

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

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

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The Honourable Daryl Reid  
Speaker*

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

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 8, 2013

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

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

Good afternoon, everyone. Please be seated.

## ROUTINE PROCEEDINGS

## INTRODUCTION OF BILLS

**Bill 41—The Highway Traffic Amendment Act  
(Enhanced Safety Regulation  
of Heavy Motor Vehicles)**

**Hon. Steve Ashton (Minister of Infrastructure and Transportation):** I move, seconded by the Minister of Local Government (Mr. Lemieux), that Bill 41, The Highway Traffic Amendment Act (Enhanced Safety Regulation of Heavy Motor Vehicles); Loi modifiant le Code de la route (sécurité accrue liée aux véhicules automobiles lourds), be now read a first time.

*Motion presented.*

**Mr. Ashton:** Since 1987, the National Safety Code standards have been implemented across North America in terms of heavy vehicles. They have in the first phase been applied to commercial trucks and public service vehicles. This will extend this to all other vehicles, with the exception of farm and personal vehicles, and will ensure greater safety involving heavy vehicles on our roads.

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

Any further introduction of bills?

**Bill 208—The Universal Newborn Hearing  
Screening Act**

**Mrs. Leanne Rowat (Riding Mountain):** I move, seconded by the member for River Heights (Mr. Gerrard), that Bill 208, The Universal Newborn Hearing Screening Act, be read for the first time.

*Motion presented.*

**Mrs. Rowat:** This bill ensures that parents or guardians of a newborn infant are offered the opportunity to have the infant screened for hearing loss. Hearing loss is a congenital disorder affecting more than three in every 1,000 newborns, but about half of those affected have no obvious risk factors.

All parents should have the option of having their newborn screened at the hospital that they deliver if they so desire; it shouldn't matter where they live in Manitoba. Without early detection of hearing loss, children are more likely to develop poor language and cognitive skills and do poorly in school. Thank you, Mr. Speaker.

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

Any further introduction of bills? Seeing none—

## PETITIONS

## Municipal Amalgamations—Reversal

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

And the background to this petition is as follows:

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Mr. Speaker, this petition is signed by K. Kopytko, J. Kopytko, G. Denischuk and hundreds of other concerned Manitobans.

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

#### **St. Ambroise Beach Provincial Park**

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

And this is the reason for the petition:

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition signed by M. McRae, L. Smith and L. McRae and many, many more fine Manitobans.

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

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by J. Wanlin, S. Nightingale, D. Beger and hundreds of other upset Manitobans, Mr. Speaker.

#### **Municipal Amalgamations–Reversal**

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

And these are the reasons for this petition:

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

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

\*(13:40)

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition's signed by R. Falloon, J. Smith and L. Golletz. Thank you, Mr. Speaker—and many, many more Manitobans.

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

The background to this petition is as follows:

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by D. Cole, P. Benn, P.R. Jewitt and many, many more fine Manitobans.

### **Highway 217 Bridge Repair**

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

And these are the reasons for this petition:

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by C. Barnabe, L. Dupuis and N. Bolduc and hundreds of other angry Manitobans.

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

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

These are the reasons for this petition:

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by N. Strohman, L. Yerex, J. McConnell and many, many other fine Manitobans.

### **Provincial Sales Tax Increase—Referendum**

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this is signed by S. Kaufmann, P. Kaufmann, A. Mills and many others, Mr. Speaker.

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by S. Melnychuk, M.L. Botoluk, D. Wiebe and thousands more upset Manitobans.

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

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by R.G. Downs, G.V. Price, B.L. Price and many other concerned Manitobans.

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

These are the reasons for this petition:

Provincial government promised not to raise taxes in the last election.

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

An increase to the one point—to the PST—excessive taxation will harm Manitoba families.

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

We petition the Legislative Assembly of Manitoba as follows:

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

Submitted on behalf of C. Doll, K. Meyers, M. Sigurdson and thousands of other angry Manitobans, Mr. Speaker.

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

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Mr. Speaker, this petition is signed by M. Kwok, S. Bienot, J. Moore and hundreds of other concerned Manitobans.

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

And these are the reasons for this petition:

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

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

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

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

\* (13:50)

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by G. Braun, E. Hildebrand and R. Isaac and many, many more fine Manitobans.

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by L. Penner, M. Stebnicky and G. Cherewayko and many, many other Manitobans, Mr. Speaker.

**Mr. Ron Schuler (St. Paul):** And in conclusion, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This is signed by S. Wiebe, J. Wiebe, C. Schellenburg and thousands upon thousands of angry Manitobans.

### Introduction of Guests

**Mr. Speaker:** Prior to oral questions, I'd like to draw the attention of honourable members to the Speaker's Gallery where we have with us today from Winnipeg Symphony Orchestra: Trudy Schroeder, executive director; Alexander Mickelthwate, music director; and WSO musicians Richard Turner, Patty Evans, Jan Kocman, Steve Dyer and Gwen Hoebig. On behalf of honourable members, we welcome you here this afternoon.

And also, seated in the public gallery we have with us today from the MS Society of Canada Darell Hominuk, Lizelle Mendoza, Kathy Blight, Signy Hansen, and Rick and Denise Keep. On behalf of honourable members, we welcome you here this afternoon. They're—and the—our guests from the MS Society of Canada are the guests of the honourable member for Radisson (Mr. Jha).

And also seated in the public gallery we have today from Springs Christian Academy 41 grade 11 students under the direction of Mr. Brad Dowler. This group is located in the constituency of the honourable First Minister. On behalf of all honourable members, we welcome you here this afternoon.

And also seated in the public gallery today we have with us Carol Lee, who is the guest of the honourable Leader of the Official Opposition.

And also in the public gallery we have with us today staff from the Valour Community Centre and the family of Bob Gingras, who are the guests of the honourable Minister of Justice and Attorney General (Mr. Swan).

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

### ORAL QUESTIONS

#### Minister of Finance Resignation Request

**Mr. Brian Pallister (Leader of the Official Opposition):** My apologies in advance to the symphony orchestra delegation; they won't hear beautiful music here today, Mr. Speaker. It's unfortunate.

The Finance Minister broke the law of this province. Mr. Speaker, the Court of Queen's Bench Justice Robert Dewar found that the minister violated The Pari-Mutuel Levy Act, and he also found that these funds that the minister had held up must be used to support horse racing in our province.

The judge also ruled that these funds are not subsidies. They do not belong to the Finance Minister. They do not belong to the Premier either. And when the Premier and the Finance Minister continually refer to them as subsidies, they are contradicting a judge in our Provincial Court.

Now, this unfortunately puts our whole racing industry at risk. This is a \$50-million industry that employs 500 Manitobans.

So, given a night to reflect on it, I would ask again if the Premier would consider, given the reprehensible and illegal misconduct of the Finance Minister, if he would demand the resignation of the Finance Minister.

**Hon. Greg Selinger (Premier):** Mr. Speaker, we had a very thorough debate on this question yesterday, and I was only hoping that in the ensuing 24 hours the Leader of the Opposition would have taken the opportunity to read the judgment. And if he would have read the judgment, he would have determined that the judge indicated that as long as we proceeded by legislative amendment and—that everything would be completely legal.

And I do reference again the 2013 budget speech, which said we will reduce public subsidies to horse racing and direct resources to priority services through legislative changes to The Pari-Mutuel Levy Act and the Manitoba Jockey Club VLT site-holder agreement.

We agree it has to be done by legislative amendment. The judge agrees it has to be done by legislative amendment. We will proceed accordingly.

#### Pari-Mutuel Levy Act Legality

**Mr. Brian Pallister (Leader of the Official Opposition):** Well, the Premier's trying desperately to close the barn door and the horse is out, and that horse the Finance Minister let out is an illegal action.

And the fact of the matter is that the NDP is not above the law. The Finance Minister's not above the law, and the judge found that the Finance Minister violated that law. This continues a pattern; there's a pattern of misconduct, a pattern of manipulation.

Last month, the government announced it would raise the PST without a vote. It said it was because of a flood threat. That was untrue. Last month, it said it would raise the PST because of an economic downturn that doesn't exist in this province. And now they claim that the pari levy essentially is a subsidy, which is also untrue according to a justice of the Queen's Bench. They are ignoring the fact that they have signed legal agreements, and that means they have broken the law. The Finance Minister conducted an illegal act, and now they try to spin it as hospitals ahead of horses.

Since every dime of money is wagered money, how does killing the horse racing industry help hospitals in this province?

**Hon. Greg Selinger (Premier):** Well, Mr. Speaker, again, I only wish the member would have had the opportunity to read the judgment. He's had a full 24 hours now. The judge stated on page 8, section 20, there is no question that this would qualify as a provincial expenditure. And as a provincial expenditure, as part of the budget implementation bill it will be changed by legislative amendment.

The judge was very clear that there's always a greater demand for resources than there is a supply of resources. We have made the judgment, as has every other province in Canada, that we should redirect some of that money to front-line services.

We know there's an opportunity to keep the industry alive. We support the industry. We think there's some very good community partners that would like to work on them to do that, including the Red River Exhibition right beside them. We think there are some very good opportunities to expand that industry in Manitoba.

#### **PST Increase Legality**

**Mr. Brian Pallister (Leader of the Official Opposition):** I would be angered, Mr. Speaker, if I valued the Premier's opinion, but I do not on this issue. He has misinterpreted the judge's decision and badly and, I think, deliberately.

And his repeated attempts to deceive, his bullying tactics and intimidation tactics—and that was just yesterday in QP, Mr. Speaker—demonstrate that the Premier actually condones and supports his colleague when he is willing to support a breaker of the law. Worse, I believe he himself intends to break the laws of this province on July 1st by enacting a

tax increase prohibited by a specific piece of legislation, which we here fully intend to see remain in force past July 1st.

That being said, I guess I have to ask the Premier quite simply: Does his reputation for tough on crime not extend past the door to the Cabinet room?

\* (14:00)

**Hon. Greg Selinger (Premier):** Mr. Speaker, the Leader of the Opposition is full of misinformation in his question again. Nothing surprising, it's all been corrected before, but he's following the strategy that if I repeat something long enough maybe somebody will believe it.

I can tell him that anybody that has the opportunity to read the judgment will know that it is completely legal to follow the course of action that we have announced in the budget.

Mr. Speaker, it is very clear that this government does follow the law. It was the Leader of the Opposition on October 16th, 1995, when he proudly trumpeted the balanced budget legislation that said, and I quote again: "I believe the legislation can be, by any subsequent Legislature, withdrawn or repealed. So I do not believe . . . the hands-being-tied argument is one that has any validity at all."

I appreciate the member being honest in 1995. I only wish he could be as honest today as he was then, Mr. Speaker.

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

#### **Vote Tax NDP Portion**

**Mr. Brian Pallister (Leader of the Official Opposition):** Simple fact that seems to escape the member from St. Boniface is that the taxpayer protection act is not repealed. It does exist, it is in force, and it is enforceable. And he needs to discover that. And perhaps one of his 192 communicators can read him the act so he understands it.

Now, the reality is we have to move from illegal now to immoral. The NDP has sunk to new depths with their vote tax, and I want to speak about that. Their high-spending problem has become Manitobans' high-tax problem. This is nothing more than welfare for a worn-out political party. It's a party that is detached, dependent and desperate. And political parties are supposed to serve as voices for the people, not for their—not for the state or themselves.

So I would ask the Premier to explain to working families and seniors in our province why they should fund the NDP with their taxes, and I'd like him to come clean finally and say how many dollars his party will be accepting from the vote tax.

**Hon. Greg Selinger (Premier):** Mr. Speaker, again we're going over ground that has already been covered.

The member knows full well that this is—this side of the House was the second government in the history of Canada to ban corporate and union donations in the democratic process. In the banning of corporate and union donations, there is a mix of public and private support for democracy in this province, as there is in every province in Canada.

The members opposite bragged at their closed-door convention that they had a record number of public rebates made available to them, over a million dollars, Mr. Speaker.

And the independent commissioner, another new departure—another new departure, Mr. Speaker—our independent commissioner indicated that there should be support for political parties for the compliance, to show full transparency, which is a major benefit to the smaller political parties such as the Liberals and the Green Party of Manitoba.

**Mr. Pallister:** Mr. Speaker, I didn't detect an answer to the specific question in there, and I ask the Premier again, why the secrecy?

This government speaks about reducing wasteful spending but cannot reduce wasteful spending because their priorities are themselves first and foremost. And the PST hike, just a slush fund for the government, proves that. The vote tax proves it as well. And the perennial ribbon cuttings and daily announcements of this government reinforce it.

So I'd just make a suggestion to the Premier. At one of his next ribbon cuttings, perhaps he could just poll the people there, perhaps ask them to rank their top priorities—say, child care, health care, education, funding the NDP, roads and infrastructure, public safety—and ask them which one doesn't belong.

And perhaps when he gets that answer—he might have—and I ask him: Would he cut the funding to the bottom priority of that list?

**Mr. Selinger:** Mr. Speaker, this Leader of the Opposition, the member for Fort Whyte, just a few weeks ago said that he wanted to cut spending in Manitoba by \$287 million. He wanted to follow the

exact same practices that he followed in the 1990s when he laid off a thousand nurses, fired over 700 teachers. His program of indiscriminate, across-the-board cuts would mean the following: a \$52-million reduction in health care, the equivalent of 700 nurses; a \$5-million reduction in justice, 60 correction officers; a \$16-million reduction in education, the equivalent of 200 teachers; \$11-million reduction in family services, 135 social workers. That's the approach the member opposite was trumpeting as the solution to the problems and the challenges we have in Manitoba.

Our approach is to grow the economy, create more jobs, support basic services. I only hope the member opposite would see the light—

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

**Mr. Pallister:** Well, our approach was an exact copy of the 2012 promise that the NDP made and didn't keep, Mr. Speaker. And so the campaign of deception and desperation continues opposite.

The government's happy to make expensive noise. They have misleading ads out. I see a couple of quarter-pagers today. There are TV ads out trumpeting the need for us as Manitobans to pay a higher PST and omitting, of course, any reference to the fact that it's a PST increase of 13 per cent in the ads themselves. This is misleading.

Also, there are hundreds of thousands of ads currently out there trumpeting Hydro's expansion not mentioning at all the doubling of the rate that that would cause. And of course at the ribbon cuttings, no handouts asking Manitobans for their view on either of these issues whatsoever.

So I ask again: With all the trumpeting, all the announcements, all the advertising, why the silence on the vote tax? Are we being sneaky over there? Are we being line-cutters, putting ourselves ahead of Manitobans and their real priorities? Are we putting the NDP first and Manitobans last?

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

**Mr. Selinger:** Mr. Speaker, the Leader of the Opposition's approach to putting Manitobans first is the equivalent of firing 700 nurses. The leader's opposition of putting Manitoba first is the equivalent of laying off 60 corrections officers. The Leader of the Opposition's approach to dealing with the needs of Manitobans is to get rid of 200 teachers in the

province of Manitoba. The Leader of the Opposition's approach to dealing with the needs of families is to lay off 135 front-line workers. He wants to cut the health, the highways budget. He wants to reduce support for flood victims in Manitoba. Dare I say, he wants to cut 1 per cent in culture and environment and heritage. That's his approach to supporting Manitobans.

At the same time, he opposes eliminating corporate and union donations for democracy. We support that in the House, Mr. Speaker. He opposes it. He wants democracy to be the playground for millionaires—

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

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

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, all we want is democracy from this government.

Mr. Speaker, this Minister of Finance (Mr. Struthers) has lost the confidence of this House. According to a judicial decision, he has been found guilty of breaking the law. He holds one of the highest positions in the NDP government, and he has brought dishonour to that position.

So I would like to ask the Minister of Finance: Will he do the honourable thing today and will he step down?

**Hon. Greg Selinger (Premier):** You know, we hoped in the last 24 hours the members would have taken the time to read the judgment. We will provide them additional copies. It seems the Leader of the Opposition is hoarding the judgment. He's not sharing it with the critic of Finance in the House.

One of them should read the judgment, Mr. Speaker. If they read the judgment, they would see that the judgment entirely supports the course of action announced in the budget to proceed to make changes to subsidies by legislative amendment. That exactly the approach we are going to take.

If the members want to continue to provide \$10 million to horse racing in Manitoba, that is entirely up to them. We want to provide resources for health care. We want to provide resources for education. We want to provide resources to flood victims. That—

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

**Mrs. Driedger:** Mr. Speaker, with that response the Premier's thumbing his nose at all of Manitobans and at the law in this province.

Mr. Speaker, this government just doesn't seem to get it. They are not above the law. They can't be lawmakers and lawbreakers at the same time. The Minister of Finance broke the law. He has no choice. He has to resign.

So I would like to ask the Minister of Finance today: Will he do the honourable thing and will he resign?

**Mr. Selinger:** Mr. Speaker, I know the members opposite want to persist in this line of questioning, which shows that they have not read the judgment. That is extremely unfortunate. If you read the judgment by the court, if you understand the judgment by the court, he said, proceed to make changes to public subsidies by legislative amendment. The budget said we will proceed to make changes to public subsidies by legislative amendment.

\* (14:10)

The judge said there's always a greater demand for resources than there is a supply and that governments have to make tough decisions. We are making a decision to support nurses, teachers, families, flood victims, front-line police officers. I was very pleased today, Mr. Speaker, to announce 10 more police officers and 10 more cadets for the good people of Winnipeg.

**Mrs. Driedger:** Mr. Speaker, today's Free Press editorial supports our view that this Minister of Finance must resign. They say, and I quote: ". . . he broke the law, and his credibility and integrity have been called into question, and not for the first time." End quote.

Mr. Speaker, this minister can no longer be trusted. He has no respect for the law. So we will ask him again: Will he do the honourable thing and will he resign today?

**Mr. Selinger:** Mr. Speaker, the Leader of the Opposition was a member of the Legislature when the vote-rigging scandal term was done in Manitoba. The Monnin inquiry—Judge Monnin came in, and he said he never had seen so many liars in his life in one room. That's what he said. He made it very clear that the law was broken.

If the members opposite want to practise what they preach, the Leader of the Opposition should

resign today, right now, for breaking the law, Mr. Speaker.

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

**Mr. Speaker:** Order.

**An Honourable Member:** Point of order.

#### Point of Order

**Mr. Speaker:** Order, please. The honourable Leader of the Official Opposition, on a point of order.

**Mr. Brian Pallister (Leader of the Official Opposition):** Yes, Sir, just—I just hesitate to leave another fallacy on the record; the Premier has put a series of them on. He's had me also introducing the GST personally.

I was not a member of the Legislative Assembly nor a member of the House of Commons when the alleged scandal he refers to took place. I was not, and I think, Mr. Speaker, it's important; it's an important point of order.

It's an important point of order because the—this continuous tendency to attack people personally and to put misinformation on the record, on the public record in Hansard, that is totally false—totally false—reveals a willingness on the part of the First Minister to fabricate and to defame, which is—frankly, in my 17 years of being able to represent constituents of Manitoba as honourably as I could, I have never, ever encountered a Member of the Legislative Assembly or a Member of Parliament who has this consistently been willing to put totally false information on the public record.

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

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

It seems there are a few members of the House that wish to have a private conversation. May I encourage them to use either the loge to my left or my right for that conversation.

The honourable Government House Leader, I believe on the same point of order.

**Hon. Jennifer Howard (Government House Leader):** On the same point of order, Mr. Speaker, notwithstanding the tantrum of the Leader of the Opposition.

There are some things that are factual, and I'm sure you will rule this as a dispute over the facts. But let me put some facts on the record.

My understanding is the member of the opposition that raised the point of order was elected in 1993, served in this House until, I believe, he was elected federally in '97. The issue that the First Minister raised was the vote-rigging scandal in the election of '95, which had its roots certainly before '95. The member opposite was certainly here and part of the government when the seeds were sown for that scandal, Mr. Speaker.

So I just want to put some facts on the record. I'm sure you will rule this is a dispute over the facts.

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

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

On the point of order raised by the honourable Leader of the Official Opposition, I wish to draw the attention to the House that points of order are not to be used to debate issues that are currently before the Assembly, and we were debating issues in question period.

I must indicate to the House that this appears to be a dispute over the facts and that we will let those facts as the members themselves determine in this House be the basis of that debate in this House.

But, please, because there was not a rule that was indicated to have been breached here, I must be—respectfully rule that there was no point of order.

\* \* \*

**Mr. Speaker:** Now, the honourable member for St. Paul.

#### Minister of Finance Resignation Request

**Mr. Ron Schuler (St. Paul):** And on Monday, the Court of Queen's Bench ruled that this NDP Minister of Finance acted outside of the law. The court said the minister—this is direct from the court document that the Premier (Mr. Selinger) should read. It says that the minister is not immune from judicial oversight.

Will this NDP Minister of Finance do the only honourable thing in light of the ruling and resign?

**Hon. Stan Struthers (Minister of Finance):** On Monday, Mr. Speaker, Judge Dewar said very clearly that we have every authority to move forward with legislation dealing with the parimutuel levy, we have every authority to deal with the VLT site-holder agreement and that this is, in fact, government public

subsidy to the Manitoba Jockey Club. That is clear. That is in the judgment. I wish members opposite would peruse that judgment and learn that.

Essentially, Mr. Speaker, this comes down to the fact that we on this side of the House believe that revenues from gaming should be supporting important public services, not the other way around like members opposite have been arguing for. We believe in investing in hospitals. They pick horses.

**Mr. Schuler:** Well, Mr. Speaker, even the Winnipeg Free Press went through the document, and they've said today, and I quote: The Finance Minister, who leads the war against the Manitoba Jockey Club, which owns the Downs—and I quote directly—should resign. He broke the law. And that comes directly from the Winnipeg Free Press. They found it in the document. It's unfortunate that the minister and the Premier somehow can't find that in the document.

The courts and Manitoba's media have been clear. The Minister of Finance broke the law. When will he do the honourable thing and resign?

**Mr. Struthers:** Well, Mr. Speaker, the members opposite should do their homework. They should read the report. They should take seriously what the judge has said. The judge very clearly gave us the green light to move ahead with exactly what we said we would do in the budget, they've—exactly what I said to the Manitoba Jockey Club we would be doing, and that is moving forward with our authority as a government to make decisions on public policy such as where money is spent.

Mr. Speaker, we have been up front with the Jockey Club. We have been up front in the court, and the court backs up what we have said in terms of our authority to change The Pari-Mutuel Levy Act and also to change the VLT site-holder agreement. And—

**Mr. Speaker:** Minister's time has expired.

**Mr. Schuler:** Only this Premier (Mr. Selinger) and only this minister can't seem to find it within the court documents that say this minister was offside with the law, the fact that the Court of Queen's Bench found the Minister of Finance guilty of breaking the law.

The Winnipeg Free Press says, and I quote, the Minister of Finance departure is necessary to restore confidence in the process. In fact, in the court of public opinion, they find this minister guilty of breaking the law.

My question is to this minister and to the Premier, whoever is going to get up and answer this question: When will this politically wounded lame-duck minister resign?

\* (14:20)

**Mr. Struthers:** When will that—Mr. Speaker, when will that irresponsible member opposite read the report? It's awfully easy to come in this House and badmouth people without doing your homework.

Mr. Speaker, the judge made it very clear. The judge made it absolutely clear that we have every right to move forward with making changes to the legislation that governs The Pari-Mutuel Levy Act. He made it very clear that we have every right to do what we're—that—that what we've said we've done with the VLT site-holder agreement. He made it very clear that this is public subsidies that we're dealing with.

We're doing this on behalf of the Manitoba taxpayer. We're going to save the Manitoba taxpayer—

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

Order, please. I'd like to caution the honourable members of the House today. We have a number of guests with us here this afternoon, and as I said many times before, I'm sure we want to leave a good impression for the guests that are visiting us here, some of them, perhaps, for the first time, and I want to make sure that they leave this observation of this Assembly proceedings with a good feeling and that members are acting in a respectful manner.

So I'm asking for the co-operation of all honourable members. Please keep the level down a little bit so that we can proceed through remainder of question period.

Now, the honourable member for Spruce Woods.

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

**Mr. Cliff Cullen (Spruce Woods):** It's truly unfortunate that we have a minister of the Crown who continues to lead—mislead Manitobans.

Mr. Speaker, the Court of Queen's Bench ruled this week that the Minister of Finance breached existing laws relative to the parimutuel act. The minister was caught red-handed in breaking the law. He is showing total disregard for the law. Clearly, Manitobans deserve better.

Mr. Speaker, will the Minister of Finance do the honourable thing and resign his post today?

**Hon. Stan Struthers (Minister of Finance):** Mr. Speaker, I am sure that members opposite are quite frustrated that we are going to reduce the subsidy to the Manitoba Jockey Club by \$5 million and redirect that into front-line services that Manitoba families—they depend on. I understand that they cannot live with that. That's what we said we were going to do from the beginning. That's what Judge Dewar says we can do. That's what the people of Manitoba say we should do as well.

**Mr. Cullen:** Well, Mr. Speaker, it's unfortunate this minister is driven to kill another industry here in Manitoba.

Now, Mr. Speaker, Judge Dewar was very clear in his ruling relative to the current parimutuel act, and if the minister has time he should turn to page 22 in the report where the judge says: The minister must act in accordance with the law as it now stands. In my respectful opinion, he has not done that.

Mr. Speaker, that's about as clear as it gets. The Minister of Finance broke the law. The minister should be accountable to Manitobans. He should be accountable for his conduct.

Mr. Speaker, Manitobans have lost their confidence in this minister. Will the minister step down today?

**Mr. Struthers:** Mr. Speaker, the Manitoba Jockey Club gets a large subsidy from the Province of Manitoba to operate horse racing out at the Downs every year. Every year they get a large public subsidy.

It is our contention that we can reduce that subsidy and redirect \$5 million into the front-line services on behalf of Manitobans. We believe that revenues for gaming should be supporting important public services. We believe that. I know they don't believe it across the way.

Mr. Speaker, the Manitoba Jockey Club has been very clear to me that they can, in fact, find a partner, a private-sector partner that they can work with in order to have horse racing in this province. They even understand that. Why don't members opposite understand that?

**Mr. Cullen:** Well, Manitobans understand you're trying to kill another industry here in Manitoba.

Mr. Speaker, Manitobans are tired of the NDP backroom politics. They're tired of the disrespectful behaviour. They're tired of the bullying tactics. They're tired of ministers misleading them. They're tired of the broken promises and they're tired of ministers breaking the law.

The Minister of Finance was caught red-handed breaking the law. He should do the right thing and step down today.

**Mr. Struthers:** Mr. Speaker, we believe that revenues that are gained through gaming should be supporting important public services. Members opposite, I guess, don't believe that. They've shown that over the years with deep cuts when they had their paws on the levers of government. They showed that three weeks ago when they came into this House and said exactly how much and how deep they would cut into those health care and education and family services.

Mr. Speaker, Judge Dewar said very clearly that we could move forward in making these changes so that we can transfer \$5 million from the Manitoba Jockey Club into services that Manitoba families count on. We said we would do that, the judge says we can do it, and we're—

**Mr. Speaker:** The honourable—the minister's time has expired.

### **Flooding (2011) Housing for Flood Victims**

**Mr. Ian Wishart (Portage la Prairie):** Mr. Speaker, still more issues remain from the 2011 flood. Nearly 2,000 people are still not returned to their homes, including many children, and worse yet, this government still does not have a plan to find a permanent home for these people.

Mr. Speaker, when will this government do their job and develop a viable plan to get these flood victims a safe and secure home?

**Hon. Steve Ashton (Minister responsible for Emergency Measures):** Well, Mr. Speaker, I appreciate the member's questions, and I'd like him to recognize that there's been significant problems affecting many of the First Nations communities. They go back to decades of neglect, go back to the fact that the communities around Lake St. Martin never had an artificial outlet. We constructed it during the emergency, completed it, and in a position now to move ahead in terms of making it permanent.

And in terms of a lot of the issues, I want to give particular credit to our Minister of Aboriginal Affairs (Mr. Robinson), who's been working with the federal government and identified that one of the key problems facing those communities is they just simply don't have the housing to go back to.

So we've been part of the solution, Mr. Speaker, and I wonder when members opposite are going to be part of the solution for those flood communities and flood victims.

**Mr. Wishart:** I would remind—Mr. Speaker, I would remind the minister that the emergency channel is now closed.

Homelessness of any type has a huge cost to the self-respect of any family and directly impacts the success of family members, be they adults or children.

Mr. Speaker, when will this government treat these people with the respect they deserve and move to—move to find them permanent homes?

**Mr. Ashton:** Well, Mr. Speaker, the emergency outlet is closed because we got the level of the lakes down and got Lake Manitoba and Lake St. Martin back—back within flood range.

And I notice a certain degree of flood denial over there. They like to think that these floods are somehow created. That was one of those significant natural emergencies we've seen, most significant flooding recorded in Manitoba history. But unlike the members opposite, we don't pay lip service; we take the tough decisions, including this budget where it's going to provide the funding to make a real difference with permanent flood mitigation for those communities.

**Mr. Wishart:** Mr. Speaker, two more First Nation groups have filed lawsuits against this government due to the 2011 flood. No discussions have occurred with the RMs in the Interlake that might be possible relocation sites. There seems to be no plan, no action and only a process of excuses and blame.

Mr. Speaker, when will this government sit down with those impacted and work out solutions instead of dragging everyone through court?

**Mr. Ashton:** Mr. Speaker, I'm tempted to talk about courts and floods, but I know you have a matter under advisement.

What I will say is we have met with the First Nations—I've met with the grand chief, I met with

people around the lake. And I want to commend the member for the Interlake that arraigned—arranged those meetings, including meetings with reeves from around the municipalities, and I'll tell you what the message we received from them is: No. 1, don't forget us—we haven't forgotten them; No. 2, do something about it—we will not neglect this, we're going to do something, we're going to act because of our budget, because of our tough decisions.

Why is it members opposite voted against that budget that will give the resources for us to be able to provide protection to those communities?

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

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, today the Winnipeg Free Press published an editorial that called for the departure of the NDP's Minister of Finance (Mr. Struthers), saying, and I quote: "Manitoba's NDP government broke the law and abused its power in what appears to have been a spiteful attempt to force Assiniboia Downs to cease operations and sell its land and racetrack to another party favoured by the province."

I ask the Premier: For this and many other reasons, will he remove the member from Dauphin from his position as Minister of Finance and replace him with a consistently law-abiding minister?

\* (14:30)

**Hon. Greg Selinger (Premier):** Mr. Speaker, I would invite the member from River Heights, the Leader of the Liberal Party, also to read the judgment. He will find in the judgment that the judge recommends that any changes to what he defines as a public subsidy should be done by way of the legislative amendment. Our budget clearly set out that that is exactly the course of action that we intend to follow. We will follow the recommendations of the judge because we already understood that was the necessary way to proceed, and we indicated that in the budget.

We completely agree with the judge. That's why we put it that way in the budget, even before the judgment came out, Mr. Speaker.

**Mr. Gerrard:** Mr. Speaker, the NDP's Minister of Finance was \$130 million over its expenditure budget last year. He announced that he will disregard the legally required referendum to raise—required to raise the PST by changing the legislation.

The 1 per cent PST increase will raise almost \$200 million this year, and yet the Premier and Finance Minister state they would use the extra PST revenue for flood infrastructure, yet won't name the projects nor provide timelines or budgets for them.

Furthermore, the Finance Minister made numerous commitments with respect to the flood of 2011 which were never delivered.

I ask the Premier: For these numerous ethical and legal lapses, will you fire the Finance Minister?

**Mr. Selinger:** Mr. Speaker, this member who is currently the Minister of Finance, also the former minister of Agriculture, brought in the most generous program of support for flood victims around Lake Manitoba in the history of the province of Manitoba—the most generous program.

For the 250 producers around Lake Manitoba, the amount that was spent was in the order of \$120 million, Mr. Speaker. The total amount made available was in the order of \$1.25 billion, and many of the programs to support producers were a hundred per cent paid for by the Province of Manitoba. The federal government refused to participate in those programs. The members opposite know that. The feds refused to participate. Manitoba stepped up and made a difference for all the people affected by the 2011 flood.

**Mr. Gerrard:** Mr. Speaker, two years ago I was in Lake St. Martin on May the 8th as people were evacuated due the flood of 2011. Today almost 2,000 residents remain without a home community to return to after being artificially flooded by this government.

The Minister of Finance (Mr. Struthers) could have made it a top priority to honour the wishes of this community to rebuild on suitable land. Instead, two years later, we have a minister who has finally acknowledged that those houses are not livable, as anybody who's been there would have observed very shortly after the flood. Two years later, the community of Lake St. Martin remains in limbo with children having to live like refugees a long distance from their home in temporary circumstances.

I ask the Premier: Will he remove the Minister of Finance and replace him with a minister who will put the re-establishment and rebuilding of Lake St. Martin as a top priority?

**Mr. Selinger:** This government has made getting people home a top priority. That is something that

we—I can tell the member opposite that every single day senior officials supported by this Cabinet work on resolving the issue of getting people home.

People—young children in the city have been supported with a special program, Brighter Futures program, to ensure that they continue to get a good education. People have been provided temporary support.

We immediately bought additional land for the people of Lake St. Martin, land that was on higher ground, to ensure that if they wanted to rebuild in that community that they would no longer be impacted by floods.

We proceeded very quickly to build an emergency channel, a hundred-million-dollar effort, Mr. Speaker, to bring that lake down an additional 3 feet, and that has served us very well, not only in '11 and '12 but also in the spring of 2013.

We know that these people deserve to be home. We will get them home. We are working very closely now with the federal government to advance that agenda, and I believe that progress will continue to be made as we move forward. And I only hope the leader—

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

#### **Winnipeg Police Service New Positions**

**Ms. Melanie Wight (Burrows):** Mr. Speaker, this government understands what matters to Manitoba. Families in Winnipeg and across Manitoba know that our government invests in community safety to keep our streets safe.

Can the Minister of Justice please inform the House about this government's most recent investments in policing in Winnipeg?

**Hon. Andrew Swan (Minister of Justice and Attorney General):** I thank the member for a question about investments in public safety.

At a time, Mr. Speaker, when other governments across Canada are cutting support for public safety and when the Progressive Conservatives have proposed cuts that will result in reducing public safety, this government stands with law enforcement in and for our communities.

And today I joined the Premier (Mr. Selinger) and Winnipeg Police Service Chief Devon Clunis at the Public Safety Building—

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

**Mr. Speaker:** Order, please. The honourable Minister of Justice, to complete his answer.

**Mr. Swan:** I was very proud to join the Premier and Winnipeg Police Service Chief Devon Clunis at the Public Safety Building to announce provincial funding for an additional 10 positions for the Winnipeg Police Service. That'll mean six more front-line officers. That will mean four more crime analysts to support our police officers, as well as a further expansion of the successful Winnipeg Police Service Auxiliary Cadet program.

And we know we build safer communities by a balanced approach. That means stronger laws. That means support for police. That also means working with our community partners to prevent crime to make our communities stronger, Mr. Speaker.

#### **Flood Forecast Highway 75**

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, on May 1st, the minister in charge of flood forecasting publicly indicated water on the Red River could still overflow Highway 75 in the Morris area by over 6 feet. Yet on Sunday, May the 5th, just four days later, it crested 4 feet below the highway.

Mr. Speaker, that's a difference of 10 feet in four days. It's one thing to have misjudged the artificial flood impacts of 2011 on innocent Manitobans, but here, two years later, flood forecasting is even worse.

Can the minister today tell Manitobans whether he's scaring Manitobans with his ineptness, or did he do it on purpose to justify his spendPST 1 per cent tax hike?

**Hon. Steve Ashton (Minister responsible for Emergency Measures):** That question gets to a new low, Mr. Speaker.

Our forecasters, Mr. Speaker, are professionals headed by Phillip Mutulu, who has a Ph.D. in hydrology, has 20 years of experience for—the government of the province of Manitoba, who has had more than five years' experience working for us.

And perhaps the member should learn a little bit about the hydrology of the Red River Valley. More than 80 per cent of the hydrology we're dealing with comes from the US; 80 per cent-plus of our forecast is based on the national weather system in the US. We base the forecast on the basis of that, Mr. Speaker.

And you know, Mr. Speaker, they may think that floods are artificially created, but you know what? They probably think that the moon landing was filmed on a back lot in Hollywood too. I take no lessons from members opposite.

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

**Mr. Speaker:** Order, please. Order, please. The honourable member for Arthur-Virden has the floor.

#### **Flood Liaison Offices Closures**

**Mr. Larry Maguire (Arthur-Virden):** Well, Mr. Speaker, that was quite a space-age story.

I'd like to table copies of the flood info ad from Saturday, May 4th's Free Press, Mr. Speaker.

Mr. Speaker, that answer wasn't bad enough. The minister of flood forecasting earlier announced that he'd have flood liaison offices so 2013 flood victims could get help. In fact, in Saturday's Free Press, the third-page government ad indicates—that I just tabled—that the flood liaison offices are now open. Call or visit them today for information and updates.

Yet in Monday's ministerial statement on flooding, he didn't even mention that two and a half hours later he'd announce that all these liaison offices would be closed permanently.

Mr. Speaker, does the minister condone this misleading rhetoric to keep the public frantic? And can he tell us what those ads cost?

**Hon. Steve Ashton (Minister responsible for Emergency Measures):** You know, Mr. Speaker, in the 2011 flood, I remember when members opposite were accusing us of being overprepared for the flood because we bought significant flood equipment, including sandbag machines. We then used them for four months solid.

\* (14:40)

But you know, once again members opposite don't have a heck of a lot of credibility. We've invested a billion dollars, Mr. Speaker, in terms of flood protection. What did the Leader of the Opposition say? He said, well, first of all, we didn't invest anything. He then tried to claim that it was actually because of the PCs that we built the floodway expansion. Well, the fact is we started building in 2004. We built in 2011. I'm wondering, if he's going to take credit for that, is he also going to take credit for the Internet?

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

### MEMBERS' STATEMENTS

#### Harv Kroeker

**Mr. Cliff Graydon (Emerson):** I rise today to recognize an outstanding resident of Altona, Mr. Harv Kroeker.

Beginning in 1965, Mr. Kroeker was the morning news anchor on CFAM radio station. His deep and memorable voice has been heard by many in the 45 years that he was at CFAM. Many local initiatives like festivals and a Christmas Cheer Board received radio coverage through his initiative.

In the early 1970s, he was asked to serve as the master of ceremonies for the Remembrance Day service in Gretna. He accepted the invitation, subsequently has served in this capacity for over 30 years. He arranged for the W.C. Miller high school band to play at the service. And this has since become part of his credits for the course, and has resulted in many parents attending the service who might 'nother'—might not have otherwise come.

In a community where military service was controversial, Harv has worked hard to heal the wound caused by these differences. He was instrumental in setting up a cenotaph project in Altona. In his partnership with a local veteran, he researched the names of the men killed in action in World War I and World War II, and the Altona and District Cenotaph was constructed in 1995. The annual Decoration Day service has been held at Altona Cenotaph every second Sunday in June since 1996, and Harv has worked in co-operation with the Town of Altona to plan this service and served as the master of ceremonies for the past 16 years.

In 1999, Harv worked together with a local veteran and a local artist to create a permanent indoor memorial at the Millennium Exhibition Centre in Altona, consisting of pictures, service records, memorabilia and obituaries of the 16 local soldiers listed on a cenotaph.

Mr. Speaker, I would like to take this opportunity to congratulate Harv on his many achievements and wish him well as he continues to be involved in the community.

Thank you, Mr. Speaker.

#### Multiple Sclerosis Awareness Month

**Mr. Bidhu Jha (Radisson):** May is Multiple Sclerosis Awareness Month in Canada. Multiple

sclerosis, or MS, affect the lives of thousands of Manitobans and their families every year. The complex and often disabling disease targets the central nervous system, affecting certain cognitive and physical abilities and skills. Across Canada, MS Awareness Month is about education. It is about supporting those affected, searching for a cure, and showing the community that no one faces MS alone.

It is estimated that every day three Canadians are diagnosed with MS. Although MS can occur at any age, it is often diagnosed with young adults between the ages of 15 and 40. This unpredictable chronic disease can cause memory loss and affect hearing, vision, speech and muscle strength, all of which create difficulties for those suffering, and for their families.

Since the—its founding in 1948, the MS Society of Canada has been dedicated to supporting and delivering programs, services and social action for people living with MS and their families. Mr. Speaker, there is still no known cure for multiple sclerosis. Although there are many mysteries surrounding the disease, only fact is that those suffering from MS and their families are not alone.

Mr. Speaker, I have a very good personal friend, her bright, young, professional son has MS. This is also one of the reasons why I very passionately feel about it, appreciating the—all work of all those who are involved in public awareness of this disease. With hard work of our scientists and researchers, I hope we will find a cure for this disease.

I request all the members of this House in joining me to wish all the best to those who suffer from this bad and very ill disease called MS. We—let's—have them strength and hope, and the members are there, we wish you all the best.

Thank you.

#### Ducks Unlimited 75th Anniversary

**Mr. Ralph Eichler (Lakeside):** I rise today and inform the House that this past April 12th was the 75th anniversary of Ducks Unlimited Canada.

The Manitoba chapter of Ducks Unlimited has a long history in our province. It's where the organization restored their first project: 10,000 acres of wetland and upland Big Grass Marsh near Gladstone. This land remains important for viability of waterfowl and wildlife to this day.

The staff at Ducks Unlimited work throughout the great province protecting, conserving wetlands in

areas where it is their most benefit, aiding waterfowl populations. The majority of their work is focused on the prairie Parkland Region, the boreal transition zone of the western boreal forest.

Mr. Speaker, the work that Ducks Unlimited Canada Manitoba chapter performs is so important for our province that four Manitobans were honoured this year the Queen Elizabeth II Diamond Jubilee Medal this past April. The four individuals are as follows:

Dr. Michael Anderson, who is a senior conservation adviser for Ducks Unlimited Canada, and been serving since 1990. In addition to be a Ducks Unlimited volunteer, sponsor, college mentor, Michael works tirelessly to ensure that Ducks Unlimited has the best science, is available to work on projects such as the North American Waterfowl Management Plan and for the Institute of wetland and waterfowl research.

Dean Stewart Morrison, who served as Ducks Unlimited Canada senior manager for 27 years. He was instrumental in guiding the organization through a period of unprecedented growth in 1970s and remarkable change in the '80s when North American Waterfowl Management Plan was finalized. Under Stew's organization, fundraising efforts and development of conservation programs were lost from—launched from coast-to-coast. The development of the headquarters in Oak Hammock Marsh was done during his tenure.

James Richardson has been serving on Ducks Unlimited board for 23 years. He has been—held the position of vice-president for four years and shared many committee during his time on the board. He served as chair of the Institute for Wetland waterfowl research in 2001, has been the senior provincial director for Manitoba. He is currently member of the Conservation Programs committee and ad hoc committee of the governance committee.

And Mr. Harry Williams, a long-time Ducks Unlimited volunteer, giving his time and support to wetland conservation for over 20 years. He has played a critical role in building, growing Ducks Unlimited Winnipeg South committee and fundraising efforts. Henry is an example of strength, committee found within Ducks Unlimited grassroots program.

Mr. Speaker, these individuals have done a great service to Manitobans. I ask all members of this Assembly to congratulate me in their efforts.

## **Bob Gingras**

**Hon. Andrew Swan (Minister of Justice and Attorney General):** To a man who meant a lot to many people in the West End of Winnipeg.

For more than three decade of his life, Bob Gingras was dedicated to bringing people in the West End together. He passed away last year far too soon at the age of 53. A celebration of his life at Valour Community Centre brought together a remarkable collection of people impacted by Bob and his work.

Part of a military family, Bob was born in France and lived in several places in Canada before settling in Winnipeg in 1981. As a devoted husband and father, he began volunteering with the Isaac Brock Community Centre as his children became involved in club activities. Over the years he became more and more involved with the club, eventually serving as president before taking on the position as club manager.

Bob worked hard to improve the opportunities for young people in the West End. He was instrumental in the amalgamation of Isaac Brock, Clifton, Orioles into the current Valour Community Centre, to provide better governance and greater recreation.

He was a patient yet firm force supporting the renovation and expansion of the Isaac Brock site through the Building Communities Initiative. The expansion included a new gymnasium which has been a hub for activity ever since it opened.

Bob's strengths did not go unnoticed. He was hired as program director of the General Council of Winnipeg Community Centres to help strengthen community ties in neighbourhoods across the city, while he continued to support Valour Community Centre.

The inscription on the grave of architect Christopher Wren in St. Paul's Cathedral in London says: Reader, if you seek his monument, look around you. I know that for many years to come, young people in the West End will do just that when they visit the Bob Gingras Memorial Gymnasium at Valour Community Centre.

Thank you, Mr. Speaker.

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

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, the events of the last several weeks demonstrate why

it's time for the Minister of Finance (Mr. Struthers) to resign or be removed.

Recently, the Minister of Finance has broken the law in a misguided attempt to try to force Assiniboia Downs to cease operations. The Manitoba Jockey Club now awaits its death sentence through his planned legislation—legislation that could render his budget legal, which it is not right now.

This year the minister brought in a budget which introduces a 1 per cent increase in PST on July 1st, which he claims is needed for flood prevention and new infrastructure. Yet his planned expenditures this year show neither.

Many Manitobans are outraged that their democratic right for a referendum on the PST increase will be unilaterally suspended via legislation introduced by this minister to make his budget appear legal, which it currently is not.

It should be noted that the proposed Bill 20 suspends current legislation. The message here is that the law should not inconvenience this minister's plans, but they should come into force for future Finance ministers.

Last year the Minister of Finance placed Manitoba \$130 million over budget on expenditures. The inclusion of the illegal PST hike and imposed transfer of funds from Assiniboia Downs still leaves this year's budget with a deficit of over \$500 million.

\* (14:50)

In 2011 the Minister of Finance made promises of compensation to people affected by the artificial flooding of Lake Manitoba which have not been kept. The minister promised Manitobans a multi-year, comprehensive compensation package. He was adamant that compensation would come out very quickly and cheques would flow fast.

This year he told Manitobans in Marquette that the Province's 40 per cent of the compensation funding for farmers in 2012 was available. These Manitobans have not yet received it and the Premier (Mr. Selinger) had to come to his defence yesterday. It's time for the Minister of Finance to resign or for the Premier to remove him from his position.

### GRIEVANCES

**Mr. Speaker:** The honourable member for Morden-Winkler, on a grievance?

**Mr. Cameron Friesen (Morden-Winkler):** On a grievance.

**Mr. Speaker:** On a grievance.

**Mr. Friesen:** Mr. Speaker, there have been many people who have contacted my constituency office to express their resistance and their disdain about the government's plan to raise the PST to 8 per cent, a 14.2 per cent hike, and yesterday I had an opportunity to put on the record some of those considerable comments by constituents expressing their opposition to this plan.

One such individual who contacted me is Abe Neufeld, and this afternoon I'd like to share with my colleagues in the Chamber Mr. Neufeld's comments about the PST hike. He says, I just want to inform you on how disappointing it is to hear that the PST is on its way up. It's hard enough the way it is with all the red tape we have to go through to try to grow our business, and then this happens. My company is five years old now and we are growing at a very rapid pace. We are located on the corridor between Winkler and Morden at this time. As an alternative I have started exploring and talking to our neighbours on moving my business across the border into North Dakota, and so far it looks promising. This is my last resort and I still hope it won't come to this, but we at Tektite Manufacturing Inc. think that this is something that we have to do in order to continue to grow. Sixty per cent of our product ships to the States already and more starting to ship overseas. Just food for thought. Have a great day. Abe Neufeld

And, Mr. Speaker, I thought it was so interesting that this individual, this business owner and entrepreneur would, in such a respectful and sincere way, still address such a very important issue and express, I thought, so appropriately his opposition to the government's plan. And I would like to give, just for your benefit, a bit of background information about the company that he actually owns.

Tektite Manufacturing Inc. was incorporated in September 2008 in Manitoba, and the principals of the company are Abe Neufeld and his partner, Daryl Furkalo, who own and operate the company. Between the two of them they have vast experience, 35 combined years of expertise in the business of designing and manufacturing small horsepower tractor cabs along with ROPS, or roll-over protection systems, with golf protection packages for the golf and turf industry. So this is a very specialized company that does very specialized equipment and then sells to large manufacturers and to their customers. And the company has an average of 12 employees and Abe Neufeld shared with me that

they have plans to double their workforce within the year.

So Tektite's able to provide basic, four-post, solid, welded ROPS, or roll-over protection systems, that simply bolt to a machine's chassis with protection all the way around. They offer air conditioning in these systems and lighting options, and each model is designed specifically for the model of the tractor or mower that it is mounted to. So this is a company that has a very specialized area of knowledge. They have done all the hard work of moving from—moving into business, establishing an operation, acquiring land, building a facility, hiring staff, establishing practices, complying with all those areas that the government causes them to comply with, and they do it willingly because they want to sell this product. They want to generate these jobs and they're excited to do the work.

And, Mr. Speaker, when a constituent and a business owner like this contacts me and speaks out and steps up and says, this is just wrong with respect to the PST, I take notice because these kind of people don't have a lot of time and for him to take the time to contact me in this way, I think, is noteworthy. So I took the time to make a call back to Mr. Neufeld to make sure that I understood his issues properly to make sure that I understood the nature of his concerns, and he was happy to share with me just some brief thoughts that he was hoping I could convey to my colleagues in this Chamber in hopes that the government might still relent from this path—might relent from passing Bill 20. He said: Perhaps, if you can talk to them about my situation they will hear it. He said: Perhaps, they don't want to hear it from you in opposition, but maybe they want to hear about it from people in the community who are actually creating jobs.

And indeed I thought that was an important point to make, because this is the same government that really did conduct no kind of prebudget consultation anywhere south of the No. 1 Highway. I actually believe there was no place—if you include the Perimeter Highway around Winnipeg, there was no place south of Winnipeg where a consultation actually took place and yet this Finance Minister said he consulted Manitobans.

The fact was that colleagues of mine and me, we had to hold our own prebudget consultation. And we were happy to call into that room 20 reeves and mayors and councillors and business community members and chambers of commerce, and we were

very happy to have the member for Charleswood (Mrs. Driedger) come and join us as a guest speaker that day. And I only think what an opportunity that this Finance Minister missed in not being courageous enough to come into the room. I think that this communication makes clear that these people are respectful. They want to clearly communicate in appropriate ways their feelings. There's nothing to really fear to go into the room with Manitobans.

But, when I called Mr. Neufeld back, the message he gave me was this. Costs for business just keep going up and up and up in Manitoba. Right now, as an example, he told me that as the company grows he has been trying to add a powder-coating operation to his business operations, but it is almost impossible to do it. Because at this point in time, he contracts out all his powder coating because it's been so difficult to engage this government and the department in having him understand what does he need to do in terms of acquire the machinery and set it up so that it will meet specifications, it will meet the regulation. And the government has been silent. They say put the system in place and then we'll come back and we'll take a look at it and we'll tell you if you comply or not.

Well, what a ridiculous way to conduct business. What a way to send a message to business that says go out and spend the money and then we'll come back and tell you whether you're going to have to spend more to comply. It costs government nothing, of course, to send that message. It costs an entrepreneur everything.

And so instead he has to take his business, he has to take that same machinery, and go and contract it out in a powder-coating company, which is okay; the only problem is he now has to have that machinery travel up and down Highway 32 south four and six and eight times a day. Now, as these members opposite will know, that's a stretch of road in Manitoba that has some of the highest volume of daily traffic at the latest measured numbers of 17,500 cars per day. So Mr. Neufeld says even in the place where government could help, he says, they won't. And these were his words. Even where they could help—simply add Highway 32 south to the government's five-year capital plan for infrastructure.

They have already articulated the projects. We know they're spending the money. What they have simply failed to do is provide a kind of an adjudication system that will actually measure a

project according to need and then be able to prioritize a project according to that measured criteria and go ahead. No, no, this minister is happy to take those tax dollars out of this community. He's very reluctant to spend them back in when there's a legitimate infrastructure need.

And those are Mr. Neufeld's comments, not my own. So he's discouraged. He's successful, but he's discouraged at the lack of support from this government for the work that he is doing hiring 12 employees, hoping to hire 12 more before the end of the year. And he's also dismayed by their failure to take an interest in his opinion. So he said: If I send you my thoughts, can you convey them? And I conveyed to him I would be so happy to do so.

\* (15:00)

So he has clearly some considerable obstacles for him, and that's why more and more we hear these refrains—I know the member for Steinbach (Mr. Goertzen) hears these refrains, I know the member for St. Paul (Mr. Schuler) hears these refrains—of saying we will take our business to Saskatchewan, we will take our business to the United States. And that is not the message that we want to send to business. We want to send a strong message to business that says, invest here, establish here. And we as government will create the conditions in which you can succeed.

So, at this point in time, Mr. Speaker, the message that Mr. Neufeld wanted to send is, as a government, will you relent from this position, drive that PST or maintain it at 7 per cent, allow a business to succeed; you will realize the benefit of that in the wages and the taxes that are generated.

But indeed this government has not indicated, and they have not indicated to this Chamber, and they are not indicating to Manitobans that they will listen, that they will engage Manitobans, that they will consult. Instead, they indicate they will go boldly ahead. I only hope that they still have time and a willingness to listen. Thank you.

**Mr. Speaker:** Any further grievances?

## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

**Hon. Dave Chomiak (Deputy Government House Leader):** In my role and capacity as acting

Government House Leader, I would request that you call debate on Bill 20.

## DEBATE ON SECOND READINGS

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

**Mr. Speaker:** So we'll now call Bill 20, on the proposed motion of the honourable Minister of Finance (Mr. Struthers), The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended), and the—on the proposed amendment by the member for Charleswood (Mrs. Driedger) in amendment thereto.

The debate was open. There had been a member of the official opposition. Any other members?

**Mr. Larry Maguire (Arthur-Virden):** I hear the dead horse chirping from across the floor, but anyway, I—[*interjection*] appreciate that.

I want to put a few words on the floor today, Mr. Speaker, about the Bill 20, the bill to help destroy Manitoba's business community and families. I know that my colleague from Charleswood has put forth a very reasoned amendment. It's—in fact, that's what it's called, a reasoned amendment, seldom used in this House, but very well accepted, and that is to amend this bill, Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended).

The amendment is put forward because this House has not received satisfactory evidence or assurances that an increase in the retail sales tax was either considered or recommended at the government's prebudget consultation meetings, Mr. Speaker. You know, I was just making a few notes on that. You know, there's a government that likes to advertise an awful lot. I asked a question about that today, and they couldn't answer how much they'd spent on the ads to close down the offices that had just been opened. I know that they'd been advertising for a few weeks on that.

But the idea of being able to stand up in the House and give a flood forecast that, you know, 1:40 or 1:50 in this House, Mr. Speaker, and then at 4 o'clock close those same offices—and you never even thought to mention that this is, you know, you're advertising help to citizens that might be flooded, but you can't even give them the forewarning that in two hours we're going to close them permanently, is not good planning.

And that was the gist of my questions here in question period today, the forecasting. How can you possibly be out 10 feet on a flood without bringing some semblance of consideration to the public, to let them know that, okay, that high level is not going to be there anymore; that one's gone. He could have easily done that, but he didn't, in that flood forecast.

But I want to get back to the motion that the— the amendment that my colleague from Charleswood brought forward. Mr. Speaker, these prebudget meetings—there's a lot of advertising goes into those too. And I commend the minister for travelling around the province and holding those meetings in the first place. But there again, it's about integrity and honesty and accountability. And that wasn't available in those, as we find out after the fact.

I'm sure that they went through a process, and I've been to a few of them in the past, Mr. Speaker, but I didn't find it very useful, so I didn't go this time either because—and I guess I'm justified why. Because we—you know, if you'd have gone to those meetings as some members of the public did, not a lot attend them, but some people do, and I guess they must be the most disappointed people in Manitoba right now, because nowhere in those prebudget meetings did this government ask for a PST.

They didn't put the question out there, what do you think about a 1 per cent increase in PST in Manitoba? And they didn't even have the nerve to say, well, if we increased it 1 per cent and we used it for infrastructure, would that be okay? No, they didn't do that, Mr. Speaker.

They didn't even have the decency to ask that at those public meetings, these prebudget meetings that they advertised, with taxpayers' money as well. And that's, you know, what public—what Finance ministers do across Canada and in Canada too. But they don't all then turn around and tell Manitobans what they're going to have.

Well, Mr. Speaker, not only didn't they ask the public what they thought of having a 1 per cent increase in PST, they didn't tell Manitobans they were going to do it either. They didn't tell them that they were going to put a 1 per cent PST on the table. In fact, I dare say that you could—many people have told me that were there that this government actually misled Manitobans, and it comes down to the Finance Minister, who's at those meetings, it's his department, and they're telling me that he misled Manitobans.

So, Mr. Speaker, you know, this is a pretty serious situation. We have—I can understand why the government didn't do it in those prebudget meetings. Now, we have a law in place. It's called the taxpayer protection balanced budget legislation, foreign to this Minister of Finance's (Mr. Struthers) view of the world, and he feels that he can just willy-nilly break it when he wants to by bringing in a tax of 1 per cent on the 1st of July without even first getting rid of the referendum part of the taxpayer protection law that's presently there. And even if they'd have told taxpayers that they were going to go out and break the taxpayer protection law at those prebudget meetings, I dare say that a few of those people in attendance might have said, well, okay, I guess you've got to do it.

Because, you know, after the fact, Mr. Speaker, the Finance Minister's only excuse was, well, we had to do it, we had to raise PST, we didn't have a choice. And I thought for the longest time that maybe the fact that they didn't have a choice meant that, well, we can't get the money for all the other social services and everything that we need in health and education from anywhere else, so we have to raise taxes. And I think that's what they've tried to tell Manitobans. But I think, and I'll get to it in a minute, there are other reasons why they didn't have a choice to raise the PST.

You know, Mr. Speaker, there's a couple of good reasons. One of them, I think, is because, you know, maybe the Finance Minister and his Premier (Mr. Selinger) went to New York and they were told that their credit rating was so terrible they have to do something, and they don't know how to cut, so they raise taxes. I wonder about that. And I've had a lot of Manitobans indicate that to me, are we in that bad a shape? And I said, well, you'll have to ask the Finance Minister. Would he have done this if he wasn't?

Because, you know, when they ran in the election in 2011, they had a program to cut spending by 1 per cent across the government, save \$120 million. Where'd that go, Mr. Speaker? It's like a magic mushroom; it disappeared. You know, I don't know where he got that idea from, but now it seems foreign to the Premier and the co-chairs of the last election. In fact, actually, the chair of the last election campaign for the NDP say that, no, that wasn't their platform. And when we bring it out and put it on the table, you know, there's cuts involved. Well, it's their platform, and they don't even want to back it up anymore.

Well, that's only one of the reasons why I might suggest that they didn't have a choice. That's because those who lend money in this—in North America have no confidence in this government anymore, and I think that that's what they're finding in regards to people across this province.

\* (15:10)

In fact, in my little bit of notes that I had here, Mr. Speaker, there was—a report came out today, and I don't need to find it, but I'll look for it while I'm talking. The Canadian Federation of Independent Business came out with a report today. Shows Manitobans and small biz owners want a referendum on the PST. Well, it's not like 50 or 51 per cent like the Québec referendum was.

This is—the question is, should the provincial government hold a referendum before raising the PST from 7 to 8 per cent? Well, the public opinion on that was 74 per cent want a referendum. Ninety-three per cent of CFIB members in that survey—you know, I was a CFIB member when I was farming. I was a small business person at one time in that area, and, you know, it is business people. It's something foreign to the Minister of Finance (Mr. Struthers), I understand; he doesn't really care there.

But, you know, he'll drive a few more of them out of Manitoba with a 1 per cent increase in PST. But, you know, that's a pretty significant percentage, I would say, when you've got three quarters of Manitobans that answered this survey—public survey part of this—wanted a referendum. That's like saying, well, okay, we might buy into the fact that you're going to raise the PST, but you've broken the law by not giving us the opportunity to have our say in that area as well.

And, of course, the Finance Minister has got a—quite a track record of breaking the law, as well, Mr. Speaker, as Judge Dewar pointed out in his documents to—in regards to the Jockey Club here in Manitoba and harness or horse racing in this province. That's only one, but, of course, he's had other dictatorial means in this province as well. I mean, he was the person who brought in a hog moratorium, and now we've got a situation where the number of hogs needed for slaughter aren't being—aren't even meeting the needs of the killing plants that we have in this province. And he may drive a \$50-million harness racing business or horse racing business out of Manitoba. But he may also lose most of a hog industry if it gets any worse. That could end up being hundreds of millions of dollars, not just the

50 that the harness racing industry or horse racing has and the jockey industry in this province as well.

But, Mr. Speaker, the other reason that they might not want to raise the—and why they didn't raise this issue in the prebudget meetings, why they didn't tell Manitobans that they were going to increase the PST or even ask them if they could, is because back in 2011, that's when the Premier (Mr. Selinger) made the decision that he would, in debate in the House—I don't suppose it was something that they just did on a whim—it was part of their election platform. And he said, well, everybody knows that raising PST would be nonsense. We won't be doing that as a government. It's nonsense.

Well, you know, it's kind of nonsense that they didn't raise it at the prebudget meetings now, Mr. Speaker, in hindsight, because, of course, they did go ahead and raise the PST and it will come into effect on the 1st of July, and one way or another this government's going to break the law to do it.

So I guess that whole idea they—that they wanted to give their Premier as much credibility as they could also rolls into the situation of another statement that he made, and that was that he wouldn't have to raise taxes. He could balance the books by 2014. He was on schedule to do that with no new taxes.

So, Mr. Speaker, there's a couple of quotes from their Premier that indicate that they must have put their tail between their legs and swallowed hard and said, well, you know, they're making us do it. Well, the only people that made this government increase the PST by 1 per cent is themselves. They've never balanced the books. They've spent way more than they're—been able to take in in revenue.

And as one of my colleagues mentioned the other day, it goes back to a legislation that they passed in this House in 2003. They took \$203 million out of Hydro to balance the books in those days and still couldn't do it over a three-year period.

Mr. Speaker, I remember one year that they received \$100 million in their budget from transfer payments due to the increased oil prices in Alberta at that time. Manitoba was the beneficiary of an extra \$100 million three weeks after they brought the budget in, and they didn't even know that they were going to get it.

So this is the kind of support that they've had: record transfer payments from Ottawa, record

transfer payments and support from the other provinces who are paying into that, Mr. Speaker.

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

I mean, part of our goal in Manitoba probably would like to be that we are a have province someday in regards to the financial security of our own Province here. But this government, you know, and—one of the members that ran for leadership over there, said, well, we'll just keep taking as much from the federal government as we possibly can, Mr. Speaker. That's the way to—or, Deputy Speaker—that's the way to build a strong Manitoba. Well, it's not and Manitobans are telling them that every day, and a poll like CFIB announced today is sound reason—another sound reason why they should listen to those Manitobans.

Mr. Speaker, I just want to say that this government has a—there are a number of other reasons why they need to take a look at this whole amendment that's been brought forward by my colleague from Charleswood in regards to the prebudget meetings and having a more clear understanding of what was asked for in those. I believe that the government has not paid enough attention to the methodology that they used in regards to bringing some of this legislation forward and they haven't certainly paid attention to the—recent issues that have happened since they brought the PST in their budget.

Oh, there's one other thing I wanted to allude to there in regards to that before I move on, and that is that the government brought the budget down in true form of not even bringing it up at the prebudget meetings or asking or telling. I think it came as a shock on the day of the budget to some of their own government members across the way that the PST was coming in, because, boy, some of them looked awfully shocked when it was read out by their Finance Minister. Leads me to believe that maybe the Premier (Mr. Selinger) and the Deputy Premier (Mr. Robinson)—or the Premier, the Deputy Premier, the Finance Minister and some of the Cabinet, at least, Mr. Speaker—Deputy Speaker—were the only ones that knew about it because they certainly sprang it on Manitobans as an issue that was foreign to Manitoba's discussions with this government beforehand.

It's almost, Mr. Speaker, as 'spurious' as the legislation that's been brought forward in this House to enforce amalgamation of municipalities all over

this province by the member from Dawson Trail out there, I believe it is now.

And, you know, he might have been a hockey player at one time, but even he knew what it was like to go in the corners and try to come out with the puck. That was kind of called fair play, but there's no fair play when you announce in your Throne Speech, five days before the association of Manitoba municipal convention in this very city, three blocks from where we stand right now, that this was sprung upon Manitobans, sprung upon municipalities all over this province in a Throne Speech that they hadn't even talked to the executive of the Association of Manitoba Municipalities about; and, by the way, we're going to force you to do it and you have to do it before the fall elections of 2014.

So the government's been a little bit embarrassed by a number of these things that they think that they're moving Manitoba forward with when they're really moving backwards, Mr. Speaker. They're not taking into consideration the values of the people in Manitoba, urban or rural, in these situations. And I think that it shows a lot of arrogance on behalf of the government that they're willing to move forward in this vein and take people for granted. You know, there's nothing much worse than taking Manitoba citizens for granted when you're a politician.

You know, we all go out there. We try to do—we get to as many events as we can. We attend as many events as we're invited to. We sit down with people from all walks of life in our communities, Mr. Speaker, and in the critic areas and, I'm sure, the ministerial areas, portfolios that members on the government side have as well, and we do the very best that we can in listening to those people and bringing those consensuses back to here to this House to move forward.

But there was no consensus on a hog moratorium; there was no consensus, no discussion ahead of time for sewage ejectors in Manitoba; there was no consensus on bringing forward the forced amalgamation legislation; there was no consensus in bringing the PST in as they've done now, and I think that that's—it shows an arrogance that will certainly disappear when Manitobans have the right to, I guess, if you could say it, to vote them out in the next election.

But, you know, course that—then they say that that might be three years down for the—the road for the spenDP, but I wouldn't trust them either. You know, you have to be ready on a day's notice with

this government because they change their mind so fluidly that you just never know when they'll move forward.

\*(15:20)

So, Mr. Speaker, I want to say that the—you know, when you've got a situation where you don't have a lot of tools to work with as opposition in this House, one of the few things that you can do is bring forward reasoned amendments, as we have done here, as my colleague from Charleswood has done.

You've got the opportunity to do that, and bringing—by bringing a reasoned amendment forward and speaking to it, as I am right now, gives us an opportunity here in Manitoba to have Manitobans have an opportunity to register for committee when this bill finally does get to committee. And I encourage all Manitobans to phone 945-3636 and get registered for this particular bill, Bill 20, when it does come forward.

So, Mr. Speaker, you know, moving the PST from 8 to 7 per cent, as my colleague just indicated in his grievance, is an increase of 14.2 per cent, moving from 7 to 8 per cent. And so it's a significant change and something that I think the government needs to take into consideration, and part of the reason for having the opportunity to speak to this reasoned amendment is to also give the government time to change its mind. If they come to their senses, they'll know that this is harmful to Manitoba's future. They will need to know that Manitobans are expecting them, as just pointed out, to change their mind.

And they've done it on other things before. They've flip-flopped on a number of issues in the past. Naming one would be the insurance situation, back in about 2002, \$20 million they were—I believe they were going to use at that time. It might have been more, Mr. Deputy Speaker, but it was at least that much to put roofs on the universities out of public insurance. And in three days, then-leader of the government, Mr. Doer, reasoned that, well, this wasn't a very bright thing to do; we need to change that.

And he dropped that idea, Mr. Speaker.

Now he did a lot of other things when he took money, as I said, out of Hydro and other areas to help try to balance the books, Mr. Speaker, but we're in a situation today where they've drained most of the rainy day fund out, increased PST by 1 per cent. We still have a deficit, after all this, of \$518 million this

year, projected. Saying they put \$30 million into flood needs for this year, when in fact they might have \$3 million because that's their portion of a 90-10 split.

Mr. Speaker, this government has got a very short memory in regards to the impact that these kinds of things can have on Manitobans. And I guess there's a bit of—well, I don't know what to call it—consternation to be taken from the Minister of Finance's (Mr. Struthers) comments in the scrum yesterday after question period, where he said, clearly, an organization like the—and he was referring to the Jockey Club, the ruling that found that he was out of order, that he'd broken the law. But anyway, he went on to say, and I quote, clearly, an organization that is this dependent on a government subsidy today is not sustainable. End quote.

Well, Mr. Speaker, I was at a meeting with the member from Dawson Trails back in—a few months ago, down in Waskada where a lady by the name of Maxine Chacun, vice-mayor of Virten, got up and thanked the minister for being there that day to talk to mayors and reeves about forced amalgamation, and she said: I thank you for being here. Obviously, we have to balance our books as municipalities. It appears as if you're not able to do that as a province, because, you know, you've got a five hundred and eight—or you had a billion-dollar deficit last year and predicted another one for this year and, as I said, it just turned out to be \$518 million and could have been \$800 million, with the other \$277 million that they will collect from a 1 per cent PST increase, Mr. Deputy Speaker,

But I want to say that she said: You know, so we have to balance our books. You don't have to balance yours. My question to you is: Would you consider amalgamating with Saskatchewan?

Mr. Deputy Speaker? Well, there was quite a bit of consternation from the member from Dawson Trail, and she got a bit of a round of applause. It put him in a bit of a tough spot because, of course, you can't amalgamate with another province. There's a constitutional issue there. Some people would want to do that, and I would draw the attention of the minister that—you know, to the Finance Minister here that for him to make a statement like clearly an organization that is this dependent on a government subsidy today is not sustainable reminds me that he didn't think very deeply before he made that statement, because if he'd have thought very long about it he would have realized that his own spendDP

government receives over 31 per cent of their revenue from the federal government this year, and clearly that is not sustainable either. Drawing the parallel between the Jockey Club in the minister's own eyes and what he's faced with every day as Finance Minister should have been very, very clear to him, But it certainly seems that he hasn't got the knowledge, I guess, or the confidence, to admit that really the reason that they had to do what they think they're doing is because of their own lack of management in the government of Manitoba on a—over—and not just this year, but over many—the past 14 years, I guess, that this government has been in power when we get to this fall. And I think that that's a discouraging comment on this government's history in Manitoba.

Mr. Deputy Speaker, the imbalance of having a 60 per cent higher PST than our neighbour to the west, Saskatchewan, which is five versus our eight on the 1st of July, versus zero in Alberta, versus the 7 per cent that will still be in place in BC at that time, and, you know, we don't know what the NDP government if they were to be so lucky as to defeat the Liberals there in the election what they'll do. They may even increase it out there too. Who knows?

But our situation is what we're dealing with here in Manitoba, and we will have the highest PST, we will have the highest personal income taxes, and we'll have the worst crime records in all of western Canada. No wonder they don't want us to be part of the New West Partnership. And I used to think that maybe those three provinces didn't want it, but maybe there's groups here in Manitoba that are influencing this government who don't want us to belong to the New West Partnership either. At another time I'll have some opportunity to get into a number of the reasons for that as well.

You know, I guess I would just say that, you know, you can't really make a comment in regards to one month, one particular month at a time, on issues that this government is dealing with, but I just want to make a comment before I close that the 60 per cent higher PST in Manitoba affects people in my constituency extremely harshly.

All Manitobans are going to be hit with this. But in Arthur-Virden and areas to the west of Manitoba, where we're very, very close to the Saskatchewan border, and, with a number of industries there like the potash industry in Saskatchewan, the oil industry in Saskatchewan, strong farming industries on both

sides of the border, and a strong oil petroleum industry in southwest Manitoba right now, this is an injurious type of tax that just makes that many more young people build their homes on the Saskatchewan side of the border in places like Maryfield and Moosomin and Gainsborough and Oxbow and Redvers, Antler and many of the other towns just on the Saskatchewan side of the border, because they can still drive to Manitoba to work. And they do on a daily basis, and that's why we need some infrastructure repairs there, as well, Mr. Deputy Speaker, that have been neglected.

For the size of an industry that's returning hundreds of millions of dollars to this government, they are paying zero attention to it. In fact, there'll be lots of other times to get into issues that they're dealing with in that sector right now as well—some of the things that they're trying to force upon oil companies and individuals being taxed higher as well. And I guess I just wanted to say that these people are free to buy their clothing, their recreation opportunities, their vehicles—of course, if you buy a vehicle in Saskatchewan and bring it back to your home in Manitoba, you still have to pay the 3 per cent other tax on it; you still have to pay the tax coming into Manitoba. But sooner or later these things add up, you know. If you are going over there to buy a vehicle, then you may go sooner or later. If you're a young couple or a retiring family, you may decide that that's where you want to build your house, and Manitoba loses out totally then on the tax revenue from those kinds of circumstances; not that we don't get a part of it, we get zero out of it. And I think that's one of the things that we needed to do, that we need to consider, when they're making decisions on these types of things.

\* (15:30)

And I think it's—my point in question period today was to talk about accountability with closing flood liaison offices, you know, a couple of days after you're opening or still advertising that they've become open, Mr. Speaker. And looking at situations where you've got people travelling back and forth that could buy their goods in other areas, where they can go for health care or even—as well. We need better co-ordination of that. We've got nurses that are coming in from other provinces to work in Manitoba, on a short-term basis, when our own people can't get overtime to work here. And I think that there's a number of issues that still need to be dealt with, and I appreciate the fact that some of those are being looked into as we speak.

But, when it comes to being accountable in regards to budgets of this government, I believe that it's irresponsible of this government to have felt that they could continue to take \$1,600 out of every family's pocket in Manitoba since they—election, Mr. Speaker, on issues that they've come in on, just tax increases and fees and charges.

So, with those few words, I'd turn it over to some of my colleagues to assist me in putting some more words on the record on this amendment. Thank you, Mr. Speaker.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, the primary reason for Bill 20 is to eliminate the need for a public vote, a referendum, on the increase in the provincial sales tax, the PST, from 7 per cent to 8 per cent being imposed by this government on July 1st of this year.

Eliminating the need for this referendum is wrong. Bill 20 is wrong. It is particularly wrong in this circumstance, where an NDP premier and his government have campaigned fast and furiously to have people vote for them in 2011 because they said they would not raise the PST. Indeed, as has been pointed out, the Premier (Mr. Selinger) said then that the very notion that his government would raise the PST was nonsense.

Under the circumstances, where a premier has said one thing during an election, and then once afterwards, to do something that's completely opposite to what he or she said during the election, there is a particular need to consult the public. And in this case, the law is unequivocal; there must be a referendum.

The debate today should not be about the Premier trying to save his skin when doing the opposite of what he said he would do; the discussion in this Chamber should be about how we are proceeding with a referendum. We shouldn't be talking about how the Premier is going to avoid it; we should be talking about when it's going to happen, and where it's going to happen, and how people are going to have an opportunity to vote.

Not having the referendum is a bad move for many reasons. It puts the Premier's sincerity and credibility at risk, to the extent that he still has some, with some Manitobans. Tragically, it puts at risk a future referendum currently required in law before Manitoba Hydro can be privatized. Why would the Premier put the future of Manitoba Hydro on the table, just in order to skirt the requirement for

consulting Manitobans through a referendum on whether the provincial sales tax should be increased?

With great fanfare some years ago, this government brought in legislation requiring a referendum before Manitoba Hydro could be privatized. Some years later, legislation to require a referendum before privatizing Manitoba Public Insurance Corporation was also brought forward and passed in this Legislature by this government.

Now the NDP are rendering their own legislation requiring referenda before privatizing Manitoba Hydro or Manitoba Public Insurance meaningless by bypassing the requirement for a referendum on an increase in the provincial sales tax. This is very bad judgment on the part of this government.

Now, the Premier (Mr. Selinger) has given three reasons for not having a referendum. Let us look at these three reasons.

The first reason is that there is not time. This reason is not valid. A provincial election requires only 33 days. You know, if the Premier had announced at the time of the budget that there would be a referendum which would start Friday, April 19th, then the vote being held, as with a provincial election, 33 days later on Tuesday, May 21st, we could have a referendum today which is only a couple of weeks away. Indeed, it is highly unlikely that Bill 20 will be passed by May 21st, and it's apparent that holding a referendum is actually faster than passing Bill 20. On examination, the first excuse the Premier provided for not holding a referendum is ludicrous. It doesn't stand up to even a cursory examination.

The second reason that the Premier has given for not holding the referendum is the cost. The cost has been estimated at \$10 million, though I suspect that that is an overestimate, given that a referendum with a single question is much less complicated than an election with many candidates running in 57 separate constituencies. Nevertheless, given that the money involved in a 1 per cent increase in the provincial sales tax over 10 years is about \$3 billion, \$10 million is less than 1 per cent of this cost. Indeed, it's about 0.3 per cent of the cost, and I believe that most Manitobans would agree that, under the circumstance, this democratic process and that cost associated with it is worthwhile.

A third reason that the Premier has given for the referendum—or for abolishing the referendum is that

there is an urgent need to act to help Manitoba weather an economic downturn or economic uncertainty. In fact, in this area, the government is using false logic. The high provincial sales tax—or the higher provincial sales tax, you know, will mean people, particularly those, for example, in the constituency of Arthur-Virden, going to Saskatchewan to buy items, and this will hurt the economy here in Manitoba. Instead of helping the economy, the Premier's and the Finance Minister's measures in raising the PST will actually, in this instance, harm the economy. The higher PST will sadly lead to companies considering leaving or leaving Manitoba or moving people to other jurisdictions. Indeed, I've already talked to business people who are considering leaving Manitoba and going elsewhere because of this rise in the provincial sales tax. This will hurt the economy, not help it. At least, it will hurt the economy here in Manitoba.

Third, this increase in the provincial sales tax will have an adverse impact on those low incomes and students and on seniors. For people on low incomes, the PST will mean it's harder to get by. It will mean less food on the table. And this increase of problems for those who are low income will likely lead to increased health-care costs, increased child and family services costs, increased justice costs, all as a result of this increase in the provincial sales tax. So the provincial government will have increased costs without helping people, without helping the economy.

\* (15:40)

There is a similar situation in terms of students. And not only will students be put in a more difficult financial situation, you know, if we're not careful, it may lead to some students going elsewhere because there are jurisdictions like Saskatchewan with much lower sales tax. I know already that it's quite popular for people in western Manitoba, young people, to go to the University of Regina or the University of Saskatchewan, and this, sadly, may accelerate that instead of helping Manitobans here in the Manitoban economy.

With seniors, oh, the problem here is that by increasing the sales tax, you know, we are likely to have more seniors going to Fargo, going to Saskatchewan to buy items rather than buying them here, and certainly this is not good for our economy. So I would argue that the situation here is that this increase in the provincial sales tax is more likely to hurt the economy, to destabilize the economic

situation rather than to help it and stabilize it, and so there really is no justification for raising the provincial sales tax to help the economy in Manitoba. Indeed, all the evidence suggests it may hurt the economy in Manitoba.

There is another big issue which is in this Bill 20. The Premier (Mr. Selinger) has said and the Finance Minister have said that all the new money raised by the provincial sales tax will be used for new money for infrastructure. And this has been the basis for this Premier and his government to announcing all sorts of projects, saying that they're going to do all sorts of things including flood prevention and so on. But, indeed, what has to be done is to take a very careful look at the budget and have a look and see if there is new money for new expenditures going to infrastructure because, as the Premier and his Finance Minister and all the NDP MLAs have said, the new money generated by the PST should represent new money spent on infrastructure, not just a replacement of existing dollars being spent on infrastructure.

Well, to examine this issue, I have looked carefully at the Finance Minister's document, Budget 2013 Estimates of Expenditure and Revenue, and on page 10 under the revenue estimate it's very clear that the increase in the PST is going to raise the new revenue. Indeed, the forecast for the provincial sales tax in 2012-2013 last year was that it would raise just about \$1.8 billion. The forecast for the revenue estimate for this year, 2013-2014, is that it will raise two billion and forty-seven million. Now, that's an increase of \$268 million.

Now, the Finance Minister has forecast that it should, this year, raise something a little under \$200 million. Two hundred and sixty-eight million new revenue from the PST is considerably more than the \$200 million, and that may reflect some of the other changes made last year and—as well as, possibly, if the—increasing the PST doesn't suppress the economy, some economic growth in spite of what the Finance Minister is doing.

So there's no question, however, that the money, the new money will be raised to—by the provincial sales tax. The question then is: Where will that new money be spent? And here we can look very carefully in this same book brought forward by the Minister of Finance (Mr. Struthers), Budget 2013 Estimates of Expenditure and Revenue, and the book makes very clear the changes from one year to the next so we can go through, carefully, to the extent

that infrastructure dollars are identified and have a look.

We'll start with the Department of Advanced Education and Literacy, and we'll look at the capital grants, infrastructure dollars going to universities and colleges. In 2013-2014, the amount was \$11,571,000. In this projected budget for 2013-2014, the number is \$11,571,000—absolutely no change, no increase in infrastructure spending for universities and colleges.

There is one other line that would be considered infrastructure, and this line deals with capital investment for universities and colleges, which is listed as the replacement of the Student Aid financial information system. And this expenditure in 2012-2013 last year, was \$500,000, and this year is estimated to be \$100,000—that's actually a decrease in \$400,000 this fiscal year.

So instead of an increase in infrastructure spending there, when you add that in to the capital grants for universities and colleges, there's actually, overall, a little bit of a decrease in infrastructure dollars for universities and colleges.

Let's go to the second department, the Department of Agriculture, Food and Rural Initiatives. And here the infrastructure is pretty clear, there's what's called capital grants. And the capital grants in 2012-2013 in Agriculture, Food and Rural Initiatives add up to \$14,152,000. And in the coming—in this fiscal year, the estimated expenditure on capital grants in Agriculture, Food and Rural Initiatives is \$8,998,000. Well, this certainly isn't an increase; in fact, it's a decrease of \$5,154,000. So the increase in infrastructure spending is not happening in Agriculture, Food and Rural Initiatives—in fact, there's a decrease there.

So we have to go on to other departments to look and see where there is in fact an increase, and let's move to Conservation and Water Stewardship. We'll look at Conservation and Water Stewardship and we'll look at the capital investment, the infrastructure dollars. In 2012-2013, the amount that was spent was \$25,600,000. In 2013-2014, straight from the estimate of expenditures in revenue, the amount projected is \$15,839,000—that is actually a decrease of \$9,761,000. So, instead of an increase, we're actually seeing a decrease in infrastructure dollars in Conservation and Water Stewardship.

Okay, we have to keep going, and let's look at other places. We'll look at Education—capital funding

in Education. The Premier (Mr. Selinger) has been announcing a lot of new money for schools—okay, well, maybe here there is a big increase of dollars going to education infrastructure. Well, the number in 2012-2013 was \$49,944,000. The number this year is—2013-2014—is \$52,942,000—that's actually a small increase overall, percentage-wise, of \$2,000,998. It doesn't even make up for the decreases in the other departments that I've already looked at: Agriculture, Food and Rural Initiatives and Conservation and Water Stewardship.

But there is a little more money, almost \$3 million, going to Education capital funding. Three million is a long way from \$200 million, and when you net it out, we're still on the negative side in terms of the actual amount of infrastructure spending this year.

\* (15:50)

The Finance Department has capital spending, capital investment, capital assets—not specified exactly what those are, but that spending in 2012-2013 last year was \$500,000 and this year is also \$500,000. So the net there, the net change, is zero. There is not an increase in infrastructure funding in the Department of Finance.

So let's look at the Department of Health. And the Department of Health has a line, capital funding, for Health, as it should, showing what the expenditures are going to be this year in the budget for the Department of Health. And those expenditures this year are \$164,483,000—sorry, that was last year—\$164,483,000 last year. This year, the dollars allocated for expenditures and capital funding in Health are \$166,974,000. This is an increase of only \$2,491,000. So there is a small increase in Health. The Minister of Health (Ms. Oswald) should be pleased, but it's nowhere near explaining what's happening to this new \$200 million that's coming from the provincial sales tax.

So let us look at Housing and Community Development. Maybe this is a place where there's going to be some dollars. First of all, the Community Places Program, which the Premier (Mr. Selinger) made announcements of not very long ago: last year, the spending on the Community Places Program, probably mostly infrastructure, was \$3,915,000. This year, the expenditure on the Community Places Program has gone down by \$450,000, and it's only \$3,465,000. Capital grants for Housing and Community Development have also gone down.

Infrastructure and Transportation: spending on infrastructure has, this year, \$13,825,000 less than last year—all the roads, less money than last year.

Innovation, Energy and Mines: we actually find a \$7,950,000 increase.

In Justice, there's a modest \$1-million increase.

In Local Government, there is a significant \$31-million increase, but enabling appropriations, there's a \$23-million decrease.

And overall, we can't find any significant overall increase, and certainly, the \$200 million that the Minister of Finance (Mr. Struthers) has got on the revenue side is not being spent on new infrastructure dollars on the expenditure side. So it's not new money. And, of course, that's a major reason why the mayors and the municipalities are so upset. Manitobans need to wake up to what the NDP is doing to our province.

Recently, I was at a function. The Minister of Innovation, Energy and Mines (Mr. Chomiak) who was there remarked that there were only two groups opposed to Bill 20: women and men. Mr. Speaker, with these two stalwart opponents, the men and women of Manitoba, the government should realize they would be smart to withdraw this legislation, and I ask them to withdraw it.

I want to make one additional note on the infrastructure dollars.

*Mr. Speaker in the Chair*

In looking carefully at this legislation, we need to ask: Is actually the legislating requiring that the money be new money in addition to what is now being spent on infrastructure as the Premier (Mr. Selinger) has promised? And if you look at the fine details, the legislation isn't as clear on this as it needs to be. And there needs to be an amendment here, and the Premier, who's made it very clear this is to be new money for infrastructure, not just existing money, and we need to make sure that that's absolutely clear in the legislation. We wouldn't want the Premier to renege on his promise that it will be an increase over existing expenditures on infrastructure because a technical detail of the legislation.

Mr. Speaker, I want to conclude—I'm very strongly opposed to this legislation. We should have a referendum rather than the government which changes the law to avoid fulfilling its democratic responsibilities. You know, is the next thing the

government going to try and change the law to avoid having a provincial election? This is a very slippery slope. It is time to do everything that is possible to bring people together to stop Bill 20 from passing and becoming law, because it would be a big mistake.

Thank you.

**Mr. Wayne Ewasko (Lac du Bonnet):** I'm proud to stand up today to put a few words on the record towards the amendment to Bill 20 that was brought forward by our member from Charleswood. The motion—or the amendment reads: That this House declines to give second reading to Bill 20 and—The Manitoba Building and Renewal Funding and Fiscal Management Act (Various Acts Amended), because this House has not received satisfactory evidence or assurances that an increase in the retail sales—real—into the retail sales tax was either considered or recommended at the government's prebudget consultation meetings.

So, with that, Mr. Speaker, I know that the member from River Heights left a few minutes on the clock, but I can assure you I will try to outdo what he has put on the record. So, under the balanced budget debt repayment and taxpayer protection act, Manitobans have the democratic right to a referendum whenever a government wants to raise a major tax—the PST falls into this category. The spenDP has no respect or regard for the impact that taxes are going to have on Manitobans' ability to thrive and survive.

The taxpayers—the taxpayer protection laws are there to safeguard Manitoba families from governments like this NDP government. If they bring in the tax, Mr. Speaker, they are breaking the law as of July 1st. And they propose, and they've said on many occasions, that they're going to proceed and they're going to actually do this. To make matters worse, that the spenDP government is forging ahead with the tax increase—no one had ever asked or actually had wanted this.

Mr. Speaker, the Minister of Finance has said on many occasions that he attended various prebudget consultations, and I know that we, on this side of the House, have asked him, again, on many more than one occasion, to name or to state how many people that attended those prebudget consultations had actually asked for the PST hike, which is actually 1 point or close to 14 per cent increase.

Every major interest group, Mr. Speaker, AMM, Winnipeg Chamber of Commerce, Manitoba Chambers of Commerce, Manitoba Business Council and the Manitoba Heavy Construction Association have said there should be a referendum for a PST increase—or before a PST increase occurs.

Today there was a news release put out by CFIB at 8:45 in the morning, Winnipeg, May 8th: Polling shows Manitobans and small business owners want a referendum on PST hike. And I quote: We felt that if the provincial government didn't respect taxpayers enough to ask their views in a referendum, we would, said Janine Carmichael, CFIB's Manitoba director who'll be releasing all the poll results over the coming week. She continues to say, the first key finding is that Manitobans and small-business owners overwhelmingly want to have a referendum on the PST hike.

On a public opinion poll, which was conducted by Angus Reid Public Opinion, 500 Manitobans were surveyed; 74 per cent agree that the provincial government should hold a referendum before raising the PST from 7 to 8 per cent. Of small-business owners, the support is even higher; 93 per cent want a referendum first.

\*(16:00)

Some other quotes from third parties since the budget was released, Mr. Speaker, and that basically speaks towards the PST hike as well. We have some quotes and many, many, many, many quotes, but I'm not going to read them all. I'm just going to touch on a few.

The Brandon Sun reported that Jim Carr, president and CEO of the Business Council of Manitoba, says, and I quote: The provincial debt's going up too quickly. The numbers are getting out of the comfort zone. We're unhappy with the size of the deficit and the slow pace at which the deficit will be reduced. Again, Mr. Speaker, talking about the PST hike, not one penny is dedicated towards bringing that deficit down even a little bit closer to zero.

Again, Mark Sefton, Brandon School Division board chair, he says, and I quote: Does that mean, then, that the Province is taking \$50 million out of financing for public schools? We don't know that. That could potentially have a huge impact on a city like Brandon or in a Brandon school division.

Also from Brandon we have Deborah Poff, Brandon University president: We've been buffered. This is still an increase, and there are provinces that

have been—that have cut deeply. The challenge for those universities is tremendous. They're laying off significant numbers of people and there's great unhappiness. That's—and she continues to say, that's a disappointment because it's fairly significant. The consequence is it's over \$800,000 less, as she's speaking towards the budget.

Doug Dobrowolski, Association of Manitoba Municipalities president: I believe they're taking that tax room away—what we've been asking for to repair municipal infrastructure. They're raising that 1 per cent to fulfill their commitments to the federal Building Canada Fund. We've been asking for more than that, he charged. They've taken our tax room to fulfill their own needs.

CJOB—CAA Mike Mager: Disappointing budget. We're in the middle of our Worst Roads campaign, and we've had 4,600 Manitobans tell us that roads are in very bad shape. They're atrocious, embarrassing, all kinds of words and accolades to describe the roads. And the reality is we wanted the government to hear us, and they didn't hear us today.

Richard, the commitment is wonderful, but if you really look at it, I mean, I'm interested. The minister said we've made a lot of progress over the last decade and the reality is on—the reality is ongoing into infrastructure. If you look at the numbers that come across, like, 1 per cent that is supposed to be going to infrastructure, but, again, it's not very clear. And, when you look at the actual numbers within the budget, it looks like the numbers stayed the same from year to year. So we're not getting any added dollars for our roads, and that is a big concern as many Manitobans use those roads each and every day and it affects all of us.

David Northcott from Winnipeg Harvest: Very disappointed. When asked if he saw anything in the budget to address the needs of those who often do without, Northcott said no. One per cent increase in PST, which is basically one point to the PST going from 7 to 8, I understand that's to pay the bills. Every low-income family in Manitoba knows what it's like to run deficits and pay bills. They can't do it. They struggle. I understand getting 250 to be part of that tax benefit in declaring your personal income. Great, that helps, but it's a wash.

Overall, not much there. Welfare rates have not changed in two—in 20 years. The door was opened by the Conservatives and the Liberals to be able to say, let's go to 75 per cent of the rate of social housing at

the private sector. Social housing didn't walk through.

Mr. Speaker, I could go on and on and on as far as the various quotes from various leaders throughout our wonderful province of Manitoba, but I am going to continue.

Without the taxpayer protection act, Mr. Speaker, the spendDP can raise the PST again by 1 point even next year. The problem is, in fact, that the Premier (Mr. Selinger) said himself that he's not ruling out that exact fact for next year. In 2011 each and every spendDP MLA promised in the last election not to raise taxes. They received a mandate to balance the books by 2014 and not raise the taxes. The NDP broke that promise in 2012 when it decided to expand the PST as part of the largest tax increase in over 25 years. This move alone cost Manitobans \$106 million by adding PST to things like insurance and a cut and colour. Now, the NDP is breaking its election promise again by increasing the PST by one point. This will cost Manitobans another \$277 million per year. It's the largest tax increase since the NDP raised the PST by one point in 1987. Overall, Manitobans will be paying \$383.5 million more in PST due to the NDP's decisions to expand and increase the tax over the last two years. This equates to over \$1,200 more per year for a family of four in PST tax alone. If you include all taxes and fees raised since 2011 by this government, it will cost the same family of four \$400 more per year. That's \$1,600 per year in taxes and fees total for one family.

Now, Mr. Speaker, I was in—at a event the other day in our constituency and I ran into one of—maybe one of those 192 spinners that, as you know, we keep talking about on this side of the House and they don't seem to deny it. We sat and we started having a conversation just about the PST hike, and that member—or that person decided to turn to me and basically say, you know, member from Lac du Bonnet, without using my own name, I guess, that probably every person is not going to miss that \$300 per person. So I went on to explain to him, well, but if you've got a family of four, that's equating to \$1,200 or the \$1,600, and, you know, my wife and myself just went through our books and totalled the amount of money that hockey alone had cost us over the last year and we're well in excess of about \$5,000.

So it might not mean that \$300 or \$400 to that one individual is a whole lot of money, but to us,

with a family of four that's raising two boys very active in sports, it does mean a lot, and it is going to hurt in the pocketbook. Families are already being crushed by unnecessary taxes, and they don't need more. They don't need any more.

Manitobans pay the highest income tax outside of Québec. We already have the highest PST in western Canada. With this PST increase, Manitoba will now be the worst in the west for consumption taxes. For example, the PST is 60 per cent higher than in Saskatchewan, our neighbours to the west. This tax change will simply drive more people and businesses to our western neighbours. It won't help the province at all. According to the budget speech of the spendDPs, PST was supposed to go to the pay—to pay for flood protection infrastructure, but that is just a falsehood, Mr. Speaker. The NDP actually blame all its financial woes on flooding recently. Flooding is simply the excuse of the century for every financial problem the spendDP encounter. The 2011 NDP claim that the billion-dollar deficit was caused by fighting the flood—in fact, only 40 per cent of the deficit was flood-related. The majority of the deficit was NDP mismanagement and electioneering.

Now, I go to a quote, Mr. Speaker, that I mentioned actually in my budget speech when we talked about the spending addiction that the NDP has. And so on April 17th, 2013, from Hansard Debates and Proceedings, we have the minister from—or the member from Thompson that said, well—and I quote: Well, we spend more money than we raise. We're going on to spend even more as part of this budget. Now, I could not have said that better myself. This is a government that is out of control in their spending. They're putting their hands in people's pockets. They're spending piggy-bank money from our kids, our grandkids, our great-grandkids. God bless us all; it—have us have that opportunity in the future.

In 2012, the NDP blamed the \$184-million tax hike on having to pay for the flood-compensation costs. In fact, that—the tax hikes went to pay for out-of-control spending. Last year's deficit was \$626 million, but would have been over \$800 million without the tax increase, \$800 million without any emergencies.

\* (16:10)

Now in 2013, the NDP is blaming a possible future flood. Now we continue to receive flood reports, Mr. Speaker. We didn't receive one today but it's looking like the water coming from the south is

not going to be a threat, from the west it could potentially but the forecast has dropped there as well. Even in Swan River this morning, the mayor was on the news speaking towards the flood threat in their community, and he had said that they were up all night sandbagging and again the water, when they woke up, wasn't necessarily close to where they had sandbagged for.

But, you know what, Mr. Speaker? It is good to be preventative. But, unfortunately, as we had heard earlier today in the House, we have flood forecasting which is stating that it was going to be possibly four feet above Highway 75. And we found out that the actual water had come to about six feet below Highway 75. So that's 10 feet. I know that the minister for—the member from Thompson had mentioned that they do rely quite heavily on the United States to help them with their flood forecasting, and I'm hoping that maybe we can have some more confidence in our people here in Manitoba to do the job and maybe they can come within that 10 feet. It worries me at times when we are doing some fearmongering.

Missed it by 10 feet, as a member—a colleague says.

Under the balanced budget, debt repayment and taxpayer protection act, Manitobans have the democratic right to the referendum whenever a government wants to raise a major tax; the PST falls into this category. Now, Mr. Speaker, we have some examples of where this government has instilled laws, brought forward bills to basically try to instill in Manitobans the fact that they should maybe follow the law on a few different topics. This is a government that is pushing the PST hike and trying to ram this bill through without having that referendum, and so I would like to just talk a little bit about a few of the laws that are—that we expect Manitobans to be following.

And the first one—I had the great pleasure of getting home a little bit earlier last night than it has been for the last few weeks, so around 8:30 last night my wife and my two boys, we decided to go for a bicycle ride. So after pumping up the tires and getting ready, we—my youngest son went to the garage and he got his bicycle helmet, as well as his older brother's, and they say, well, we're going a quarter mile, dad. No, well, you know, Jarvis and Brayden, you got to put those helmets on because it's the law and if, for some reason, the police are driving down the road, they could pull you over and give you

a fine. Well, my youngest son doesn't argue with that whatsoever; he slapped that helmet on and we went for the bike ride.

There's another example, Mr. Speaker, where we have a nine-year-old, soon to be 10, not arguing with the law. He knows that the law is there and he's going to follow it to a tee.

Distracted driving is the next one, Mr. Speaker. We passed—the government passed a law on distracted driving, no texting or cellphones whilst you're driving, and there is a—quite the penalty and I understand as of today that they're going to possibly have demerits if you're caught texting or using your cellphone whilst driving as well, another example of a law that this government is expecting Manitobans to follow. And I think overall Manitobans are making that change so that they can follow the law.

Protests, Mr. Speaker, I'm not going to go into a great deal on protests, but the fact is, is that this government expects Manitobans to follow the law in regards to protests and make sure that they're not causing harm to any other Manitobans during these protests.

And it's amazing that in certain circumstances we have child and family service cases that are in front of the courts, as we speak, Mr. Speaker, where—young child was actually going to be 13 years old this year, and yet it takes seven years to bring that into the court of law and start to take a look at the inefficiencies of those departments. Whereas, I believe it only took eight days, you know, pretty much to talk about these certain protests. So it's sort of funny how this government is putting their priority, especially when Manitobans start to question.

This morning, Mr. Speaker, I had the pleasure of attending, as well as a few of my colleagues from the House, the friends of the human rights—the Canadian Human Rights Museum breakfast this morning. And there they announced making some changes to the curriculum all across Canada in regards to initiating human rights into the various curriculum, whether that's math, social studies, science.

So I'm just taking a quick pause here, Mr. Speaker, I'll continue.

So, with that curriculum, Mr. Speaker, we're basically initiating it from Manitoba and getting on board with the Canadian teachers' association to help show that the human rights in this country is abided

by and followed. And there are four examples of laws or various rights that we expect all Manitobans to follow or encourage, but, yet, we have a government that again is trying to push forward a PST hike of 1 point or almost 14 per cent.

Part of that issue that I have with the PST hike is the fact that this government continually—continuously pats itself on the back for apparently having these consultations with various grassroots, community-oriented groups. One being—and I'd be remiss to—not to bring up the amalgamations, Mr. Speaker. I know that I receive many, many, many, many emails in regards to forced amalgamations, and it's disheartening that some of the municipalities that are getting forced—they are being forced to amalgamate with others—that they're not getting the opportunity to actually have those conversations. They're being forced, and in some cases we're having municipalities that are very much self-sufficient. RMs such as the RM of Victoria Beach which is in my constituent—constituency, they have asked to be part of the consultation process. I know that many members from the various communities in my constituency had ventured down to Ste. Anne on March 15th and I know that the Minister for Local Government was there. And, basically, he stated to the public or to the people that were there that if you are a reeve or a mayor of a municipality that, you know, is under question for getting together and that are being forced to amalgamate, do not hold a town hall meeting because all you're going to do is cause hard feelings for years to come.

Mr. Speaker, I received an email—I received, actually, three more emails today. But, you know what? I'm going to touch base on one and—that puts it quite—puts it really quite well as far as what Victoria Beach is going to have to go through in the next few months, I guess, in regards to trying to meet the minister's deadline.

It says: Dear Mr. Ewasko, I am writing to express my strong opposition to the forced inclusion of the Rural Municipality of Victoria Beach, hereinafter RMVB, in an amalgamation with the Rural Municipality of Alexander. The act proposes to force amalgamation upon municipalities with less than 1,000 permanent residents. It does not consider the fiscal viability of the existing municipality. It does not consider the tax base, including seasonal residents. RMVB has a tax base of about 2,600 taxpayers and is financially sound. Such an amalgamation would have numerous adverse effects on RMVB.

\* (16:20)

The RMVB would cease to be classified as a resort municipality, which would move elections from July to October and thereby effectively disenfranchise the numerous seasonal residents of RMVB who are not at Victoria Beach in October. RMVB maintains a unique culture and environment, including a restricted area that disallows residents' vehicles during the summer months.

As a ward of RMA, Victoria Beach would likely have only one representative on a municipal council of five. Victoria Beach would no longer be master of its own destiny. It would not be in a position to protect its unique culture and environment. An amalgamated RMA-RMVB council would be much less motivated to maintain the distinctive character of Victoria Beach.

RMVB presently has its own local police force which provides prompt policing services to the municipality. Victoria Beach is geographically remote from the main population centres of RMA. In the probable scenario that amalgamation causes RMVB to lose its separate police force, police response time from a remote location is likely to be severely elongated.

Seasonal residents of RMVB are already required to pay substantial education taxes to a school division at which they have no rights to elect trustees and no rights to spend—or sorry—to send their children to school. This is a taxation without representation issue, and amalgamation will serve to dilute the voices of the seasonal residents on this issue. I've observed the results of forced amalgamation in other jurisdictions, and they have generally not produced the results predicted by the governments that force them.

Please take all the facts into consideration. Amalgamation is not a panacea and should not be forced upon municipalities that are healthy and sustainable in their present form. In the case of RMVB, amalgamation is likely to permanently damage a unique community with no compensated benefits to the community.

Signed, yours truly, Gordon Tomlin, 417 Sunset Boulevard, Victoria Beach, Manitoba.

Mr. Speaker, I received many, many, many emails on this topic. Now, again, forced amalgamation is the topic here, forced amalgamation without any collaboration or discussion for these various communities.

Now, the RM of Lac du Bonnet and the town of Lac du Bonnet is a good example of municipalities that are electing to go ahead and start the process to talk about amalgamating together. So there, Mr. Speaker, is a good example where the Minister of Local Government (Mr. Lemieux) and his department could step in and possibly assist those municipalities who wilfully would like to go about it.

But, on the other hand, Mr. Speaker, again, the communication piece is not there. It's going to give the NDP—since I have roughly two and a half minutes to go there, I'd like to touch on also the vote tax for a few seconds. When we're talking about the vote tax, we're talking that the NDP government feel very comfortable taking the vote tax, which is about \$250,000 per year, which would equal to about a million dollars, and if you use a—you don't even have to use a calculator, the Clerk's calculator, or anything like that to figure out that it's roughly \$7,000 per sitting member on the NDP side.

Basically, Mr. Speaker, instead of going out and asking for that support from their constituents, they feel comfortable enough with taking it right out of those Manitobans' pockets and deposit it into their own—I don't know—association accounts, or wherever else. Seven thousand dollars is a big chunk of change.

So, with that, I'm going to start to close. Oh, I know. Mr. Speaker, you know what? The other day, or I guess it was yesterday, the House leader from the government side decided to stand up and ask if we could possibly not see the clock and see if we could continue speaking throughout the evening.

Well, it just so happens, Mr. Speaker, that I've had many discussions with my constituents about the time frame and how it works in regards to when we're sitting in session and that. And so maybe I will bring this up to the Government House Leader (Ms. Howard), that the Legislative Assembly may meet at any time from the first Monday in February to Thursday of the second full week in June, except for during the week designated under The Public Schools Act as spring break or vacation. So they're trying to ram Bill 20 all the way through. Meanwhile, we've had lots of time for them to bring up Bill 20 and the budget. We don't have to blame the federal government all the time for us not working or not sitting in this House.

So, with that, Mr. Speaker, I thank you very much for the time, and that's all.

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

The honourable member for Lac du Bonnet—La Verendrye, pardon me.

**Mr. Dennis Smook (La Verendrye):** I guess it's my turn to put a few words on record in regards to the recent amendment brought forward by the member from Charleswood—I thank her for this—that motion being amended to delete all the words after the word "THAT" and substituting the following: this House declines to give second reading to Bill 20, the Manitoba building and renewal funding fiscal management act, because this House has not received satisfactory evidence or assurances that an increase in the retail sales tax was either considered or recommended at the government prebudget consultation meetings.

I strongly agree with this amendment. In fact, in a public opinion poll of 500 Manitobans conducted by Angus Reid Public Opinion, 74 per cent agree the provincial government should hold a referendum before raising the PST from 7 to 8 per cent. In a poll of small businesses, the numbers are even higher. Owners support even—93 per cent of owners of small businesses want a referendum. Manitobans and small business owners respect democracy; they want their government to respect democracy as well.

Under the balanced budget, debt repayment and taxpayer protection act, Manitobans have the democratic right to a referendum whenever a government wants to raise a major tax. The PST falls into this category.

Why is this government not following the law? Why are they not—why are they willing to break the law? The spenDP has no respect or regard for the impact that taxes have on Manitobans' ability to thrive and survive. This will take money out of the pockets of Manitobans, leaving them less to spend, hurting business in Manitoba. The taxpayer protection laws are there to safeguard Manitoba families from governments like the NDP.

To make matters worse, the spenDP is for going ahead with a tax increase that no one asked for or wants. Every major interest group—AMM, Winnipeg Chamber of Commerce, Manitoba Chamber of Commerce, Manitoba Business Council and Manitoba Heavy Construction—has stated there should be a referendum before a PST increase occurs.

Without the taxpayer protection act, the spenDP can raise the PST again one year later. In fact, the

Premier (Mr. Selinger) has not ruled out that for next year.

\* (16:30)

I attended a rally, right here in front of the steps of this Legislature, of about 500-plus taxpaying Manitobans that were out there. I could not find one taxpayer that was willing to back this NDP's increase in the PST. They should—they said, by raising the PST, this will hurt all Manitobans. They all said, the spendDP should hold a referendum and let the taxpayers of Manitoba decide whether there should be an increase in the PST. But the saddest part of this rally was the fact that members opposite sneaked out the back door or hid in their offices and peaked out the windows.

In this budget, the spendDP government tried to justify the 14 per cent increase in PST by first saying they needed it for flood mitigation work to protect Manitobans from the upcoming flood. But, when pressed, they could not come up with a list of projects they would use the money for. Again, NDP mismanagement—ask the people for money but not knowing how much you need or where you're going to spend it, is not—is just not right.

There is flood protection work that is needed to be done in this province, but any responsible government would have a plan of what they wanted to do and how much it would cost. I would hope the Minister of MIT would know this. He should also know that you don't start flood mitigation work in the middle of a flood.

Mitigation is to prevent the flood from occurring, and the minister should know that this past winter was an opportune time to do some of this mitigation work. They should have learned something from the flood of 2011—or not.

If this spendDP government was so concerned about flood protection, they would have had a number of projects ready to go. One such project is the Gardenton Floodway. This government has been studying and studying this project. Finally, last fall, they admitted work was necessary on the Gardenton Floodway. And I quote from a letter from the minister: Recently, MIT conducted an inspection of the Gardenton Floodway and determined that a minimum, at least eight kilometres, of the east dike must be reconstructed. I would ask the minister if this project was on this urgent list. I never heard once the Roseau River being mentioned in all the minister's speeches.

Instead of keeping their promise not to raise taxes, the spendDP is raising taxes and trying to use Mother Nature as their scapegoat. The Premier (Mr. Selinger) even admitted last week that no new flood protection can be built this year because the NDP has no shovel-ready projects. The spendDP fail to complete the required engineering and environmental work to allow for such work to begin any time soon. So that probably means the next year or the next year or the year after, depends on how many times they feel like they should reannounce the project—more spendDP mismanagement.

When the spend—when the spendDP spinners could not make the case for the flood mitigation work, the focus went to transportation infrastructure. We know that the PST is not going towards transportation infrastructure, the budget shows the highway capital spending is only going up by \$28 million—that's only 14 per cent of this year's PST increase. Mayor Sam Katz had it right when he called the PST increase an NDP spin.

It's so obviously—obvious that the PST is not going to flood protection or infrastructure. Is it going to build an NDP slush fund so they can spend, spend, spend to keep up their spending addiction? From flood mitigation, they went to transportation infrastructure. From transportation infrastructure, they went to schools and hospitals. How many times will this spend—cut—be government change their direction as to the reason for this tax grab? How many times will this spendDP government reannounce projects just to get photo ops?

In 2011, each and every pea—spendDP MLA promised not to raise taxes. They received the mandate to balance the books by 2014 and not raise taxes. The NDP broke that promise in 2012 when it decided to expand the PST as part of the largest tax increase in 25 years. Now the NDP is breaking its election promise again by increasing the PST by 1 per cent. This will cost Manitobans another \$277 million per year. It's the largest tax increase since the NDP raised the PST by one point in 1987.

If you include all taxes and fees raised since 2011 by this government, it will cost a family of four \$1,600 more per year in taxes and fees. That's a lot of money for a family when they're already struggling, can't afford to buy house insurance because they have no money, can't afford this for the family, can't afford sports equipment, can't afford—there's a lot of things that families need, and to take a tax grab—that's where this NDP government is mostly putting

it, is on the low-income people. They have nothing to say about it, because they have no choice. Families are being crushed by unnecessary taxes, and they don't need any more.

Manitobans pay the highest income tax outside Québec. We already have the highest PST in western Canada. With this PST increase, Manitoba will now be the worst in the west for consumption taxes. This tax change will simply drive more people and business to our western neighbours. It's not going to help this province. With Saskatchewan having a 5 per cent PST, everybody along the Saskatchewan border is going to be shopping in Saskatchewan. Along the American border, where a lot of my constituency is, you go talk to some of the small businesses there and ask them what they feel about this. It's like signing their death warrant.

The spenDP actually blame all its financial woes on flooding recently. Flooding is simply the excuse of the century.

Need a little shot of water here, sir. *[interjection]* No, I can be here for hours. Next page.

Vote tax—this government has decided to take a vote tax to fund their tired spenDP. This vote tax will give each member about \$7,000 annually. Are they too lazy to go out and raise their own? I mean, everybody on our side is busy raising money, and we won't be taking any vote tax. Their own funds is what they should be trying to raise, not relying on the people of Manitoba to pay for their election. By the time the next election comes, the NDP will have taken close to a million dollars from the pockets of hard-working Manitobans. This money would be better used to help the people of Manitoba.

\* (16:40)

The children and youth of this province are our most precious asset, and I'm sure everybody here would agree with that because they either have children or going to have children, have grandchildren. They are a very important asset. They're our future. They're the ones that will be making decisions that'll affect our lives as we age. They will be the government of tomorrow. We need to make sure we provide them with all the tools they will need to become our future leaders. These tax increases do little for our youth and children. What it does, it cuts programs. When you look in the budget books, no changes in there but program cuts—increases to wages, increases to benefits, but program cuts. One such program is The Green Team.

The Green Team program offers those aged 15 to 29 a summer job or volunteer opportunity that enables Manitoba youth to be prepared for the job market. The spenDP has decided to shut the door on applications this year by only allowing funding for those organizations that had Green Team programs last year. This does not create opportunities for Manitoba's youth, and it certainly doesn't allow for a merit-based decision on which budgets—projects get funding.

I will again say how important it is the children and youth are to this province. In a recent report released by the minister of youth and child opportunities, which came out yesterday, Manitoba's population has the highest percentage of population of people 19 years and younger in Canada, two percentage points higher than the next province, which is great, because our youth are our future. We need to look after them. With a population of 1.2 million people in Manitoba, this means we have roughly 312,000 youth 19 and under. And again, Mr. Speaker, these youth are our future. This spenDP government provincial debt load is approaching \$30 billion. This government does not think this is a problem, and they don't seem to be looking at lowering this debt. They're only thinking about raising it. This is some gift to our youth. Each one of them will inherit about \$100,000 in debt as we speak today. How would you like to be coming into this world knowing that you're going to have to pay off a hundred thousand dollars? I mean, there's no future, you know, like, with all the bills you have to pay with everything else that's going on. Does this NDP government really care about our youth, or are they just thinking about themselves and their friends?

In the last 13 years, we have had the lowest interest rates in decades, we've had reasonable growth, and we've had record transfer payments from the federal government. In the last 13 years, this province should be on top of the world with everything that has been happening in this province, but instead the spenDP government has let out debt grow to almost \$30 billion.

Our transportation infrastructure and our crumbling roads and bridges are in need of repairs. We need more personal care homes. We need more hospitals. Where has this government been the last 13 years? Why is it so that all of a sudden right now we need to increase the taxes, we need to do everything, because it's all falling apart today? Where have they been up 'til now? Like, why haven't they done anything up until now? In the last two

years, they're taking almost 1 billion extra dollars out of the pockets of Manitobans should this tax increase go through—which, hopefully, it won't—with the excuse that they need the money for things they should have been doing over the last 13 years.

This Finance Minister went to war with the Jockey Club. He broke the law. Justice Dewar ruled that, and I quote: The minister must act in accordance with the law as it stands. In my respectful opinion, he has not done that. In a post-question period scrum yesterday, the Minister of Finance (Mr. Struthers) said, and I quote: Clearly, an organization that is that—that is this dependent on a government subsidy today is not sustainable. I would like to ask the Minister of Finance, since they received 31 per cent of their revenue from the federal government, does this mean that the NDP government is not sustainable either? It's an interesting question.

We hear a lot from this government about global economic uncertainty. We hear about countries in Europe that cannot pay their bills. They're as good as bankrupt. When you look at this spenDP government's spending habits, where is the spenDP government taking this province? Will we have a province that I am proud to live in, a have province, but we have a have-not government governing it.

This government says it knows and helps small businesses, but there's nothing further from the truth. They say they have lowered the taxes for small business. But, Mr. Speaker, when you take the spending ability away from the consumer, this leads to lower sales at the retail sector. This usually leads to less profit and less profit means the retailers can no longer have money to employ new employees. You know, redo their businesses, make changes, this all leads to a slowdown in the economy.

The other day during question period the member from St. Norbert and one of the members from this side were trading comments, and the member from St. Norbert said that he ran his campaign on—not on tax increases, but on infrastructure and building. So that means he's not in favour of tax increases? He should come out and say that. Like, all the people on the other side during the last election campaigned on no tax increases. The Premier (Mr. Selinger) campaigned on no tax increases, but what have we got? The largest tax increases that we've had in decades.

From flood mitigation to transportation infrastructure, to schools and hospitals, this NDP

government cannot make up its mind as to where it wants to go.

I'm good for a long time yet, Mr. Speaker.

In 2011 the spenDP claimed the billion-dollar deficit was caused by fighting the flood. In fact, only 40 per cent of that deficit was flood related. The majority of that deficit was NDP mismanagement and spending. It wasn't all because the federal government had a lot to say in how much money was actually spent by the government. They paid for the majority of the flooding.

In 2012 the spenDP blamed the \$184-million tax hike on having to pay flood compensation costs. In fact, the tax hikes went to pay for out-of-control spending. Last year's deficit was \$626 million, but would have been over 800 without the tax increases—\$800-million deficit with no emergencies last year.

Now, in 2013 the NDP was blaming a possible flood for the reason it must raise the PST. There's no time for democracy with the spenDP dictatorship. They need to raise the tax immediately.

\*(16:50)

Back in the reality of 2013, the budget books show the amount of capital spending planned for water-related infrastructure is actually down to \$11 million from the budget of 2012. So that is kind of hard to understand why they would need extra money when the budget is going down. This is simply a government that sees floods as a way to hide mismanagement. The NDP does not see a priority in its people, only in itself.

The spenDP is hiring more communicators to spin out excuses for poor financial management. They have increased the number of spinners by 60 per cent since 2000, which now costs Manitobans \$12.5 billion a year in salaries alone. The NDP is hiring more and more executive civil servants to impose their policy on the front lines. Any successful manager knows that adding senior management will slow down an organization and just suck up resources that are better deployed on the front lines, not on the top end. This is costing Manitobans close to \$10 million per year.

Mr. Speaker, I know that I could go on here probably for another half an hour, but, unfortunately, the members opposite they feel that I've done enough for one day, that they don't—they want to leave something else for my other colleagues but—

**Some Honourable Members:** More.

**Mr. Smook:** More? You guys want more. Okay, well, if you guys really want more, well, I've got four minutes and fifteen seconds left to go, so.

The spendP would rather raise taxes from hard-working Manitobans than look at its operations to deserve—or to determine if money is being wisely spent, and, Mr. Speaker, that is the most important thing I believe in business because business is very similar to government. Government is business but it—government has to be—have some compassion for its people. So you can't really quite compare the two of them. But smart business decisions are what makes a business, and in government it has to be the same. You can't just continue spending money, spending money, spending money without having any repercussions to it.

I'm sure that one of the reasons for these tax increases—I know MasterCard—when somebody gets overdrawn on their MasterCard, MasterCard phones them up right away and says we're going to cut back your spending. We're not going to give you any more money. Is there something happening maybe with the borrowers that borrow money to the provincial government here? Are they saying we need something back from you, we need some collateral or we need to cut your spending? Like I don't know what else is happening here but there's a number of reasons, I guess.

Anyways, Mr. Speaker, I want to thank you for your time, and thank the members here for their time. *[interjection]* Somebody else has to take over; there's still two minutes.

**Mr. Stuart Briese (Agassiz):** I'm pleased to rise today and speak to the motion from the member from Charleswood that the House declines to give second reading to Bill 20, The Manitoba Building and Renewal Funding and Fiscal Management Act, because this House has not received satisfactory evidence or assurances that an increase in the retail sales tax was either considered or recommended at the government's prebudget consultation meetings, and we know that that's a fact.

We know that nowhere did they go to a prebudget consultation meeting and make any suggestion that they were going to put another 1 per cent on the provincial sales tax, which is in reality about a 13 or 14 per cent increase in the provincial sales tax.

Now they went out and campaigned before the last election, campaigned on the fact that they were

not going to raise taxes. What happened? What did the NDP do? First budget after the election, they increased our taxes and user and licence fees and all those wonderful things by about \$285 million a year.

Hit No. 1, biggest increase 25 years; hit No. 2, a year later, they went one better, they beat that, they did a bigger increase, they want to put on 1 per cent extra on the sales tax. But there was also another \$30 million that was kind of hidden in there, in new taxes on other things, plus, about, I think it was, and I may be a little bit off on this figure—but around a million and a half to 2 million on other little extras that they wanted to pull in.

Now, why did they do this? One of the first reasons given was for flood mitigation. Flood mitigation is something that there's been very little of—done in this province for quite some time. It goes back a long ways, but this government's been in power for 13 years, have not—done very little for flood mitigation. They made a lot of good promises; they were going to put the leaf gates in the Shellmouth Dam. Federal government ponied up their share of that money—it disappeared, leaf gates never went in, we never saw the provincial share of the money. What happened to it? That would have had some impact in the floods we've had in the years since.

They promised several years ago to put in permanent diking in Brandon. Well, you go over to Brandon right now and you'll see the large sandbags piled up in the area that they were supposed to be permanent diking. A promise was made; a promise wasn't carried through—why is that?

We know that now, as of last year, I believe it was—or the year before, the federal government has put in place—has changed their policy somewhat and will now consider mitigation works on a 50-50 basis. That is where the Province should be getting involved, because 50-cent dollars are pretty good dollars. I don't care where you are, that's a pretty good deal when you can get 50-cent dollars.

Now, if they—it's up to them to do the work, do the negotiation, make sure they get good projects out on the front lines, and I would suggest an outlet into Lake Manitoba would be one of those good projects that should be able to qualify under the flood mitigation to some degree.

They—so, they give this excuse that they have to use this 1 per cent for flood mitigation. That excuse didn't hold up for very long. So then they went to the

federal infrastructure programs, and they need the money to match those federal infrastructure programs.

Well, a very interesting thing—very interesting thing is that federal, provincial infrastructure programs have been around for some 15 years. I served on the selection committee for the federal, provincial infrastructure programs for six years. All through those previous years, with this federal money flowing and the province matching it and whoever the third party, mostly municipalities, matching it, nobody had to go out and raise a tax to meet their commitment to that infrastructure program funding.

All of the sudden, what's changed? I don't know. Now, all of a sudden, we got to raise a tax because we've done such a poor job of managing our finances

of this Province that we have nothing left that's usable and nothing left in any of our funds that should be there to do the infrastructure funding.

The other little trick that's been pulled there, is they're spouting a—quite a bit higher infrastructure funding number now, but what they've done is pull the capital projects out of Health, out of Education, rolled them into provincial infrastructure and suggested—

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

When this matter is again before the House, the honourable member for Agassiz will have 23 minutes remaining.

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



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