for Southdale as the honorary chairperson of the Tea and Humanitarian Awards. We even let him speak. In fact, I had a little fun because the Member for Minnedosa was there and the Member for Southdale was there, and I said, you know, they are kind of pumped up because they have got a new leader, and I think they are targeting Burrows in the next election. All I can say is, bring it on.

We need some Conservative opposition in Burrows to sort of balance things out because the Conservatives used to take turns finishing second in Burrows. Now, we have got this unhealthy pattern of the Liberals always finishing second. So it would be good if the Liberals were to go down a little bit and that the Conservatives would come up, just a little bit, of course.

**An Honourable Member:** '88 all over again.

**Mr. Martindale:** The Member for Inkster (Mr. Lamoureux) thinks that it is '88 all over again, that the Liberals are going to come first. Well, good luck, but not too much luck. But I digress. I was starting to tell you about the needs of seniors in Burrows constituency and in Wellington constituency who were saying that they need to move from their homes, but there are no alternatives. Well, there is an alternative, but they are probably not eligible for it. That is Bluebird Lodge on Arlington Street and Willow Centre on Tyndall Avenue, and Fred Douglas Apartments on Aberdeen. But they are all bachelor units, as far as I know, and they are targeted for very low income people. So someone selling their house probably would not be eligible to live there.

So these people need an alternative, and they do not want to leave their community. I think that is true of seniors no matter where they live in Manitoba. Whether they live in a small community in rural Manitoba or in a large urban centre, they still want to stay in either their small town or their neighbourhood where their friends are and where they are accustomed to shopping and doing business, et cetera. We would like to provide that option for those people in Burrows constituency and Wellington constituency as well. But there are no rental apartments, almost no

rental apartments. There are no life lease buildings and there are no non-profit buildings other than the three that I mentioned.

There is an opportunity because the seniors want something and we had these public consultations, but no one could identify a possible site. Well, since then something changed. Winnipeg School Division closed Florence Nightingale School and they tore it down, so we have this empty schoolyard. Winnipeg School Division had public meetings, two public meetings at Northwood Community Centre, and they are inviting proposals. Well, there were two ideas that were supported by the community. One of those was to use it for a soccer field, and probably the Northwest Soccer Association will put in a proposal. I was able to convince the CEO of Fred Douglas Society and she was able to convince the executive of her board that Fred Douglas Society, whose mandate is housing, should also submit a proposal to build non-profit seniors housing.

Now, we do not know how that is going to happen or who is going to lead it up. It might be that we might hand it over to another agency that has more experience, such as St. Andrews management, also known as S.A.M. Or perhaps the seniors will get together and they will incorporate as a co-op and we will build co-op housing, which I think would be wonderful because people have a lot of control in co-op housing because it is one member, one vote, and they elect their own board of directors, et cetera. We already have two very successful housing co-ops in Burrows: Willow Park Housing Co-op, which is the oldest continuing large housing co-op in Canada, and we also have Willow Park East Housing Co-op next door where I lived for three years and was on the board of directors for three years. But I would love to see another housing co-op. Or it could be life lease. People could be—

**An Honourable Member:** Is that party policy?

**Mr. Martindale:** Someone said, "is it party policy?"

**An Honourable Member:** Is it party policy: one member, one vote?

**Mr. Martindale:** Well, some parties have been doing that for a long time and some parties are just getting on with that.

So I got distracted by the Member for Ste. Rose (Mr. Cummings). I was saying we could be building co-op housing. The other alternative is a life lease project, because people could be selling their houses for \$75,000. Some might be worth as much as

\$100,000, probably not. We have very modest housing in Wellington and in Burrows. But they would probably have enough equity from the sale of their house to invest \$30,000 or \$40,000 or \$50,000 in a life lease project.

Fred Douglas Society has experience in this because, in the 1980s, I believe it was, they sponsored Fred Douglas Place, which is a seniors highrise life lease building on Vaughan and Ellice in downtown Winnipeg. So we have some experience. We have some history.

\* (16:50)

I hope that this will take off. In fact, I am either naïve or optimistic because I am hoping the school division will sell us the land for a dollar, but I have no idea what they might charge for the land. But that would certainly make non-profit housing more affordable if we could get the land very cheaply. If not, we will just have to—[interjection] I was asked which property. The former Florence Nightingale School ground which is vacant, and the school division is asking for proposals.

So I hope that either with the leadership of the Fred Douglas Society or St. Andrews Management, or perhaps a housing co-op board or a life lease maybe sponsored by S.A.M. or the Fred Douglas Society, that our proposal will be accepted, that it will go ahead, and we might even get funding from this program that I was just talking about. I do not know, because it is targeted to the inner city. It depends on how you define the inner city. Under the Core Area Initiative, I believe McPhillips was the boundary, and this is two blocks west of McPhillips. But maybe it will be based on socioeconomic characteristics. I do not know. It will be interesting to see exactly where that money ends up and who gets it.

But I think there are many programs available under the Affordable Housing Initiative. As you know, we signed agreements with the federal government totalling \$50 million over five years, and then it was extended, I believe, for another three years. We signed an agreement with the City of Winnipeg for, I believe it was, \$18 million. Now we are not sure that the City is going to live up to their commitments. We certainly hope they will. They may need a bit of a nudge to actually spend some of the money, but so far they have been spending some of it. We want them to spend all of it. We want to commit all of it to housing as the initial agreement

suggested. So maybe there are other sources of funding for seniors non-profit housing in Burrows constituency.

Under Child Care, the total budget for the Manitoba Child Care program including the Children with Disabilities Program is now \$103 million. In our child care action plan, we announced that we would invest considerable money in child care, the investment of at least \$23.4 million for up to 3,250 additional licensed spaces. In Winnipeg this funding includes \$3.3 million for at least 1,650 fully funded licensed spaces in Winnipeg, bringing the total funded spaces up to 6,668.

In Brandon and rural Manitoba, additional funding of \$1.6 million has been announced for at least 700 licensed child care spaces. An additional 750 new funded spaces will be created and some of these spaces will be designated for Brandon and rural Manitoba.

I think tomorrow's federal budget will be very interesting because we will probably have to wait until then to find out if the federal government is going to not only give \$1,200 per family, which will not actually be \$1,200 per family because it is going to get clawed back through the tax system, or whether they will also honour the previous commitment of the previous government to greatly expand the child care system with funding to the provinces. If they do both, I think they should be commended for that. If they only do one, well, we will wait and see. I think the child care community will be very disappointed if they only offer \$1,200 for families which is really not going to provide people with the ability to access child care. So that first budget of the new Conservative government will be very, very interesting.

We have also, by increasing funding for child care, targeted a lot of that money for increased wages. In fact, wages for child care employees have increased by 18 percent since 1999. The average wage for a child care worker in Manitoba is approximately \$27,000 to \$30,000. The average in other provinces is \$18,000. I remember the bad old days, the lean, mean days of the Filmon government of the 1990s when child care wages were stagnant, when there were no waiting lists at Red River College because young people did not want to get into the child care field, when there was a tremendous turnover of child care staff because people could make more money probably in a doughnut

shop than working in child care, because the previous government did not value the work that child care workers did. We are trying to correct that, and we are trying to implement the wage scales of the Manitoba Child Care Association. We have done that gradually but steadily.

Under Education, I would like to talk about some of the highlights of our support for post-secondary education. The budget of 2006 reflects the commitments of our government which have been made to increase post-secondary enrollment, to invest in the quality of post-secondary education and improve facilities, to provide specialized training in key knowledge-based sectors, to keep post-secondary education accessible and affordable.

The budget of 2006 maintains that 10 percent tuition reduction and provides \$13.8 million to fully compensate post-secondary institutions. Thanks to our commitment to affordable education, Manitoba's enrollment numbers have grown by 35 percent since 1999, the largest increase in western Canada.

Budget 2006 announced the complete elimination of the Education Support Levy, following through on our commitment to remove the provincially levied tax from property, saving Manitobans an additional \$34 million this year or \$98 million in total. There will now be one less tax in Manitoba. It will be interesting to see if members opposite mention this in their speeches. I would be willing to bet that not one of them will mention this in their speeches. Savings from the Budget 2006 reduction will be \$109 a year on a \$100,000 home, \$163 a year on a \$150,000 home and \$191 a year on a \$175,000 home.

Following through on our commitment to increase our investment in education at the rate of economic growth, on January 26, the Minister of Education (Mr. Bjornson) announced a 2.8 percent increase in funding for public schools for the 2006-2007 school year.

Perhaps this would be a good time to mention that our son, Nathan—since I talked about our daughter, Tanissa, I think I should give our son, Nathan, equal time and mention that he is graduating from the after-degree program, also known as weekend college, from the University of Manitoba. His convocation will be on June 1. I look forward to being there and representing the Minister of Advanced Education (Ms. McGifford) on the platform and congratulating our son. He now has a lot of calls to do substitute teaching, and, hopefully, by

September 1, he will have a school and a full-time position. I am very confident that he will because he has spent seven years as a teaching assistant. A lot of his volunteer work and his paid work have been in the respite area or with special needs students. He spent the last four or five years in the autism program at Inkster School. He may even get hired directly into a special needs program. We wish him luck with his job-seeking and with his career as a teacher. I think he would like to be the next MLA for Burrows, but I tell him that he is much better off having a career as a teacher. But I guess that is a decision that he will have to make.

I would like to talk briefly in the few minutes remaining to me about the highlights of the Justice part of our Budget 2006. The Justice budget will increase by \$12 million or 4.3 percent. Now someone from the backbenches on the opposite side is heckling that it will not take long, but, actually, I have two pages of highlights of the Justice part of our bill, and I will not have time to read it all into the record, which I regret.

But there are lots of ways in which we are improving the budget, for example, more police. Budget 2006 provides funding for 31 new police officers, 23 in Winnipeg, two in Brandon and six to enhance policing in Aboriginal communities. Combined with our announcement of last year of 54 new police officers over two years and the creation of nine new Aboriginal police positions last fall, we have made an historic investment, funding 94 new police positions over two years.

Budget 2006 doubles the Gang Prosecution Unit which will be expanded to 16 positions, including five new prosecutors. I regret that my light is flashing. Well, I have two minutes, I am going to keep reading here. This unit's work has resulted in 290 convictions or guilty pleas of gang members since it was put into place in November 2003. Funding is also provided to expand our strategy to

combat gangs with increased supervision and supports for youth at risk.

Budget 2006 provides an additional \$2 million in annual funding for our strategy on crystal meth and addictions. This funding is in addition to the \$6-million comprehensive plan to restrict supply and reduce demand for crystal meth announced in Budget 2005. This spring we are holding public meetings in Winnipeg, Carman, Thompson and Brandon as part of our public awareness campaign to educate Manitobans on the dangers of meth. Over 15,000 brochures have already been distributed to the public since our campaign was launched in November.

Through our partnership with MPI, additional funding of \$1 million is provided to build on our auto theft strategy which is already having an impact. Auto thefts were down 15 percent in Manitoba in 2005 compared with 2004, resulting in 1,600 fewer cars being stolen.

Budget 2006 expands the number of Lighthouses throughout the province to 45, exceeding our election commitment and working towards our new goal of 50 Lighthouses, which provide young Manitobans with a safe, fun place to go at night. Funding is provided for Winnipeg's first community prosecutor, put in place last fall to target street crime and other community-identified priorities downtown and in the West End.

Mr. Speaker, I am sorry that I had to wait so long to speak on this budget. It is a good-news budget, and I look forward to hearing comments, especially from members in the opposition. It has so much good news in it that I expect they will be voting for this budget and against their own motion to amend the budget. Thank you.

**Mr. Speaker:** When this matter is again before the House, the budget debate will remain open.

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



**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Monday, May 1, 2006**

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Crocus Investment Fund Cummings; Selinger	1717		
Lamoureux; Selinger	1722		
Health Care System Stefanson; Chomiak	1718		
Operation Clean Sweep Goertzen; Mackintosh	1719		
Devils Lake Outlet Penner; Ashton	1720		
Lake Winnipeg Gerrard; Doer	1721		
		<b>ORDERS OF THE DAY</b>	
		<b>GOVERNMENT BUSINESS</b>	
		<b>Adjourned Debate</b> (Third Day of Debate)	
		Ashton	1726
		Cummings	1732
		Santos	1737
		Gerrard	1740
		Martindale	1744