

Second Session - Thirty-Ninth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, October 8, 2008

The House met at 1:30 p.m.

PRAYER

ROUTINE PROCEEDINGS

PETITIONS

**Increased School Facilities—Garden Valley
School Division**

Mr. Peter Dyck (Pembina): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition.

The student enrolment in Garden Valley School Division has risen steadily for the last 10 years.

Since 2005, the enrolment has risen by more than 700 students, from 3,361 students to 4,079 students, a 21 percent increase.

Since September 2007, the enrolment has increased by 325 students, an 8.7 percent increase.

Currently, 1,050 students, or 26 percent, are in 42 portable classrooms without adequate access to bathrooms.

There are 1,210 students in a high school built for 750 students; 375 students are located in 15 portables without adequate access to washrooms.

Projected enrolment increases based on immigration through the Provincial Nominee Program reveals the school division enrolment will double in the next 12 years.

Student safety, school security, reasonable access to bathrooms and diminished student learning are concerns that need immediate attention.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Education, Citizenship and Youth (Mr. Bjornson) to consider providing the necessary school facilities to Garden Valley School Division.

To urge the Minister of Education, Citizenship and Youth to consider providing the Garden Valley School Division an immediate date as to when to expect the necessary school facilities.

This is signed by Loretta Thorleifson, Violet Funk, Nettie Wall and many, many others.

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

**Hard Surfacing Unpaved Portion—
Provincial Road 340**

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

These are the reasons for this petition.

All Manitobans deserve access to well-maintained rural highways as this is critical to both motorist safety and to commerce.

Provincial Road 340 is a well-utilized road.

Heavy vehicles from potato and livestock operations, agricultural-related businesses, Hutterite colonies and the Maple Leaf plant in Brandon use this road.

Vehicles from Canadian Forces Base Shilo also travel this busy road.

Commuter traffic from Wawanesa, Stockton, Nesbitt and surrounding farms to Shilo and Brandon is common on this road.

Provincial Highway 340 is an alternate route for many motorists travelling to Brandon coming off Provincial Highway 2 east and to Winnipeg via the Trans-Canada Highway No. 1. An upgrade to this road would ease the traffic congestion on Provincial Highway 10.

Access to the Criddle-Vane Homestead Provincial Park would be greatly enhanced if this road were improved.

The hard surfacing of the unpaved portion of PR 340 south of Canadian Forces Base Shilo towards Wawanesa would address the last few neglected kilometres of this road and increase the safety of motorists who travel on it.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Infrastructure and Transportation (Mr. Lemieux) to consider hard

surfacing of the unpaved portion of Provincial Highway 340 south of Canadian Forces Base Shilo towards Wawanesa.

This petition is signed by Joey Tinant, Harry Mooney, Walter Derrer and many, many others.

Education Funding

Mr. Rick Borotsik (Brandon West): I wish to present the following petition to the Legislative Assembly of Manitoba.

The background of this petition is as follows:

Historically, the Province of Manitoba has received funding for education by the assessment of property that generates taxes. This unfair tax is only applied to selected property owners in certain areas and confines.

Property-based school tax is becoming an ever-increasing burden without acknowledging the owner's income or owner's ability to pay.

The provincial sales tax was instituted for the purpose of funding education. However, monies generated by this tax are being placed in general revenue.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Education, Citizenship and Youth (Mr. Bjornson) consider removing education funding by school tax or education levies from all property in Manitoba.

To request that the Minister of Education, Citizenship and Youth consider finding a more equitable method of funding education such as general revenue following the constitutional funding of education by the Province of Manitoba.

This petition is signed, Mr. Speaker, by Larry Baker, Shirley Nordal, Duncan Letby and many other fine Manitobans.

Air Canada

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

The background to this petition is as follows:

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This is signed by H. Neufeld, B. Neufeld, P. Fast and many, many other fine Manitobans.

Neepawa, Minnedosa and Areas—Local Hospitals

Mr. Stuart Briese (Ste. Rose): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

Residents of Neepawa, Minnedosa and the surrounding area are concerned about the long-term viability of their respective local hospitals. Impending retirements, physician shortages and the closure of many other rural emergency rooms have caused residents to fear that their health-care facilities may also face closure in the future.

Local physicians and many residents have expressed their support for a proposed regional health centre to service both communities.

It is believed that a new regional health centre would help secure and maintain physicians and would therefore better serve the health care needs of the region.

The successes of other regional hospitals, such as Boundary Trails Health Centre, has set a precedent for the viability and success of a similar health centre for the Neepawa and Minnedosa area.

We petition the Legislative Assembly as follows:

To request the Minister of Health (Ms. Oswald) to consider the feasibility of a joint health centre, including an emergency room, to service Neepawa and Minnedosa and the surrounding area.

To urge the Minister of Health to consider sustaining health-care services in this area by working with local physicians and the Assiniboine Regional Health Authority on this initiative.

This petition is signed by Murray Reiner, Lillian Mozdzen, Jerry Mozdzen and many, many others.

Physician Recruitment—Southwestern Manitoba

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

These are the reasons for this petition:

The Town of Virden has the last hospital in Manitoba on the busy Trans-Canada Highway travelling west.

For the safety of recreational travellers, long-haul truck drivers, oil and agricultural industry workers and its citizens, Virden, a town of nearly 4,000, requires emergency services at its hospital.

On June 30, 2008, the emergency room at the Virden Hospital was closed due to this government's failure to recruit and retain doctors for southwest Manitoba and its failure to plan for the departure of doctors whose contracts were expiring.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Ms. Oswald) to consider creating a health-care environment in which doctors want to work and build their careers in Manitoba.

To request the Minister of Health to consider making it a priority to recruit doctors to southwestern Manitoba so emergency rooms do not have to be closed when they are needed most.

This petition is signed by Audrey Hodgins, Sonia Jacques, Bill Jacques, Cheryl Kliever and many, many others.

* (13:40)

TABLING OF REPORTS

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): I'm pleased to table the Annual Report for Manitoba Infrastructure and Transportation for 2007-2008.

Also, I'm pleased to table the Annual Report for Manitoba Water Services Board for the year 2007-2008.

Hon. Stan Struthers (Minister of Conservation): Mr. Speaker, I'm pleased to table for all MLAs, the Manitoba Sustainable Development Innovations Fund Annual Report for 2007 and 2008.

I'm also pleased to present the Pineland Forest Nursery Annual Report for 2007-2008; and on behalf of my colleague the Minister of Intergovernmental

Affairs (Mr. Ashton) the Annual Report for 2007 and 2008 of Intergovernmental Affairs.

Speaker's Statement

Mr. Speaker: I would like to inform members that Thursday, October 23, will mark the 50th anniversary of the publication of the Legislative Assembly in Manitoba.

The early origins of *Hansard* came with the establishment of a special committee of the House in 1947 to examine the issue. Based on the recommendations of the committee, a sound recording and amplification system were installed in the Chamber for the Assembly session which opened on February 2, 1949. Although the sound system was added, this still did not result in the production of a daily *Hansard*, and members were required to request verbatim copies of individual speeches.

In the 1950s, motions were introduced on numerous occasions calling for the production of a daily *Hansard*, but all such motions were defeated.

However, starting with the opening of the Second Session of the 1958 session, a daily *Hansard* began to be produced, and since that time Manitoba has had a permanent record of the speeches made in the House. Prior to this point in time, the only record of members' speeches came from media coverage in the local newspapers.

The very early versions of *Hansard* were produced on typewriters and did not have a typeset look or subject headings. Over time, *Hansard* has changed its look and format to provide a very user friendly document with subject headings, that is produced on computers, recorded with digital sound equipment, contains full indices and is searchable on the Internet.

It would be appropriate for members to join me in thanking all of the staff of *Hansard*, past and present, who have diligently worked very hard over the years to record, transcribe, proofread, check the spelling of names, produce the index and format the *Hansard* of House and committee proceedings. They consistently turn out a top-notch quality product, all within stringent time deadlines. The existence of *Hansard* is very valuable to the work performed by all members and provides a public and historical record of comments and speeches made in the House.

We do have some of the *Hansard* staff in the Speaker's Gallery today. On behalf of all members,

please join me in welcoming them and extending a sincere thanks and a happy 50th anniversary to the staff of *Hansard*. [applause]

Introduction of Guests

Mr. Speaker: I'd also like to draw the attention of honourable members to the public gallery where we have with us today students from the Aboriginal Self-Government Administration Program at Red River College under the direction of Ms. Karen Favell.

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

ORAL QUESTIONS

Bill 37

Government Intent

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, in the middle of an international debt crisis, when Manitobans are seeing their savings accounts being decimated and increasing numbers are worried about their jobs, how can it be that this Premier's top priority is to vote himself a million-dollar bailout at the expense of taxpayers?

Hon. Gary Doer (Premier): Mr. Speaker, I know the member opposite has commented about the provincial economy. I think today we saw the Royal Bank of Canada indicate Manitoba's economy would grow, even with the most recent numbers this morning, at over twice the national average. Again, it would be over twice the national average next year. Obviously our priorities continue to be on lowering taxes, increasing the number of—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: —increasing investment in training, Mr. Speaker, and apprenticeship programs, increasing the number of people employed in Manitoba through all the sectors in our economy, increasing the investments in infrastructure.

Mr. Speaker, the member opposite is factually incorrect in terms of our top priority. Democratic reforms, though, have been very important for the people of Manitoba. When one looks at the greed on the stock market that you see south of us, the United States, when one sees the influence—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We will have decorum. We will have decorum today. Yesterday it got a little out of hand. Today it won't. I need some co-operation here.

Mr. Doer: When one looks at the greed that's going on in the United States and the connection between big money and decisions to deregulate the markets in the U.S. and other countries, we strongly believe in maintaining our democratic reforms which have always been voted against by the Conservatives: No. 1, banning the union and corporate donations in Manitoba; No. 2, the ability to have greater access for voters through advanced polls; No. 3, having greater abilities to participate in communities by having more electors available or less electors per polling station. We continue to believe in democratic reform.

Now, I note, Mr. Speaker, that in the Conservative federal platform that was released yesterday, on page 26, an idea that we brought in, again on democratic reform, to ban non-commercial big loans to political parties, which, of course, happened in the 2003 election, the federal Conservatives have introduced that as an idea in their platform. We think it's a good idea. We brought it in in Manitoba, and I note that there's a \$1.91 per vote brought in by the federal Conservatives supported by the other political parties in Ottawa.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Let's have some decorum. Members ask questions. Give the government a chance to respond. People are here to listen to questions and answers, not to hear a bunch of yelling. That doesn't get us anywhere. Let's have some respect for the institution that we are fortunate that our constituents sent us to.

We have rules and one of the rules is that a member has a right to be heard.

I'm only going to ask once more for co-operation of members.

The honourable First Minister has the floor.

Mr. Doer: Thank you, Mr. Speaker.

Mr. Speaker, the initial per-vote issue was brought in as partial financing in Ottawa by the former Liberal government. It was enhanced and reinforced with the banning—the tighter restrictions in union and corporate donations by the Harper government in the Accountability Act. I would note that the Liberals voted with this legislation and made

some very helpful amendments. We believe that the Green Party also said that they supported the legislation.

Mr. Speaker, we know that members opposite say one thing and do something else. That is on the record. It's on the record because we know that they opposed partial financing of political parties in the past and then were only too happy to receive partial financing of political parties when they filed their election returns.

* (13:50)

Mr. McFadyen: I find it interesting that he is bringing into this debate the fact that he introduced an earlier taxpayer bailout for political parties when he was in the Pawley government.

There are two political parties in this federal election who have introduced vote taxes, the NDP and the Liberals, Mr. Speaker. At this time, Manitobans do not share his rosy projections, his out-of-touch statements about the health of the economy. There is nervousness. There are concerns. People at the doors throughout the province are talking about rising gas prices, increasing expenses, incomes not keeping up and their pensions being down.

Is it really appropriate, in his view, that he's now voting himself a million-dollar taxpayer-funded bailout for his political party?

Mr. Doer: Mr. Speaker, first of all, the gas prices are going down. They haven't gone down as much as they should to reflect what's going on in the market. The Minister of Finance (Mr. Selinger) has written Ottawa, asked the federal consumer affairs department to identify the fact that people are being gouged. We had a couple of weeks ago the second-lowest gas tax in Canada and had one of the highest tax rates at the pump.

So we think people are being gouged. We would like to—and there's another example, Mr. Speaker, in democracy where a lot of money has a lot of influence in political decision making. We think the democratic reforms that have been made over time, voted against by the members opposite—by the way, this law was brought in before I was elected in the past, so, again, his facts are wrong about gas prices and the former law.

I would point out that at the committee, Mr. Speaker, Mr. Paul Thomas stated—and we have quotes from the Member for Brandon talking about

the laws in Ottawa and saying Québec and Manitoba have banned union and corporate donations, but it works better for Québec because there's partial public financing of political parties. That's what his Finance critic said at committee.

New Brunswick Conservatives have brought it in. P.E.I. has brought it in. Québec under both Conservative and Liberal regimes has brought it in. Ottawa has reinforced this at a higher amount, and Paul Thomas says, Mr. Speaker, that he thinks that Bill 37—and he's studied these things more than I have—the \$1.25 is too low. He says it's way lower than New Brunswick at \$1.76, way lower than Nova Scotia. He says anybody that calls this a negative is providing, and I quote him: a poor analysis. Of course, we're used to that from the member opposite.

I would point out in the last election the member opposite in his Fort Whyte constituency made a claim for \$10,000. You know, I'm not perfect like him, but in Concordia I only claimed \$7,000. Is that immoral, Mr. Speaker?

Mr. McFadyen: As it stands, the taxpayers already support political parties. The question to the Premier is: In light of everything else that's going on throughout the economy, in light of the fact that families are worried about jobs, in light of the fact that hydro rates are going up, water rates are going to quadruple, thanks to his plan to make Lake Winnipeg worse, thanks to their plan to overspend by \$640 million on the power line, that costs are going up everywhere—he is right, Manitobans are being gouged, and the ultimate insult is the fact that yesterday at 5 p.m., in the middle of the economic crisis, he stands up and votes himself a million more dollars than what he's already taken from them.

I want to ask the Premier: Does he really think it's appropriate that he's taking a million dollars on top of all the other money that he's already taken, that he's taking another million dollars from Manitoba families during this time of economic stress for so many people?

Mr. Doer: Mr. Speaker, the member opposite, I guess his hand didn't shake when he took the partial public financing of \$10,000 in Fort Whyte.

Mr. Speaker, we strongly know that there's a \$35-million LAMC budget as part of democratic reform in Manitoba. We also recognize banning union and corporate donations we believe takes some of the power of money that has led to the greed and deregulation in the United States and in the markets

around the world where politicians are shaken down by money instead of being accountable for the public.

That's why we're proud we brought the ban in on union and corporate donations, and you should be ashamed that the Conservative Party voted against that, Mr. Speaker.

The Conservative Party of Manitoba, in 2007, made a claim that was higher than what the NDP claimed. It claimed over a million dollars of public money, a million dollars in public money. The members opposite are heckling. The Member for Brandon West (Mr. Borotsik), he took \$14,000. The member—*[interjection]* Well, \$14,000. I can go through the list. It adds up to over \$400,000 in public finance claims. If they are truly principled—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: If you really don't believe in partial public financing of political parties, if this is a principle you believe in, I'll respect you if you give back the million dollars you took in 2007. If you don't give back the million dollars, we know it's just a publicity stunt like it was in the past.

Bill 37 Government Intent

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, two political parties are asking for more and more from the taxpayers, the NDP and the Liberals, while Manitoba families are worried about their family finances. Families are concerned about their retirement funds. They're concerned about keeping their homes. They're concerned about losing their jobs. Those are the priorities of Manitoba families. Their priority, the NDP priority, is to line their political pocket with taxpayers' dollars. It's nothing short of robbery, and the Premier (Mr. Doer) is driving the getaway vehicle and the Liberals are riding shotgun with him.

Mr. Speaker, this Minister of Justice, whose name is on the bill, needs to stand up and say that he'll stand not with his Premier, but with Manitoba families. Will he stand with families, and will he say no to taking the money?

Hon. Dave Chomiak (Minister of Justice and Attorney General): Mr. Speaker, we've been in the House now for many, many weeks, and I notice that today as the House winds down the member tries to make this an issue.

I said when we introduced the bill, one of the main principles was special interest groups and the power of money in the United States and in Canada and what we saw happen in Manitoba with the selling of the telephone system, with the Monnin inquiry. We put in place partial—we banned union-corporate donations. Members opposite opposed it. We brought in partial financing. Members opposite opposed it, but then they took the money.

I think the actions speak for themselves. Special interest groups should not dominate what politicians do; the public should.

Mr. Goertzen: Mr. Speaker, in constituencies like Kildonan, like St. Norbert, like Riel, like River Heights, like Kirkfield Park, like Assiniboia, families are around their table and they're worried about their finances. They're worried about their retirement. They're worried about their homes. That's their priority today.

But, yesterday and today, the priority of this Premier (Mr. Doer) was protecting his own political party. He goes on the radio and he tries to tell people that he feels their pain, but it's hard to believe he feels their pain when he's trying to fleece their pocketbooks. Will this minister—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We're going a little too far here. I don't think there's a member in this House that would fleece anyone's pocket. I ask the honourable member to withdraw that comment.

Mr. Goertzen: Mr. Speaker, I withdraw the comment.

This government has decided to take a million dollars of taxpayers' money and put it into their political party. The Minister of Justice, whose name is on the bill, has the opportunity to stand up and say he'll stand with struggling families, he'll stand with Manitoba families, and turn to his Premier and say, no, we won't take the million dollars.

* (14:00)

Mr. Chomiak: Well, Mr. Speaker, to be consistent with the so-called principles the members announced at a press conference this afternoon, I suggest two things: First off, they give back the million dollars they took in election financing last election; and, secondly, when the Prime Minister comes to town tomorrow, they ask him why the federal government, the Conservative government, is paying \$1.91 per voter—\$1.91 per voter.

They're campaigning with him. Will they ask the Prime Minister to refund that money to be consistent with the position they're taking today in the House when they took a million dollars last election?

They are being as phony as a three dollar bill, Mr. Speaker.

Mr. Speaker: The honourable Member for Steinbach.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I think I have to explain the rule here. I'm getting yelled at from this side here because of the comments the honourable member made. The honourable member made a direct comment to a direct member.

His comment was in general.

The Speaker's guideline has always been if a comment is made directly to a member, then they withdraw that comment. If it's made in general terms, then how can I ask him to withdraw a comment that's made in a general term?

That's for clarification of the House, and I don't want to hear any more members reflecting on my decisions. If you're not happy with it, there's one thing you can do. You can stand up and vote non-confidence in the Speaker.

I don't appreciate being yelled at by any member in this House. I'll do the best job I can, and if you're not satisfied, you know what the next step is.

The honourable member has the floor.

Mr. Goertzen: If there was such a thing as a three dollar bill, I'm sure the NDP would try to take it from taxpayers, Mr. Speaker.

Mr. Speaker, across Manitoba the priority of families is their retirement. It's their jobs. It's their homes. That's what they're worried about.

Yesterday, at 5 o'clock, the NDP stood up and they indicated that their priority was protecting their own political party by taking a million dollars of taxpayers' money.

We're happy to go into La Verendrye. We're happy to go into Radisson. We're happy to go into Interlake and Swan River and have this discussion about what the real priorities are.

But, today, I'm going to ask the Minister of Justice (Mr. Chomiak), whose name is on this bill, to stand up for his constituents at least, who are

concerned about the finances of this province and their own finances, and say, we will not take a million dollars from taxpayers now or in the future.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, as we go through this economic turbulence, I think the public needs to know that every member of this Legislature is there first and foremost to serve their interests.

That bill that has just been passed will ensure that happens, because it cuts the umbilical cord to special interests. It cuts the umbilical cord to special interests and it makes sure every citizen has an equal right of representation.

Mr. Speaker, when we come to the economy, we will generate an economic base in this province that serves all Manitobans whether they live in the north, the rural areas or the urban areas.

Bill 37 Government Intent

Mr. Rick Borotsik (Brandon West): Mr. Speaker, it's obvious that this government is losing touch with reality. It's obvious that this government, all they can do is political spin and talk about greed.

They're taking a million dollars of taxpayers' dollars for political donations to the NDP.

We know jobs are being lost in Manitoba right now. We know that pensions are being lost. We know that retirement savings funds are being lost. They're trying to spin the fact that this is the best kind of investment to make in Manitoba, is to take a million dollars out of the taxpayers' pockets.

Will the Finance Minister stand up right now, today, and say to the Premier (Mr. Doer) of this province, no, enough is enough; we will not take a million dollars out of the taxpayers of this province for a political donation to the NDP?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, let me clarify the record. We believe the best investments are in hospitals, in schools, in infrastructure, in training and education for people. That's where the money should go.

When we spend the \$9.8 billion, we spend it on making sure Manitobans are able to participate in the labour force, are able to have a proper education, get access to proper facilities, have proper roads when they need it.

At the same time, Mr. Speaker, we have a record amount of savings in our Fiscal Stabilization account, \$818 million.

The members opposite, when they were in office, they catered to special interests. They sold off the telephone system. They got donations back from shareholders in that telephone system. They did not serve the public interest. They served the private interest at the expense of public squalor.

Mr. Borotsik: Mr. Speaker, taking a million dollars away from taxpayers of this province is not serving the public interest. Put it into schools. Put it into hospitals. Put it into police. Don't put it into your pockets, because that's where it's going. That's wrong.

We know that we're having difficulties right now. This Finance Minister should know that we've got some difficulties in this economy right now. A million dollars is a million dollars. Put it into the Fiscal Stabilization Fund. Don't put it in your pockets.

Stand up right now. Tell the Premier (Mr. Doer) it's wrong. It's the wrong time to do it. It's the wrong thing to do, and you're not going to take the million dollars.

Mr. Selinger: Mr. Speaker, let the record be clear. When the economy was at its lowest ebb in the '90s, the members opposite sold off public assets, called the telephone system, and they put the profits of those assets into their friends, the private shareholders that bought those assets. Now we have the third-highest telephone rates in the country. Every Manitoban is paying, through higher telephone rates, their privatization efforts in the 1990s.

In contrast, Mr. Speaker, our investments go to schools. Our investments go to hospitals. Our investments go to roads. Our investments go to educating people, and every one of those investments you have voted against. All of you have voted against them.

You are against the public interest. You are in favour of special interests.

Mr. Borotsik: Last night, Mr. Speaker, at 5 o'clock, we stood as the Progressive Conservative Party and voted against a bill that was going to take a million dollars and give it as a political donation.

That is not an investment that Manitobans want to make, Mr. Speaker. Yesterday, at 5 o'clock, I looked across there and every one of the ministers

were looking and saying, are you going to take it? Are you going to take it? Are you going to take it? Well, we are not going to take it.

Will you say the same thing? Don't take it. Will the Finance Minister say right now, you're not going to take the million dollars?

Mr. Selinger: Mr. Speaker, the members opposite took a million dollars in public financing in the last election. The members opposite are supporting a federal government which is paying out \$1.91 per vote. They are supporting that. They're not asking the federal Conservative Party to repudiate those contributions. They're being entirely hypocritical.

Mr. Speaker, the members opposite don't like this bill because it puts the balance of power, it puts purchasing power, back in the hands of average Manitobans. It allows average Manitobans to be on a level playing field when it comes to making contributions to political parties.

Mr. Speaker, they resent the fact that they cannot get donations from special interests anymore. That drives them crazy because now they have to compete for votes like everybody else in Manitoba. We know that those special interests are what have fuelled this party historically, and now you have to compete for votes like everybody else, on a level playing field.

Bill 37

Government Intent

Mrs. Bonnie Mitchelson (River East): I don't think Manitoba taxpayers will be clapping like the New Democrats are when they find out, Mr. Speaker, that their pockets are being fleeced as a result of the greed of this government through Bill 37 that was passed last evening.

And, Mr. Speaker, Winnipeggers are unhappy, too, that they're seeing their sewer and water rates quadruple as a result of this government's demand that they remove nitrogen from their waste water.

At a time when Winnipeggers are having to pay significantly more as a result of a policy and a directive by this government, how can they stand in their places and say that they're going to take another million dollars from the taxpayers of Manitoba, because of their greed, under Bill 37?

Hon. Stan Struthers (Minister of Conservation): I'm not sure what members opposite have against the Clean Environment Commission and their

recommendations, but they didn't like it back in 1992 when they totally ignored the recommendations at the time.

You know, Mr. Speaker, if they had taken their responsibility seriously back then, we'd be in a situation today where the problem would be fixed at a lot less money. You guys blew it.

* (14:10)

Mrs. Mitchelson: I wish the government would stand up and say clearly that they're not going to take this extra million dollars.

I'm wondering if the minister can stand up today and tell the people of Winnipeg why on earth their sewer and water rates are having to quadruple as a result of their policy, while they fleece Manitobans' pockets for a million dollars as a result of Bill 37.

Mr. Struthers: Well, instead of sticking our heads in the sand like members opposite did back in the '90s, instead of ignoring the 2003 recommendations of the Clean Environment Commission, Mr. Speaker, we're very prudently taking action to make sure that the amount of money that is involved is being checked out by an engineering consultant who can give us those figures, instead of the wild and crazy figures we see being floated across by members opposite. It's a prudent thing to do.

Mrs. Mitchelson: Mr. Speaker, I would believe that taxpayers in the city of Winnipeg and the province of Manitoba would think that it's a little wild and crazy in difficult economic times for the government of the day to pass a bill and impose a vote tax of a million dollars that will line their political party coffers.

Will the minister stand up today, and say, no, we will not be greedy and take the money under Bill 37?

Hon. Dave Chomiak (Minister of Justice and Attorney General): Well, Mr. Speaker, I would have thought that the accusations by members opposite would have more credibility if the member, for example, from River East would give back the \$14,861 that she took in public money.

I think their claim would have more credibility if members opposite gave back the million dollars in public money they got last election. I think they would have more credibility when they swarm around Stephen Harper with all their candidates tomorrow and they explain to him why they're supporting him when he's paying \$1.91 to every voter from the federal government, all of those

voters, on the same issue and the same kind of legislation.

We think democratic reform is important. The federal government does. Other provinces do. Members opposite, all of a sudden, have adopted a new attitude at the last minute.

Bill 37

Government Intent

Mr. Cliff Cullen (Turtle Mountain): Now, we know the NDP government can spend money without consideration for where the money came from or getting good value for money spent. The west-side bipole decision is a classic example of this. Manitoba Hydro's current debt is over \$7 billion. This NDP decision to run the line down the west side of the province will add another \$600 million of debt on the backs of Manitobans.

Mr. Speaker, Bill 37 will also impact all Manitobans to the tune of over a million dollars. I'm going to ask the minister of Hydro if he would ask the Premier (Mr. Doer) to reconsider his decision on both the daffy detour and this daffy vote tax.

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, the debt-to-equity ratio of Manitoba Hydro is the best it's been in several decades inside this province. It was 86-24 when we came into office. It's much better now. It was 92-18 actually. It's 86-24 now. It's going down to the ratio that we've wanted, which was 75 to 25.

The reality is that there are more retained earnings inside of Manitoba Hydro than there ever has been historically. The decision to build down the west side avoided a major possible delay on the east side. It avoided reputational damage to Manitoba Hydro, and it protected our customers, who want to purchase clean hydro-electricity with a good reputation. Those customers are coming to visit us in the next couple of months, and they're very pleased with the way we're developing that resource so that they can take access to it and include it in their portfolio standards as renewable and clean energy.

Mr. Cullen: Mr. Speaker, the PUB report clearly points out that any added construction costs will be borne on the backs of Manitoba ratepayers. Bill 37 also burdens all Manitobans.

Now, Mr. Speaker, the business community knows that Bill 37 is the wrong way to go. They also know that spending an extra \$600 million on a

west-side line is the wrong way to go. In fact, a recent survey indicates that only 10 percent of businesses said the line should not go on the east side.

Mr. Speaker, is this government prepared to get inside with Manitoba business and all Manitobans and reverse these decisions?

Mr. Selinger: Mr. Speaker, the business decision to build the line on the west side was endorsed from the very onset by the CEO and president of Hydro that said that not only would it increase reliability, which was the driving issue—we have to remember that when the towers went down in '97, the members opposite did nothing except privatize the telephone system. They did nothing to increase reliability.

So the first measure that justifies the west-side transmission line is increased reliability. It will also have an efficiency gain. The efficiency gain will mean more power available for United States customers. That will mean more revenue which, over time, will pay for the cost of the west-side line.

So it's a win-win situation, more reliability, more revenue, greater security of the system and a better ability to market into the United States the new projects that we're building—Wuskwatim, Keeyask and Conawapa—which will generate future prosperity for all Manitobans.

Mr. Cullen: Well, Mr. Speaker, if the government persists with this west-side decision, Manitoba ratepayers will be on the hook for an extra \$600 million. Every time we turn around, this government has their hands in the pockets of Manitobans. Just look at this new vote tax, another million dollars coming out of the pockets of hardworking Manitobans.

Mr. Speaker, the NDP record of mismanagement is costing every Manitoban and costing them dearly.

Mr. Speaker, when will this government come to its senses and make decisions based on sound, good science, good facts and on behalf of all Manitobans?

Mr. Selinger: Mr. Speaker, the member would like to roll the dice and put \$20 billion of revenue from export markets at risk by not building this transmission line which will increase reliability and increase efficiency of energy delivered to the United States. He would like to roll the dice to do that. He would like to put at risk a UNESCO World Heritage Site. He would like to gamble on flying as the crow

flies when you put the transmission line down the east side.

Our customers buy our product because of its reliability, because of its quality, because of the fact that it has a good reputation for being clean, reliable energy that does not produce greenhouse gas emissions. All of those factors are becoming more and more salient as we go forward.

The members opposite are ignoring the reality of that and putting it all at risk by their incessant demands to build it on the other side, and it may never get built.

Bill 37

Government Intent

Mrs. Mavis Taillieu (Morris): Mr. Speaker, we are in great uncertain economic times when many Manitoba seniors are concerned about their savings and their future, but that didn't stop the Premier (Mr. Doer) and the Minister responsible for Seniors who stood up in this House yesterday and voted for Bill 37, a vote that will put \$1 million into their own pockets and take it away from seniors and low-income-earning Manitobans; this after they already raised Pharmacare deductibles by another 5 percent just a few months ago.

Will the Minister responsible for Seniors (Ms. Irvin-Ross) tell us: Does she support her party's decision to line their pockets with \$1 million, rather than putting that money towards keeping the Pharmacare deductibles down?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the reality is that our spending on seniors has been positive in several different ways.

First of all, property tax credits have gone up. Secondly, there's been a greater lift on the threshold that excludes your income before it's taxed. We have done income-splitting for seniors and pensioners. Income-splitting, we are the first province to join that initiative with the federal government. Mr. Speaker, we have the broadest, most comprehensive Pharmacare program in the country which is based on a calculation of income that takes into account their other responsibilities.

Overall, seniors in Manitoba have one of the most affordable cost of living of any comparable group across the country.

Mrs. Taillieu: Mr. Speaker, we don't need the minister responsible for the Crocus scandal to stand up. He has no credibility in this House.

We want the Minister responsible for Seniors to stand up. She won't even stand up in the House and answer a question. She stood by her party, though, when they increased Pharmacare deductibles by 34 percent since 2002, costing seniors up to \$384 more every year for lifesaving medications.

Yesterday she stood in support of her party's move to take another million dollars out of the pockets of low-income Manitobans and seniors and put it in their own political pockets, Mr. Speaker.

Will the Minister for Seniors tell us: Does she not agree that Manitoba seniors might just prefer to spend that extra \$1 million on Pharmacare rather than partisan politics?

*(14:20)

Hon. Kerri Irvin-Ross (Minister responsible for Seniors): I'd like to ask the member across if she is prepared to hand back the \$10,000 that she took.

As you heard in the previous answer from the Minister of Finance (Mr. Selinger), seniors have affordable living here in Manitoba. You can see it with their Pharmacare rates. You can see it with the tax credits that we provide. We hear from them every day about the services that we are able to provide them, and they appreciate it. We have one of the best home care, as well as we have a strong long-term care strategy that will provide them with affordable housing.

Mrs. Taillieu: Mr. Speaker, that's the Minister responsible for Seniors in this province.

The NDP has raised Pharmacare deductibles every year since 2002, except for one year in the middle of an election. But, during that election, they never told Manitoba seniors that they planned to bring in a vote tax.

Rising Pharmacare deductibles, a tax on the sick and now a vote tax taking money from seniors and low-income Manitobans to line the NDP's war chest, will the Minister responsible for Seniors stand up in the House today and admit that she has failed to stand up for Manitoba seniors at the Cabinet table?

Ms. Irvin-Ross: CIHI states that we have the best Pharmacare program in Canada.

Budget 2008 invested 3.7 million more dollars in Pharmacare. We've been able to add 2,000 more drugs, as well, to Pharmacare. These are supports to seniors that happen every day to provide them with

the supports that they need to enjoy a positive quality of life in Manitoba.

Emergency Room Care Frequent User Reduction Strategy

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, this government at times is quite challenged when it comes to being able to spend smarter.

Mr. Speaker, my question is for the Minister of Health.

Today we see a great number, into the hundreds, of individuals that use the emergency services in our hospitals on virtually a weekly basis. My question to the Minister of Health is fairly specific: What is the Minister of Health doing to deal with the issue of a good number of people that are constantly dependent on using our emergency wards in the province of Manitoba?

Hon. Theresa Oswald (Minister of Health): I can answer specifically for the member that we're working on improving the number of health-care professionals that are available to Manitobans that need to see them in emergency rooms or in other environments.

We're working on redeveloping emergency rooms as recommended in the Emergency Care Task Force report. We know that that includes not only space for doctors and for patients to have while they're being treated, but it also includes improved infection control, improved privacy and, of course, we're also working to improve our complement of nurses working in emergency rooms and in other jurisdictions; human resources arguably the single most important thing we can do for people needing care in Manitoba.

Mr. Lamoureux: Mr. Speaker, the issue is the numbers of individuals that are in an emergency room that do not necessarily need to be in an emergency room. This is a concern that has been expressed to me from nurses, doctors and others that work in these facilities.

The question specifically to the minister is: What is she doing to address that particular issue? Does she feel that there's a need to address that issue?

Ms. Oswald: Certainly, Mr. Speaker, we know that people want to have access to physicians, to nurse practitioners, to nurses and other health-care professionals, and that's why we've worked with our partners and regional health authorities to construct access centres. That's why we've worked to ensure

that our nurse practitioners have the broadest scope of practice of any jurisdiction in Canada.

Mr. Speaker, that's why we've worked in consultation with medical professionals to make commitments to build the first mental health emergency room in all of Canada, because of information we've received from those front-line practitioners and from an independent study from the Manitoba Centre for Health Policy.

Mr. Lamoureux: Mr. Speaker, is, then, the Minister of Health indicating to the House that she envisions these hundreds of Manitobans that I'm referring to being referred to outside facilities, outside of the emergency rooms? Is this what she's talking about when she says the mental emergency wards?

Can she be more specific as to what is the solution in dealing with that group of individuals?

Ms. Oswald: The solution would be as individual as the need of the patient.

If it's a patient, of course, that's requiring the particular supports that are needed in a mental health crisis, then the construction of that ER would be appropriate. If it's an individual that's currently presenting at an emergency room that needs regular intravenous treatment, then it would be the IV clinic that would exist in an access centre. If it's the kind of attention that someone needs concerning primary care, where they don't need to be presenting to an emergency room, then increasing the number of family doctors and nurse practitioners in the community would be appropriate.

It would depend on the unique need of the individual and that's what we're listening to patients and making adaptations for, Mr. Speaker.

Mr. Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

Ivan Strain

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, it's my privilege today to bring forward my private member's statement to honour Ivan Strain of Boissevain, who was awarded the Volunteer of the Year by Tourism Westman at their fifth annual Tribute to Tourism Awards in Brandon on June 4, 2008.

Ivan has spent years of dedicated service and efforts to improve his community and our province. He is one of the founding members of the Westman Tourism Association, which began over 25 years ago

and has stayed active over the years. While the name of the program may have changed, the objective has stayed the same; to promote the area and bring visitors to friendly Manitoba.

Some of Ivan's many community activities include being a member of the Lion's Club, the United Commercial Travelers club, the Boissevain District Chamber of Commerce and the local Ducks Unlimited group. He has helped children in his community directly by volunteering with the 4H and minor ball programs to name a few.

Ivan has worked with the Turtle Mountain Tourism Association promoting tourism in Manitoba and North Dakota, being particularly supportive of the International Peace Gardens, as well as events like the World Baseball Championships in Brandon. He chaired the Turtle Derby for 14 years.

Boissevain has many historic murals painted on buildings throughout the town. Ivan was an inaugural member of the Mural Committee. Boissevain is renowned for its Communities in Bloom success. Again, Ivan's volunteer efforts have been one of the reasons for the longevity of the recognition Boissevain deserves. By the way, the town just received a Five-Bloom recognition at the Canadian awards and qualifies again for the International Bloom Event.

In 2008, the Métisville Festival and the RCMP Musical Ride performance were on Ivan's list of major projects. Quite often, he is asked to be a master of ceremonies at local events. He has an extreme talent for this role resulting from both his friendly personality and years of experience as a local broadcaster with CJRB radio.

Ivan continues to dedicate his time to his community and believes that if you have strength in numbers and everyone pitching in a little, your success will be great. His motto is: "If you can help your fellow man or woman, it is important to do so and it gives you a feeling of personal satisfaction knowing that you have improved the lives of others."

Mr. Speaker, again I congratulate Ivan Strain on his Tourism Award and for his dedication and attitude towards his fellow citizens. Thank you, Mr. Speaker.

Seven Oaks General Hospital Emergency Department

Mr. Mohinder Saran (The Maples): It gives me great pleasure to speak today on the opening of the

new emergency facility at Seven Oaks Hospital this August. The expanded department is designed to improve care for patients and their families as well as creating a better work environment for health-care professionals.

Seven Oaks sees over 35,000 patients a year, serving not only my constituents of The Maples, but also the regions of other areas in north Winnipeg, Selkirk, Stonewall and the Interlake. I am delighted that my constituents can share in such an exciting development.

New features of the emergency ward include double the space of the previous facility, almost double the number of patient beds, more monitored-care patient beds, three ambulance bays, a decontamination room and an electronic patient-monitoring system. The facility is also registered as a Leadership in Energy and Environmental Design project, meaning it will cut water and energy usage using innovative green designs.

*(14:30)

Not only is the facility designed for faster patient flow, it also seeks to make the experience of patients and their families waiting or receiving care better. Larger exam and treatment cubicles, as well as walls between the patient cubicles and greater exposure to natural light make the facility more private and comfortable.

Mr. Speaker, I am proud to be a part of a government that seeks to better the experience of Manitobans in the health-care system. I would like to recognize the Seven Oaks Hospital Foundation for all their hard work. I would also like to thank John and Bonnie Buhler and Jim Gauthier for their generous support of this project.

I am so pleased to have such a remarkable development in my constituency, one that will work to improve the quality of care for residents of The Maples and surrounding areas. Thank you, Mr. Speaker.

Tiger Hills Health Centre 50th Anniversary

Mr. Blaine Pedersen (Carman): Mr. Speaker, I'm pleased to put a few words on the record about the 50th anniversary of the Treherne hospital which was celebrated in June 2008.

Minish Brothers Construction of Gilbert Plains began work on the 18-bed facility in July of 1957. A year later, more than 700 people attended the ribbon cutting where George T. Curry, a Treherne pioneer,

officially opened the Victoria-South Norfolk-Treherne Hospital in 1958. It was built at a cost of \$180,000, a figure that seems difficult to comprehend by today's standards.

The 50th anniversary celebrations for the hospital, which is now known as the Tiger Hills Health Centre, were well attended. Morley Sundell, the first baby born at the hospital, was master of ceremonies.

Barb McConnell, the former community health manager, shared memories of how times have changed since the hospital was first opened. These included memories of nurses wearing white uniforms, complete with caps and white shoes. She also recalled when there was no equipment to lift people in and out of their beds, when patients received a bath every day and when patients and staff could smoke in the hospital, a practice that would certainly be frowned upon today.

Past hospital board members also recalled monthly meetings where they were reimbursed \$1 per meeting plus mileage for their contributions. The Victoria-South Norfolk-Treherne Hospital was a leader in providing health-care services in the Treherne area. Following the completion of the hospital, other health-care facilities have been built in close proximity, including the Tiger Hills Personal Care Home and the Villa.

On behalf of my constituents, I would like to recognize the past and current staff of the hospital for their hard work and their service to the community. Thousands of people have gone through the hospital doors in its 50-year history, and it will continue to play an important role in rural health care for decades to come. Thank you, Mr. Speaker.

Len Evans Centre for Trades and Technology

Mr. Drew Caldwell (Brandon East): Mr. Speaker, this past August, I was privileged to join with the Premier (Mr. Doer), Assiniboine Community College President Joel Ward and my good friend, Len Evans, to turn sod for the \$45-million Len Evans Centre for Trades and Technology at the historic Assiniboine Community College campus being built on Brandon's North Hill.

The Len Evans Centre, which represents the second phase of this unprecedented development for Assiniboine Community College, will utilize the architecturally significant Pine Ridge building as the basis for a trades and technology program which will expand from 600 to over 1,400 students.

In addition to offering new opportunities for young Manitobans, the Len Evans Centre for Trades and Technology will also contribute to the environmental sustainability of our province. The centre will be built to the standards of the Manitoba green building policy, making maximum use of onsite resources that will meet the Leadership in Energy and Environmental Design–LEED–silver building standards.

Mr. Speaker, the Len Evans Centre of Trades and Technology also recognizes one of Manitoba's most distinguished elected officials. Len Evans was a member of the Manitoba Legislature for 30 years, from 1969 to 1999, as the Member for Brandon East. Len Evans was a Cabinet minister during the Schreyer and Pawley governments during which time he was tireless in his work on behalf of Brandon, and his dedication to public service on behalf of my community is unsurpassed in history.

Mr. Speaker, I am proud to be part of an NDP government which believes in supporting educational excellence. The Len Evans Centre for Trades and Technology will forever be a tangible part of this legacy. Thank you.

Federal Liberal Green Plan

Hon. Jon Gerrard (River Heights): Mr. Speaker, on October 14, Manitobans face a choice between the future and the past. Day by day, month by month and year by year, the global movement to dramatically lower greenhouse gases is gaining momentum. Simply put, we must save our planet.

Mr Speaker, October 14, Manitobans can vote for the Conservatives who represent the status quo, fossil fuel, greenhouse-gas-emitting economy. Or Manitobans can vote for a slow NDP approach, cap and trade, which will take some time to implement and longer to be effective. Or Manitobans can embrace the Liberal approach, a green shift combined with cap and trade which can be implemented more quickly and can provide major dollars for individual Manitobans and for Manitoba businesses to adapt and to lead the way toward the green economy of the future.

As European countries like Denmark, Sweden and Germany have shown, the green economy is a growing economy, an economy which produces lots of the jobs of the future. Even when there's economic uncertainty, Liberals embrace the future with confidence because we have such extraordinary

potential and extraordinary opportunities here in Manitoba.

We should benefit from the gifts we have in Manitoba in abundant hydro-electric power. All Manitobans should benefit: ordinary working Manitobans, Manitobans who face particular challenges and hardships, Manitoba mothers, Manitoba fathers, Manitoba children, Manitoba students, Manitoba seniors, all Manitobans. Let us move forward, not back.

Point of Order

Mr. Speaker: The honourable Member for Lac du Bonnet, on House business?

Mr. Gerald Hawranik (Official Opposition House Leader): On a point of order, Mr. Speaker.

Mr. Speaker: On a point of order.

Mr. Hawranik: Yes, I rise on a point of order, and we don't often do that in this House, Mr. Speaker, because, obviously, the way you've run this House has been impeccable and second to none. But, in any event, I rise on a point of order today because of the conduct of the government in question period today. In question period, of course, we're entitled to ask the questions. We're entitled to an answer, and what we saw today was a very poor display of answers. We asked six questions plus two supplementaries to every question, and the same question was asked: Were they going to take the money? We didn't get an answer.

I would submit to you, Mr. Speaker, that that's a point of order.

Mr. Speaker: The honourable Government House Leader, on the same point of order.

Hon. Dave Chomiak (Government House Leader): Mr. Speaker, not only is this not a point of order, during that same exchange the point was made very clear in this House that the opposition party had taken a million dollars in the last election campaign and was not offering it back; further, that the opposition party's federal counterpart was offering a partial financing of \$1.91 per voter when, in fact, the legislation we passed was \$1.25 per voter in order to make the democratic process accessible.

Members opposite are entitled to ask questions, but they can't make a point of order because they don't like the answer or they know that the answer, in fact, hurts their so-called principled decision, which is nothing more than a political trick, a political

maneuver, a political stunt, Mr. Speaker, when in fact they took a million dollars, and to be consistent, they ought to be giving that money back.

In fact, they were inaccurate in their questions because Bill 37 has a cap on it of \$250,000 per party based on voters, Mr. Speaker. In the democratic process, we're entitled to deal with that. We voted on it, and now the member's ask—*[inaudible]*

Audio system failure

Mr. Speaker: Order. As previously agreed, the bells have rung for five minutes. So now we will proceed. I'm dealing with the point of order—

An Honourable Member: Your mike.

Mr. Speaker: It's one of those days. Okay, as previously agreed, the bells have concluded, and the issue I'm dealing with now is the point of order raised by the honourable Member for Lac du Bonnet (Mr. Hawranik), the Official Opposition House Leader.

The honourable member does not have a point of order, and I'll state the reasons why. First of all, on Marleau and Montpetit, on page 433, it states: "Members may not insist on an answer nor may a Member insist that a specific Minister respond to his or her question. A Minister's refusal to answer a question may not be questioned or treated as the subject of a point of order or question of privilege."

Also, in *Beauchesne* 416: "A Minister may decline to answer a question without stating the reason for refusing, and insistence on an answer is out of order, with no debate being allowed. A refusal to answer a question cannot be raised as a question of privilege, nor is it regular to comment upon such a refusal. A Member may put a question but has no right to insist upon an answer. An answer to a question cannot be insisted upon."

Also, for the information of the House, I, as Speaker, made a ruling on May 19, 2005, and it stated: "It might not be the answer that members perceived, but if the issue is raised and the minister is giving his or her version of the answer, I am not going to be judge and jury over departments. I will never pretend to know all departments when questions are raised on an issue and the minister is speaking to that issue. That is the answer that I have to accept. I cannot be judge and jury over if the answer is right on target or if it is not accurate, because I accept all information that is brought into the House by all honourable members as facts, and

also, in our rule, members may raise a question but members cannot insist upon an answer." That is our rule.

So the honourable official opposition does not have a point of order.

Mr. Hawranik: I challenge that ruling, Mr. Speaker.

Mr. Speaker: The ruling of the Chair has been challenged.

Voice Vote

Mr. Speaker: All those in favour of sustaining the ruling of the Chair, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to sustaining the ruling of the Chair, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

* (15:50)

Formal Vote

Mr. Hawranik: A recorded vote, Mr. Speaker.

Mr. Speaker: A recorded vote having been requested, call in the members.

Order. The question before the House is: Shall the ruling of the Chair be sustained?

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Allan, Altemeyer, Bjornson, Blady, Braun, Brick, Caldwell, Chomiak, Dewar, Doer, Howard, Irvin-Ross, Jennissen, Jha, Lemieux, Marcelino, Martindale, McGifford, Nevakshonoff, Oswald, Reid, Robinson, Rondeau, Saran, Selinger, Struthers, Swan, Wowchuk.

Nays

Borotsik, Briese, Cullen, Derkach, Driedger, Dyck, Eichler, Faurshou, Goertzen, Hawranik, Maguire, Mitchelson, Pedersen, Rowat, Schuler, Taillieu.

Madam Clerk (Patricia Chaychuk): Yeas 28, Nays 16.

Mr. Speaker: The ruling of the Chair has been sustained.

ORDERS OF THE DAY**GOVERNMENT BUSINESS**

Hon. Dave Chomiak (Government House Leader): Mr. Speaker I'd like to call debate on concurrence and third reading of Bill 38, The Balanced Budget, Fiscal Management and Taxpayer Accountability Act; Loi sur l'équilibre budgétaire, la gestion financière et l'obligation de rendre compte aux contribuables.

Mr. Speaker: With the business of the House, we will deal with Bill 38.

**DEBATE ON CONCURRENCE AND
THIRD READINGS****Bill 38—The Balanced Budget, Fiscal Management
and Taxpayer Accountability Act**

Mr. Speaker: I'm calling Bill 38, concurrence and third reading, The Balanced Budget, Fiscal Management and Taxpayer Accountability Act, standing in the name of the honourable Member for Morris, who has 21 minutes remaining.

An Honourable Member: One.

Mr. Speaker: One minute remaining.

Mrs. Mavis Taillieu (Morris): Realizing I don't have 21 minutes, probably only like 21 seconds, I just want to say that I cannot support Bill 38, which unravels the balanced budget legislation and allows this government to run deficits and that is not in the best interests of Manitobans.

I also want to say just before my time runs out that we cannot believe that this government has voted for Bill 37, to allow themselves to take a million dollars out of taxpayers of Manitoba's dollars and line their own political pockets. That's outrageous, Mr. Speaker. We could never support that. They're taking the money and we're not.

Mr. Speaker: Order.

Mr. Leonard Derkach (Russell): Today I rise in a very serious manner to speak about a bill that is going to change the face of how the economy of our province is going to move ahead or not move ahead.

The reason I feel aggrieved by this piece of legislation is because I was part of a government, along with my honourable colleague from River East, were part of a government that I was extremely proud to be a member of who put together balanced budget legislation to ensure that Manitoba could get

on its feet as far as the economy of our province was concerned.

This bill, Mr. Speaker, does the opposite. It takes the onus off the government to balance their books. It allows them to move ahead in a way that will create deficits for our province and not just for us, but indeed for generations to come. We are going to be now foisting deficits, costs and debt on to our grandchildren. Not just our children, but indeed on to our grandchildren and our great-grandchildren because of a move of a government that is not responsible for the money that it is taking in and the money that it is spending.

You cannot say that you've got a balanced operating budget if you're going to simply call for a balanced budget every four years. You can always achieve that goal by creative accounting if you like, Mr. Speaker, but you're not going to balance your books on an annual basis. That is wrong. That does not do what Manitobans expect of us as legislators, not what they expect of a government, not what they expect of us if we're going to continue to compete with other provinces and jurisdictions in this country.

Not only does Bill 38 allow this government to not balance its years on an operating basis every year, but it allows the government then to be able to spend money and to create deficits in times, when perhaps the economy is the most vulnerable. We are living through a time right now where extreme pressures are being felt by not only the banks of the world, not only by the financial institutions of the world, Mr. Speaker, but by ordinary Manitobans, ordinary Canadians, ordinary Americans. Ordinary people all throughout the world are feeling an economic crunch right now and they're feeling a crunch on their life savings. They're feeling a crunch on the money that they have put away for their retirement and indeed, they are worried about the fact that they may not even be able to afford their own homes in the future.

We need to address the issue. We need to join with those countries and those provinces that are looking forward and are addressing the issue of the economic crunch in this country and we must address it in a reasonable way.

It seems to me that the Premier (Mr. Doer) of our province has his head in the sand because we have not heard from him what he intends to do about the crisis that we are—the looming crisis if you like, that is facing our province and this country.

* (16:00)

If we saw a plan from this Premier (Mr. Doer) that said that we have our hands on the lever, so to speak, of the economy, that we understand where we're going, then it would give us some confidence. But, right at the present time, Mr. Speaker, we do not have a Premier who has stood up in his place and explained to Manitobans what kind of control he has on the entire economy of our province and what his forecasts are in terms of where we are moving as a province.

We have a government in Manitoba today that loves to spend money. But it doesn't ask for accountability for that money of itself and, in fact, of the agencies that it has responsibility for, and when you have a government that is so bent on spending money that they don't ask for accountability, you are in trouble. You are in big trouble.

This government is going to land us in the similar place that the Pawley administration landed this government back in the early 1980s and the mid-'80s. When we took over government in 1988, we had a tremendous debt on this province, and, at that time, we were spending about a million dollars a day on interest that had been accumulated through the debt that was accumulated in a short period of time. The years of the Pawley administration, basically, were years of great debt creation.

Mr. Speaker, that's why balanced budget legislation came in, so that no more would we allow government to simply spend beyond its means, that government needed to create a rainy day fund for times when the economy was down. The government needed to create a path of economic prosperity for our province rather than a disastrous path and a course of disaster for the future generations of our province.

I can tell you that through the late '80s and the '90s, that was sort of the mantra of the government. Yes, we weren't able to afford all of those things that we wanted to, and we didn't have the transfer payments from Ottawa that this government has enjoyed, and our own-source revenues were even down. In the early '90s we lived through the worst, I would say, recession that we have seen before us until this day, or perhaps since the 1930s. But we were able to come through it, and I can hold my head up proud today because we did not cause a debt on the heads of all of our citizens in this province.

But, when you move away from legislation of this kind and try to, in a creative way and a manipulative way, develop a strategy that allows you not to balance your books on an operating basis on an annual basis, Mr. Speaker, you are moving down a slippery slope, and that's basically what this government is doing. It is moving down a slippery slope, and we are going to find ourselves as a province in a couple of years in a tough situation.

The government can say it has \$800 million, \$800-and-some million in a rainy day fund today. But that can really disappear quickly if, in fact, you get into a recession, and we are just at the doorstep of that today. We've seen what has happened to the stock markets in the last few days. We've seen what has happened to some of the unregulated, if you like, banks in the United States in the last little while. Well, Mr. Speaker, we don't need to go down that path. Our country, the country of Canada, for that matter, is in a pretty good and solid position right now. But that doesn't mean we're not going to be dragged down, because the larger countries, the powers of the world, are going to determine which direction we're going to go, and they're going to pull us down with them to a certain extent. We may weather the storm in a little better fashion, but we are going to still be impacted on as a result of what's happening in the rest of the world.

So, Mr. Speaker, this is the wrong time to be talking about not balancing our books on an annual basis. This is the wrong time to be driving our province into a deficit situation. When you consider that in the course of the next little while, within the next year, our own-source revenues from provincial tax are going to decrease, our income tax revenue in the province is going to decrease, we're going to see less transfer payments in this province from Ottawa because of the financial crunch that we see across the country.

What is the answer going to be from the government, then, to Manitobans? Because this is going to have a dramatic impact on the budget of the government. It's going to require that in perhaps the next year or two, we're going to have to draw monies out of the rainy day fund.

Now, Mr. Speaker, this government has been blessed in many ways with the kinds of revenues that have come to its coffers. But that hasn't happened because of their management. It happened because of what the economy of the world has gone through over the course of the last decade. These were very

fortunate times for any government to be in power, yet we had a government that was depending on transfer payments from Ottawa to balance its books.

That revenue isn't going to necessarily be there in the future. That revenue is not going to be there to allow this government to balance its books. So it's going to pass Bill 38, to allow it to slip into a deficit on an operating basis but, yet, call on itself to balance it every four years.

Well, Mr. Speaker, I don't think this is the right way to go. My colleagues don't believe it's the right way to go. I think this is only going to create more debt for our citizens of our province and that debt is not going to be just for us, but it's going to be for our grandchildren as well.

Mr. Speaker, it's a sad day when we have to stand up in the House and pass a piece of legislation like this when, in fact, legislation that was before this House before, a bill that was passed, was working. It was working for the benefit of Manitobans. It was working for all of us, but today the government has decided that it wants more flexibility. It wants to be able to spend more money, not to be accountable for it through balanced budget legislation and to amend the bill in such a way that allows it to run a debt. And that's wrong.

Mr. Speaker, let's take a look at the debt of this province. Let's take a look at the debt of our province. When we look at the debt of the province, I've heard this Minister of Finance (Mr. Selinger) say, time and again, you have to look at the debt in relation to the assets that you have.

In the past, we didn't count our highways as financial assets that were put against the debt that we have. But this Finance Minister has decided to take those kinds of assets that our province has, to count them, to value them and then to put that as an asset against our debt.

Well, that's not the way you balance your books. If we were to look at the debt today of our province and compare it to 1999 and you were to compare that debt of Manitoba Hydro to 1999—and let's take the pure debt that we have in our province—we are running a debt totally, if you looked at Manitoba Hydro and the government, of something in the neighbourhood of \$20 billion to \$21 billion.

Mr. Speaker, we are a small province. We are a million people. We have great resources but, if we

don't manage those resources, if we don't manage our finances, where are we going to land the future generations of Manitoba? And how are we going to respond to them?

Now I know governments, like the Pawley government, they came and they went. The Premier (Mr. Doer) was part of that government; he was the Minister of Urban Affairs. Thank goodness they went, because we were able to get on some sound footing through the '90s.

The government likes to stand up and criticize what went on in the '90s. They fantasize and they put fictitious information on the record. They talk about, you know, this whole concept of a thousand nurses were fired. Well, that's a downright lie. You can't call it anything else but, Mr. Speaker, it makes great politics I guess but what the reality is, through the '90s, we had a government that laid a solid foundation, a solid economic foundation and a financial foundation that every Manitoban can be proud of.

What I heard the Premier say, when he became the Premier of our province, was that he, as Premier of this province, would keep the things that worked and keep the good things, like balanced budget legislation, but now he has broken that promise.

We've seen this Premier break his promise before. It's a sad day when a premier cannot live by his word. Now there are sometimes extenuating circumstances, Mr. Speaker, but this is such fundamental legislation that is so necessary for any jurisdiction to have that we should not abandon it. We should not manipulate it. We should not use creative accounting to try to wiggle our way out of balancing our books.

*(16:10)

I think the Premier has had a bit of a vision into the future, and he sees that, with the current way that his government is spending, they are not going to be able to balance their books in the future. That's why Bill 38 has come before us. That's why they wanted to pass Bill 38 so desperately, even before the session rose in June, but, failing that, because the opposition held their feet to the fire, they brought us back here in October of this year to pass this legislation before the next Throne Speech, giving themselves the ability not to have to balance the books in this fiscal year that's coming up.

Well, Mr. Speaker, Manitobans are going to hold this government to account. Manitobans are going to,

I think, express their views about what they feel about this government. Unfortunately, they won't have the ability to toss this government out for another 2.5 years, but they will, on the basis that this government has lost its root, if you like. It's lost its way and it's starting to flounder. It is starting to take advantage of hardworking Manitobans, and it really doesn't have a plan in place. If you ask the government for a plan on how it's going to deal with the future economy of our province, they don't have a plan. No one is coming forward and saying, yes, we can weather the storm. They're not telling Manitobans right now, they're staying silent about it. But there is a storm brewing and we're going to be watching how the government intends to manage its way through that storm.

Mr. Speaker, we will be voting against Bill 38, and for good reason. I think it's a sad day. I listened carefully to the presenters that came to the committee. One of the presenters, who I was very attentive to, was Mr. Clayton Manness, a former Finance Minister of our province. He said it was beyond understanding why a government would take legislation and amend it in such a way that would allow it to be able to spend its way into a deficit. Here was an individual who worked very, very hard to ensure that we had balanced budget legislation in Manitoba, that we had a sound financial plan in Manitoba, that the economics of our province were strong.

Now, with the stroke of a pen, with some creative legislation, Mr. Speaker, in the way of Bill 38, the amendment to it, we're going to destroy all of that. I take umbrage with one other thing, and that is the title of the bill, because this is not a Balanced Budget, Fiscal Management and Taxpayer Accountability Act. This is—

An Honourable Member: NDP style.

Mr. Derkach: Maybe it's NDP style. But, Mr. Speaker, more importantly, this is not balanced budget. It is not fiscal management. It is fiscal mismanagement. It's not taxpayer accountability. It's not accountability to the people of Manitoba in any way, shape or form.

So, Mr. Speaker, maybe the government can sit here with its majority of 35 members and pass this legislation, and be insensitive to what Manitobans really have to say. Insensitive to what the papers are saying. Insensitive to what the critics are saying. Insensitive to what the taxpayers are saying. And that's fine, but some day they will have to stand up

and account for their actions. That day will probably come sooner than later.

Mr. Speaker, when you look at Bill 37 in relation to Bill 38, in a time when we have a storm, a financial storm brewing before us, this government saw fit to pass Bill 37, to fleece the pockets of ordinary taxpaying Manitobans and take that money into their party to shore up their resources for the next election. It's a million dollars. Now, in relation to a budget, it may not be that large, but it's a million dollars that you can put into our health-care system. It's a million dollars that you could put into the Children's Hospital in Manitoba. It's a million dollars that you can perhaps put into a rural hospital to give access to medical services to seniors.

The Minister of Justice (Mr. Chomiak) can shout and chatter from his chair, Mr. Speaker, but the reality is they have shown us that they can't manage their funds. They have shown us that they can't even properly account for the election expenses that they have put before Elections Manitoba, because we see through—there's an allegation of falsifying their records, their electoral records. Well, we're going to see how that shakes out in the end, as well.

Mr. Speaker, they can't keep their hands off taxpayer money. They're too lazy to go out and raise the money like other political parties do. Instead, they want to take it from the taxpayer, and that is wrong. We're going to tell every Manitoban how wrong it is. I was very proud today when my leader stood up and said, we are not going to take that money. We should applaud our leader for taking the courageous step. Oh, it would be easy to take the money. That's the easy way out, but the more difficult route is the more honourable route. It is the route that Manitobans expect us to take. It is the route that taxpayers expect us to take. We do that on behalf of the taxpayers and the ratepayers and Manitoba citizens who truly are the ones who are going to pay this bill.

So, for those reasons, Mr. Speaker, not only did we not support Bill 37, but, indeed, I would be proud to vote against Bill 38. I know Bill 38 will pass, but at least it will be on the record of this Legislature that we on this side of the House voted for a bill that will destroy balanced budget legislation. Thank you.

Mr. Ron Schuler (Springfield): Over the last couple of weeks, people throughout this province and this great country called Canada, throughout North America and the world, have been facing a tsunami that I don't even think the most

doom-and-gloom financial analysts could ever, ever have conceived coming at us as a world. We are living in unbelievably precarious times, and only history will be able to know what actually will take place in the days, weeks and months to come.

As we stand today, we find out that there is even the stock exchange in Russia that has suspended all trading for two days. That is the kind of grim future, and grim it is indeed, Mr. Speaker, that most of us face. In years to come, people will look back and will say, yes, this was a terrible time. Perhaps there will be a rebound. We don't know that at this point in time.

What we do know is that across Canada and across Manitoba there are going to be financial statements mailed out from mutual funds, from pension funds, from all kinds of investments, whether it was through an RRSP or through personal investments. Probably a lot of people are going to do what we've done in our household, Mr. Speaker, and that is simply not open the envelope because you know the news is going to be bad, why bother opening it. There's just no reason to upset yourself. That's the kind of news that people are facing in their living rooms, at their kitchen tables, as we speak and as the last two weeks have unfolded.

There have been trillions of dollars lost across the world, and there are individuals who might have only invested for their pension, several hundred thousand dollars and upon that, they were going to rely for their retirement. By losing up to 20, 30, 40, maybe 50 percent, or 60 percent, they are devastated. That is an absolute wipeout, and what they're going to have to do is they're going to have to sit down with their financial statements, especially those who are retired, and they're going to realize that now their pension isn't going to be as big as they thought it was going to be. The RRSP is not worth what it once was.

What they're going to have to do is they're going to have to set a budget. They're going to have to live within their means, Mr. Speaker. We spent a lot of time here in spring and summer and this fall dealing with the retired teachers' pension act where the government of the day, the NDP government, the Member for Gimli (Mr. Bjornson), his Premier, the Member for Concordia (Mr. Doer), decided to punish a whole segment of society because they paid into their pension, because they did the right thing and have decided that they were going to punish them.

* (16:20)

Well, they are now going to be joined by a lot of other people, and all of these retirees and soon-to-be retirees are going to have to sit down and are going to have to write out a budget. Many, many Manitobans, thousands, in fact, tens of thousands of Manitobans are going to be sitting around the kitchen table or in their living rooms and are going to have to decide where they're going to cut and what they're going to live without and how they're going to live within their means. Mr. Speaker, that is a reality that all of us are going to have to face going forward in the next weeks and months, but we have an out-of-touch government, a government that is bloated on its own cash that it has received from the federal government. It has become arrogant and actually believes and buys into its own spin.

What they have done is they have decided that they're going to slip back to the old ways of tax and spend and spend and spend. One of the things that protected Manitobans was something called balanced budget legislation that came in in 1995, that the NDP voted against and in 1999 embraced hot and heavy to its chest and said, we would never repeal it, never. Read our lips, we support balanced budget legislation and here we stand today with Bill 38 which will gut it.

It is a government that is out of touch with where people are in their living rooms, and in their kitchens, and are going to have to sit there and live within their means and live on a balanced budget, but not our government. Our government has gone exactly the opposite direction. This is going to be harmful for our province. This is going to be detrimental for our province going forward, and I would encourage this House that they should vote against this bill.

Balanced budget legislation in 1999 was roundly supported by everybody running in that election, including the Member for Concordia, the now Premier, who made it very clear that he supported balanced budget legislation. Now it is his government, as Premier, that is gutting it and the times look dark. The times look grim for us as a province because we see the kinds of turmoil not just in North America but around the world. You would at least think that there would be some sharp minds in the NDP government who would say, maybe this isn't the time to get rid of balanced budget legislation. Maybe this isn't the time to ram more debt into this province. Maybe we should be living on a balanced budget.

So I know that as I've travelled and I've had the opportunity over the last few weeks to travel throughout my constituency going to various fall suppers and various community events, and people are genuinely concerned about their personal finances, but they are also genuinely concerned about what the government is doing with their taxpayer dollars. I would encourage members opposite to back off, leave Bill 38, leave the balanced budget legislation. It has served this province well. It has gotten us far and I would encourage all members to defeat Bill 38. It is the wrong way. It is the wrong path to be taking, particularly in light of provincial, national and international events that are facing us. Thank you, Mr. Speaker.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I don't know what to say, if it's with regret or pleasure to be able to address Bill 38. Bill 38 is a bill which we do not support. We believe it would be in the public's best interest to withdraw Bill 38.

Having said that, Mr. Speaker, I think that it's important for us to realize what balanced budget legislation really and truly means. What is it that politicians are trying to tell the public when they say that they support balanced budget legislation?

You see, there's this concept of a budget that the government presents, and inside that budget it has a number of different departments. We would, let's say, call that the core expenditure of government. The public believe when you say that you have balanced budget legislation. That means you're going to have enough revenue in order to cover the cost of the expenses in that core area, Mr. Speaker. That's in essence what I believe, the public believe balanced budget legislation is all about.

Now I would argue that some people would give very good and articulate—well, as to why it is we should be supporting balanced budget legislation. Equally, I would argue, there are individuals that could give valid arguments as to why we should not support balanced budget legislation. In fact, Mr. Speaker, back in 1995 when this bill was introduced, I opposed balanced budget legislation. I didn't support it, and I believe I didn't support it based on the information that was being provided to me. I did not believe it was in the best interests of Manitobans to adopt balanced budget legislation here in the province of Manitoba, and I wasn't alone. The Premier (Mr. Doer) and the New Democratic caucus at the time joined with the Liberal Party and voted

against balanced budget legislation, because we believed at the time that there are things that were too important for government to do that we shouldn't have to worry about having to live within a budget. That's the core of it, if I could put it that way.

Now what happened, Mr. Speaker, is after the vote, there was a great deal of commotion at the time of the passage of balanced budget legislation, but virtually immediately following balanced budget legislation passing, the public as a whole accepted it. They believed that it was in Manitoba's best interest to be able to accept it and support it to the degree that my opinion and the opinion of the Liberal Party changed. We originally opposed balanced budget legislation, like the NDP, but we saw that the public was wanting balanced budget legislation, that they believed that it was in Manitobans' best interest to have balanced budget legislation.

It didn't mean that government could not overspend, Mr. Speaker. They still could overspend, but there was a penalty. Ministers would have to endure a pay cut, for example, if in fact they overspent. I thought that that was a reasonable penalty to be asked. At the end of the day, we in the Liberal Party and the New Democratic Party understood what it is that the public wanted. The public wanted balanced budget legislation. Then you saw all three political parties in Manitoba, all three major political parties in Manitoba accept it into their election platforms. No one was going to get rid of balanced budget legislation for one primary reason, and that was that the public demanded it. The public wants balanced budget legislation and supports it.

Well, you have to be somewhat suspicious with the way in which the government is now addressing the issue of balanced budget legislation. On the one hand, they want to be able to tell the public that we still have balanced budget legislation. They're not getting rid of the balanced budget legislation. Instead, they're gutting it, Mr. Speaker. They're allowing balanced budget legislation to still appear on the books, but in reality they'd just as well get rid of it. There is no balanced budget legislation if this bill passes. They've, in essence, gutted it and what it reminds me of was the 2003 and 2004 budget. That is when the government said that it had a surplus budget of \$17 million. Therefore, no penalties, they had a surplus and every year since then the Minister of Finance (Mr. Selinger) will stand up in Throne Speeches and budgets and deliver speeches—the Chambers of Commerce and wherever else he

can—that we've had consecutive balanced budgets or surpluses in Manitoba.

In 2003 and 2004, Mr. Speaker, that was not the case. The government manipulated it to appear that we had a \$17-million surplus. The provincial auditor, which is independent of this Legislature, indicated back then that the Province did not have a surplus, that it had a deficit, and the deficit was in excess of \$600 million. That was the second-highest deficit in the province of Manitoba's history.

Mr. Speaker, if anything, the government should be bringing in legislation to give more strength to balanced budget legislation to prevent governments from being able to manipulate the books to the degree in which the NDP did in the year 2003-2004. That's what they should be doing. That's what Manitobans expect.

*(16:30)

But what do we see the government has actually done? They brought in this legislation, and they're going to try to give the impression to Manitobans that we still have balanced budget legislation knowing full well that there is no balanced budget legislation in reality in the province of Manitoba because this government has gutted it, Mr. Speaker.

The government is not obligated. There is no penalty if you don't balance those core areas of expenditures, and that brings me back to what it is that I started off with, Mr. Speaker. If you support the concept of balanced budgets, and not having a balanced budget means that there will be a cost in terms of ministerial salaries, et cetera, well, then, have legislation that will have teeth and enforce that principle and argue for it. Say, we don't support balanced budget legislation, and then argue for it. Manitobans will respect that fact.

If you're for it, then bring the arguments in favour of it. If you're against it, then bring the arguments against it. The worst thing you can do, Mr. Speaker, is to try to deceive, and that's what this particular bill is doing. That's why all of us should be very upset. I believe the Member for Brandon East—Brandon West (Mr. Borotsik), I'm sorry. The Member for Brandon, in second reading, clearly indicated that, I think what it was, this is probably going to be one of the worst bills that this Legislature is going to be dealing with in this term, and he truly believes it.

I don't believe the member is far off the mark. This is a piece of legislation and the ramifications are

very, very significant, Mr. Speaker. These are long-term ramifications, and what is it based on? It's based on deceit. The government is trying to say, the Minister of Finance is trying to say that we in the province have balanced budget legislation. He's going to say that after this bill passes. I have a problem with that because, once this bill passes, for all intents and purposes we will not have balanced budget legislation in the province of Manitoba.

So this is what I believe. I believe that the Minister of Finance (Mr. Selinger) does not support balanced budget legislation, and I believe that the Minister of Finance has the ability and the economic background to be able to stand in his place and articulate as to why it's not good to have balanced budget legislation. But, Mr. Speaker, I'm disappointed that the Minister of Finance has not chosen to be up front with Manitobans on that issue.

I would have far more respect for the government of the day and the Minister of Finance if they were to explain to Manitobans why it is that they feel that balanced budget legislation is not healthy for the province of Manitoba. If he's not prepared to do that, Mr. Speaker, then to stand in his place and indicate why it is the government or what the intent of the government is going to be over the next few years, because I can tell you in looking at the economy—I'm not an economist—yes, I've taken a course or two at a university in regard to economy, but I do believe that we're at a critical point in time in our history to the degree in which that we are going to see some significant cuts in revenue. The potential is great, and it's time in which we address the economics in a very open and transparent way.

I believe that this bill sends the wrong message for a number of different reasons, and for that, Mr. Speaker, I cannot support, nor would I vote for this particular bill.

Thank you, Mr. Speaker.

Mrs. Myrna Driedger (Charleswood): I have had a number of opportunities over many years going back to the '90s where I had an opportunity to speak about the importance of balancing budgets. Then, when this government came in, certainly had a lot of opportunities to talk about the significance of wise spending, planning properly so that you can ensure you're spending appropriately and going in the right direction with spending.

It was inevitable, and we knew that somewhere along the way, we expected this NDP government to

sort of reverse where it agreed in 1999 that they wanted to be, and that was to balance the budget. But, when you look back at their position prior to that, this was not a group of people that believed in balanced budgets at all.

When we look back at their comments in the '90s, their true colours certainly came out and their true colours—very interesting to hear what they had to say around the 1995 debate around balanced budgets. We knew inevitably that their true colours would come out and indeed, we were waiting for this to happen. We see it as now happening and we have some concern that they are very eager to move in this direction because they also are seeing storm clouds within their own financial books here in the province. We knew inevitably that would happen because over the years we have been saying to this government that they have been spending very, very wildly in some areas.

It's easy, I suppose, when you've got a third of your dollars in a province coming from the federal government as a handout. I've said before, I think this government certainly has created a situation where Manitoba is seen to be a welfare province. I've had an opportunity to meet with many legislators from across the country. Their take, certainly on how the NDP are running the province, is not particularly flattering to this government. There are a lot of people out there that have indicated that this government is very eager to take, you know, the welfare cheque from the federal government but they're not prepared to do anything within their own abilities to rein in their spending and try to make Manitoba a have province. There have been a number of legislators from across Canada that have given me those indications.

An Honourable Member: Name one person?

Mrs. Driedger: I certainly could. I could name more than one because I've had some very interesting conversations. I'm not going to embarrass them.

I will indicate to the Minister of Justice (Mr. Chomiak), who's yelling across at me, all he has to do is read some of the national papers where he will see that Ontario is getting very agitated with this government because Ontario is in a pickle right now. They're running into a lot of economic problems with manufacturing. They're moving towards a change in status and they are not happy that Manitoba is taking all of this money from the federal government and force Ontario people to provide that money here as other provinces are being forced to do too. All of

these other provinces are giving money to the federal government and what we have now is a province here who doesn't want to pick itself up by its bootstraps. In fact, it's quite content to be on welfare from the federal government, take all of these handouts and not stand on its own two feet.

Ontario is starting to become offended by these comments, I noticed in one of the national papers. I don't blame them because I think they see that Manitoba is not trying very hard and they're on a free ride where other provinces are trying much harder to be more accountable than what they see happening in Manitoba.

We've heard from a lot of NDP ministers that have stood in the House recently and talked about creative financing. They're starting to use that language. I haven't heard that language from the NDP in a long time, but interesting now that some ministers have actually been standing in this House talking about creative financing. We know exactly what they're talking about because I think Bill 37 actually is a very good example of what they've been trying to do. They're always looking for the easy way out.

* (16:40)

Bill 38 is going to be the easy way out. Bill 37 is going to be their easy way out. They are finding that they can't attract enough donations and now, in an attempt to line their own political pockets and try to get an advantage in the next election, what they're doing now is passing legislation that, again, makes it easy for them and gives them a bit of a free ride.

So now what we see with what they will do with Bill 37 is basically take from Manitoba taxpayers' hard-earned dollars that people are starting to worry very much about, and this government will take a million dollars, money that should be left in the economy so that we could better deal with taxes here, so that we could better deal with debt here, so that we could put money into areas that matter to Manitobans, like justice, education, family services, health care, building better roads, instead of lining a political pocket. A million dollars can buy a lot of nurses and MRI machines. A million dollars can do a lot for Manitoba's economy, but, instead, we see this government just looking for an easy way to pick people's pockets.

With Bill 38, again, it's another way for them to just move along in an easy way and not have to balance their books.

We know their true beliefs, because a lot of them have said it over many years—they do not see anything wrong with running deficits in good years. Tim Sale was a great example of that, and others have said it as well. The NDP generally believe that running deficits are okay. That's an inherent, philosophical belief that they adhere to.

Mr. Speaker, I think that's what's coming through now, and it should scare taxpayers because that is where, in fact, with this legislation we will end up. This bill should send, I think, a chill through taxpayers' pockets and through their wallets, because this bill is going to inevitably lead to an NDP government that is not going to balance its books on an annual basis. It's going to turn to Crown corporations to help bail them out.

When Crown corporations don't have the money, we will see rates go up. We saw what happened with Hydro when they didn't have the money and this government demanded a \$200-million dividend, and we will see it again in the future. The warning signs are there, and this is not any legislation that we can support in any way whatsoever.

So I see my time is almost up, but there is little faith that we should have in a government that couldn't manage Crocus; they can't manage a lot of their budgets. I go back to even the Health budget that the Health Minister a few years ago even said he fudged deliberately, waiting for federal money to come in.

So there are enough red flags out there that everybody should be very worried about this legislation and, for those reasons and many others, Mr. Speaker, I cannot support this legislation.

Mr. Peter Dyck (Pembina): I thought actually that some of the NDP members would get up and make a few comments to this legislation, because they've been tripping from their seats here and challenging us in a number of different ways. So I was going to give them that opportunity, but I guess they don't feel at liberty to be able to speak to the bill.

Mr. Speaker, I must indicate to you that in 1995, when balanced budget legislation was passed, I happened to be elected that same year, and I was given the information as to some of the things that had taken place previously. In the Pawley years, the spending that had taken place reminds me of some of the spending that's taking place today.

Mr. Speaker, I would also indicate to you that there's that common saying—and I've said it in this

House a number of times—but we make some of our worst decisions during the best of times and, yes, I would clearly indicate that there have been good times. Ever since 2000 and up, we have had some buoyant years. I know that, in industry, we have seen that; we've seen that in other areas of the province. This is what feeds our economy.

So I've seen that take place, but I think the caution that we're giving here is that some of the decisions that have been made—and, yes, there have been good times. I know that the comments that have been made previous to this have been with the equalization payments that we have received from the federal government, that we need to be careful because these can change. Also, the caution has been thrown out here time and time again that, as we see the different companies within the province laying off employees rather than hiring, the caution has been given that be careful, that the spending, the money that you are going to be receiving is going to slow down.

So the members opposite are out there. They're sort of laughing at us for being out here and saying be careful for the spending that's taking place. However, with this bill we are saying, listen, we expect individuals, households, to balance their books. We're expecting school boards to balance their books. We're expecting councils to balance their books. But the NDP here are saying, you know, it's a little different, we don't have to balance our books. In fact, if we do it every four years, that's adequate.

I would indicate to you, Mr. Speaker, that the Minister of Education (Mr. Bjornson) would probably not allow these school boards to balance their books every four years. He is requiring, and I know that he's requiring, that they balance their books every year, and I know that other ministers are requiring the councils, the RHAs, they need to balance their books every year. What happens is, if they don't balance their books, well, there's a clawback in money. So I know that our RHA is subjected to the same rules as we have in the balanced budget legislation that we passed in 1995.

Now we have a government out there who's wanting to change this, and we are saying, listen, be cautious. We don't want you to add all the tax to the bills that are being added up, the debts that are being incurred by the Province. We don't want those to be passed on to our children. So this is a caution that we

are sending out here, and we cannot support this legislation because we know the problems that it's going to get us into in the coming years.

The Province's overspending will come out of the pockets of Manitobans by raiding the Crown corporations or increasing the debt. We have seen the debt increasing. That's happening on an ongoing basis. The revenues in the province keep on going up and yet the debt is going up and that is a very, very bad signal that we are sending. Obviously, the government does not know how to live within their means. They're continuing to tax, to spend, to tax, to spend, and it's been said numerous times we are the highest-taxed province west of Québec. So, you know, there's a clear indicator that we're not knowing how to live within our means.

I know the Member for Russell (Mr. Derkach) was out speaking just this afternoon regarding the Pawley years and when he had been a part of the opposition in the '86 and then, of course, later on they were the benefits of receiving the huge deficits that had been incurred when the NDPs were in government, and we see the same thing happening here again. So we're just saying that, listen, this is not the way to go, we cannot support the legislation that's coming out in Bill 38. We're sending out the caution, as I indicated, that this is not the way to be able to balance the books in the province. It's not the way to go to the Hydro to raid their coffers, and we've seen that taking place. We saw them when they went to MPI. They wanted to take out money for the universities. That's not the way to go by raiding Crown corporations. So this is certainly something that we are opposed to and the fact that as our debt increases somebody will have to pay for it.

We look at what happened in Ontario a number of years when Bob Rae was the premier out there. He tried to spend his way into success and it didn't work. You can't do it. You can't keep on borrowing money and then ultimately indicate that this is going to lead to that end result that you're looking for. You can't borrow your way into prosperity. We see it time and time and time again.

So I would caution this government, the NDP, for going in the direction that they are with Bill 38, because we know—we know that they can't keep, as we call it, their hands in their own pockets. They always had their hands in other people's pockets. So it's important that we are careful with the spending that we do within the province of Manitoba. It is important that we look ahead and, as again has been

indicated numerous times this afternoon, you watch television and you see what's happening in the market. It is scary. There is no doubt about it.

* (16:50)

Our pension funds, the businesses out there—in fact, just this afternoon they were indicating another firm that was laying off hundreds of people. So those are the people out there who don't have a job, and yet, though, their debt is going to be increasing. Right now, the average cost to each and every Manitoban to service the debt is well over the national average of \$1,143 per year.

So our interest payments are going up every year. You cannot spend your way to prosperity. So, again, I know that there are others who want to speak to this legislation as well, but I do caution the government that, as I said at the outset, you make some of your worst decisions during the best of times. That's where we are at today. I know that they say that we're just saying the sky is falling. I would hope that I am wrong, but I suspect that just watching the markets and the things that are happening in the world today that I'm right. Again, Mr. Speaker, a huge caution. I would challenge and I would encourage the members opposite to not vote for this legislation because it's going to cause a huge problem down the road.

With those few comments, Mr. Speaker, thank you very much.

Mr. Gerald Hawranik (Lac du Bonnet): Yes, Mr. Speaker, I'd like to put a few brief comments on the record as well with respect to Bill 38. This Bill 38 debate is extremely important because I think it highlights the fact that the government itself—and I'm hoping the government members are listening when we debate this bill—because what Bill 38 does is it allows the Province of Manitoba, the government of Manitoba, this NDP government to go back into deficits again.

We're clearly opposed. On this side of the House, we're clearly opposed to Bill 38. I know the Liberal members are as well, and I'm hoping that during some of this debate that we've had today and yesterday and other days in this House that, in fact, some of them may change their mind and maybe they'll actually vote against this bill, although I doubt that because I know that this NDP government can't control its spending. It has trouble in terms of trying

to manage the finances of this province. The only reason why we currently, in some years, in any event, have had surpluses is because of increased transfer payments from the federal government, courtesy, of course, of the oil revenues from Alberta and other provinces.

Another reason why we're opposed to Bill 38, Mr. Speaker, is that it eliminates our existing legislation dealing with balanced budget legislation that was passed in the 1990s. During that time, I recall—in fact, I wasn't here at the time—but I recall reading that the Premier even called it a stunt at the time. The reality is he's had to comply with that existing balanced budget legislation and he has done so, but I think what's happening now is the NDP have finally discovered that revenues are going to be drying up. We have an economic crisis in this country. We have an economic crisis that's brewing in this province. There's going to be less money coming in from the federal government in terms of transfer payments. There's going to be less revenue coming in, old-source revenues, because there may be an increase in unemployment across the province. There could be decreased investments in terms of plant and equipment by our manufacturing sector, who have been hit extremely hard by the high Canadian dollar.

They recognize the fact that revenues will likely be decreasing in this province and that's why they're in such a huge hurry. They're in a great hurry to get rid of our existing balanced budget legislation because even they know that they won't be able to control the spending enough to actually comply with existing balanced budget legislation.

But, at the time, in the '90s, when that legislation was introduced, it was hailed by many as ground-breaking legislation. It was hailed as the model to follow across the country. Why, Mr. Speaker? Because, under existing balanced budget legislation, our operating budget has to remain balanced. It has to produce a surplus no matter how small it is, and there have been very small surpluses posted by this government over the years, even as little as \$3 million. I recall a couple of years ago when the Finance Minister introduced the budget a couple of years ago, that budget itself only showed a \$3-million surplus and only because he was drawing money out of the rainy day fund. It had nothing to do with the economic performance of the Province necessarily, but everything to do with them taking

money out of our bank account to produce an actual surplus in the province.

It's extremely important to balance our operating budget, and that's something that's entirely within the control of government, Mr. Speaker. It involves own-source revenues, and it involves the direct spending of government within their direct control. So that's why it was extremely important, I believe, to maintain the existing balanced budget legislation, because it maintained control over spending within the government itself and within their control. It also made projections based on the economy, the economic conditions in the province, to determine whether own-source revenues were enough to cover the spending that was out there.

The government, by introducing Bill 38, is basically saying that the existing balanced budget legislation doesn't work. Well, it does work. It's been hailed across this country as extremely important legislation and has been copied by many other jurisdictions across this country. To get rid of that existing balanced budget legislation means to me that this government is going to be returning to deficits, deficits like we've probably never seen before, and they're going to justify it by blaming the federal government. I'm sure of that. I think we're going to hear about that in this House every day when transfer payments start to dry up, and they're going to be blaming the federal government for everything, and whining and complaining that they aren't getting enough transfer payments.

The reality is, Mr. Speaker, that the economic performance of this government has been poor at best. They have failed to grow our own revenues within the province through increased economic performance in this province. They've failed to grow enough own-source revenues to ensure that we decrease our reliance on federal transfers. That's the problem.

I hear the Finance Minister in question period. In fact, just this last question period, in fact, other question periods over the last year or so, crow back in terms of an answer and say to us that, oh, Manitoba's GDP is growing faster than the national average. Well, Mr. Speaker, from what I can remember, this NDP government has been in power for almost nine years now. It's been in power for nine years, and they've only grown—the economic performance of this province has been abysmal. Only last year has the economy of this province grown above the national average. So, just to stand up and

take credit for that, when he wouldn't take responsibility this last spring and the spring before that and the spring before that, he wouldn't take responsibility for the fact that the economy of this province grew at a pace less than the national average for the first eight years of administration, but he's prepared to stand up and take credit when it does, in one out of the last nine years. My concern, of course, is that, in fact, the government will be able to return to deficits and actually get away with it because it allows them only to balance after every four years.

In fact, I think the Finance Minister stood up in this House and he's indicated that Bill 38 is necessary because he's going to comply with GAAP. Curiously, GAAP isn't even mentioned in Bill 38. I don't see GAAP within Bill 38. It says absolutely nothing about it. Now, the minister stands up, he says he

needs this bill to comply with GAAP. He needs this Bill 38, yet it isn't even mentioned in Bill 38. When I look at the necessity for complying with GAAP—and we have stated on the record that governments have to be responsible in terms of their spending, they have to be responsible in terms of their accounting, and we have supported GAAP as a measure in the budget. However, at the same time the minister is saying he needs this bill to comply with GAAP, what we saw in 2003 and 2004, when the Auditor General reviewed the budget of '03 and '04, the financial performance of this government, it found that, in fact, there was a \$614-million deficit with GAAP.

Mr. Speaker: Order. When this matter is again before the House, the honourable member will have 21 minutes remaining.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, October 8, 2008

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