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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 28, 2011

The House met at 10 a.m.

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

ORDERS OF THE DAY

PRIVATE MEMBERS' BUSINESS

House Business

Mrs. Mavis Taillieu (Official Opposition House Leader): Yes, Mr. Speaker, is there leave to proceed to Bill 202?

Mr. Speaker: Is there agreement to go directly to Bill 202? [*Agreed*]

SECOND READINGS—PUBLIC BILLS

Bill 202—The Crown Corporations Public Review and Accountability Amendment Act

Mrs. Mavis Taillieu (Morris): Thank you, Mr. Speaker. I move, seconded by the member for Emerson (Mr. Graydon), that Bill 202, The Crown Corporations Public Review and Accountability Amendment Act, be now read a second time and referred to a committee of this House.

Motion presented.

Mrs. Taillieu: I am pleased to speak on this bill. I introduced it once before, and the government saw fit not to proceed with it and pass it on to committee, so bringing it forward again. It's a very important act, I believe, that—and what it does is—The Crown Corporations Public Review and Accountability Act, the Manitoba Public Insurance Corporation is annually required to submit its proposed premium rates for compulsory driver and vehicle insurance to the Public Utilities Board for approval.

This bill enhances the authority of the board to consider whether the corporation's activities, other than providing compulsory driver and vehicle insurance, may have an impact on those premium

rates. Manitoba Public Insurance is required to provide the board with information about such activities, and the board is required to take reasonable steps to maintain the confidentiality of the information, Mr. Speaker.

Well, Mr. Speaker, it's evident that because the government decided not to pass this bill on to committee before, that they have a vested interest in hiding the actual financial statements in Manitoba Public Insurance. What we saw before is they've interfered with Manitoba Public Insurance on numerous occasions. Just think of the Manitoba enhanced drivers' ID cards, which was a complete flop. People didn't want them. There was no uptake. They spent \$14 million and they've only had about, I don't know, 8,000 uptake where they expected to have hundreds of thousands, I'm told.

But, Mr. Speaker, it's the refusal of this NDP to make the Crown corporation accountable to the ratepayers. The Manitoba Public Utilities Board has a mandate to protect the public interest, and what they are asking is that they get the full financial accounting of what's going on at Manitoba Public Insurance to ensure themselves, and therefore the ratepayers of Manitoba, that they're getting the best bang for the buck and the financial information is provided—all of the financial information is provided to them.

Now, the Public Utilities Board has for many years been concerned about its ability to have jurisdiction in looking into the MPI's books. The Public Utilities Board has jurisdiction over the basic Autopac line only and not the extensions or special risk. And, of course, that's where MPI's driver vehicle and licensing function is housed, out of the public view. So Public Utilities Board cannot access what kind of financial information there is in terms of what was spent on the EDLs and if that, in fact, is translating into higher rates for Manitoba motorists.

Public Utilities Board is not asking for jurisdiction to set rates; they only want to review the financial information. Now, what has happened is there was a court case caused by this, Mr. Speaker, because the Public Utilities Board filed last April to seek an opinion from the Manitoba Court on appeal whether or not it had the jurisdiction to require MPI to provide that information. Now, that has been

before the courts, and we're waiting an outcome of that.

But, Mr. Speaker, the essence of this is there needs to be openness and transparency at Manitoba Public Insurance so that the Public Utilities Board is assured that the rates are set accordingly. And what they argue is, and according to the documents filed with respect to the court mentioned earlier, the specific reasons the Public Utilities Board needs this information to set rates is because MPI historically transferred excess retained earnings from the competitive lines to the Rate Stabilization Reserve, which is a very significant factor for the PUB to consider when setting Autopac rates.

Secondly, MPI is only one investment portfolio for all lines of business. So, Mr. Speaker, all of the financial is comingled at the Manitoba Public Insurance. You can't separate out basic from extensions. MPI also says, quote: incurs significant costs, including staffing costs, on a corporate-wide basis.

So, Mr. Speaker, that is why the Public Utilities Board is seeking more transparency and accountability from Manitoba Public Insurance.

And I would just like to also note that MPI miraculously found another \$250 million between March and December of last year, Mr. Speaker, something that now has resulted in a 45 per cent rebate cheque, which, I think, people are—be happy about, but except that they're not really fooled that this is an election year. The money was stored up for three years, and now miraculously \$250 million was found this year, so that the NDP could come out and rebate people in an election year. And this is exactly one of the reasons why the Public Utilities Board is demanding more openness and accountability, so they can see what the financials are every year and determine what rate should be set accordingly.

*(10:10)

And furthermore, if there has been an accumulation of \$250 million, then obviously the rates weren't set accordingly, because they collect—overcollected from the motoring public of Manitoba. So what we really see is an overcollection of money being returned to the people of Manitoba in an election year, which is really like bribing people with their own money, Mr. Speaker. And, you know, the public is not fooled by that.

And certainly the Public Utilities Board, with a mandate to have the public interest of the people at

heart, really wants access to this information. And I would just like to quote a few of the things that the Manitoba Public Utilities Board has said, Mr. Speaker. And I'm quoting: The board is disappointed to have to admonish MPI for (a) not informing the board much earlier of the knowledge of the indications of an impending material change to its unpaid claims liability for the result of the actuary's report; (b) failing to advise the board of further retroactive benefit enhancements when MPI became aware of same; and (c) failing to file the actuary's report in receiving on or about February 3rd, 2011, with the board until March 24th; and (d) failing to provide the board and corporation's expectations of a materially different net income result for fiscal '10-11 until March 24th.

So you could actually see why the Public Utilities Board is wanting full disclosure, full transparency. This should not come as a surprise to the Public Utilities Board one day and then they have to call a special hearing, Mr. Speaker.

They also say, and I quote: Effective regulation can only be achieved in an atmosphere of openness and transparency involving at least the regulated entity and its regulator. Failure to achieve that atmosphere is not in the public interest, and the board expects and looks forward to a changed approach by MPI to its meeting its responsibilities with respect to atmosphere. Both MPI and this board are mandated to operate in the public interest, and MPI itself was established to work for the benefits of the insured Manitobans, Mr. Speaker.

So, Mr. Speaker, I have many more quotes here from the—both the hearing last December, numerous other quotes from years before that, plus the board hearing in March, but, really, what we seek here is openness and accountability to the Public Utilities Board.

And I know the government will say, well, it's in the legislation, so it's up to them to change the legislation and ensure there is open accountability. That's what this bill does, Mr. Speaker. I don't know why they wouldn't support the bill. Let's have some 'openness' and transparency. Otherwise, if they're not going to support the bill, they are continuing to support secrecy at Manitoba Public Insurance, and they must have a vested interest in not revealing the true financial situation at MPI so that they can control when the money flows back to the public in an election year such as we're seeing this time.

I think Manitobans would want to see this bill go to committee, like to come and speak to committee, Mr. Speaker. I look forward to them passing this bill on to committee today. Thank you very much.

Hon. Andrew Swan (Minister charged with the administration of The Manitoba Public Insurance Corporation Act): Mr. Speaker, so little time to respond to the member's comments.

I'm really surprised she just didn't call this bill the I hate Crown corporations act, because the member opposite, in her attitude towards MPI, all the members opposite, their attitude towards MPI—which provides the best value for Manitobans for car insurance in the entire country—their attitude, their questions, their misinformation respecting Manitoba Hydro—which provides the lowest hydro rates to Manitobans—she may have well have come clean and named her act after the policies of the members opposite.

You know, this is going to go into the greatest hits package the member for Morris is compiling every time she gets up and speaks in this Legislature.

This is the member who just a few days ago got up in this House and admitted that she didn't know about the car theft epidemic in the province of Manitoba in the 1990s. She didn't know that from 1992 to 1993 auto theft in this province more than doubled. She didn't know that it increased every single year to 1999 when, in fact, there were almost 9,000 automobiles stolen in the province of Manitoba.

Now, she also didn't know a couple of days ago—in fact, two days ago, to talk about her MPI bill—she didn't know there was a new provision in the Criminal Code creating a stand-alone offence for auto theft, something pushed for by the NDP government here in Manitoba, which has finally been picked up by the federal government. The member brought forward a bill which will be entirely ineffective and useless as of tomorrow when Bill S-9 takes effect.

And I was very surprised today to hear her repeat her conspiracy theory, which is that the competitive lines of insurance of MPI are somehow artificially high in order to keep the monopoly basic auto insurance rates in Manitoba low.

I don't know if the member's ever cracked open an economics textbook. I'm not sure if a single member on the other side of the House has ever cracked open an economics textbook. If it's a

competitive line of insurance, it's competitive. If the rates are too high, one would expect the Conservatives would think there would be a private insurance company that would come in and take advantage of those rates and charge lower rates to Manitobans. But, of course, that doesn't happen, but we'll put that into the greatest hits package.

And now what else do we have to be added? We have the Ernst & Young conspiracy theory. We have the member from Morris putting on the record that she believes that the internationally respected, multinational accounting and consulting firm of Ernst & Young is somehow in cahoots with the NDP government in Manitoba. I don't know about members on my side; I'm not usually flooded with accountants coming out to work on my election campaign, although, if the member opposite keeps talking, that may very well happen.

There was an independent review done and, frankly, on behalf of all Manitobans, I was pleased to find Ernst & Young's conclusion that, because of positive claims experienced, there is more than enough money in MPI's long-term account and that it can be returned to Manitobans.

And I'm very interested, of course, you know, to read newspapers across Manitoba. And I was very pleased to read the editorial from *The Morden Times*, from just a couple of weeks ago. Now, Morden is not generally a place we consider to be a target seat. Of course, the member from Minnedosa clearly believes it is. She believes that's why we gave Morden a police officer and Winkler a police officer and Altona a police officer.

But what did Morden have to say. Well, let me quote: We all know a certain type of person, who can suck the fun out of anything. They look at a sunny day, and complain about potential skin cancer, they complain about a salary increase because they will now have to pay more income tax. They're the kind of people that could look at a basket of puppies, and see nothing but the potential mess and responsibility required for pet ownership. Most of us avoid those type of people. We don't want to hang out with them, we'd rather not support their businesses, and we sure wouldn't want to vote for them. That's why PC Party's recent strategy is mind boggling to say the least.

And *The Morden Times* goes on to talk about the rebate, and what do they say? The rebate was triggered by an independent financial review. To suggest these auditors are somehow in cahoots with

the NDP is not very believable. And *The Morden Times* goes on to their conclusion, which is: This is also far better than the private alternative. If it was a private insurance company, the money would be gone, shareholders would be joyful at the extra cash, and rates would not change.

Well, Mr. Speaker, *the Morden Times* certainly has it right. Oh, and by the way, it was entitled: "Tories out to lunch on MPI rebate," if the members want to go and look it up.

Now, Mr. Speaker, I don't want to be entirely negative in my comments today because I do believe that the Legislative Chamber is a place where education can happen, where people actually can learn. And we've seen evidence of this, just in the past couple of days in this House. Just the other day, of course, the member for Tuxedo (Mrs. Stefanson) finally realized and put on the record that Manitoba has performed better than every other Canadian province during this very difficult recession. And, in fact, just the other day, the member for Brandon West (Mr. Borotsik) stood up and confirmed that it is necessary for Manitoba Hydro to build converter stations.

So certainly, I'm not hoping for a conversion today, Mr. Speaker, but I do believe that the members opposite do have some capacity to be educated and to learn. So I will try, in the limited time available to me, to explain, once again, the way that the Public Utilities Board rules over MPI matters.

* (10:20)

Manitoba Public Insurance has a monopoly over basic lines of insurance. Every Manitoban who owns a vehicle must register that vehicle, must have insurance. It is a monopoly. It's been that way ever since Ed Schreyer's NDP government brought in MPI, brought in Autopac back in the early '70s, over the objection of the Conservatives. Once again, stuck in the past.

It is a monopoly, and for that reason the Public Utilities Board in Manitoba has the ability to look at the general rate application made by MPI every year, and the Public Utilities Board has the opportunity to change that amount, to order rebates to be paid to MPI customers and to do other things.

But that's not all that MPI does. They maintain other lines of business. There is extension insurance. This is offered competitively. It's competitive. Anybody who wants to sell extended lines of

insurance in Manitoba is free to do so. Those are the types of insurance which provide for buying down deductibles, increasing third-party liability, lay-up insurance for stored vehicles or rental car insurance. There's also special risk extension offers, which includes competitive lines of insurance for Fleet Vehicles, mainly long-haul trucking.

Manitobans can go to the insurance broker of their choice and, if for reasons of ideology or for reasons of wanting to pay more for insurance, they can go and they can demand to see the alternatives, and for these extended lines of insurance they can look at other kinds of insurance and, if they wish, they can buy that insurance from Manitoba Public Insurance. If they wish, they can buy that insurance from a private company.

Now, very few people in Manitoba do buy insurance from other companies. That's because Manitoba Public Insurance provides extremely good value for people's insurance dollars and, in fact, the industry average in Canada is for insurance companies to return about 65 cents on the dollar of every premium dollar they take in. Well, Manitoba Public Insurance, not counting the rebate that the member for Morris (Mrs. Taillieu) detests, not counting that rebate, MPI returns about 89 cents on the dollar to policyholders. The member opposite, the member for Morris and her Conservative colleagues would rather that other 24 cents on the dollar goes to advertising, goes to the shareholders in other provinces, in other countries, perhaps in other continents. We, as New Democrats, believe in a strong public insurance system that returns money to Manitobans.

Now, what is the measure of accountability? Well, it is complete. Every year, there's a general rate application, a process before the Public Utilities Board. And, in 2010, there were 871 written information requests; in 2011, there were 1,218 information requests provided by MPI. In 2010, 4,045 pages of information; in 2011, 5,457 pages of information. The corporation brought forward independent expert witnesses to give evidence and tried to answer all the questions of the various stakeholders present at that rate application hearing.

Corporation is accountable, of course, to the government of Manitoba, to myself as minister. There is a Crown corporations committee which sits, in which the member for Morris and others can ask any questions they want about MPI. They're accountable to the Crown Corporation Council.

They're accountable to the Auditor General. They're accountable to the Ombudsman and, most importantly, Mr. Speaker, they're accountable each and every day to the people of Manitoba. And, when individuals have a choice to buy extension insurance, they vote with their feet; they go with MPI. But if the member for Morris, if the member for Emerson or anybody else wants to spend more and get less on their auto insurance, I welcome their opportunity to do so.

So, Mr. Speaker, we support MPI. It's just a shame that the member for Morris and the members opposite don't.

Thank you, Mr. Speaker.

Mr. Cliff Graydon (Emerson): Thank you, Mr. Speaker, for the opportunity to get up and put a few words on the record on this well-crafted bill, Bill 202, that was—been brought forward by my colleague from Morris.

And this bill definitely has a purpose of being here. It's plain by the record from PUB that they have consistently—consistently said that they need to see the books. They're looking for openness and transparency involving the total business of MPI and, after listening to the Minister responsible for MPI, it's clear that he doesn't understand what his responsibility is, and nor does he have any respect at all for the PUB. It's unfortunate that he would put all the things on the record today that had nothing to do with the bill.

If he would've paid attention to what the Premier of Manitoba (Mr. Selinger) recently called for, and he called for the openness and transparency with respect to government operations, which isn't, but should be, reflected in MPI's approach and actions within this board's proceedings.

Rather, the approach that had been pursued by MPI has created an atmosphere of suspicion amongst the parties to the annual proceedings, and what is MPI doing or not doing that motivates them to be so secretive? And, as well, a loss of confidence in MPI's forecasts and applications, resulting in an increased hearing cost, longer hearings, more IRs and cross-examinations, again, being unable to assure itself that all its costs that are incurred represent efficient, effective spending.

Further, with respect to MPI's overall financial position, the board cannot adequately test either results or forecasts, steps that the board considers necessary to adequately assist in reaching a

conclusion on the appropriateness of a—basic rates and premiums and fees. That, Mr. Speaker, is what this bill is about. That's what the Premier has just recently said should be what the department, and what all the government operations should be: openness, competitiveness. We should have the transparency that all public can see what is going on. And it's clear, it's very clear that the minister hasn't got the capacity to understand what the PUB has been asking him for, and has been asking for, for a number of years. This isn't something that just popped up today. It's popped up a number of times. It's popped up at pretty near every election, as a matter of fact. And the PUB keeps bringing it up, but it seems like the NDP keep ducking it.

A previous PUB order stated, and I quote: The board is experiencing increasingly—increased difficulty in assuring itself of the corporation's overall financial situation and prospects. This is largely because the board's mandate is limited to basic compulsory insurance program, while an increasing percentage of the corporation's returned earnings and operations remain outside the board's purview.

What are you hiding in MPI? What is the minister hiding? Why is he so defensive? Why was he attacking the member from Morris unnecessarily? All he had to do was speak to the bill but, no, he didn't do that. He's hiding something. We know that, he knows that and he's done a poor job of doing it.

MPI, historically, transfers excess retained earnings from the competitive lines to the Rate Stabilization Reserve. And perhaps the minister is not aware of this, but there is only a very—only one investment portfolio for all of the lines, both basic and extension lines. There's only one investment portfolio. Can the minister explain, at any time—and I'm sure that he can't because of the defensiveness he was on today, I'm sure he can't explain how that is divided up between the basic and between the extension lines. He can't do that. And that's why he wants to hide this from the PUB, because he is unable to run MPI properly, and he wants to hide it.

It's unfortunate that we have such a good program that we could actually see lower rates in the province of Manitoba. And the ratepayers in Manitoba would feel a lot more comfortable if they could see the cause of some of these rebates that they're getting today. They're not fooled by this, by the way, Mr. Speaker. They're not fooled by the actions of this minister four or five months previous

to an election. They're not fooled by that. When they—when the PUB says, look, 45 per cent rebate, and we're not sure now if that's going to be in a cheque or is that going to be in credits? We're not sure of that at all.

We are sure of a number of things. We're sure of—that the licensing and the registration of vehicles has been dumped on MPI, and we know that at the time that this took place there was a \$21-million cost involved. But we know, also, that that \$21 billion—or \$21-million cost was not enough to cover the actual cost of licensing and vehicle registration.

Mr. Speaker, when questioned in committee, what we were told was the efficiencies that would come about with MPI would more than justify the cost, and there would not be an extra cost after a certain amount of time. Now we're up to a \$40-million deficit, that was the last number that we've been told—a \$40-million deficit that the government owes MPI. Are they willing to pay that at any time?

* (10:30)

And I see the former minister for MPI sitting there rubbing his forehead saying, oh, my goodness, I was the cause of \$14 million of that—\$14 million on enhanced ID cards that no one wanted. Even—I can even see the Minister of Health (Ms. Oswald) doing the same thing, wondering, how did he do that? How could he have possibly done that? No one wanted them. They actually did a survey, and the survey came back and said: no, we don't want that; we don't want those cards. They're not necessary. We wasted \$14 million. Saskatchewan took a look at that program and threw it out. And the poor minister, he's just wringing his hands now, wondering, how could I have done that, how could I have possibly done that to the new Minister responsible for MPI, Mr. Speaker?

What we've also seen and seen as quotes, Mr. Speaker, the MPI and the government's responses—when challenged in the past about the lack of information provided to the MPI, the MPI spokesperson told a Winnipeg media outlet that, to quote, that the MPI—or that the PUB wants to delve into areas of our business that is, in our opinion, beyond the rule-setting—in their opinion.

So, and what we're doing now is we go to court to find out if they're right or wrong but we're doing that with ratepayers' money. We're doing that with the ratepayers of this province spending money to

have the openness and transparency that they deserve and that they would have with any other Crown corporation. They appreciate these Crown corporations, they appreciate what they do, but they don't appreciate it when the minister, such as this one, has taken advantage of the situation to hide part of it. And for what reason? For what reason do they not put this out and be open with the people of Manitoba?

And then, all of a sudden, pops up 45 per cent rebate, my goodness. And he—and they've spent money. They have spent money outside of their purview. They've spent money and been chastised for it. None of the usefulness of the overall public interest for the support, specifically, for public automobile insurance—a disconnect between the Premier's call for the government to be more transparent and open and MPI's continued refusal to share information, including forecasts related to the operations of the basic lines of business and operation, is significant and is a source of disaffection of this party's participating in the annual GRA proceedings.

The board has regularly, and in its annual report orders, commented on the difficulty it has in reaching basic rate decisions without full disclosure. Now this hasn't just happened today. It just didn't happen last year; it didn't happen the year before. This has been going on for many, many years. And when the minister stood up and tried to ridicule the member on this side of the House for bringing forward a bill which would address the concerns of the PUB, the Public Utilities Board, which is there to protect the public, it's there for the public's protection, and he would stand up and ridicule a member that was trying to protect the public and then say in his next breath that we are the saviours. We are the saviours. Honestly, Mr. Speaker, it rings so false to the public, to this House. The minister should apologize to the House, to the member on this side and to the public for such a statement.

The PUB has had to repeatedly raise issues related to MPI's transparency and the current government's role in that regard. It's very disturbing to Manitobans. A long record of NDP—

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

Mr. Daryl Reid (Transcona): My apologies to my colleagues, Mr. Speaker, I know are just champing at the bit here, wanting to—there is a starting gates, I know, and I'll keep my comments very brief but I

want to give some opening advice to the member for Emerson and his colleagues: undo the straps of that saddle and take it off the horse, because the horse is dead.

Mr. Speaker, I listened very carefully to the comments from the member for Morris (Mrs. Taillieu) and I know there are people that have horses on their properties in Morris, so she'll understand the analogy that I'm making here, because the arguments you are using are false. They are based on a false premise, and if you listen to all the arguments that have been put forward at PUB over the years, and seeing the rulings by PUB, who have actually set the rates for Manitobans based on applications that MPI has made to PUB, PUB has accepted the rate application that MPI has made every year, with some minor adjustments and recommendations, of course.

But, at the same time, I want to tell the member opposite, in the last 12 years there have been 11 rate decreases and five rebates to Manitobans as a result of the good work of Manitoba Public Insurance Corporation, and, of course, everyone in this Chamber and all Manitobans know that the Conservative Party of Manitoba wants to privatize every aspect of Crown corporation ownership in this province.

Any Manitoban that's listening to this debate here today, let them be aware that the Conservative Party of Manitoba wants to privatize Manitoba Public Insurance Corporation, Manitoba Hydro, Manitoba Liquor Control, Manitoba Lotteries and every other entity of the provincial government operations. That's the goal of the Conservative Party of Manitoba.

Now I have to ask the members. They say that there's no support publicly for Manitoba Public Insurance Corporation. Well, I have news for the members opposite. We track this information and we have an approval rating of 75 to 80 per cent of Manitobans in this province think Manitoba Public Insurance Corporation is on the right track and doing the right thing for Manitobans, Mr. Speaker. That is good news for Manitobans.

Manitoba Public Insurance Corporation returns to Manitoban ratepayers—the people that register their vehicles and buy the insurance—returns 90 cents of every dollar premium paid back to those ratepayers in the form of claims and services to Manitobans. I think that's a remarkable record. Even the private sector that the members opposite talk

about here can't even come anywhere close to achieving that particular record.

Manitoba Public Insurance Corporation, as a result of their activities over the last 12 years, have the lowest automobile insurance rates in all of Canada—even beating Saskatchewan. We have the best coverage and we have even lower deductibles than the province of Saskatchewan, I believe, are \$700 for basic insurance compared to Manitoba's \$500 basic, although we can buy down to a lower level than that.

The member opposite from Emerson talks about the enhanced identity card and the enhanced driver's licence. Well, I have good news for him. It's his constituents that are buying all these cards that he is attacking and saying our government shouldn't be involved in.

Now, I don't know why he wants to attack his constituents who have taken up these cards and have used them for identity documents to go back and forth across the border, but maybe he needs to go back into a public meeting in his constituency and tell his constituents: You are wrong. You should not have purchased those cards because they're bad for Manitoba.

I challenge the minister—the member to go back into his community and tell them that they made a mistake buying those cards, because I think they will tell him a different message with respect to that.

Now, I have a challenge for the members opposite. They want to open up the competitive lines of Manitoba Public Insurance, the SRE and the extension insurance in Manitoba to let the members of the public see it. So if you think that's a good idea, then why don't you suggest also that the private insurance companies in Manitoba, the people that insure my home and the homes of all members here, put up their competitive lines of business so I can see whether or not I'm getting the best value for my money in the insurance that I pay. I think that's only fair that if you're going to suggest that we open up all the competitive lines, let the insurance companies level the playing field so that they too can tell Manitobans what kind of value they're getting. *[interjection]* Well, we won't go there. I'll leave that for the member for Kildonan (Mr. Chomiak). Maybe he wants to add that in his comments.

Mr. Speaker, I'd like to say a lot more about Manitoba Public Insurance—a corporation that I believe very strongly in, and I think that Manitobans

are well served by this corporation over its 40-year history in the province of Manitoba. And I'm proud to support Manitoba Public Insurance Corporation; in fact, all of our Crown corporations that the people of Manitoba own.

Thank you, Mr. Speaker, for the opportunity to add my comments.

Mrs. Heather Stefanson (Tuxedo): Well, I would just like to thank the member for Morris (Mrs. Taillieu) for bringing this very important bill forward in this House for us to debate today—The Crown Corporations Public Review and Accountability Amendment Act.

Now, I don't know what members opposite are so afraid of. Why are they so afraid of making things more transparent and accountable in our province, Mr. Speaker?

We just had the member for Transcona stand up and talk about—and I believe he is a board member, Mr. Speaker, of MPI, if I'm not mistaken. So what is he so afraid of? What is he hiding? What is he so afraid that the Public Utilities Board may find in the finances of MPI?

*(10:40)

All this bill is asking for is more transparency and accountability, Mr. Speaker, and members opposite should have no problem with supporting this bill if they believe in transparency and accountability, if they have nothing to hide.

But I suggest that the member for Transcona, being a board member, then is saying to Manitobans, no, no, we don't want the Public Utilities Board to have access to these financials of MPI, because, oh, they find something that we don't want them to find, Mr. Speaker. Well, heaven forbid that we would actually have more transparency and accountability within our Crown corporations when it comes to the disclosure of financial statements in this province. And I think it's shameful for the member for Transcona to not stand up—not stand up for ratepayers at MPI, not stand up for all those people in Manitoba and say that, you know what, absolutely, you can have access to our financial information. But unfortunately he has stated that obviously there is something to hide there, which makes me even more concerned.

So, Mr. Speaker, the NDP have interfered with MPI on numerous occasions, for example, forcing them to take over driver and vehicle licensing and to

pay for the cost of doing it. Then they forced MPI to take on the enhanced ID card project. MPI did market research on this that showed no one was interested in the cards, but it didn't matter; the NDP told MPI to go through with it anyway. And I know my colleague, the member for Emerson (Mr. Graydon), spoke about this very eloquently and the waste of some \$14 million to the ratepayers of MPI. And I think it's unfortunate when the government gets involved in these ways in our Crown corporations.

It leads to one conclusion: that the NDP have a vested interest in ensuring that MPI's books never see the light of day. And I think that that's really unfortunate, especially the member for Transcona standing up as a board member here today and indicating that he is opposed to this bill, which indicates that he is opposed to more transparency and accountability when it comes to opening up the books for the Public Utilities Board of—MPI's books for the Public Utilities Board, Mr. Speaker.

Mr. Speaker, the Public Utilities Board has for several years been expressing concern about its lack of jurisdiction in looking at MPI's books. The PUB has jurisdiction over MPI's basic Autopac line only, not MPI's extension and special risk extension, competitive lines, nor over MPI's driver and vehicle licensing function, which is housed within the extension line of business and shielded from the oversight of the PUB. The PUB has argued that without access to the financial records for MPI's competitive lines, it cannot get a full picture of MPI's financial situation. The PUB needs the whole story in order to set fair Autopac rates.

Mr. Speaker, MPI is, of course, in the news again as it prepares to roll out a hefty 45 per cent rebate cheques to policyholders. And we wonder when Manitobans will start to receive these cheques, whether it's going to be on the eve of the election is—the cheque's in the mail. Will we be receiving them on October 3rd? Is that—has the—have members opposite given the direction and the directive to those at MPI to make sure, well, don't give it too soon, you know, Manitobans may forget, so let's make sure that they get it just on the eve of the election.

You know, the PUB, Mr. Speaker, examined the rebate issue on March 30th of this year at a special hearing, and at that time the PUB chair stated, and I quote: It should come as no surprise that this board

has long sought openness and transparency, in fact, more openness and transparency from MPI.

The following day the PUB ordered MPI to issue the 45 per cent rebate. Again, concerns were expressed, Mr. Speaker, by the PUB about MPI transparency. In order 43/11, the PUB stated, and I quote: The board is disappointed to have to admonish MPI for (a) not informing the board much earlier of its knowledge of the indications of an impending material change to its unpaid claims liability as the result of the actuary's report; (b) failing to advise the board of further retroactive benefit enhancements when MPI became aware of same; (c) failing to file the actuary's report it received on or about February 3rd of this—2011 with the board until March 24th, 2011; and (d) failing to provide the board the corporation's expectations of a materially different net income result for the fiscal 2010-11 year until March 24th, 2011. End quotes.

The PUB then went on to state in order 43/11, and I quote: "Effective regulation can only be achieved in an atmosphere of openness and transparency involving, at least, the regulated entity and its regulator. Failure to achieve that atmosphere is not in the public interest. And the board expects and looks forward to a changed approach by MPI to its meeting its responsibilities with respect to that atmosphere. Both MPI and this board are mandated to operate in the public interest and MPI, itself, was established to work for the benefit of its insureds: Manitobans." End quote, Mr. Speaker.

I think what's unfortunate about this, Mr. Speaker, is that the PUB is calling on this. They've actually taken the MPI to court on this. Unfortunately, now, MPI is in—and the ratepayers are now, and Manitobans are now having to foot the bill for a court case, when all this would take is for the NDP to just say, yes, it's okay to come in and look at our books, because we want to be transparent and we want to be accountable to ratepayers of MPI and to all of taxpayers in Manitoba.

I would suggest that members opposite should support this bill, unless, Mr. Speaker, the real agenda on their side is to hide the books from Manitobans, and that's what—and they're so afraid of transparency and accountability when it comes to the finances of the Province, and in this case the finances of MPI. What have they got to hide? And if they don't have anything to hide, then they have no choice but to support this bill, and I suggest they do today.

Hon. Dave Chomiak (Minister of Innovation, Energy and Mines): Mr. Speaker, there's so much material to work with I don't quite know where to start. But, I think I can certainly—

An Honourable Member: Start with transparency.

Mr. Chomiak: Certainly. The member says transparency, and I'm glad the member said that because I don't think there's any member on that side of the House whose sat on a corporate board and sat on Crown corporation board, so they talk like they know something about the corporate world and accountability, and they talks like they know about business.

But the number one concern on business interest is competitive information, and if the members wanted to be true, if they wanted to be true to their so-called ideals, why would they ask the private insurance companies to provide their rates publicly? Why don't they? Why do they only ask a public corporation to provide its public—its rates publicly, and then the competitive companies in the private sector don't have to do that. It's a little bit—there's a little bit of incongruity there.

And in addition, Mr. Speaker, I'm not suggesting that that has anything to do with their position on corporate-union donations. That's topic for another debate. But having said that, there is inconsistency there.

Now, let me talk about transparency. Let me talk about the fact that when we brought in FIPPA and expanded FIPPA—and expanded it to the hospitals, knowing full well the information would become public. Regularly, members of the House stand up and say, we've got a leak, we've got a leak. And they may stand up and they read a FIPPA, freedom of information form, into the House, which is public information that was not available during the 11 mean, lean, cutting, firing years of the Tories, the secretive years of the Tories.

You know, Mr. Speaker, when I was the opposition Health critic in Estimates, they would not tell us how many beds were in each hospital. They would not tell us how many beds were available in the health-care system. One of the reasons they didn't want to do that was because they were getting rid of so many beds. They never told us why they shut down Misericordia Hospital.

You know, Mr. Speaker, but I digress. I want to go back to the issue of competitive versus monopoly. So, MPI, which is a public corporation, which

provide the lowest insurance rates in North America goes to the Public Utilities Board, goes to the public and provides its information. That's more than the Conservative Party did at its last convention. You didn't even go—open the doors at your last convention.

* (10:50)

Having said that, Mr. Speaker, on the competitive side, all MPI has said is, we want to be treated like any other competitive company and not have to reveal our commercial rates, which, there's some logic, if you know anything about corporate business and corporate directorships.

But let me take another example, Mr. Speaker. Let's talk about Hydro. The members are fast struggling to put in place their Hydro privatization strategy. But let me just tell you an example of what happens when members opposite get information. You know, there is a problem if you don't understand basic accounting principles, and there is a problem when you take the information and shall we say—

An Honourable Member: Cheat?

Mr. Chomiak: —well, we'll say misinterpret it and put out ads and put posters and mailings into every constituency in the province on your mailings to say things that are inaccurate.

But you know, let's talk about when Hydro puts out its costs and members opposite attack the costs. They have no problem when a Hydro building gets built and is the most energy efficient in North America, going there for parties and rallies and drinking champagne and having all the events and having criticized those costs that were made public and saying it was too expensive. But once it's built, Mr. Speaker, they had no problem participating in it.

And I'm not going to get into the MTS Centre they voted against. I'm not going to get into the Bombers' stadium that they're against, Mr. Speaker, but I want to go back to Hydro. So Hydro puts out the costs of its converters. The members opposite take the costs of the converters, the cost of the transmission line, add it up and say they're going to cancel it all, which would cancel not just the converters, not just the transmission line but the very dams that produce the power that would go down the transmission lines and through the converters. They take that information which is kind of basic, $1 + 2 = 4$, for the members of the opposition, and they put out misinformation so even when you give

them proper accountability, they don't know what to do with it.

You know, and then we get the conspiracy theorists. It's bad enough, Mr. Speaker, that *The Morden Times*, that left-leaning journal out there, would indicate, quote, the "Tories out to lunch on MPI debate," but the member for Tuxedo (Mrs. Stefanson) talks about, quote, the conspiracy theory. The conspiracy theory that somehow the rebates that have been ordered, the historically high rebates that have been ordered, are somehow tied in with an election that's a fixed election date that was set several years ago by members of this House. Now, I have grave difficulty even remotely finding conspiracy in that. But again, I digress somewhat from my arguments.

You know, Mr. Speaker, the point I wanted to make was the fact that I talked—I remember during the MTS debate, an issue in the MTS debate was the lack of capitalization, so when we go to MPS—MTS now, who are the government of Manitoba's largest customer, and we want expansion, the issue that comes back is capital. They need capitalization. Wait a minute. I thought they were privatized so they could get capitalization. But no, now we're their largest customer, they need capitalization.

Oh, okay, so let me go back a little bit step. So during—before the '95 election, I talked to a card-carrying Tory member who was working with the premier, then Filmon, on privatization of MTS on a contract, working on privatization of MTS. Then Premier Filmon said, we're not going to privatize MTS. Then there was an election. Then MTS was privatized. Funny. The card-carrying Conservative member who I know who worked on contract with Filmon's people was working on privatization of MTS before the election, when Filmon said they would not privatize.

So, Mr. Speaker, if members are wondering about our suspicions concerning Winnipeg—Manitoba Hydro, they're well founded. It's the same scenario. Run down the corporation. Do everything you can to attack the management and the functioning of that corporation. Call for accountability when the information is provided. Take the information. Put out inaccurate information. Continue to attack, attack, attack and then move in and privatize.

It's the same thing with MPI, Mr. Speaker. It's never been any different. You know, in the 1880—in the 1980s—1880s, I'm sorry, the member for Emerson

kept me thinking about the past. Sorry, sir. In the 1980s, MPI was criticized for building up reserves. It was criticized for building up reserves and not decreasing rates because of—and not decreasing rates. The Tories were all over them and there was a huge attack on MPI. The Bhopal disaster occurred. All the reinsurance industry around North America was forced into retrenching. All the rates went up, and then MPI got nailed with additional costs because its reserves weren't high enough to cover the reinsurance with respect to Bhopal, et cetera.

Now, members opposite want Manitoba Hydro to go to market rates. They want Manitoba Hydro to go to market rates. They want the lowest rates in Canada, that are MPI, to not continue, and then the marketing part of MPI, that's commercially private, they want it to provide all its information so all its competitors can know what's going on and they won't be able to compete any more.

So it seems to me that they're on a track to destroy the Crown corporation, as they destroyed MTS, as they are trying to destroy Manitoba Hydro, Mr. Speaker. And the agenda is clear, and we don't even have to go to the record or listen to their speeches; it's clear in their actions. It's clear in the fact that they spend every day—there's—they're two-trick pony—when things are in trouble, let's stand up and talk about crime—crime, crime, crime here, crime there, crime everywhere, because we don't—that's the only issue we have to stand on.

The other issue is Hydro—attack Hydro, attack Hydro, reduce its credibility, put them in a position where they can come in and say we're going to privatize it even though we promised not to privatize it, just like they promised not to privatize MTS, just like they're promising not to privatize MPI, but they want to take away MPI's ability to compete in the marketplace on the area where it's competitive, provide that information which would make it non-competitive, Mr. Speaker.

And if they were on the board of a private company, they'd all be fired, Mr. Speaker, and that's what I think the members of the public will have an opportunity to do on October 4th, is to look at them and look at their record, look at what they potentially want to do and make sure they don't have their hands on the reins of power. Thank you.

Mr. Doug Martindale (Burrows): Mr. Speaker, well, sometimes there's an advantage of being around this place for a long time, as the previous speaker, the member for Kildonan, illustrates. And we're both

from the class of '90 and—well, the member for Kildonan was working here before that, but I well remember the 1988 election because I was a candidate in that election and I lost. And one of the reasons was that MPI rates were increased, and that became a hot political issue and the government of the day paid a price.

Well, then things changed in the 1990s. The Filmon government, to their credit, established a Public Utilities Board requirement for Manitoba Public Insurance. And so, you know, when I get complaints from constituents about Autopac rates, I say, well, it's decided by an independent body called the Public Utilities Board, in fact set up by the Filmon government, and that's a good thing. But what has happened, to the credit of the Filmon government, is that we depoliticized Autopac rates, and I think that's a good thing. And I think members opposite should support that in its entirety.

You know, I think that they have a choice. You know, they can either privatize MPI—you can privatize MPI or you can support the status quo or you can argue to improve MPI. I haven't heard any arguments today about improving MPI, but those are your choices. And I think the other choice is to try and privatize MPI by the back door. And that's what I think the opposition member's private member's bill, Bill 202, The Crown Corporations Public Review and Accountability Amendment Act, are trying to do, is trying to privatize MPI, but they don't really want to admit it so they're going to try and do it through the back door.

Contrary to what they're trying to do, Manitoba Public Insurance is actually very popular. In fact, did the Filmon government privatize it in the 1990s? No, because it enjoys overwhelming public support. Did the Saskatchewan Party try to privatize Saskatchewan—SGI, I believe it's called? No, because it enjoys overwhelming public support. So why would you want to do that? I really don't understand.

Manitobans value the low basic insurance rates provided by MPI with oversight by the PUB—

* (11:00)

Mr. Speaker: Order. When this matter is again before the House, the honourable member for Burrows will have seven minutes remaining.

The hour now being 11 a.m., we will now move on to resolutions.

House Business

Mr. Speaker: But before we do, the honourable member—the honourable Official Opposition House Leader, on House business?

Mrs. Mavis Taillieu (Official Opposition House Leader): Yes, Mr. Speaker. In accordance with rule 31(9), I would like to announce that the private member's resolution that will be considered next Thursday is the resolution on Purged Warrants, sponsored by the honourable member for Steinbach (Mr. Goertzen).

Mr. Speaker: It's been announced that the private member's resolution that will be considered next Thursday is the resolution on Purged Warrants, sponsored—and it will be sponsored by the honourable member for Steinbach.

RESOLUTION

Mr. Speaker: Okay, now it being 11 a.m., we will now move on to resolutions, and we'll deal with resolution No. 6, Taxpayer Fairness for Manitobans.

Res. 6—Taxpayer Fairness for Manitobans

Mrs. Heather Stefanson (Tuxedo): I move, seconded by the member from Morris:

WHEREAS a fair, transparent and accountable tax structure is one of the pillars of our democratic setup; and

WHEREAS taxpayers should have a right to access and understand their rights and duties and hold public bodies accountable on how taxpayer funds are managed; and

WHEREAS the federal government of Canada introduced a Taxpayer Bill of Rights that outlines the rights of taxpayers and makes the process of dealing with taxes or taxation issues more transparent and accessible; and

WHEREAS establishing a taxpayer bill of rights would enable taxpayers to understand their entitlements and right to appeal when they disagree; and

WHEREAS British Columbia also introduced a taxpayer fairness and service code; and

WHEREAS the code ensures that taxpayers are aware of their rights in their interactions with the ministry of finance and its staff, outlines the standards and behaviour they can expect from ministry staff and provides information on how to have concerns addressed; and

WHEREAS, as the British Columbia model illustrates, the advantages of a taxpayer bill of rights far outweigh the minor cost and administrative burden to the government; and

WHEREAS Manitobans could benefit from a similar taxpayer bill of rights due to the reasons outlined above and would consequently be more likely to pay taxes and obey the rules.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba consider implementing a taxpayer bill of rights or taxpayer fairness code to the benefit of all Manitobans.

Mr. Speaker: It's been moved by the honourable member for Tuxedo, seconded by the honourable member for Morris (Mrs. Taillieu),

WHEREAS a fair—dispense?

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Mrs. Stefanson: And I'm pleased to rise in favour of this resolution today and to put a few words on the record. And, indeed, I do hope members opposite will support this today for the sake of all Manitoban taxpayers and their rights, Mr. Speaker, because I believe this is something that Manitobans want and deserve, and I hope members opposite will see to it today to support this resolution.

I know, Mr. Speaker, that members opposite have an issue with accountability. We had a discussion earlier this morning with respect to a bill that the member for Morris (Mrs. Taillieu) brought forward, Bill 202, with Manitoba Public Insurance, wanting to—calling on more accountability and transparency from the government in the—in opening up the books of MPI and the finances for ratepayers and for Manitobans. And they did not support that this morning because they are afraid, and that's the unfortunate part about this NDP government, is that they're so afraid of transparency and accountability because they've got things to hide, which I think is unfortunate. And if they don't have anything to hide, then they should have no problem supporting this resolution this morning calling on a taxpayer fairness for all Manitobans.

Mr. Speaker, in 2007 the federal government introduced a Taxpayer Bill of Rights. This—the document outlines 15 rights that apply to all taxpayers. It ensconces such principles as a taxpayer's right to privacy and confidentiality; the right to complete, accurate, clear and timely

information; and right—and the right to pay no more and no less than what is required by law.

Mr. Speaker, British Columbia also introduced its own taxpayer fairness and service code in 2005. This code has been met with great success in British Columbia, and it is time that Manitoba took similar steps to ensure accountability and support for the taxpayers right here at home.

Mr. Speaker, modelled after the example of BC, this code will—would provide Manitobans with a clear understanding of their rights and duties as taxpayers and promote efficiency and accessibility, something that I believe is very important for taxpayers in Manitoba.

Mr. Speaker, in British Columbia the introduction of the taxpayer fairness and service code has been very successful. Taxpayers can easily find answers they need about their rights and responsibilities, as well as find out the proper course of addressing concerns. The code in British Columbia provides the ministry of finance staff with a concise source of information to refer to. As a result, staff and the public alike are better informed about taxation issues.

And, again, I would hope that the Minister of Finance (Ms. Wowchuk) would support this, because I think it's good for all Manitobans. It's not a very difficult thing to do within her government department and, indeed, would be a great step forward in ensuring transparency and accountability when it comes to how the government spends its money and the hard-earned tax dollars of all Manitobans.

Mr. Speaker, the BC government worked with individuals and businesses to create the—this code and, as such, it was well-received by the public. And in order to keep the code up to date and relevant for taxpayers it is reviewed each year. And that's why I'm not bringing this forward as a bill right now, but more as a resolution, to allow all of us in this Chamber to work together towards more transparency and accountability when it comes to taxpayers—for taxpayers in Manitoba. I'm not bringing forward a bill, because there needs to be ample amounts of consultation and public consultation, so that all taxpayers in Manitoba, indeed, have a say in how we move forward with this taxpayer bill of rights.

Mr. Speaker, putting in place a similar code in Manitoba would also require true public

consultations so that it reflects the needs and priorities of all Manitobans. And I know members opposite have, and members of the government, have talked about consultations that they have done, whether it has to do with the bipole line or what have you. They claim to do public consultations, but I know, in actual fact, that doesn't always really happen. And what I think needs to happen in Manitoba is that we need to ensure that, when it comes to this taxpayer bill of rights, that we do have true public consultations with those across this wonderful province of ours, so that everyone has a say.

Although the implementation of any new program comes with administrative issues and program costs, the BC government has found that the improvements resulting from the introduction of the code far outweigh these concerns, Mr. Speaker. And I think Manitoba will benefit from the implementation of a similar system. It's important that we foster a welcoming environment in our province for individuals and businesses. Our own taxpayer code will set us down the right path. This has happened in BC. We can do this and set a great example in Manitoba, right across this country.

Mr. Speaker, Manitoba needs a taxpayer code to improve communication and outline taxpayers' rights to courtesy, confidentiality, respect and timely customer service, because I think the government sometimes forgets, but they are here for the taxpayer of Manitoba, they are here for all Manitobans, and they deliver a service to Manitobans. I think sometimes they forget that people pay taxes because they expect a service to be delivered. And I think sometimes this government loses sight of that, and that's why it's very important that we implement something such as this taxpayer bill of rights.

This will make tax season, Mr. Speaker, a much less stressful time, and ensure that taxpayers are treated fairly. To make this happen, Manitoba taxpayers must know what is expected of them and what resources are available to them. Establishing a taxpayer bill of rights will help taxpayers to understand their entitlements and the right to appeal when they disagree. In addition, it will help taxpayers understand what to expect from their interactions with ministry staff.

This service should be based on the most modern means of communication available, such as e-taxation, but must also be accessible to those without Internet access, Mr. Speaker. And currently

taxpayers are faced with conflicting information about these taxation issues. And by providing taxpayers with a clear, consistent message, I believe we can improve efficiency in government.

*(11:10)

Mr. Speaker, when taxpayers understand their rights and how to appeal, when they feel they have not been treated justly, they will be more likely to pay their taxes and obey those rules. The right to expect accountability, the right to fair treatment, the right to obtain help, these are principles that we support, and by enshrining them in a Manitoba taxpayer bill of rights, these rights will become more accessible for all Manitobans.

Mr. Speaker, the code will also allow those that do not have access to accountants or taxation specialists to gain an adequate, clear and easy understanding of Manitoba's taxes, how to deal with them, and how to remedy potential taxation issues.

Mr. Speaker, in conclusion, the creation of a taxpayer code in Manitoba is in the best interest of all Manitobans. All taxpayers will benefit from having their rights enshrined and available to them, and it is necessary to reintroduce openness and accountability to the taxation system of our province. We can learn from the success of the Canadian Taxpayers Bill of Rights and BC's taxpayer fairness and service code. When taxpayers understand their rights and how to appeal when they feel that they have been treated unjustly, they will find the taxation system more transparent and accessible.

Mr. Speaker, I believe that by supporting this resolution, we are supporting good governance practices in Manitoba, and we are creating a friendly environment for individuals and businesses. Supporting taxpayer rights is a step in the right direction. So I encourage all members of this House to support this resolution today to make sure that there is much more openness and transparency for taxpayers in Manitoba. I believe Manitoba taxpayers want this, and I believe that they deserve it. Thank you.

Hon. Rosann Wowchuk (Minister of Finance): I listened to the member opposite speak with interest as she talks about fairness to Manitoba taxpayers.

Mr. Speaker, I want to tell you that I believe that Manitoba taxpayers do want to see changes in their taxes, and this government, in the 12 years that we have been in power, has been very considerate of tax fairness. It has been our priority and we have taken

many steps to reduce taxes for people in this province.

But I want to tell the member that there are already many systems in place to ensure tax fairness right in Manitoba; the Manitoba Taxation division, the independent Tax Appeals Commission, are two of them. These systems exist to benefit all Manitobans to ensure that companies that collect taxes that Manitobans pay are carried out effectively and accountably. As you can see, the government has measures in place to ensure that Manitoba taxpayers are protected, can access the information concerning their taxes, and that there is accountability present during this process.

Mr. Speaker, our government has a fair, responsible and balanced response to taxation. We have found a way to respond to the issues by putting in—ensuring that we're protecting front-line services, and at the same time introducing—balancing budgets and introducing tax relief. If you look at it, our government has—in this budget has introduced tax relief of a total of \$481 million over this year compared to what we've got in the '90s, and that will increase to \$539 million by 2014.

There are many steps that we have taken to reduce taxes and the cost that—whether it be in fitness tax credit, in education property tax credit, in the caregiver tax credit, Mr. Speaker, and, as well, in the area of business, our \$425-million reduction in business taxes will continue to ensure that Manitobans remain—Manitoba remains an affordable and competitive place to invest, innovate, grow and create jobs.

These are unique taxes—reductions in Manitoba. Manitoba is the first jurisdiction in Canada to completely eliminate the small-business income tax, down from 8 per cent when we took—it was 8 per cent, now it's down to zero. We have also eliminated the general corporate capital tax, which is very important to business.

Mr. Speaker, our record shows that this government is dedicated to taxpayer fairness and accountability to Manitoba taxpayers, which is why I really believe that this resolution is unnecessary. This resolution simply aims to copy elements present in such codes that exist in other jurisdictions, like the Canada Revenue Agency and the BC government.

The resolution makes reference to the Canada Revenue Agency taxpayer's bill of right, which affects all Manitobans in respect to federal taxation.

In fact, Manitoba personal and corporate income tax and the federal GST are administered by the Canada Revenue Agency. This means that the Canada Revenue Agency's Taxpayer Bill of Rights already applies to Manitoba income tax. For these reasons, an additional code or bill of rights would be redundant in respect to Manitoba's income tax.

The purpose—the proposed resolution also refers to the taxpayer fairness and service code recently introduced in British Columbia. Our public information and processes in the Taxation division of the Department of Finance cover all the specific aspects of the taxpayer's fairness code that exist in other jurisdictions, such as British Columbia.

The taxpayer division's processes exceed other jurisdictions in our approach to audit appeals. For these reasons, we do not—we believe that adding an additional code would be unnecessary and would really be duplication of the things we are doing now.

We can demonstrate that our public information and processes cover all the significant aspects of the fairness—taxpayer's fairness and code that exist in other jurisdictions. The majority of what is present—presently—present in codes found in BC are—is already in place in Manitoba, Mr. Speaker.

For example, Mr. Speaker, BC's code outlines general and basic codes of conduct, including courtesy, respect, fairness, privacy and timeliness. Our government does not dispute the importance of these values. It is essential that Manitoba taxpayers are aware of their rights and are treated with respect when making inquiries about their taxes, and that there is accountability present in this process. However, an additional taxpayer's code—fairness code would not offer anything new to Manitoba taxpayers, as these code values are inherent in the day-to-day work of the Department of Finance, the Ministry of Finance, the Manitoba taxpayers' division.

Indeed, these values and expectations are already outlined in our tax division's public message—mission statement and operating principles: integrity through behaviour and—that demonstrates respect, honesty and trust; dependency through behaviour that demonstrates commitment and accountability; diversity through innovation and creativity; participation through empowerment and accountability; honest communication through the free and open exchange of information, ideas and access to information; fairness through

objective, consistent and—objectivity, sensitivity and consistency.

The members opposite can access this mission statement, along with any other information, on the government website. It is—I would hope that they would take the time to do that and see that these issues are already covered.

To take another example, BC code outlines the general audit process, appeals, collections and refunds. Manitoba's Taxation division is already doing this and working together with vendors across the province. Manitoba's Taxation division has already published an information sheet that explains in detail the audit process. There—so what did—our department Taxation division goes beyond what the BC code is, Mr. Speaker.

As you can see, Mr. Speaker, our—the tax division is doing the job. They are providing fair, consistent and effective tax administration for Manitobans. They are providing Manitoba taxpayers with information that they require and they are doing it—and it is doing this while keeping accountability, respect and integrity of the core of their operations.

Mr. Speaker, as I look at the mandates of the Taxation division and their statement that they follow there, we are addressing these—all of these issues that the member has put forward. Taxpayer fairness is always the priority. We should all work towards taxpayer fairness, and our record proves, over the past 12 years, that we are working to taxpayer fairness.

* (11:20)

Our government has taken a balanced approach. We're investing in front-line services rather than cutting as the opposition did in the '90s and would do again if they had a chance, Mr. Speaker. But, at the same time, we are providing significant and broad-based tax savings for families and businesses, continuing to make Manitoba the most affordable place to live, work and raise a family.

The Manitoba tax division and the independent Tax Appeals Commission are already working hard to ensure taxpayer fairness for all Manitobans in respect to commercial tax. Manitoba's accountability and information systems equal or exceed those seen in other jurisdictions such as BC, as the member opposite referred to, and the Canadian Revenue Agency that she's talked about.

Key aspects of these codes, including Canada's Revenue Agency's Taxpayer Bill of Rights, are already in operation in Manitoba. An additional code would be unnecessary. It would be duplication. And I want to say to the member that I would encourage—and I know she's familiar with what's happening here in Manitoba. The truth is Manitobans do want fair taxation. They want a balance, Mr. Speaker, but they also want front-line services protected. They do not want duplication. There is no need for this resolution, because everything that is outlined in this resolution is already in place, and in fact, what the tax division in this Province is doing far exceeds what is happening in other jurisdictions. It exceeds the BC code and it exceeds the Revenue Canada code.

There is fairness. There is an appeal process, Mr. Speaker, and Manitobans are aware of it. I would encourage the member opposite to look at the website, find the information that is there that spells out very clearly the integrity and the—that of the department, look at the public mission statement of the tax division and see that all of the things that she is talking about are in the public mission statement. They are being followed. There is no need for another code. It would be duplication.

Let's work for fairness for Manitobans. Let's ensure that they have jobs in this province, Mr. Speaker, and let the member—

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

Mr. Blaine Pedersen (Carman): And it's certainly good to put a few words on record for support of the member from Tuxedo on this resolution, Taxpayer Fairness for Manitobans. And it's—if the government was truly—this government was truly on the side of Manitoba taxpayers, they would support this resolution. And as the resolution states, it needs to be—have consultations with Manitobans as to outline the regulations needed, and we already have similar legislation in British Columbia. We have similar legislation dealing with the Canada Revenue Agency.

In fact, if you go on Canada Revenue Agency's website, there is information about this, and it's our—first of all, it starts out with our fairness pledge, and it reads like a mission statement. And a mission statement is really an outline of what is expected of employees, what is expected of the taxpaying people of Canada, and it gives guidelines for what is expected.

And then you go into the fact sheet, the Taxpayer Bill of Rights, it defines 15 individual rights of taxpayers and for Canada Revenue Agency, and that's why we need this in Manitoba. It's something that is needed. As I say, this bill, federally, was introduced in May of 2007 and it's in place now and it does help taxpayers. And it's not only for—as I say, it's not only for the taxpaying public; it's also for the employees of Canada Revenue Agency, and in BC of the BC provincial tax department, because it outlines roles and responsibilities for everyone. And that's really what this bill is about: It's setting out roles and responsibilities and what is expected from both sides.

And so this resolution is a really good first step to get this taxpayer fairness commission set up, to set out the—how it would work, and this regulation really should be supported by government if they have nothing to hide. And it's not necessarily about the government per se right now, the government sitting members. This really does help the employees within the Manitoba Finance Department, because it will set out these clear set of objectives for them.

In British Columbia, they introduced this in 2005, and it's met with great success, and we would like to see Manitoba—you know, if you can't lead, at least follow along on good member—on good legislation and good-quality products for the taxpayer public. And we could model this after British Columbia because it's there; it's working. And it would give Manitobans a clear understanding of their rights and duties as taxpayers, and it would promote efficiency and accessibility within the department.

The—in British Columbia the taxpayers can find easy answers they need about their rights and responsibilities and, as well as the proper course for addressing their concerns. Too often taxpayers have a particular tax issue. They don't know where to turn to; they don't know how to address this, and either they simply don't address it and they can—which is to their detriment and possibly to the detriment of the tax department. Or else they get frustrated, and it's ineffective use of time within the tax department here, within the taxpayers. It would be much better use of everyone's time. And that's really what we want is to be able to streamline government, to make government more accessible and more approachable and so that everyone understands.

The BC government worked with individuals and businesses to create this code. It's been well

received by the public, and in order to keep the code up to date and relevant to taxpayers, it is reviewed each year. And there may or may not be changes each year but it's—at least you're reviewing it and keeping it current as the tax laws change year over year.

And we could do this in Manitoba—hold some true public consultations so that it reflects the needs and the priorities of all Manitobans. There are some administrative issues and some program costs, and that's why this is a resolution and not a bill, because as a private members—you can't introduce money bills but because there would be a cost to it. But let's look at this. Let's set this up and see what it would actually cost. And although it would come with some costs, the—in the British Columbia example, they have actually found that there have been improvements. The improvements far outweigh the cost of the code, so they become more efficient and become much more transparent.

So Manitoba could benefit from the implementation of a similar system. You already have the model set up there so even the costs of implementing such a means here would not be as burdensome as say it was in British Columbia, where they were the first to start this. So we have a model we could work on, and it would work very similar.

And it's—what you're trying to do is you're trying to implement a welcoming environment within the province for individuals and businesses. Taxes are a necessary event in our lives, but let's make it as easy as possible to do business, to do the business of taxation. And rather than being adversarial on each side, the more you can work together, the easier it becomes. And a taxpayer code would set us down on this right path.

This—it would improve communication and outline taxpayers' rights to courtesy, confidentiality, respect and timely customer service. And I would suggest that would work within the tax department as well because they deserve some courtesy; they deserve to know what the confidentiality is, the respect. They work for—our people in the tax department work very hard; they deserve our respect. So it works both ways.

This isn't just about the taxpayer—taxpaying public, the customer. It's also about the people that we deal with on a daily basis. And, again, have it on a timely customer service so that it doesn't become a long, drawn-out affair if you do have questions or if you do have issues with the tax department.

* (11:30)

Goodness knows the tax season is stressful enough for all of us, and as we approach April 30th, as our taxes are due, anything that we can do to ensure that taxpayers are treated fairly and on time would certainly be a help.

With this taxpayer fairness code, Manitoba taxpayers would know that—what is expected of them, what resources are available to them, and establishing this bill of rights will help taxpayers to understand their entitlements and their right to appeal when they do disagree. And it helps taxpayers understand what to expect from their inter-reactions when dealing with the Department of Finance.

And it should—this should be based on the most modern means of communication. There are a lot of people now who e-file their taxes, who do their taxes on their own without an accountant. And dealing with e-filing, it would also help them because they don't have that benefit of the accountant to deal with the Finance Department and who possibly understands better the rules and regulations within the Finance Department. This would help people who are e-filing and doing their own taxes and know what their rights and responsibilities are.

So, Mr. Speaker, this—I would very much like to ask the government to support this resolution because this isn't about us versus them; this is about the taxpaying public; it's about introducing openness and accountability on both sides, both the taxpayer and the Department of Finance. We can learn from the BC taxpayer fairness and service code, how their system has worked and how it is—has become very effective.

And so, I would—I certainly support this resolution. I would ask that the government members look at this openly and fairly, and they should be supporting a good practice what is described in this resolution. Thank you, Mr. Speaker.

Mr. Gregory Dewar (Selkirk): It's a pleasure to rise today and to talk about taxpayers' issues, Mr. Speaker. We, as members know that we just came through a budget debate and the passage of that budget just last week. The members—the opposition members in the Chamber spoke very little on the budget. They—each of them had a, you know, a very controlled five-minute, 10-minute little speech. Reminds me of our Member of Parliament James Bezan who was too scared to participate in debates unless there is—unless there's no audio of the debate.

He's prepared to be involved in a debate as long as—it could be a video of the debate, but as long as there's no audio, he's not prepared to get involved in debates.

So, just like the opposition members here in the Chamber, they have a very scripted little comments. They pass this—their notes from member to member, and they didn't want to go off topic. At the end of the day, they teased Manitobans about the budget, about whether they were going to vote for the budget or not. I know the member for River East (Mrs. Mitchelson), she was—praised the budget in the Chamber and outside the Chamber, but at the end of the day, they voted against the budget, Mr. Speaker.

They voted against a number of tax cuts, which I'll get into in my comments. And that's why I think it's important for us to debate taxpayer issues because there wasn't a lot of debate last week regarding taxpayers' issues. And, you know, the main thing in a taxpayer—and the main thing taxpayers are concerned about are lower taxes, paying less taxes or getting value for the money that they pay in taxes. And you don't want to concentrate on, in my comments this morning, on the tax cuts that this government has provided over the last number of years and the value that we provide to Manitobans for those tax dollars that people pay out. And, you know, the public's not interested in—well, they're deeply concerned, I should say, about the Conservative promise to cut, in one year, \$450 million out of the budget.

Now, some of us will remember that in 1990, the Filmon government and the current Leader of the Opposition (Mr. McFadyen) was the chief of staff for the Filmon government and was no doubt involved in the election campaign. One of their promises was to cut the size of government by 10 per cent. Now, few people remember that, but that was one of their promises: to cut the size of government by 10 per cent. And that included us. They were going to reduce the number of MLAs by 10 per cent as well, Mr. Speaker, but that—when you look at 10 per cent of our current budget that is over a billion dollars per year that they were prepared to cut out of services to Manitobans.

Now last year they voted—they brought forward an amendment saying they were going to cut 450 in one year, the only political party in Canada that said they would reduce their deficit in one year. No other government, no other opposition, as far as I know, said they could reduce—eliminate their deficit

brought in—brought on by the worldwide credit crisis, Mr. Speaker. But this PC opposition said they could do it in one year. I don't know how?

Well, I guess, you know, I mean there's a way to do it. [*interjection*] They would cut hospitals, yes, or they would close schools, you know, not do any Plessis underpasses, Mr. Speaker. They'd close—they wouldn't be able to forward—go ahead with the new school that we're building in Lakeside or they would raise taxes, which they have a record of doing.

Listening to the members that spoke prior, not one of them, not one of those members that spoke prior to me cut a single tax in their career in public office, not one of them, but they can stand up now and talk about taxpayers' rights. It is this government, Mr. Speaker, that cut over a billion dollars. It is this government that is protecting taxpayers in this province by reducing taxes.

And, now, it's been pointed out by others in this Chamber that this resolution is redundant. In fact, what it does it creates another level of bureaucracy in the system. And this again—I thought this would run counter to what I thought the Conservatives stand for. I thought they stood for smaller government, not larger government, not another layer attached in the Department of Finance, Mr. Speaker, not another layer of government attached in the Department of Finance.

As the Minister of Finance (Ms. Wowchuk) already pointed out, this resolution makes reference to the Canada Revenue Agency's bill—taxpayer's bill of rights, which affects all Manitobans in respect to federal taxation. So, in fact, all of Manitoba's personal and corporate income tax and the federal GST are actually administrated by the Canada Revenue Agency. And this means that the Canada Revenue Agency's bill—taxpayer's bill of rights already applies to Manitoba income tax as well. So this, Mr. Speaker, is redundant.

And I want to talk a little bit about some of the tax cuts that we have brought in which work out to over \$1.3 billion annually. I want to talk about—well, begin with property taxes. Now this is the first government in the history of Manitoba to actually completely eliminate—well, we've eliminated two taxes. We've eliminated the residential education support levy, which this government eliminated in 2006. We increased the education property tax credit from \$250 up to \$700 in this budget. That's 180 per cent.

Now, in the 1990s, the Filmon government did two things when they're related to taxes. They, Mr. Speaker, they lowered the tax credit from \$325—I remember this clearly. They lowered it from \$325 down to \$250, which means—which meant every taxpayer in the province who owned property taxes saw their tax bill go up by \$75. Plus they then—they expanded the number of items that the PST covers. So that's what they did. They did not decrease any taxes. They increased two taxes.

Mr. Speaker, again, seniors education property tax credit—we're increasing it by 38 per cent, from \$100 up to \$1,100. And here, again, farmland school taxes, 80 per cent rebate. The opposition pretend to—you know, well, they haven't asked any questions on agriculture, so they only can pretend that they are the friend of the farmer here in Manitoba, but it is this government that has increased that to 80 per cent.

And here's another thing, they pretend when they go out there and meet with their business friends and they talk to—*[interjection]* They swagger into those—yeah, into those boardrooms, and they say, we're the friend of business. Well, which government completely eliminated the small business tax? Was it the Conservatives? No. It was 8 per cent when they were in government. We completely eliminated it. It's tax freedom day in Manitoba if you're a small business owner in Manitoba. We support small business. We completely eliminated that tax. It was 8 per cent when the Filmon government was in power. We eliminated it completely, Mr. Speaker. We've got the lowest rate in Canada—wouldn't come as any surprise considering it's absolutely zero.

* (11:40)

We've lowered the general corporate income tax rate from 17 per cent when the Filmon government was in power down to 12 per cent, which is a 41 per cent reduction, Mr. Speaker. We've—health and education levy, also known by some as the payroll tax. I remember in the 1990s, the Filmon government said that they would completely eliminate the payroll tax. I believe the Liberals said that but fortunately, no one listens to the Liberals but they said they would—they said—*[interjection]* well, the independent member from River Heights. They said that they would completely eliminate the payroll tax in the '90s. They did nothing, absolutely nothing, and people need to realize this.

They did absolutely nothing on the payroll tax, but we increased the threshold by 25 per cent. We

have an R & D tax credit. We have a Filmon video tax credit which we've increased by 86 per cent. We have a publishing—book publishing tax credit of 40 per cent. We actually support the co-op education and apprenticeship tax credit of \$2,500 annually.

This government that cut \$400—excuse me, \$400 million out of business tax. We've cut \$336 million annually out of property tax, and we cut \$440 million annually out of personal income tax, Mr. Speaker. Over \$1.3 billion a year in tax cuts. That to me—I think we're standing on the side of taxpayers. I think we're standing—you know, our actions prove that we're standing on the side of taxpayers not supporting a resolution which has been proven to be redundant by other members in this Chamber. Manitobans know when it comes to standing up for taxpayers in this province, it is this NDP government, not any Conservative government of the past.

Thank you, Mr. Speaker.

Mrs. Leanne Rowat (Minnedosa): First and foremost, I'd like to thank the member for Tuxedo (Mrs. Stefanson) for bringing forward this resolution. Taxpayer fairness, I think is an excellent topic, and I think it's something that we need to remind the government that they are not known as anything but a back-door tax government. They bring in different taxes. That upsets so many Manitobans. So I think that this resolution, Mr. Speaker, will help set expectations when dealing with the province and as well, with Revenue Canada.

The bill of rights is actually a helpful tool for taxpayers because it outlines the rights of taxpayers and makes the process around taxation more transparent and accessible. Tax time is a very stressful time for so many families in Manitoba. I know that my family, my parents who are—have gotten out of farming and they're retiring and they have so many obligations with their taxes, when they meet with their lawyer and meet with their accountants, and I believe that this tool will actually help take away some of that stress for them. They are trying their best to move into another path in their life, and I think that this tool, I know, would be a benefit to my parents in moving forward.

I also know that this tool would be an excellent tool in helping our family in dealing with our tax questions and our tax issues. So many of us rely on the Internet for answers, and I believe that if we implemented something very similar to what British Columbia has done, it would provide that option of

being able to go on the Internet and look at this issue and the bill of rights and determine, you know, how best to move forward on so many different issues that are specific to our family and specific to our needs and our concerns. So I think that this resolution speaks about transparency, speaks about the process of being an accessible bill that would help so many Manitobans going forward.

And I want to add that British Columbia, by introducing this, have found that this bill has been very successful. Taxpayers can easily find answers they need about their rights and responsibilities, and the code provides the Ministry of Finance staff with a concise source of information to refer to. So, as a result, staff and the public alike are better informed about taxation issues, Mr. Speaker.

The British Columbia government worked with individuals and businesses to create this code, and I think that's a key piece that this government fails to do. True and transparent consultation with Manitobans is lacking from this government. There is a heavy hand from this government in implementing so many policies and programs and regulations, that I think this would show that this government actually is listening and working with Manitobans, and actually implementing something that would be well received by Manitobans in a way that would be relevant to the taxpayers of our province. So putting in place a similar code in Manitoba would definitely require public consultation, and that's a key piece that I think this government has failed to address.

Manitobans would benefit from the implementation of a similar system to the British Columbia model, and it would foster a welcoming environment in our province for individuals as well as business owners. It would provide our own taxpayer code which would be set up—down, setting up a strong path to follow for Manitobans in small business. So many business owners see nothing but red tape from this government, and they continually tell us that this is actually taking them away from what they would like to do, is working with the clients and working with the customers that they serve. And to be kept in the backroom, working through numbers, working through regulations, working through the paperwork, is taking away from them doing what they wanted to do when they started their businesses, is working and providing a service to Manitobans and their customers.

This will take—this will make tax season a less stressful time and ensure that taxpayers are treated fairly, and I think that what this government needs to know is that this service should be based on, you know, modern means of communication through Internet and, if not available through Internet, through other communication tools. When taxpayers understand their rights and how to appeal when they feel they have not been treated justly, they will be more likely to pay their taxes and obey the rules. So I believe that this would take away a lot of the stress for the department staff within the Department of Finance in dealing with questions and answers, and the process of getting those answers for the taxpayers of Manitoba.

The right to expect accountability, Mr. Speaker, the right to fair treatment, the right to obtain information and help with these—these principles are all what we support on this side of the House. By enshrining them in a Manitoba taxpayer bill of rights, these rights would become more accessible for Manitobans.

The code would also allow those that do not have access to accountants or taxation specialists, to gain an adequate, clear and easy understanding of Manitoba taxes and how to deal with them and how to remedy potential taxation issues. So, it's providing choice, Mr. Speaker. It's providing choice of whether an individual uses an accountant or does the taxes themselves. They would be provided with the tools to have the information to actually move forward and to process their taxes without having to go to an accountant if they preferred not to.

So, Mr. Speaker, the creation of the taxpayer's code of Manitoba is in the best interest of Manitobans. All taxpayers would benefit from having their rights explained to them and information provided so that they could move forward. And it would be necessary to reinforce openness and accountability to the taxation system in our province. It would help reduce the concern and the frustration with red tape and the inability to get information from this government.

We can learn from the success of the Canadian taxpayers' bill of right and we can learn from the BC's fairness and service code, which have both shown that this is a program and a service that is used, is respected and is wanted within our province. We hear that from Manitobans. When taxpayers understand their rights, and how to appeal when they

feel they have not been treated justly, they will find a taxation system more transparent and accessible.

So, Mr. Speaker, by supporting this resolution, we are supporting good governance practices in Manitoba and creating a friendlier environment for individuals and businesses. Supporting taxpayers' rights is a step in the right direction. We will see a reduction in red tape, we will see a reduction in resistance from this government to hide their interest in increasing taxes through backdoor means, and we would see a more transparent and a forward-thinking government.

Thank you, Mr. Speaker.

* (11:50)

Mr. Doug Martindale (Burrows): Mr. Speaker, I'm pleased to take part in the debate on this private member's resolution on taxpayer fairness.

Our record shows that this government is dedicated to taxpayer fairness and accountability to Manitoba taxpayers, which is why passing this resolution is unnecessary. This resolution simply aims to copy elements present in both—in such codes that exist in other jurisdictions, i.e. the Canada Revenue Agency and BC.

And the topic of BC might be of interest to members opposite because they have brought in the HST and I don't think it's very popular with taxpayers in BC. In fact, there's a possibility it might cost the government the election the next time around. And we've said no to the HSC in Manitoba, very wisely, I believe.

This resolution makes reference to the Canada Revenue Agency's taxpayer's bill of right—Taxpayer Bill of Rights which affects all Manitobans in respect to federal taxation. In fact, Manitoba's personal and corporate income taxes and the federal GST are actually administered by the Canada Revenue Agency. This means that the Canada Revenue Agency's Taxpayer Bill of Rights already applies to Manitoba income tax, as well. For these reasons, an additional code or bill of rights would be redundant in respect to Manitoba income tax.

Their proposed resolution also references the taxpayer fairness and services code recently introduced in British Columbia. Our public information and processes in the Taxation division of the Department of Finance cover all of the significant aspects of taxpayer fairness codes that

exist in other jurisdictions, such as British Columbia. The Taxation division's processes exceed other jurisdictions' in our approach to audit appeals. For these reasons, we believe that an additional code would be an unnecessary duplication.

Now we believe that our government already has a fair, responsible and balanced response to taxation. We've—we are investing in front-line services, rather than cutting, like the opposition did in the 1990s, and would again, if given the chance. If they form government, they're going to cut \$500 million out of the budget in one year. So we'd like to know, are you going to cut highways or education or health care or programs that benefit farmers? Where are you going to find \$500 million?

At the same time, we've provided significant and broad-based tax savings for families and businesses, continuing to make Manitoba an even more affordable place to live, work and raise a family. And we know that an objective third party, the government of Saskatchewan, says that Manitoba is the most affordable place to live in Canada. It's not that we are saying that, but we also have another government of a different party that is saying that; in fact, a Conservative party known as the Saskatchewan Party.

This is the 12th consecutive year that major provincial taxes have either been frozen or reduced. With the measures included in Budget 2011 our government has delivered personal income tax savings for Manitoba families that will total \$481 million more this year compared to 1999. These personal income tax savings will rise to \$539 million in 2014 with a full implementation of the additional tax reductions outlined in our new budget. And with this year's enhancements to the Education Property Tax Credit and the farmland tax rebate, Manitobans will benefit from an estimated \$332 million in property tax savings in 2011 because of reductions provided by our government since 1999. It will be \$336 million by 2013. Furthermore, since 1999 our government has provided tax savings to businesses that will total more than \$424 million per year when fully implemented.

The basic personal exemption will increase from \$8,134 in 2010 to \$8,384 in 2011 and \$9,134 by 2014. This represents an increase of 12 per cent, compared to a projected increase in inflation of less than seven per cent. Indexing all tax brackets would only save the average taxpayer \$245 over the next four years, compared to a total of \$270 under our

plan. Higher exemptions means savings for all Manitoba taxpayers. In fact, when they're fully implemented in 2014, an additional 22,000 Manitobans will no longer pay any income taxes at all. As our record proves, Manitobans can continue to trust this government to deliver fair, responsible and balanced tax cuts without risking the reckless cuts to our health, education, public safety and infrastructure proposed by the opposition.

And I wish I could continue because there are many more good things that we are doing, in terms of fairness and tax reductions, but time does not permit because I want to give other members time to take part in this debate.

Hon. Jim Rondeau (Minister of Healthy Living, Youth and Seniors): Mr. Speaker, I'm pleased to be able to put a few words on the record, and I'd like to thank my honourable colleague for giving me a few minutes.

First, let's talk about this resolution which is talking about taxpayer fairness, and I think it's appropriate that the member for Minnedosa (Mrs. Rowat) referred to BC, where, without consultation, they put in an HST. So we now know where the Conservatives want to go. They want to go and implement things like a harmonized sales tax which extends taxes and, in the case of Manitoba, actually increases taxes to the average Manitoban of, like, two to three hundred million dollars, and I'm pleased to be part of a government that didn't do that.

I'm pleased to be part of the government that, in 1999, we had a basic personal exemption of \$6,794; so under the Conservatives, 6,794. I'm pleased that this budget will continue to increase the personal exemption to \$8,134 in 2010, \$8,384 in 2011 and \$9,134 the following year in 2014. And, by the way, Mr. Speaker, that's almost a 50 per cent increase in the personal exemption in 10 years—50 per cent in 10 years. Now, I look at that and say, it's gone a long way, but I also compare that and contrast that to the Conservatives, where they didn't increase it.

I look at the small business and I believe with the 38,500 small businesses in Manitoba, we look at them for employment, for investment, for local hiring. They are the engine for Manitoba. And you know what's interesting, Mr. Speaker, is those 38,000 businesses in Manitoba, they actually—it's nice to see that in the '90s the small business tax rate was 9 per cent, and, now, under our government it's a tax-free

zone for small businesses that are earning less than \$400,000, and that's a huge step.

I look at other things that the opposition has voted against, and, by the way, let's make no pretense here. The Conservatives voted against lowering the small business rate from where it was at 9 per cent under the Conservatives—one of the highest in the country—to zero, and I think that's going to be good for small businesses hiring and reinvestment.

Let's look at what other things have happened in this House. I look at last year introducing the first time a Primary Caregiver's Tax Credit, and this is huge for people who care. It talks about having a province that has a caring heart, that recognizes caregivers and helps support all people, not just the wealthy. And what's neat is that it was introduced by our government last year, voted against by the Conservatives and the Liberal, and now we've increased it by yet another 25 per cent so the maximum amount is \$1,275 annually, and I'm pleased to be part of a government that cares about all and extended that tax credit.

Let's talk about other tax credits that have made a difference, the Fitness Tax Credit. I'm Minister of Healthy Living. I want young people to stay active. I want people to be able to afford to join sports programs, join recreational facilities, and I'm pleased that we have included young people all the way from 16 to 24. So now young people all the way up to 24 can get—be encouraged to participate in fitness activities, saving about \$1.2 million for Manitobans annually and also getting young people to be able to afford to join the Y or different fitness activities. And that—I think that's good.

And, Mr. Speaker, the NDP government voted for it and provided for it, started it, and the Conservatives voted against it. Now, that might be because they want to eliminate the Department of Healthy Living, which focuses on children, focuses on prevention, focuses on wellness. They have said before they want to eliminate that, but, you know, I'm proud to be part of a government that invests in prevention.

I look at other things like the property tax credit. When the Conservatives were governing, they actually—they decreased the credit, which cost property owners more money. I am pleased that when we got in government—by the way, it was \$350.

They dropped it down to—sorry, \$325. They dropped it down to \$250. So property owners had to pay more tax—more tax.

Now, they didn't go on a public discussion on this. We are moving that forward—

Mr. Speaker: Order. When this matter is again before the House, the honourable minister will have five minutes remaining.

The hour now being 12 noon, we will recess and reconvene at 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 28, 2011

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