

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

Official Report
(Hansard)

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 21, 2004

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PETITIONS

Proposed PLA–Floodway

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

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in the Legislature that may result in the \$660-million expansion of the Red River Floodway by the summer of 2005.

The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

Approximately 95 percent of heavy construction companies in Manitoba are currently non-unionized.

The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the

Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

And this is signed by Alvin Wiebe, Melissa Skjaerlund, Brenda Toews and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Minimum Sitting Days for Legislative Assembly

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

The background to this petition is as follows:

The Manitoba Legislature sat for only 37 days in 2003.

Manitobans expect their Government to be accountable, and the number of sitting days has a direct impact on the issue of public accountability.

Manitobans expect their elected officials to be provided the opportunity to be able to hold the Government accountable.

The Legislative Assembly provides the best forum for all MLAs to debate and ask questions of the Government and it is critical that all MLAs be provided the time needed in order for them to cover constituent and party duties.

Establishing a minimum number of sitting days could prevent the government of the day from limiting the rights of opposition members from being able to ask questions.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider recognizing the need to sit for a minimum of 80 days in any given calendar year.

As signed by John Cullen, Carol Cullen and Lisa Fairweather.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

* (13:35)

Highway 227

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

These are the reasons for this petition.

It is unacceptable for the residents of Manitoba to travel the unsafe gravel roads of Highway 227 in the constituencies of Lakeside and Portage la Prairie.

Inclement weather can make Highway 227 treacherous to all drivers.

Allowing better access to Highway 227 would ease the flow of traffic on the Trans Canada Highway.

Residences along Highway 227 are not as accessible to emergency services due to the nature of the current condition of the roadway.

The condition of these gravel roads can cause serious damage to all vehicles, which is unacceptable.

The residents of Manitoba deserve a better rural highway infrastructure.

We petition the Manitoba Legislative Assembly as follows:

To request that the Minister of Transportation and Government Services to consider having Highway 227 paved from the junction of highways 248 and 227 all the way to Highway 16, the Yellowhead route.

To request the Premier of Manitoba to consider supporting said initiatives to ensure the safety of all Manitobans and all Canadians who travel along Manitoba highways.

Signed by Hennie Van Gerwen, Marg Kentner, Jack Walburton and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Proposed PLA–Floodway

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in the Legislature that may result in the \$660-million expansion of the Red River Floodway by the summer of 2005.

The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

Approximately 95 percent of heavy construction companies in Manitoba are currently non-unionized.

The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Signed Henry Enns, Cliff Gustafson, Ursula Ditchburn and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Proposed PLA—Floodway

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

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in the Legislature that may result in the \$660-million expansion of the Red River Floodway by the summer of 2005.

The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

Approximately 95 percent of heavy construction companies in Manitoba are currently non-unionized.

The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

* (13:40)

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Signed by Ivy Rogers, Alyssa Vandale, Trevor Vandale and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received in the House.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from Minitonas Middle Years School 23 Grade 9 students under the direction of Mr. Mel Lausman. This school is located in the constituency of the honourable Minister of Agriculture, Food and Rural Initiatives (Ms. Wowchuk).

Also in the public gallery we have from Gordon Bell High School Senior Off Campus Class Urban Life Skills 5 Grades 10 to 12 students under the direction of Ms. Leona Knott. This school is located in the constituency of the honourable Member for Wolseley (Mr. Altemeyer).

Also in the public gallery we have from Windsor Park Collegiate 19 Grade 9 students under the direction of Mr. Pierre Agoli. This school is located in the constituency of the honourable Member for Radisson (Mr. Jha).

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

ORAL QUESTIONS

Budget

Generally Accepted Accounting Principles

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, as the Auditor General, Jon Singleton, has confirmed, if you use normal accounting rules, this Premier's 2004-2005 Budget shows a deficit of \$58 million. That is his fourth deficit in a row. That is what he has confirmed, unlike this Premier, who confirmed to Manitobans prior to the Budget that he was not elected to raise taxes. That is exactly what he did in the Budget.

We, on this side of the House, are very proud of balanced budget legislation, but we also recognize that governments must evolve and adopt even higher standards because, as Mr. Singleton has said, "If you can run a deficit but claim the Budget is balanced, you are not accomplishing what you set out to do."

Mr. Speaker, this Premier is in a position to fix that. Will the Premier put an end to his hidden deficits by adopting generally accepted accounting principles so the province of Manitoba can get a clear proper accounting of Manitobans' finances? Will he do that?

Hon. Gary Doer (Premier): Mr. Speaker, I support the Filmon government's balanced budget legislation. Does the Leader of the Opposition?

Mr. Murray: We support making balanced budget legislation stronger, unlike the member opposite, Mr. Speaker, who wants to deflate it. I would be delighted to continue to answer the Premier's questions if that is the way he wants to run this session.

Mr. Speaker, if you are using proper accounting, if there are proper accounting rules, the Premier's 2004-2005 Budget shows a \$58-million deficit. It is possible to be fiscally responsible, to move towards GAAP and balance a true surplus. All this Premier would have to do is scrap \$100 million that he is spending on VLTs, millions of dollars that he is spending to upgrade a hospital Laundromat and a hospital sandwich factory. If he did that, he could cover off the deficit and post a true surplus.

This Premier has the opportunity to be honest and up front with Manitobans. He has the opportunity to post a real balanced Budget, Mr. Speaker. Will he bring the real numbers forward so that Manitobans can get a clear, precise view of the true picture of Manitoba's finances?

* (13:45)

Mr. Doer: In November of 2003, in this Chamber, members opposite challenged us to live under the balanced budget legislation. In January, the Leader of the Opposition said, "The balanced budget legislation passed by the Filmon administration in 1995 still stands as the best example of responsible and effective management."

Mr. Speaker, we are balanced under the balanced budget legislation.

Mr. Murray: Mr. Speaker, again, I remind all Manitobans that this is the Premier that, prior to this Budget that was introduced, he stood in this House and he told this House and all Manitobans, "I was not elected to raise taxes." He brought in a Budget. What did he do? He raised taxes.

Mr. Speaker, the federal government and other provinces are already moving towards GAAP. If other governments are following proper accounting rules, they are being up front with their citizens. I ask this Premier: Why does he not do the right thing and bring in the real numbers so Manitobans get a true sense of their financial picture?

Mr. Doer: I am shocked that the member opposite would say that former Premier Filmon and former Finance Minister Stefanson were not being up front with Manitobans. I think it is a real insult to their predecessors.

Mr. Speaker, all the independent credit rating agencies have noted that we continue to make Manitoba more affordable for our citizens. We continue to pay down debt under the balanced budget legislation. For the first time ever we are not taking any money out of the rainy day fund, something that was not accomplished by members opposite any time—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. For the first time ever there is no draw from the rainy day fund budgeted to deal with the debt payment of \$96 million. That is why all the independent financial institutions have indicated that this Budget continues Manitoba on a path of reducing its debt as a percentage of GDP. It is why all independent financial institutions have said that we are operating this Government in a very responsible way.

They recognize that now, after 40 years, this Government and this Minister of Finance (Mr. Selinger) are dealing with a pension liability that members opposite never paid down one cent. I congratulate the Minister of Finance. That is why we have received two credit ratings from two independent financial sources over the last year. We have received that because we are the first provincial government to have a long-term plan on debt payment in the regular government, to have a plan on our Crown corporations.

* (13:50)

Mr. Speaker, I would point out that the \$384 million in tax reductions that we have made in five budgets is the largest amount of tax reductions ever in the history of the province by any provincial finance minister.

Provincial Sales Tax Professional Services

Mr. John Loewen (Fort Whyte): Mr. Speaker, the Premier (Mr. Doer) talks about tax reduction. He says he was not elected to raise taxes. The Finance Minister disagreed and he imposed provincial sales tax on legal, accounting, architectural, engineering and security services.

Can the minister explain to the business community in Manitoba why he ignored their pleas? Why, instead of listening to their pleas to make Manitoba competitive, did he choose to broaden the PST and impose further taxation on Manitoba's entrepreneurs?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, we are the first government since the Second World War which has reduced the corporate income taxes in this province from 17 percent down to 15.5 percent. We will take it down to 15 percent and 14.5 percent during the course of this term. We

are a government that reduced small business taxes 43 percent, from 8 down to 5. We are going towards doubling the band of income that is included under that small business tax rate. When we came into office, it was \$200,000. It is now up to \$360,000. It will go to \$400,000. We have made significant reductions in corporate taxes never before seen in the history of this province.

Mr. Loewen: Mr. Speaker, the minister should refer to his finance books which clearly indicate the imposition of the sales tax is going to raise \$24 million. His tax cuts amount to \$16 million. How is that reducing taxes?

The Premier (Mr. Doer) says he was not elected to raise taxes. The Finance Minister decided that he should force non-profits, he should force seniors, he should force single moms and others on fixed incomes to pay PST on professional services. I would like the minister to explain to Manitobans why he is imposing this tax on such agencies as Big Brothers. They are going to have to pay it. Why is he imposing it on agencies such as Freight House? Why is he forcing them to pay extra taxes in order to manage his spending habit? Why is he imposing these new taxes on agencies who rely on fixed incomes?

Mr. Selinger: Mr. Speaker, the members opposite when they were in government actually slashed funding to all the organizations that the member just talked about. They slashed the funding and they left those organizations in a position where they actually could not do their job properly because they were hamstrung by cuts. It was zero, zero and minus in many cases.

The member opposite complains about extending the PST onto legal services, but in 1993 the government opposite decided to put the PST on baby supplies. That was okay. They decided to put the PST on school supplies. That was okay. They decided to put the PST on children's clothing over \$100 an item. That was okay for them. What hypocrisy we see from the members opposite.

Mr. Loewen: Mr. Speaker, citizens of Manitoba would like this minister to be accountable for his actions. That is what this is all about. These are his and his Premier's actions. Broadening the PST to professional services is no different from imposing a new tax on the business, on the non-profits and on

the individuals who are going to have to require these services.

Would the minister explain why he is imposing another job-killing tax on Manitobans at a time when the job-creation rate in Manitoba was seven times less in 2003 than it was in the rest of Canada? Seven times less and he is imposing new taxes. Why?

Mr. Selinger: Mr. Speaker, we provided this House with information yesterday that the personal disposable income of Manitobans is up 5 percent in the last four years. During the dark days of the members opposite, the 10 years they were in office, personal disposable income actually declined by 5 percent.

So when it comes to improving the quality of life for Manitobans, we have been doing it. They cut the property tax credit \$75; we increased it \$150. They cut funding to public schools; we have increased it. They cut funding to the universities and hospitals; we have increased it. We have also increased funding to the non-profit sector when they cut it back in the nineties.

* (13:55)

Provincial Sales Tax Professional Services

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, the Premier (Mr. Doer) stated he was not elected to raise taxes. Yet, in Monday's Budget, the Doer government imposed PST on accounting, engineering, architectural services and on most legal services. Legal fees charged to unions for services, a right of the collective agreements or collective bargaining, were exempted by this minister from the PST. Did the Minister of Finance consult with the Minister of Labour (Ms. Allan) or with Rob Hilliard before making the decision to exempt the application of PST on legal fees charged to unions?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the member is not quite accurate in the assertion he is making. Legal costs, the PST applied to legal costs for collective bargaining, are a break for both employers and employees. I can tell you it is an even-handed approach modelled after the approach in Saskatchewan. It is very different—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Selinger: Thank you, Mr. Speaker. As I was saying, the exemption for legal fees around the issues of collective bargaining is an advantage to both the employers and the employees, and our labour legislation has reduced the amount of labour disruptions in this province in the last five years.

Mr. Hawranik: Mr. Speaker, the Premier obviously struck a deal with the union bosses to ensure that all workers on the floodway project are unionized and that all workers pay union dues. The Minister of Finance has obviously struck another deal with the union bosses to ensure that they do not pay PST on legal fees incurred in the collective bargaining process. When are the Premier and the Minister of Finance going to stop making deals with the union bosses to the detriment of the taxpayers of this province?

Mr. Selinger: Mr. Speaker, I am surprised the member is not accusing me of having cut a deal with the corporations of this province, because lawyers such as the member opposite—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Selinger: —because one of the exemptions in this extension of the sales tax is that services of lawyers acting as officers or directors of corporations are exempt. What is he going to accuse me of there?

Mr. Hawranik: Mr. Speaker, the Premier said that he was not elected to raise taxes. Did the Finance Minister interpret that statement as meaning that he was not elected to raise taxes to the detriment of unions? I ask the Minister of Finance: In his discussion with the Premier, did the Premier tell him exactly how much more his deals with the union bosses will cost the taxpayers of Manitoba?

Mr. Selinger: Mr. Speaker, I appreciate that the member opposite is closely following the script without listening to my answers. To put it in perspective: \$311 million less taxes on individuals and families, \$74 million less taxes on business, first corporate tax cuts since the Second World War, reduction of education support levy, an increase in the property tax credit never before done by the members opposite, first time in the history of the province. What is his complaint?

Pharmacare Deductible Increase

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, before this Budget was introduced, this Premier (Mr. Doer) told Manitobans that he was not elected to raise taxes. He went back on his word. He broke his promise in the recent budget and raised some \$90 million more in tax increases and user fees.

During the recent election campaign, this Premier said his Government would be there for the sick and for the poor, the seniors, Mr. Speaker. He went back on his word. He broke his promise in his Budget and he has raised Pharmacare deductions by another 5 percent for the third time. Seniors and patients are outraged, and they are feeling betrayed by this Doer government. Why is the Premier forcing the sick and the elderly to pay millions more dollars in drug costs? Why is he doing it to those people?

* (14:00)

Hon. Greg Selinger (Minister of Finance): It is absolutely remarkable. This is a member who supported the Prime Minister who took away the generic drug industry in this country and cranked up all the fees, cranked up all the profits of the drug companies in this country. We have a very good Pharmacare program in this province. The increases in the deductibles will cost 85 percent. Mr. Speaker, 85 percent of the families will see an increase of between \$1 and \$9 a month because we are paying for the expensive protection offered by the former Mulroney government to the drug corporations.

Mr. Murray: Mr. Speaker, this is astonishing. Not only will the Premier not answer the direct question I asked, but the Minister of Finance again is basically saying to those people, the sick and the seniors of Manitoba, that you are going to have to make the tough decisions because I cannot make them. I say shame on the Minister of Finance and shame on the Premier for not standing in this House and standing for what they said in an election campaign.

It is very interesting that in 1996 when this Premier was then the Leader of the Opposition, and I would like to quote, he said: "It is too bad he did not tell the truth that he was going to cut Pharmacare in Manitoba. They may have voted a different way then

by knowing the truth of what his Government was going to do." That is what the Premier who was then the Leader of the Opposition said. Why did this Premier not tell our seniors, the sick and the poor during the last election that he was going to punish patients?

Hon. Gary Doer (Premier): Mr. Speaker, in 1996 the Tory government, on top of the fact that they were trying to privatize home care in Manitoba, cut over \$20 million right out of the Pharmacare budget, some 40 percent. They cut two thirds of the seniors off. The fact of the matter is—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I ask the co-operation of all honourable members, please, because I need to be able to hear the questions and I need to be able to hear the answer. Also, the honourable Leader of the Official Opposition who just asked a question needs to be able to hear the answer to form his supplementary question because, as we all know, supplementary questions are formed from the initial questions and from the answers that are given by the ministers. I ask the co-operation of all honourable members, please.

Mr. Doer: Thank you very much, Mr. Speaker. We have increased, in fact doubled, the amount of money into Pharmacare. We had a deductible increase before the election to try to continue to sustain the Pharmacare system. The fact of the matter is it is not under provisions of the Canada Health Act and supported even to the same degree other programs are, even though those programs went from 17 percent to 16 percent.

I think we have increased the number of drugs on the formulary by about a thousand. Many of those drugs are very expensive, so we put \$80 million in. The CIHI report indicates since we have been elected we are paying the third-most per capita in Canada in Pharmacare. I would say this is a cost to individuals that are under Pharmacare. It is a cost, Mr. Speaker, to some of the drug plans as well. It has been a doubling of costs for us.

We have said to the national government we are prepared to agree with the new Prime Minister that we need a national Pharmacare program. It was promised in '97. We are willing to be accountable for

all dollars spent in a Pharmacare program. Instead of just the individual drug insurance companies and the provincial government lifting this load, we would like a fourth set of hands called the federal government to have some progress in this regard.

Having said that, we have not cut the money from last year's Budget for seniors and people relying on Pharmacare in this Budget.

Mr. Murray: I think I just heard the Premier say that he wanted to be accountable. Well, Mr. Speaker, then he should be accountable to this House, to all Manitobans, to hardworking people and be accountable for the fact he said he was not elected to raise taxes in the last Budget. What did he do? He raised taxes. He should be accountable for what he said before that Budget was introduced.

Mr. Speaker, what this Premier should have told Manitobans was that he was going to increase taxes, that he was not able to end hallway medicine. He should have told them he was going to punish patients through this Budget. That is what he should have said if he wants to be accountable.

As the member opposite said, maybe then they would have voted differently had they known the truth of what the Government was going to do.

As the Health Minister said when he was in opposition, and I would like to quote. He said, "Will the Premier not admit that his tax grab, his tax on the sick, his tax on medicare, his offloading the cost of medicare and his attacks on the sick and the elderly?" Mr. Speaker, what does the Premier have to say today?

Mr. Doer: I know the member opposite in November wants us to support the balanced budget legislation, in January wants us to support the balanced budget legislation. God knows what his position will be tomorrow or the next day, Mr. Speaker. He is like a little water bug, just flying around the surface.

Mr. Speaker, let me explain, let me explain the difference. In 1996 there was a 40% reduction, \$20 million, and two thirds of the recipients cut off the Pharmacare program. From 1999 to 2004, there has been a doubling of the amount of money going into Pharmacare. That is the fundamental difference.

Pharmacare Deductible Increase

Mrs. Myrna Driedger (Charleswood): In 1998, the NDP was so opposed to Pharmacare cuts that they went so far as to introduce a private member's resolution condemning this action.

I would like to ask the Minister of Health why is he so hypocritical now in supporting Pharmacare cuts when in opposition he called this a tax grab and a tax on the sick.

Mr. Speaker: Order. Before recognizing the honourable Minister of Health, we are starting to get into skating on a little thin ice here, because the words "hypocritical," "hypocrite," and "hypocrisy," when directed at an individual member have been ruled unparliamentary by previous Speakers, and also ruled unparliamentary by other Speakers. I would just like to take this opportunity just to caution all members to pick their words carefully. All members in this House are honourable members, and I think we should treat each other as such. I am just giving a caution to all the members.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, I know the member does not understand, so I will try to explain it to her.

In 1996, the previous government cut \$20 million from the Pharmacare budget and eliminated two thirds of the people who were on Pharmacare. Obviously, we are increasing. We have doubled the amount of Pharmacare. The number of families on Pharmacare will not be reduced. Mr. Speaker, 85 percent of the people who receive Pharmacare will see an increase of \$1 to \$9 per month. That is to pay for a program that has gone from \$62 million when members opposite were government to \$177 million. If it keeps growing at that rate, within a decade it will be larger than the City of Winnipeg budget. We are paying for that. We want to save that. We want to sustain it for the future for all people who require the service. That is why we have added a thousand drugs.

Mrs. Driedger: Mr. Speaker, this Minister of Health seems to forget his position when he was in opposition. During debate on that resolution condemning Pharmacare cuts, the NDP member for Crescentwood said, and I quote, "We run into seniors all the time who tell us that they are choosing between food

and their drugs. . . . That is immoral, but it is also very bad practice because if they do not choose drugs, they will go into the hospital, they will go into nursing homes and we will wind up paying much more for their care."

Does this Minister of Health agree with his Cabinet colleague that Pharmacare cuts are immoral and a very bad practice?

Mr. Chomiak: Yes, that is why we condemned, Mr. Speaker, the members opposite's cuts of \$20 million to Pharmacare in 1996. That is why, when we came to office, we went from expenditures of \$62 million to \$177 million, added up to a thousand new drugs, expanded the number of people on Pharmacare up to 85 000 families from somewhere in the vicinity of, I think, 58 000 to 60 000 families. More people, more drugs, more coverage, free palliative care. That is not a cut.

* (14:10)

Mrs. Driedger: Mr. Speaker, I guess that was then, this is now.

Brandon senior Doreen Murray, who suffers from Crohn's disease, says she sometimes has to skip taking her medications because it is so expensive. Can this Minister of Health tell us how is Doreen Murray going to manage now with his Pharmacare cuts?

Mr. Chomiak: Mr. Speaker, in the income range of \$15,000, the annual deductible increases \$15 per year. In an income range of \$15,000 to \$40,000, the annual deductible increases \$60 per year. That is the vast majority. Up to \$50,000 is well more than half of the Pharmacare recipients, most of whom are seniors and the sick. But we have expanded by almost triple, but double, the amount of coverage we have provided. We provide free palliative care and we pour on drugs like Gleevac that are lifesaving, that are \$20,000 per dose; drugs like Remicade and others that are \$20,000 a year per patient and drugs like Betaseron, et cetera, that are \$20,000. Those were not even covered when the member opposite was the assistant to the Minister of Health at that time. We have expanded the capacity.

Red River Floodway Expansion Budget

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, up until just a few days ago, the official budget for the

floodway expansion project was \$660 million. Then, quietly, the budget for the project changed to \$700 million. Before a shovel has even gone in the ground, before a spade of dirt has even been turned, the project has increased by \$40 million. Can the Minister of Water Stewardship indicate why the Premier (Mr. Doer) has already broken his promise of an on-budget floodway and whether the costs are a direct result of the forced unionization or the expansion of the PST to professional services?

Hon. Steve Ashton (Minister of Water Stewardship): Mr. Speaker, the member opposite clearly does not understand the stage we are at in terms of the floodway and, given the fact that they introduce petitions on a daily basis saying that there may be a floodway, there is going to be a floodway.

We are dealing with a project design and environmental assessment, and I can assure the member if he was to look actually at the projections that have been put in place initially in terms of engineering fees, the impacts of the budget is approximately .15 percent of the budget. I suggest the member perhaps do his homework in terms of the budget for the floodway. I want to assure the members opposite we are going to build the floodway, unlike them.

Mr. Goertzen: Mr. Speaker, we certainly did not get an answer on what that budget was and it seems that before an inch of dirt has even been turned, the costs have increased by \$40 million. Yesterday, when talking to the media, the Minister of Finance (Mr. Selinger) indicated that he could not say what the costs of the project would be as a result of the new PST because, and I quote, "There was not really a line budget for this particular floodway expansion."

Mr. Speaker, how can the Minister of Water Stewardship stand in this House and tell Manitobans that the project will be on budget when his Government, according to his own Minister of Finance, does not have a budget for the floodway project.

Mr. Ashton: Maybe the member opposite, and this may explain some of the confusion with this petition, Mr. Speaker, but this is a project that we are targeting subject to environmental review for construction, starting next year. It will take place over a number of years.

I know there is some confusion opposite because the Leader of the Opposition (Mr. Murray) publicly stated that the federal government was funding 60 percent of the floodway. In fact, his office then phoned my office later on in the day and found out that it is actually 50 percent of the first phase. You know, raise issues first and ask questions later, Mr. Speaker.

Once again, the member is trying to make some big issue about impacts on the budget. The impact on the budget, recognizing that engineering fees are a small part of what we are dealing with, is about .15 percent, clearly not in the range that the member is talking about.

Mr. Goertzen: Mr. Speaker, it is no great trick to stay on budget when you do not actually have a budget in place.

An Honourable Member: It is called the no-trick pony.

Mr. Goertzen: Forty million dollars over an original figure before a spade of dirt has even been turned on this project, Mr. Speaker. Today, we learn that industry officials who have been making preparations to try to build this particular project cannot get an immediate meeting for negotiation and that the Premier (Mr. Doer) has not responded to that request. This project is quickly, quickly spiralling out of control.

When can we expect a final budget to be released? When can we expect forced unionization off the table? When can we expect forced union dues off the table, and when will the Premier respond to the industry's request for a meeting?

Mr. Ashton: Mr. Speaker, the member does not understand the difference between the provincial Budget for this fiscal year and the fact that we are going to be building the floodway starting in 2005, 2006, 2007, 2008, 2009, and that the figures that have been put forward are indeed the projected budget figures that have been the working figures for the last year. That has not changed. Then I could understand why he stands up daily and brings in a petition and says they may build a floodway.

If they were in government, there would not be a floodway.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. May I remind all honourable members when the Speaker is standing, all members should be seated and the Speaker should be heard in silence. I ask the co-operation of all honourable members.

The honourable Member for River Heights has the floor.

Water Stewardship Budget

Hon. Jon Gerrard (River Heights): After four and a half years of NDP stewardship, Manitoba now has many lakes which have been moved to the critical list. Lake Winnipeg is worse than Lake Erie was in the 1970s. Killarney Lake was so bad last year it drove away tourists.

The Government, in yesterday's Budget, reduced the budget for Surface Water Management by 6 percent from that in 1999, decreased the Ground-water Management budget by 9 percent from 1999 and lowered the Aquatic Ecosystem Management budget by 15.5 percent from what it was in 2001.

I ask the Minister of Water Stewardship why, with so many lakes in crisis, he has reduced his budget in such critical areas.

Hon. Steve Ashton (Minister of Water Stewardship): I find it passing strange that the member opposite, who was part of the federal government that dramatically cut spending in environment in the 1990s, would then stand up and lecture this Government which has taken direct action in dealing with the situation facing water in this province.

I point out, Mr. Speaker, we have taken action. We have not only adopted the licensee recommendations in terms of city of Winnipeg waste water, we have worked with the federal government and the City of Winnipeg to actually fund now the first step of nutrient removal and dealing with the huge problems that are in place which we inherited from the Tories in terms of city of Winnipeg waste water.

We have done the same in terms of the Maple Leaf plant, in terms of licensing decisions. We have put in place the Lake Winnipeg Action Plan last year. We are moving on, dealing with the crisis. I can

guarantee the member opposite that over the next year, with The Water Protection Act, which I would urge members of the Legislature to support, we will move ahead.

Killarney Lake Water Quality

Hon. Jon Gerrard (River Heights): Lake Winnipeg and Killarney Lake continue to get worse, Mr. Speaker. The Minister of Water Stewardship this year alone increased his budget for administration by 47 percent. This year alone the Minister of Water Stewardship cut his budget for fisheries and water quality services by \$463,000. While bureaucracy goes up, the capacity to deliver critical services has been reduced.

It is no wonder that Lake Winnipeg, Lake Manitoba, Lake Winnipegosis, Wekusko Lake, Killarney Lake and many others are facing a crisis. The Government is in disarray on this file.

I ask the minister why, up until Monday, he had not even met with the people from Killarney, who had been asking for a meeting for three months to talk about the very serious water quality issues in their lake.

Hon. Steve Ashton (Minister of Water Stewardship): Maybe, Mr. Speaker, the member would like to talk to the Member for Turtle Mountain (Mr. Tweed), who has raised the interest of this group in meetings with me. I have indicated I will meet with them in the Turtle Mountain area. I do not believe in holing up in this building.

I would like to stress that the member opposite should check the Budget, check the fact we have made a real commitment. We have put in place the Lake Winnipeg Stewardship Board. I can tell you we have also put in place the Lake Winnipegosis advisory board. We are working throughout the province. If the member opposite, along with other members opposite, will support The Water Protection Act and expedite it through this Legislature, we can be leaders in this province, because that is what that act will do.

* (14:20)

Mr. Gerrard: Mr. Speaker, the Government will get nowhere without the budget to deliver on the

commitments in these acts. The Minister of Water Stewardship talks a good line but he fails when it comes to action. People in Killarney, I talked to Mr. Alvin Jones the other night, a councillor. He and others have been trying to meet with the minister for more than three months.

A crisis in water management and there is a waiting list to see the minister. Why has the Water Stewardship minister been so full of his own rhetoric but not able to take the time even to go to Killarney to meet with people there for more than three months?

Mr. Ashton: Coming from a leader who did not even bother to visit northern Manitoba during the provincial election, I do not need lectures about visiting any part of this province.

I point out this Government's record in terms of water. We brought in The Drinking Water Safety Act. We put in place 12 drinking water officers. We put in place some of the toughest regulations.

In terms of the livestock industry, we have 16 new inspectors in place. We have put in place new investments in terms of capital infrastructure in this province. We now have one of the growing fisheries in terms of sports fisheries, partly because of members opposite and work we continued.

So we need no lectures from the member opposite. We are committed to solving the problems in terms of what we have recognized exists. We are well on the way to doing that, Mr. Speaker.

Red River Floodway Expansion Impact on Ground Water

Mr. Gregory Dewar (Selkirk): Mr. Speaker, my question is to the Minister of Water Stewardship. Municipal leaders and residents of the R.M.s of St. Clements, East St. Paul, Springfield have expressed concerns that the expanded floodway could have some impacts on their ground water and their drinking water in their area. My question is to the minister.

Could the minister tell the House today what action he has taken to alleviate their concerns?

Hon. Steve Ashton (Minister of Water Stewardship): Mr. Speaker, I really appreciate the Member for Selkirk raising these issues because, as much as

the floodway expansion will dramatically improve flood protection for the city of Winnipeg and for parts of the Red River Valley, we have made it very clear, right from the fact that the Premier made the announcement of the expanded floodway in Selkirk itself, recognizing that we are concerned about potential impacts in the Selkirk area, we are concerned upstream and downstream. So that is why we have put in place two engineering studies that will be completed in June that will look at ground water issues.

In the design stage itself, Mr. Speaker, we are going to specifically work, not only to deal with capacity issues, but those ground water issues. We have also committed to compensation for flooding above natural level and mitigation to deal with any ground water impacts. We know there were impacts in the sixties. We do not want to see people in 2004 suffer the same kind of impact where those impacts took place and there was no mitigation. So we are listening to people, not just in the city of Winnipeg but both upstream and downstream of the floodway expansion.

Mr. Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Selkirk Steelers

Mrs. Bonnie Mitchelson (River East): As has already been talked about in this Chamber, I rise today to applaud the success of the Selkirk Steelers in the Manitoba Junior Hockey League Championship. This is the first title for the Steelers in 17 years.

Inspired by their head coach, Doug Stokes, the team had a most successful season, with the record 44, 19 and 1. The Steelers will continue their battle as they face off against Saskatchewan's champion, the Kindersley Klippers, in the ANAVET Cup, April 24 to May 2.

Our Manitoba junior hockey league players come from all across Manitoba and from our neighbouring provinces, giving Manitoba a fine reputation in the world of hockey. I commend the hard work of all Manitoba junior hockey league players. They have put forth a tremendous effort this season.

Each Selkirk Steelers player has contributed to the victory of the team, and I would like to

acknowledge the individual players at this time. The roster includes: Justin Harris, Bryn Davies, Jason Tuthill, Jearum Kurtz, Jamie Dowhayko, Scott Zieba, Brian Bate, Jeff Penner, Jordy Johnson, Skyler Berman, Steve Lajoie, Dustin Hughes, Ken Selby, Travis Kornelson, Kyle Ladobruk, Steve Sleep, Chris Stelmack, Hans Benson, Evan Walsh, Matt Johnson, Ryan Menei, James Marquis, Jordy Black and Cole Dowhan.

I have had the pleasure of attending some of the Steelers games this past season and have enjoyed the opportunity to watch truly talented, highly skilled, and hard-working athletes. This team and their loyal fans are passionate about hockey. Undoubtedly, the game of hockey is an important part of Canadian culture but especially so here in Manitoba where so many fine players have had their first taste of the sport.

The hard work, dedication and team spirit that the Selkirk Steelers have displayed throughout the regular season and the playoffs is truly deserving of our recognition. I extend heartfelt congratulations as they travel to Kindersley this weekend for the first two games, and I would encourage all members of the Legislature to attend one of the games in Selkirk on April 27, 28 or 29 to support our Manitoba junior champions. Thank you.

National Volunteer Week

Ms. Kerri Irvin-Ross (Fort Garry): Mr. Speaker, National Volunteer Week is a special time set aside in April to honour Canadians who give of their time and energy to their fellow citizens. The week raises awareness of the vital contributions volunteers make to our communities and to the identity and values of our province. Each and every day Manitobans are hard at work volunteering with community services, serving on boards and community organizations, assisting art and cultural organizations, supporting charitable causes, and helping children, seniors, families and disadvantaged people.

In Manitoba, volunteers are recognized through annual awards presented by His Honour Lieutenant-Governor Peter M. Liba. Eight regional awards known as the Lieutenant-Governor's Make a Difference Award are presented annually, and one is chosen to receive the provincial Lieutenant-Governor's Vice-Regal Volunteer Award. As well, the Manitoba Premier Volunteer Service Award

honours the efforts and dedication of outstanding volunteers in Manitoba and recognizes the valuable services performed by volunteers throughout the province.

One of this year's individual winners is Christina Hazzard from Fort Garry. She has been an active volunteer with community services and non-profit organizations assisting in public speaking at Camp Stephens and pre-employment organizations supporting charitable causes. Christina has volunteered with countless projects and community events helping children, seniors, families and disadvantaged people. She volunteers as a fitness instructor at the three branches, the YM and YWCA and speaks about linking volunteers with charities. She is also an advocate for animal protection.

Christina is among 36 percent of Manitobans who are volunteers, the highest level of citizen participation in Canada. Without them, countless projects, charities and community events would cease to exist. We can take great pride in the fact that we have so many concerned and caring citizens in our province. Mr. Speaker, volunteers truly build and strengthen Manitoba communities. On behalf of all the members of the House, I wish to thank and honour the many individuals, groups and organizations that make Manitoba unique. We celebrate National Volunteer Week as a way to thank and honour volunteers past and present and to encourage our young people to get involved in their communities. Thank you.

Pharmacare

Mrs. Myrna Driedger (Charleswood): I rise today to express my outrage over this Government's willingness to infringe on the health benefits of Manitoba's elderly and poor in a failed attempt to balance Budget 2004. The Premier (Mr. Doer) is once again forcing Manitobans to open their wallets and pay for the inefficiency and fiscal management that permeates all levels of his Government.

* (14:30)

The Government's third consecutive 5% increase to Pharmacare deductibles most severely impacts the province's most vulnerable citizens, the sick and the elderly, who are now facing the difficult decision of what to cut from their already tight finances. The Pharmacare increase comes on the back of another

NDP policy taking Alzheimer's patients off their medication when they enter a personal care home. These actions amount to an assault on the sick and the elderly and once again call into question the priorities of this Premier.

Health funding has increased by 49 percent since 1999, a billion dollars. But, in real terms, nothing has changed for the average Manitoban. Waiting lists are growing, administrative costs have skyrocketed and the sick and the elderly are now being forced to choose between milk and medicine. This Government desperately needs to re-evaluate its priorities and put an end to this assault on already vulnerable Manitobans.

National Day for the Elimination of Racism

Mr. Cris Aglugub (The Maples): Mr. Speaker, on March 20 I was pleased to mark the International Day for the Elimination of Racial Discrimination with the Ugandan-Canadian Association of Manitoba who were hosting a dinner in celebration of this event. I was privileged to attend and brought greetings on behalf of the Government and the Minister responsible for Multiculturalism (Ms. Allan).

On March 21, 1960, in South Africa, 69 citizens were killed by police during a peaceful demonstration against apartheid laws. As a result, March 21 was declared International Day for the Elimination of Racism by the United Nations. The purpose of this day is to raise awareness about racism throughout the world and to encourage people to work together to oppose and eliminate racism.

The event that was held at All Saints Church included cultural displays and performances and greetings from different levels of government. The day was an overall success thanks to the hard work of the many volunteers in the Ugandan-Canadian community. Therefore, I would like to thank the chair of the Ugandan Association, Hamza Mbabaali and the many volunteers and Friends of the Makaerere for the dedication of their time and efforts.

The celebration of this event is important for all citizens around the world including many of us here in Manitoba. It is especially pertinent for our province because of our cultural diversity and the large number of immigrants who have made and are still making Manitoba their home. However, there

are many forms of racism that still exist today and which still have to be addressed.

The recognition of March 21 as the International Day for the Elimination of Racial Discrimination is an important day for our province. As a diverse, multicultural society we must continue to promote understanding, tolerance and respect for all Manitobans. Thank you, Mr. Speaker.

Provincial Sales Tax

Hon. Jon Gerrard (River Heights): I speak today to express my concern about the application of the retail sales tax to legal and other professional services in the NDP Budget presented Monday. I am advised that no advance notice was given to the legal profession about this substantial tax on services and to have a discussion about its implication. The tax was poorly thought out and it shows.

The Government is trying to impose a goods and services tax rather than a retail sales tax. If it continues, the whole tax should be renamed appropriately. It is not a GST or harmonized sales tax as we know it now. It will not provide a credit to the poor like the GST. It will be subject to double taxation. As it has been put together, it is just a bad idea.

This is a tax on the working poor, a tax on the mother who needs legal services in relation to child support. This is a tax on all those who seek fundamental justice. This will make it harder for those who are seeking legal action to correct wrongs and abuses by individuals, by corporations or by governments. This is a tax on those who are concerned with the environment. This is a tax on all those who seek legal action to improve our province's environment. This is a tax on seniors and on non-profit agencies who need legal services.

It is a tax which is like the GST but which is different from it in the exceptions, the applications, the climate for reporting. The new tax will mean lawyers will need to hire more accountant services in order to provide legal services so that their efforts will be doubly taxed, twice taxed. It is a terrible tax.

The Liberals call on the NDP government to immediately withdraw this tax on legal services.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader, on a point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, by leave of the House or by the unanimous consent of the House, I would ask if we could have another member's statement this afternoon since this is a time-sensitive statement and one which reflects on the volunteers of this province and is directly affected by the member who is going to make the statement.

Mr. Speaker: The honourable Government House Leader, on the same point of order or issue. I called it a point of order but it is not a point of order, but go ahead.

Hon. Gord Mackintosh (Government House Leader): Just to clarify, my understanding is that there have already been members' statements from members opposite today. They got to choose their topics in their caucus, so I do not understand the nature of the request. I mean, there are a certain number of statements allocated to each caucus each day, Mr. Speaker.

Mr. Derkach: Mr. Speaker, I would just like to indicate to the House that we are prepared to forgo a members' statement tomorrow in lieu of having one today.

Mr. Mackintosh: I have had discussions with the Opposition House Leader on the understanding that the government side will pick up their one allocated members' statement tomorrow. We would consent.

Mr. Speaker: Order. Is there unanimous consent of the House for the official opposition party to give up one of their members' statements to the government side tomorrow in order to have an extra member's statement today? Is there unanimous consent of the House? *[Agreed]*

It has been agreed to, so tomorrow in members' statements the Government will have four and the Official Opposition will have one for tomorrow only.

National Volunteer Week

Mrs. Mavis Taillieu (Morris): Mr. Speaker, I rise today to put a few comments on the record in regard

to National Volunteer Week. This week, as Manitobans we had an opportunity to thank and celebrate the many volunteers in our communities for their efforts in making volunteerism thrive at the local community level.

Volunteerism is integral to our way of life as Manitobans. Every year the volunteers spent countless hours working in local organizations, agencies, groups and boards. This week is our time to recognize and applaud those individuals for their commitment to their communities. We all know of the benefits of volunteerism. Not only does it improve the lives of those served but also those of the volunteers themselves.

Manitobans have a long history of helping people build better communities, people who have survived floods, droughts, blizzards and crises such as that facing our cattle industry with the discovery of BSE last May. They know how much they depend on each other. No less than 40 percent of Manitobans routinely volunteer their time and skills. At the turn of the millennium there were more than 4000 active charities, 10 000 non-profit corporations, and at least 30 000 grass-roots groups with \$4.5 billion raised. That was at that time 15 percent of our gross domestic product and more than half of the taxes raised in the province.

* (14:40)

Mr. Speaker, as Manitobans we have a special opportunity to make a difference this upcoming year. Let us make this week a time to reflect on how we can become more involved in our volunteer activities. Thank you very much.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

ADJOURNED DEBATE (Third Day of Debate)

Mr. Speaker: Resume debate on the proposed motion of the honourable Minister of Finance (Mr. Selinger) and the proposed motion of the honourable Leader of the Official Opposition (Mr. Murray) in amendment thereto, standing in the name of the honourable Minister for Energy, Science and Technology, who has 19 minutes remaining.

Hon. Tim Sale (Minister of Energy, Science and Technology): Mr. Speaker, yesterday I was commenting on the issue of the affordability of our Government in terms of the burden that is placed on the economic resources of our province, and I want to underline an outstanding achievement on the part of our Minister of Finance and our Government in regard to reducing the burden of government on the province, which is why, of course, the citizens of Manitoba have more than 5% additional disposable income today after five years of our Government as opposed to the dark era of the 1990s when they lost more than 5 percent of disposable income under the previous government.

In 1999, when we inherited a budget that had a lot of holes and non-provided-for expenditures in it, the burden on the economy was 20.2 percent of our GDP, Mr. Speaker, total provincial expenditures. Today it has fallen to 18.6 percent, which is a remarkable amount of change in an amount of money that is over \$40 billion. So to lower the burden on the economy by some 1.6 percent of GDP over that short period of time is a very, very significant achievement.

I want to comment on the somewhat remarkable observations of the Leader of the Official Opposition, who clearly has no understanding, conceptually, of how budgets work and how expenditures work.

Repeatedly in the House, Mr. Speaker, he has said, you know, if we did not spend money on a VLT upgrade, if we did not put a laundry in the Health Sciences Centre, if we did not do those things, we could have increased the bottom line of our current expenditure budget. I expect that most members of this House, but obviously that does not include the Leader of the Opposition, understand the difference between capital and operating expenditures.

In fact, the capital that will be expended by the Lotteries Corporation to continue to invest in upgrading the Lotteries Corporation's assets has no impact at all on the operating budget of our province this year, firstly because the capital is not going to be expended until later in this year and therefore will have no amortization effect on the budget of the Lotteries Corporation until next year. So first of all they are wrong on the facts. Secondly, they are wrong on understanding the difference between capital and operating budgets.

Let us talk about the laundry. The laundry at Health Sciences Centre is in a building that was constructed before the turn of the last century. I think that probably the current Member for Charleswood (Mrs. Driedger), who is a former nurse, would understand that it is fairly important to have clean linen in a hospital. So, when the Leader of the Official Opposition disparages the cleaning of bed-sheets as a Laundromat, as though the nurses carry the dirty sheets down to the corner and stick them in the Laundromat, he betrays his misunderstanding of two things. He betrays his misunderstanding of the importance of clean linen in a hospital and all the things that a laundry does, and he betrays his misunderstanding of the capital nature of such an expenditure.

When the laundry is rebuilt at Health Sciences Centre for some \$20 million or slightly more, first of all, it will have to be designed; secondly, it will have to secure the equipment; then we will have to build. It is two to three years from now. When it is built, it will be amortized, like any other major health facility is, over 20 years.

So, when the Member for Kirkfield Park (Mr. Murray) stands in his place and says if you did not build a laundry we would not have a deficit, he does not understand budgets, he does not understand accounting, he does not understand our health care system. He has a lot to learn about all of those issues.

My first point on our Budget is that it is fiscally a responsible and balanced Budget. We have lowered the burden on taxpayers. We have lowered the burden on the economy. We have made government more affordable. We take 18.6 percent of our GDP now. When we formed government, it was 20.2 percent of GDP. So we are a lower burden on the economy.

I now want to talk about how this Budget is economically balanced. Over the last five years, we have reduced taxes in this province over \$340 million. We have reduced the large business rate, the corporate tax rate, for the first time since the Second World War. No members opposite ever did that. When they were in government they did not think of it. We have reduced the small business tax rate by some 40-plus percent. A 40% tax rate in any tax over a mere four years is an incredible rate of reduction which has put more money into the job creating engine of our economy, small business. We did not

just reduce the tax rate on small business. We increased the amount of small business earnings that are subject to that small business tax to the point where by next year we will have doubled the amount of business earnings that are subject to the small business tax. We will have reduced the rate by over 40 percent. We will increase the threshold by almost 100 percent. That is an enormous benefit to our small business community.

This Government has also made sharp improvements to the taxation situation. Our middle income tax bracket has gone down. We have raised the thresholds for the lower tax brackets, Mr. Speaker. Where the previous government cut property tax credits by \$75 per household, we have increased them by \$150 per household. So we have made the burden of property taxes, the burden of income taxes, the burden of business taxes significantly less. Our tax reductions in aggregate are much greater than any previous government has ever undertaken in this province's history. We are very proud that we have invested in the critical areas of our economy and we have reduced the burden on taxpayers.

Mr. Speaker, this Budget is also environmentally balanced, and I want to refer to some of the tremendous work that is being undertaken by the Minister of Conservation (Mr. Struthers) and the Minister of Water Stewardship (Mr. Ashton).

For example, we will have proclaimed one of the strongest drinking water acts in North America when we pass the legislation currently before the House, and I urge all members opposite to recognize that the water stewardship issue is a truly non-partisan issue. It benefits farmers; it benefits rural businesspeople; it benefits all those who live in rural Manitoba; it benefits those who live in our cities; it will benefit northern residents. If we improve the water quality of this province, everybody wins.

* (14:50)

I urge them to treat the legislation that the Minister of Water Stewardship has placed before this House as the highest priority for speedy consideration in committee and speedy passage in this House. There is no more important legislation than water stewardship legislation.

We have hired 12 new drinking water officers. Where this previous government, Mr. Speaker,

eliminated water testing support, we have reintroduced support for water testing. We have reintroduced accountability by requiring that the results of those tests be shared with the Department of Health in all cases. We have required that 12 new drinking water officers get out there and assess on a continuous basis the quality of our drinking water.

We have hired 16 new agriculture inspectors who will look at our livestock operations, Mr. Speaker, 16 additional full-time inspectors who are looking at lagoons, looking at run-offs, looking at cattle or other ruminants that are pasturing too close to riparian areas. We have added \$2 million to the drainage budget.

We put in place for the first time the kind of study regime on the great lakes of our province so that we can stop the nutrient loading that is going on and we are going to stop that by looking at all of the points of nutrient loading. I have to tell members and, Mr. Speaker, I am sure you know this, that some 70 percent of the phosphorus that flows into our Lake Winnipeg comes from the United States. It comes down the Red River.

An Honourable Member: How much heavy metal comes from the city? How about the toxins and the acids that come from the city? You are always blaming somebody else.

Mr. Sale: So we have a tremendous responsibility to reduce all of the points of pollution. That is why, in spite of the nattering from the Member for Russell (Mr. Derkach), the City of Winnipeg for the first time will have the support through the federal-provincial infrastructure program to begin to separate out those old combined sewers that are in the older parts of our city. Some \$65 million which was this Province's priority for that infrastructure program, Mr. Speaker, because we think that the things that really matter are the basic infrastructure of water and sewer.

I am delighted that our Minister of Water Stewardship (Mr. Ashton) and our Minister of Conservation (Mr. Struthers) continue to oppose the Garrison Diversion strongly, are prepared to take action to stop the Devils Lake channel from being dug by North Dakota so that we will face possible cross-contamination from one ecosystem into another.

I am also very proud of the work that is being done in my department to bring in new renewable energy forms, Mr. Speaker. The wind farm in St. Leon, which is in the honourable Member for Carman's (Mr. Rocan) constituency, will be the largest wind farm in Canada when it is approved in the very near future. It was such a positive project that it sought and received an environmental licence in record-quick time because it had the support of farmers; it had the support of the local councillors. It produced one of the cleanest environmental impact statements that has ever been tabled in this province, and I am delighted that it was licensed in spite of opposition from one of our environmentalists, who seems to be opposed to everything, including wind farms. I am delighted that her opposition did not stop this project from going forward.

I am also absolutely delighted that most members opposite are supporting the ethanol strategy of this Province, because that will lower the burden of emissions from tailpipes. It will lower in a significant fashion global greenhouse gas emissions. I am delighted that we have a bio-diesel plant which is currently touring our province involving our trucking industry and our great fleet operators, as well as our farm community, our canola producers, our rendering plant operators, particularly Rothesay, because bio-diesel has an even better environmental impact than ethanol. It has a 3.6 energy balance. In other words, there is 3.6 units of energy produced for every 1 unit of energy used in its production. It dramatically reduces tailpipe emissions.

I am pleased that the city of Brandon is going to be experimenting with a bio-diesel fuel mixture in the very near future, because I think it shows leadership from one of our great cities and it shows the kind of co-operation between a local bio-diesel producer, who, I believe, lives in Rapid City and is producing bio-diesel from waste cooking oil. So a waste that would perhaps in the past simply of been disposed of is now going to be used in a new product, bio-diesel fuel, which will reduce the tailpipe emissions, reduce soot emissions, reduce carbon monoxide, carbon dioxide, and will improve the life of the diesel engine to boot. It is very interesting that research on bio-diesel has shown not only does it have environmental benefits, but it also extends the life of the diesel engines because they burn cleaner with less wear and better lubrication. So I am very, very pleased with the new work that is being done in regard to energy.

I am also very pleased at the commitment of the Department of Agriculture, the Department of Conservation, Water Stewardship and my own department to put in place Efficiency Manitoba, which is a first in Canada to have a province-wide one-stop shop advocacy for energy efficiency and waste reduction.

This morning I was privileged to take part in one of the first announcements that will fall under Efficiency Manitoba's auspices, namely the Community Climate Change Challenge, which we call C4 for obvious reasons, which will invite participation from a wide number of Manitoba communities to reduce their energy usage, to increase their recycling efforts and to generally improve their overall efficiency as communities, thereby freeing up scarce dollars for use in infrastructure and for tax reductions, and generally to put into consumers' pockets.

I was delighted to have the presence of the Association of Manitoba Municipalities, as well as spokespersons for the community environmental sector, who have been partners with us in designing this initiative and spoke very positively about the partnership that has been developed. As well, I was very pleased that the federal government has committed significant resources under their One-Tonne Challenge program to make this C4 challenge a reality for Manitoba communities.

Finally, in my comments in regard to the good work that is being done by this Government and is exemplified through this Budget, I want to talk about our education system, because perhaps there is no more clear economic policy for the future than a strong educational policy. Speaker after speaker who has looked at the productivity of economies has said over and over and over again, that if you invest in the formation of capital, that is human capital, at the earliest years and then sustain that capital formation through elementary, secondary and post-secondary education, that that is the single best investment you can make to grow your economy. We could talk about infrastructure and broadband and all of those other things, but when cost-benefit studies are done, it shows up in Japan, in Sweden, in the United States. In Minneapolis there was a conference recently on the same issue, that the best investment you can make to grow your economy is to invest in education, specifically in the earlier years.

This province, unlike most Canadian jurisdictions and certainly at a rate above other Canadian jurisdictions, has invested in our youngest citizens, over 68 million new dollars into early childhood, prenatal, postnatal, early childhood development, early childhood supports, child care and development.

* (15:00)

Not only are we investing, but in partnership with our school divisions we are recording whether those investments are paying off. For the first time in history, by next year two thirds of our school divisions will be administering the Readiness-to-Learn assessment tool, education development tool, at kindergarten entrance. That is where testing and assessment really make sense, finding out at the earliest time in a child's educational career, are they ready to learn, are they socially ready, are they intellectually ready, are they physically ready?

So the EDI index for the first time is being used on a province-wide basis to measure whether our investments in early childhood are paying off. Then, Mr. Speaker, as you have heard from our Minister of Education (Mr. Bjornson), who is doing a fine job, this Government has vested every year at the rate of growth of our economy in our public school system. We have put over a hundred million new dollars into that system. We have invested in capital over two hundred million dollars into that system.

At the postsecondary level we put up \$50 million. The University of Manitoba has raised \$237 million for capital investment. We have got more nurses training. We have got more technicians training. We have got more doctors training. We are investing in education because we know that when you invest in little kids, when you invest in school age kids, when you invest in post-secondary education in our college challenge that we will have a stronger economy because we will have stronger people. That is what our Government stands for, a strong economy realized through environmental, economic, educational and fiscally responsible policies, which this Budget shows at a level that was never matched by the previous government, Mr. Speaker. Thank you very much.

Mrs. Myrna Driedger (Charleswood): I am pleased to have an opportunity to put a few words on the record about the NDP's fifth Budget. This was a

budget of underachievement and, like last year, it was also a budget of missed opportunities. What we are seeing is overspending and underachieving.

How can a government add over a billion dollars in new money into their spending and how can we see so little for it? That really is quite alarming. Why is that? A billion dollars should buy a lot. What is it? What has gone wrong here? Is it wrong priorities? Is it poor choices? Is it no plan?

Probably, Mr. Speaker, it likely is some of all of the above, but I would also probably like to add no clue and NDP math as other factors that fit into that. The Doer government is driving programs to the lowest common denominator. They are promoting mediocrity when they should be promoting excellence. The Doer government is truly not worried about spending. I do not think they worry about spending. They are quite prepared to rob Peter to pay Paul. But what they have left Manitobans with is no hope and no plan for the future and no vision for this province.

It is also showing that we already have a lazy, tired and arrogant government, a government just at the beginning of their second term but already demonstrating that laziness, that tiredness and that arrogance. It is a government that takes the easy way out. They are not prepared to make the tough decisions which prudent governments do to properly manage their finances. Sure, it might affect your popularity if you have to make a tough decision, but good governments are here to make good decisions for the betterment of the province and we are not seeing that from this Government.

When you are in the hole, the first thing you should do is stop digging, not exchange your shovel for a big piece of heavy equipment to dig even more and dig even farther and deeper.

An Honourable Member: And then unionize it.

Mrs. Driedger: As my colleague said, and then unionize it. They based this Budget on job growth and economic growth that may not be there, and they are betting that interest rates are going to go down. Well, Mr. Speaker, with interest rates as low as they are, do they really believe they are going to drop any further?

Mr. Speaker, in their third quarter will we see that they overestimated growth? Will we see that

they have overestimated job numbers increasing? They are desperately hoping for more money from the federal government. So, they have based this Budget on a lot of factors over which they have very little control. They are looking for job growth, they are looking for economic growth, they are looking for interest rates to drop and they are desperately looking for increased dollars coming from the federal government.

But, Mr. Speaker, you have to wonder where are they going to go looking for more money when they run out. Where can they go, because in their third quarter it certainly looks that we might see an overestimation of their future. So where do they go then? The Fiscal Stabilization Fund is almost depleted. Which Crown have they not touched? Which taxes and user fees have they not raised?

The Doer government is going to have to really thread a needle for all of this to come together as they are hoping for. They have built this Budget on irresponsible assumptions which are going to be very hard to achieve and they have left themselves no wiggle room. There is absolutely, in this Budget, Mr. Speaker, no room for error. That is a gigantic expectation of an NDP government. That they will not have errors or overspending. They have put a lot at risk with this Budget in this province.

What this Budget showed us is an NDP party that looks a lot like the old traditional NDP. A government more comfortable with taxing and spending and avoiding some very tough decisions.

The Doer government, like all NDP governments, is saddled with a basic flaw in how they think and in how they see the world. They do not understand that in order to have money for our cherished social programs, you must first have a strong, healthy, vibrant economy to raise the money to then invest in the programs. Raising money by increasing taxes and user fees by over \$90 million can hardly be called an economic vision. In fact, Mr. Speaker, there is a word that comes to mind. That word is oink.

Mr. Speaker, it is alarming to see this gargantuan increase in taxes when this Premier said he was not elected to raise taxes. Well, taxing entrepreneurs, our accounts, our architects, our engineers and our lawyers can hardly be called an economic vision. In fact, Dave Angus, the president of the Winnipeg Chamber of Commerce, said that this Budget is

going to hurt individuals. This particular aspect of this Budget, this 7% PST raise on this entrepreneurial tax is certainly going to hurt individual and business taxpayers. He said that those are taxes entrepreneurs pay for growth. He said that not only is the provincial government not fixing the fiscal framework that we have in order to attract investment, they are actually implementing broader measures to drive it away.

Mr. Speaker, that does not say a lot about this Budget. Attacking the trucking and farming industry by raising the tax rate on diesel fuel can hardly be called an economic vision. Raising vehicle registration fees is going to hurt families, and that can hardly be viewed as an economic vision. Raising Pharmacare deductibles another 5 percent is nothing more than a continuing assault on our elderly. Again, that too is not part of any economic vision.

Mr. Speaker, we have already seen this Government cut Alzheimer's patients off of special drugs in Winnipeg personal care homes and a VP of the WRHA has said that this is a financial necessity. This Government has ignored an Alzheimer's strategy for the past two years, a strategy that has been put together in consultation with 3000 people. Had this Government seriously looked at this strategy, then they would not have gone down the road of discriminating against these seniors, these Alzheimer's patients in personal care homes and taken them off a drug that is extremely important to their quality of life. That is discriminatory, and it certainly comes close to trampling on human rights.

Mr. Speaker, what other drug would ever be taken away from a person that enters a personal care home to see if that drug is working or not? Would we ever do that for a high blood pressure drug? Would we ever do that for a heart drug? No, we would not. So it certainly is discriminatory to go down this road, to take it away from these patients. On top of all of this, this is a very two-tiered decision, because what this Government is doing is saying that, if families really want their loved one on that drug, that person can be left on the drug as long as the family pays for it. Interesting coming from a government that is so opposed when it suits them to two-tiered but certainly goes down that road when it suits them on the other hand.

Pharmacare is another issue that we have grave concern about, Mr. Speaker. They have increased the

deductible 5 percent over the last three years. In opposition, the Minister of Health (Mr. Chomiak) called this a tax grab and a tax on the sick. What hypocrisy. That was then, this is now. He must have really been choking, I think, when he had to put this one together and when he is trying to sell it, especially to his Cabinet colleagues, and we certainly know where the NDP member for Crescentwood was on this issue when he was in opposition calling any Pharmacare cuts immoral and a very bad practice. Why did not the member for Crescentwood have some influence then on his Minister of Health or why did not his Minister of Health—

An Honourable Member: He sat on the Treasury Board.

Mrs. Driedger: Well, my colleague points out that the member for Crescentwood sat on Treasury Board and approved this cut.

Mr. Speaker, Pharmacare deductibles have risen by 15 percent in the last three years. That is up to \$108 in cost to some people, and seniors and the poor are the most vulnerable to this attack. Many of them are on fixed incomes. This is a big expectation to expect these people are going to easily find the money. So what does it become, a difference between choosing between medicine and milk?

Even the Premier of this province on CKY the other day admitted that this was not a policy that was going to make things easier on our seniors and on the poor. But the Premier (Mr. Doer) has also said that he was not going to save money on the backs of patients, and that is exactly what he is doing and has allowed his Government to do.

Mr. Speaker, the Manitoba Society of Seniors said that this is going to mean the difference between milk and medicine for a lot of people. So one has to ask where is this Government's priorities? Why do they not scrap a plan for a \$20-million Laundromat and redirect that money to Pharmacare? Why allow RHA administrative costs to skyrocket over the last three years? If they had controlled these in the first place, we would not have reached the point where Pharmacare deductibles have to be raised and for seniors and others on fixed incomes to decide milk or medicine.

* (15:10)

Mr. Speaker, without a plan for creating economic prosperity, where are we left? Where was the plan to attract jobs to Manitoba, to attract investment, to attract businesses to set up here, to create jobs, to keep our young people here, to provide hope and prosperity?

Mr. Speaker, there is development in Winnipeg, but most of it is funded by public dollars. Where is the private investment? Where are those businesses coming into Manitoba to set up here and where are those jobs that we should be attracting to Manitoba to help to improve our economy? We do not see that now and we do not see it in this Budget where this Government has that economic vision to make it happen.

Where was the plan in this Budget to convince businesses to stay here? Why is the Doer government always talking about exporting Hydro? Why not talk about convincing businesses to reallocate here because of the benefits inexpensive Hydro rates can offer to them? Where is the long-term business plan for Hydro? Where is the strategy, and where is the vision, Mr. Speaker? I am speaking about Hydro. Let us talk about that for a minute.

Mr. Conrad Santos, Deputy Speaker, in the Chair

The Doer government has raided Hydro of over \$200 million. Hydro did not have it. They had to borrow it. It has cranked up Hydro's debt. Now Hydro is talking about a 25% rate increase over the next few years. Again, NDP math, Mr. Deputy Speaker. They take the easy, lazy way out, and it seems to be the NDP way. What does this show us? It shows us a Premier with a spending problem. This Premier does not have a revenue problem; he has a spending problem. Over a billion dollars in new money, yet they have spent far more than what they have taken in.

According to the Auditor General, this Premier has posted three straight years of deficits. Instead of trying to reduce costs over the years, he has continued to crank up his spending and now he is nickel-and-diming us to death, digging deeper into the pockets of Manitobans by increasing taxes and user fees; \$90 million of that in this Budget alone.

The Auditor General wants the Doer government to adopt generally accepted accounting practices. This Government does not want that kind of

transparency and accountability, because the glare of the light on how they are managing this province's finances will be too bright for them. It makes them nervous. The Cabinet ministers do not want to lose any part of their salaries for failing to show a balanced Budget. So they are probably not going to go down this road and that does not say a lot to Manitobans.

Mr. Deputy Speaker, this Premier should put as much effort into reducing taxes as he does looking for loopholes in balanced budget legislation. While there is no projected draw on the rainy day fund in this Budget, there is just over \$100 million left in the fund as compared to the legislated 5 percent that is recommended. I imagine that one crisis this year, maybe SARS or a contaminated water problem, is going to wipe that out. What, then? I have said it before and I will say it again. Trusting the NDP to be good stewards of money, especially other people's money, is like trusting the chimps to run a banana plantation. How could they have considered it to be raining over the last four years when they received over a billion dollars in new money? That hardly justifies having to tap into the rainy day fund and spend that money when they have seen so much more new revenue.

On health care, Mr. Deputy Speaker, where do we even begin to address the issue of health care? Before the 1999 election, the Minister of Health (Mr. Chomiak) was asked by Charles Adler on CJOB, "How much more do you think you need to run health care?" Well, did the Minister of Health answer a billion dollars? No. He said he did not need very much money.

After he became the Minister of Health and, in fact, I think it was in November of that year, the Health minister said that every day he spends on the job is like a frightening ride on a runaway train. He said the health care budget is a disaster right now. It is crazy. We do not have any control over spending. The buck stops nowhere. Well, fast forward four years and what do we have? A Minister of Health that has increased health spending from 35 percent of all provincial expenditures in 1999 to almost 42 percent today. Where is this Minister of Health going to take us within the next few years? Is he taking us to 50 percent of the provincial budget on health care? The longer we have an NDP government in place, the sooner we are going to see that 50 percent.

But then what happens to the other departments? Are the potholes in this city going to get bigger and bigger and eat up our cars because this Government does not have any sense of how to prioritize and look for efficiencies and manage dollars? Mr. Deputy Speaker, I fear for where other departments are going to be squeezed, where we hear problems with lakes, where we hear problems in the justice system, where we see problems in education. Yet this Government does not do anything to control this big black hole of health care spending which, if they continue to go down their road, is going to dramatically hurt other departments.

Mr. Deputy Speaker, Manitoba is the biggest spender in health care in Canada today. Are we seeing significant benefits from a billion-dollar infusion of money? Well, they have put in an extra billion dollars into health care.

Things should be so much better, but I am going to tell you what we have seen under this Government. We have seen 11 cardiac patients die waiting to have surgery. Patients have died and moms have miscarried in our emergency rooms before they have even been able to see a doctor. Manitoba is short over a thousand nurses, and 1200 nurses are working two to four jobs just to get full-time work. A mentally ill woman fell through the cracks of the mental health system and froze to death in the snow. Four or five diagnostic waiting lists have skyrocketed. We have 1400 patients with chronic pain waiting up to a year and a half to be treated. Over 4000 patients are waiting for cataract surgery. We have a crisis in waits for orthopedic surgery emerging in this province.

When you talk to people desperately in need of orthopaedic surgery and you see the pain they are living with, maybe for one or two years because this Government cannot address that waiting list, why? I wish I had an answer. I wish I knew why they were so incompetent at dealing with waiting lists.

Mr. Deputy Speaker, 20 000 people have a serious gambling problem in this province. We have a government that seems to be addicted to funds coming in from casinos. That is where they have put their economic vision.

We have rural hospitals being closed despite a Premier (Mr. Doer) and a Minister of Health (Mr. Chomiak) continually saying that is not our policy to

do that. We are not going down that road. And, yet, over and over again, we see rural hospitals being jeopardized, services being cut. We are not talking the emergence of highway medicine in this province to deal with some of these access crises that rural Manitobans are faced with.

Mr. Deputy Speaker, how can these things happen? Why did not a billion dollars fix health care? This sounds like a system in crisis. Maybe, because money alone cannot fix health care, blindly pumping money into the health care system is only going to perpetuate the system's inefficiency.

As Roy Romanow said, we need more money in the system to buy reform. Roy Romanow has never said give the provinces a ton of money. He has said give them more money, but the intent is by reform. But we have no reforms happening in Manitoba.

While the Doer government has tinkered on the edges, it has done virtually nothing to effect the fundamental reforms required to address the problems with an inefficient system, preferring instead to keep bleating about the need for the feds to ante up their fair share. Yet they are reluctant to get their own spending under control, to get their own house in order, to get their own act together. And because this minister has no vision, no plan, no acceptance of reform, he is putting our public health care system at risk.

Everybody is saying that health care will hit the fiscal wall within 10 years. Yet all this Premier (Mr. Doer) and Minister of Health do is whine for more federal dollars. Where are their own efforts and initiatives to better manage health care? Even Reg Alcock, the Liberal member from Winnipeg federally, has suggested that before they demand more money from the federal government, they need to look at their own management of the health care system.

* (15:20)

You suggest reform in this province, and we cannot even have an honest debate here because the Minister of Health's hair lights on fire, and he and his Premier hit the fearmongering trail. Then this Premier has the gall to say, at the national level, at national meetings with the Prime Minister and with other premiers from the across the provinces, we need an honest debate, when it is he and his Minister

of Health here that are the biggest obstacles in this province to an honest debate on the health care system.

Instead, Mr. Deputy Speaker, the NDP just throws money at the problems to prop up the status quo. Well, that is just not good enough. We have to think differently. We have to find new ways to do things differently or the system will simply not be there for us. It is going to collapse under the weight of this incessant pressure for more and more money.

A month ago, the Conference Board of Canada said the health care system is not sustainable in its current form, and why should we spend more to achieve less? Why did not the Budget have in it a concrete plan to address these crises and challenges? Almost all of their announcements on health care were old and rehashed, but no surprises from a government that forces nurses to lie about the number of patients warehoused in ER hallways; no surprise from a government that fudges numbers in health care to make their record look better than it really is; no surprise from a government that manipulates information and embellishes facts because they cannot defend their poor record in health care. Patients are dying under their watch, under their health care monopoly. When they have an opportunity to make things better in a budget, they fail for lack of vision.

Mr. Deputy Speaker, I just want to touch briefly on the issue of forced unionization of the floodway, because people in my constituency are extremely concerned about this and the message this Government is sending by going down this road. They find this offensive. The Premier of this province should be a premier for all people in this province. Instead, he is showing his real colours and that is he is a wolf in sheep's clothing. The union leader side of him is prevailing. He wants to force companies and workers to unionize and pay union dues to work on the floodway expansion project.

The issues of having to join a union and having to pay union dues should be off the table and they should not even be up for discussion, but they are. How can this Premier justify that he is even considering that? It is workers, not government, who have the right to decide if they want to join a union. Considering that the heavy construction industry is almost entirely non-unionized, they have clearly made their decision, and the Premier should respect

that. But this Premier keeps promising that he is going to deliver the project on time and on budget, something he cannot even do here over the last three years with his own Budget. So we certainly take that with a grain of salt.

This Premier has not been able to balance his Budget for three years. He is even going so far as to invoke a never before used clause in the balanced budget legislation to legally run a deficit. Why on earth should anybody believe him when he says he is going to deliver a \$700-million project on budget?

I would also like just a moment to address the issue of our provincial debt, because with this provincial debt it is going to be our children and our grandchildren that are going to be saddled with this. As the mother of two young sons in this province, young men who certainly are going to have opportunities to look at where they might want to be, making a decision to stay here in a province that is becoming more and more unattractive under this Government is going to be a very tough decision.

In 1999-2000, the overall provincial debt was \$13.45 billion. In 2004-05 it will be \$19.296 billion, an increase of \$800 million over 2003-04. Under this Premier, Manitoba's total debt has increased \$5.837 billion, or 43 percent. I think that says it all. I think that says a lot and reminds everybody that we are in a province that is run by an NDP government when you see debt climbing like this.

The NDP members are clapping when I am talking about them running up a debt in this province, jeopardizing the future and hope for our children. The NDP members sitting in here right now think it is funny. I am really astonished and actually appalled that they would think that this is something to laugh about, the debt in this province, a debt which causes us to have to spend a lot of money on interest. I would rather put that money into education, into health care, into more police on the streets, into fixing potholes in this province. Instead, by cranking up the debt, we are now going to have to put aside millions and millions, tens of millions, hundreds of millions of dollars more a year into paying off a debt that these guys are cranking up because they cannot get their house in order, they cannot control their spending.

Mr. Deputy Speaker, we have a government that is overspending and underachievement and they do not seem to have a clue how to get their act in order about that. The theme that has prevailed throughout this whole Budget is truly overspending and underachievement. You know, in 1999 this NDP government inherited the strongest economy in a generation, thanks to the hard work and thanks to the good policies of the Filmon government and his caucus. It was a lot of hard work in those days. It was particularly tough when the Filmon government formed government because they had to deal with a huge debt cranked up by a previous NDP government.

Howard Pawley caused more problems in this province by his spending, and the Tory government had to come in and clean up that mess. We are going to see that again. We are seeing this Government overspending, overspending, underachieving. Where are the good results for all of this spending? This kind of spending, this kind of infusion of dollars into health care should make things a lot better, should make a lot of things a lot better. Instead, what is going to happen? They are going to leave a big mess and the Tories are going to have to come in and clean up again.

Mr. Deputy Speaker, they have taken the strongest economy in a generation, they have flushed it down the toilet, they have left Manitobans, right now, into tough times. It is really disconcerting because we live in a great province and Manitobans deserve better than what this NDP government is delivering currently. It is a sad day in Manitoba today when that Budget came down. That Budget left a sick feeling in the pit of a lot of stomachs, and Manitobans do deserve a lot better than that. Thank you.

Mr. Harry Schellenberg (Rossmere): Mr. Deputy Speaker, I am pleased to speak to this Budget because it is a budget with a vision. It is a balanced budget under the terms of the legislation passed by the previous government.

My speech sounds quite different than the previous speaker's does. It is also balanced as far as meeting the needs of all Manitobans. This Budget included the interest of seniors, working people's views in all walks of life. This Budget has also balanced the pockets of Manitobans.

* (15:30)

Mr. Deputy Speaker, I wanted to commend the Minister of Finance (Mr. Selinger) for a fine budget that he presented to Manitobans. The public is giving the Budget a very good rating. As the Minister of Finance presented the Budget, I was watching the opposition members and their faces looked like they were in shock as they listened to all the achievements of this Government. This is only my observation.

I guess the opposition members never really sat down around the caucus table and added up all the projects, initiatives and achievements over the last few years. The Budget was a real informative meeting for them. It really opened their eyes to what is happening in Manitoba. We are a can-do government.

Mr. Deputy Speaker, I would like to speak about what has happened in Rossmere and in northeast Winnipeg the last few years. First, I would like to focus on Concordia Hospital, which is very important to the people of Rossmere. I have spoken to the management and the board members at Concordia Hospital, and they are pleased with the way things were coming together. There has been much accomplished, but, of course, more to do. For instance, the state-of-the-art of the cancer ward is much appreciated by the community. The hip and knee replacement was well received and will become a centre of excellence for hip and knee replacement.

When I look at Concordia Hospital today, I am proud to be a MLA of Rossmere which lies in the catchment area. The people who work at Concordia and those who run Concordia Hospital are upbeat about its future. It was not that many years ago that the previous government wanted to close community hospitals in Winnipeg, and there were great fears that Concordia Hospital would be one of those that would be closed. We have come a long ways. Mr. Deputy Speaker. That hospital is on the move and the people in northeast Winnipeg support the present government initiative there. It is a job well done.

I would also like to mention the River East Access Centre. This is a facility that will be serving the needs of the River East community in northeast Winnipeg. This centre offers a broad range of health and social services. It will be a one-stop source of community health and social service information. This centre will deal with child care, employment

and income assistance, home care, housing, long-term care, public health, supported living and primary care, to name a few. Six new doctors will be providing primary care at this centre. I would encourage all MLAs to visit this state-of-the-art facility. This centre will enhance health and social services in the community, and I thank the Minister of Health (Mr. Chomiak) for this initiative, a job well done.

We have family centre at schools in northeast Winnipeg. This is another new initiative of our Government which is very much appreciated by families, teachers, principals and the community in general. The family centre at schools are helping to bring parents, schools and community together to work towards the successful outcome for children of all ages and to provide families with links to programs support services. There are seven schools within the River East community that have this program. They are Polson, Lord Wolseley, Sherwood, Prince Edward, Bertrun E. Glavin, John de Graff and Valley Gardens junior high schools. This is never made public. Somehow people do not know that we have these family centres, but they are doing a very, very good job within our schools.

We also have the Lighthouse program. It is another new initiative of our Government. Last fall, I attended the opening of a community club house for the Lighthouse program at Valley Gardens Junior High School at 220 Antrim Road. The Lighthouse program is designed to reduce crime by providing youth with positive community-based social and recreational activities. With new Lighthouses we will be increasing public safety by providing youth with an alternative to gang and other activities, insuring that crime prevention and community safety are top priorities for this Government. I thank the Minister of Justice (Mr. Mackintosh) for providing these Lighthouses. It is an excellent program that prevents crime.

Also, Mr. Deputy Speaker, I would like to talk about the twinning of the northeast Perimeter. This is another project that the people have been waiting for because several fatal accidents have occurred there in the last few years. The Province will be twinning the two-lane section of the Perimeter Highway, which is a \$65-million project. The project will see the 16-kilometre stretch of Perimeter Highway upgraded to four lanes over the next five years. The section runs from Highway 59 to just north of the Trans-Canada

Highway. This is a project that is much talked about in northeast Winnipeg.

I would not only like to thank the Minister of Transportation and Government Services (Mr. Lemieux) for this project, but I would like to thank the other MLAs in the area for that. I would like to thank the Member for Radisson (Mr. Jha), the Member for Selkirk (Mr. Dewar) and the Member for Transcona (Mr. Reid) for working on this issue, on this project, a project well done.

Mr. Deputy Speaker, the people of Rossmere and including all of northeast Winnipeg feel that they have been served well by this Government. The last government had three Cabinet ministers in northeast Winnipeg, but nothing seemed to happen. There was no movement on the twinning of the Perimeter Highway or any investment in Concordia Hospital or family centers in our schools or lighthouse programs. The 1990s were lost years, the do-nothing years, and since the last election there has been new energy, new ideas and a can-do attitude in northeast Winnipeg.

I remember the period from 1995 to 1999 when I was not in this House. You heard people talking about frozen food. You heard people talking about closing of hospitals. You heard people talking about privatization of home care. I myself got involved in some of these issues.

The home care coalition came to me and asked me to support them, which I did. Many of the streets in North Kildonan were filled with home care signs which said, support home care, which meant support public home care. The streets were full of signs and the Government backed off. I was involved in that and I feel proud that I had a hand in keeping home care public for the people of Manitoba.

Also, they did a lot of talking about the firing of the thousand nurses. That was talked about and still talked about and still not forgotten. There was a feeling of unrest in northeast Winnipeg and a rejection of Connie Curran's plan of health care. I wish the critic from the Opposition for Health would be here, because she is still on that Connie Curran plan.

Point of Order

Mr. Deputy Speaker: A point of order being raised.

Mr. Kelvin Goertzen (Steinbach): Mr. Deputy Speaker, I hate to interrupt the member. I know he was on quite a tirade of innuendo, but my point of order—

Mr. Deputy Speaker: The honourable Member for Steinbach has to be recognized first before he speaks.

* (15:40)

Mr. Goertzen: I extend my apologies to the Member for Rossmere. He was on quite a tirade of rhetoric, but, certainly, I think it should not be up to me to remind a more senior member that there should not be references made to the absence of members in this House

Mr. Deputy Speaker: The honourable Member for Steinbach is veering towards that near demarcation line. So I caution all the honourable members to be very—[interjection] The Member for Steinbach also violated the rule because he spoke without being recognized.

The honourable Member for Rossmere was referring, he wishes that somebody be here, the critic for Health. Indirectly, that is a reference to a member who is absent. So I caution all the members to be very careful about the rules. Everybody is liable to make mistakes unless we are careful about the rules. Thank you.

* * *

Mr. Schellenberg: Mr. Deputy Speaker, I appreciate the ruling. I will respect it.

Today is much different. Front line people in our schools and hospital feel appreciated and are full of hope for the future. The Tories were always in conflict with the front-line workers. Manitoba seemed to be always in conflict. Things have changed in Manitoba since 1999.

I would like to make comment on the state of the economy. New York City-based Moody's agency, one of North America's most influential bond and debt raters, has given Manitoba a pat on the back. Manitoba's credit rating has increased as a result of our debt repayment plan. The credit rating is among the best in Canada. Other credit rating agencies have also supported our debt repayment plan. All the way from New York, people, businesspeople, support

what our Government is doing. It is an independent report.

Since election 1999, we have paid down \$384 million, which is more than any Tory government has ever paid down. I just want to say that the sky is not falling. The business community and the people of Manitoba have confidence in our economy. They have confidence in our Government, what we are doing. They have confidence in our Minister of Finance, his fine budget.

I would like to comment on the job growth. Over the last four years Manitoba has created an average of 6500 jobs each year. This is more than double the average annual job growth from 1989 to 1999. It is a good indicator that the economy is healthy.

The Royal Bank, in another independent forecast, forecast that Manitoba will lead Canada in economic growth in 2004 with a growth rate of 4.4 percent, compared to 3.2 percent for Canada as a whole. If you listen to the Opposition, you will think the sky is falling, but the economy is doing well. All indicators are pointing to a strong, healthy Manitoba economy. Our unemployment rate is the lowest in Canada at 5 percent, which is tied with Alberta, another indicator that things are going very well.

Population growth is another indicator that the economy is strong. Manitoba has gained almost 4000 new residents this last year, the biggest annual population increase in 20 years. Manitoba's purchasing power has increased. Manitoba's personal disposable income per capita has increased by 14.1 percent, while prices only have gone up 8.8 percent. There is more money in the pockets of Manitobans for their use.

Private investment is projected to be 2.2 percent and 70 percent of that will be private capital *[interjection]*. I just heard the previous speaker saying it is all government investment. 70 percent will be private capital.

Mr. Deputy Speaker, I repeat myself again. All indicators point to a strong economy. People in the business community, they do have confidence in what we are doing. When I am out and about Rossmere or northeast Winnipeg, I get this feeling from Manitobans.

Mr. Deputy Speaker, as the Finance Minister made his budget speech here Monday, he gave a

fairly good survey of what our Government has done. The Opposition looked shocked that they have not been following what has been happening in Manitoba.

I would just like to give you a little rundown of what has happened in Manitoba, projects, sort of done-deals, not just announcements that we will do it, things that are going, things that have been completed. First of all, there is the construction of the 15 000-seat MTS Centre, formerly known as the True North. A \$135-million arena and entertainment centre in downtown Winnipeg. It is scheduled to open November of 2004. The Opposition could not even build an arena. They could not get it together. They could not put the puck in the net.

We are the can-do party. I will leave out some of these because time is short. Manitoba Hydro will be constructing a new 400 000 square foot head office in downtown Winnipeg starting later in 2004. There is an agreement in place for a construction of a \$20-million, 11-story office and luxury rental tower in downtown. Construction is expected to start early in 2005, with completion 2006. There is a \$17-million millennium library project in downtown Winnipeg. The Health Science Centre redevelopment is under way, providing \$100 million in capital investment as part of Manitobans largest ever health-related capital project. Plans are under way for the Red River floodway expansion which construction again in 2005. This \$660-million project will increase flood protection and create thousands of local jobs.

* (15:50)

Also, there are other projects like the Brandon Hospital, a \$58-million redevelopment program. The hospital is complete and is being used by patients. We made one announcement and the hospital was built. The Opposition made seven announcements that they would build it. It was never built. So all these projects point towards a government that is on the move.

Mr. Deputy Speaker, I would like to spend some time on education. As a teacher of many years, I find this topic most interesting. We have about eight public school teachers on our side of the House. I think they might have, they have one or two former teachers, so that is just an observation.

When I think of the 1990s education, I think of the conflict the Tories had with stakeholders'

education. That really stands out in my mind. The opposition members know that I am right on this issue, and teachers have not forgotten this legacy and record in education.

I remember right in the halls of this Legislature one of the former ministers of education of the previous government had a real confrontation in this building, right in front of the TV cameras. At the six o'clock news you could watch real TV and see this conflict. Mr. Deputy Speaker, this was an embarrassing time for education.

The education critic of the Opposition has been quite vocal in this House on education, but the critic has no credibility because of the past legacy in education. The critic is an honourable member but she should throw those speaking notes from the 1990s away, and they should develop some real policies of the 21st century. Mr. Deputy Speaker, I will close now. My time is getting short, so I will leave it at that. Thank you.

Mr. Peter Dyck (Pembina): Mr. Deputy Speaker, I want to thank you for the opportunity to be able to speak to the Budget, and I want to thank the Leader of the Official Opposition (Mr. Murray) for his comments yesterday, and also for amending the government motion specific to the Budget. On all fronts, as they have been indicated by that amendment, I certainly agree with the comments that were made.

Mr. Deputy Speaker, before I get into that, I think there are some things that we need to remind ourselves of, of quotes that have been made in the last number of years. The problem with some of these things is they come back to haunt us. I just want to put on the record some of the quotes that the First Minister has made. They go back to 1998. This sets the stage for the comments I want to make as to the credibility of the Budget, the credibility of the debate that has taken place specific to the Budget over the last while.

So, back in 1998, November 24, and this is a quote from our First Minister: "Over the short run you can be intellectually dishonest because in a world of 10-second clips you can say one thing one day and you can say another thing another day. You can do that for a while and that is unfortunate, because over a period of time it catches up to you."

Mr. Deputy Speaker, I will absolutely agree with that. This will catch up with the Premier of the province.

On March 28, 2001, he indicated and he said this numerous times, he said, "I am responsible for all financial decisions." Okay, fine.

April 11, 2001, this again is the Premier (Mr. Doer) of the province speaking and I quote, he says, "My quote was that I was old-fashioned because I believed a promise made should be a promise kept." As a basis for a budget debate and somehow there is supposed to be credibility in this and we are supposed to believe it, I find this somewhat difficult. But then I go on.

September 24 of 2003, and I quote again, he says, "My position stands that we did not get elected to raise taxes." But further to that, Mr. Deputy Speaker, November 24, just a month later of '03, again he indicated, "We did not get elected to raise taxes."

Now, Mr. Deputy, this is very interesting that from the comments that are made and now, somehow, I am supposed to convince my constituency, those who have elected the Government in Manitoba, that this is credible when those comments are made.

An Honourable Member: You can do it.

Mr. Dyck: The member across says I can do that. Well, I have some persuasive, very persuasive powers, but the problem is, when there are some quotes out there that are supposed to be dealt with, it makes it a little bit difficult.

So, Mr. Deputy Speaker, I have a little bit of a problem with the Budget that has come out. In fact, I have a fair bit of a problem with the Budget that has come out, especially when they go on to say that this is a balanced Budget. So the Budget estimated by the Finance Minister did not give us any hope or any measure of confidence for the people of Manitoba. When they see a government that has become arrogant, tired and out of ideas, they start to reconsider their options.

I would suggest to the members opposite that this is nothing new, and they know that from history that as governments are re-elected they become arrogant. We see this taking place today with the

existing government. You know, I come in and say one thing today and I can say another thing tomorrow and it does not really matter. I do not agree with that kind of a philosophy, and yet, though, the Premier of the province has indicated that very clearly in some of the quotations that I have just cited.

The Budget that was prepared for Manitobans on Monday had a striking similarity to the Budget submitted by previous NDP governments, and we know what those budgets did for the people of Manitoba. In fact, Mr. Deputy Speaker, just to add to that, the people of Manitoba had to pay for that throughout the nineties, the neglect, the over-spending that took place by the previous NDP government. So it is a simple matter of economics: you overspend, someone has to pay. It put Manitobans deeper into debt and caused them to lose their competitive edge. Running government is really no different than running a business. Your expenses cannot consistently exceed your revenues.

We continuously warned the Doer government and the Finance Minister that they were on a slippery slope. Our warnings went unheeded and today we see the results of their reckless spending and here we are, we are into a deficit situation again. As much as they may want to try and camouflage this, to try to convince Manitobans that that is not the case, it certainly is the case. *[interjection]* I was just informed that it is a special day for the Member for Burrows (Mr. Martindale), so I want to thank him for that.

As I was saying, Mr. Deputy Speaker, a business cannot run that way and consistently run deficits. Eventually this catches up to you. I find it interesting that the government of the day continuously touts the fact that, well, the bond rating. Well, my goodness, the interest rates are down and when you look at the repayability of a province of Manitoba, they will just tax some more. I mean, this is historically the case with the NDP. When you are out of money what do you do? As we have seen in the Budget, all you do is raise taxes.

* (16:00)

To confirm that point, Mr. Deputy Speaker, as the Auditor General has clearly indicated numerous times, the proposed budget for the 2004 fiscal year is

going to be running a \$58-million deficit. Now that is assuming that the revenues will be consistent with their projections. Now again, we have a very, very optimistic Finance Minister here and Premier of the province who are projecting, I would say, some very optimistic revenues.

As has been just cited in the paper this morning by those who are involved, the small businesses in the province of Manitoba, they are not as optimistic at all. In fact, further to that, what I find somewhat astounding in these projections is the fact that we are coming out of a year where agriculture has seen a 40% decrease in revenues. Now, somehow, in my economic calculations, this does not add up. Yet, in all of this, as I indicated, the Auditor General clearly indicated that the proposed budget for the fiscal year was going to be running a \$58-million deficit, assuming that revenues would be consistent with their projections. Yet this minister has said that he was not elected to raise taxes.

So why does he mislead Manitobans? Is it the same as the slogan he sold to Manitobans, elect me, and this would be elect the Doer government, and I will fix health care in six months with \$15 million? So is it, from the quotes that we have here, that it really does not matter what you say as long as, for the moment, the people of Manitoba will believe this? So how can Manitobans believe the Doer government when they continue to mislead Manitobans with comments like that?

Mr. Deputy Speaker, I must continue and say that it is hard to try and convince anyone that this in fact is really a credible budget. So I must continue, though. The First Minister has consistently indicated that he was not elected to raise taxes. Then I would ask the members opposite: What does it mean then when vehicle registration fees are going up \$23, effective July 1? What is that? Is that a tax increase or is it not? It is going to cost anyone who drives a vehicle another \$23, simple as that. That, to me, is an increase.

Okay, Pharmacare deductibles will go up by 5 percent, and new income brackets will limit the benefits. So okay, is that not an increase? In my books, when I do the math on it, that is absolutely an increase.

The tax on diesel will go up April 30. Here I need to indicate very clearly that the area that I

represent, Pembina constituency, and I know that as far as the urban area here, the city of Winnipeg, some of our largest trucking companies are located within the city of Winnipeg, within the Capital Region. Their costs are going to go up. They do need to remain in business, they do need to make money. That is sort of different, I guess, than what the province of Manitoba is experiencing. As we see by the Finance Minister and the Budget that he has put forward, the revenues do not necessarily have to exceed the expenses. Now, in business that does have to happen, or it is very clear, they are shut down.

So this is impacting on trucking companies. I have a number of trucking companies within the Pembina constituency. In fact, I am told that in the city of Winkler there are 200 semis that leave that city every morning. It is industry, and they are wanting to move forward, but again here is another impediment that has been put in their place by this Government, just because they want to increase their revenues. But, now, the other side of it is that they have indicated that, no, they will not increase taxes.

The provincial sales tax will be expanded to include legal, accounting, architectural, engineering, security and private investigations services. I talked to my accountant yesterday. He is a small-firm accountant within the city of Winkler. Like many, these are the people who are trying to survive. He indicated that in his little office there, and there are several accountants in there, it is going to make a difference of \$46,000 a year. Now, that has to be passed on to someone. That has to be passed on. Now, do not tell me that this is not a tax hike. It is. It is absolutely a tax hike.

The Member for Interlake (Mr. Nevakshonoff) is going on a smoking binge. I think he was outside on the front steps much of yesterday, got a little high on the—but, anyway, I shall proceed.

So all these increases, someone has to pay for it. I know that the provincial government, the Finance Minister, the Premier of the province are looking at every opportunity to grab a little extra tax here, a little extra tax there. But that is passed down to the person who is paying the bill. Now, somewhere it has to stop. When you take it right down to the primary producer or the primary businessman, whatever it is, it could be the homeowner, when the homeowner, the employee goes to the accountant

and has some work done or goes for legal advice, whether it is formulating a will for his family, all of these things become taxable. They have no way to pass on this tax. This is continuing to increase the cost for every individual. It is a tax.

An Honourable Member: An entrepreneur's tax.

Mr. Dyck: It is an entrepreneur's tax. Anyone who wants to get out there and try to get ahead within this province, in fact, is being turned back and is going to have to suffer the consequences of it.

Mr. Deputy Speaker, that is but a small example of the taxes that this Government, the Doer government, together with the Finance Minister—I am assuming that it is still valid, the comment that the First Minister made, that all financial decisions—how is it again, I am responsible for all financial decisions. I want to believe that. So, consequently, the Finance Minister and the Premier were working together on this, so, again, I find the inconsistency here where the Premier has indicated that he was not elected to raise taxes. So why did this take place? Somehow there has been a communications gap.

An Honourable Member: Or a misleading of the public.

Mr. Dyck: Or, yes, as the Member for Steinbach (Mr. Goertzen) has clearly indicated, it could also be just simply a misleading of the public. It would do anything to be able to form government again. So, again, we have a real credibility problem here.

Mr. Deputy Speaker, I need to move on. The Budget, as we heard it from the Finance minister, this was a re-announcing of projects. Now, let me be very specific. I am glad and I am pleased that he again re-announced the school that is going to be built at the Garden Valley School District.

An Honourable Member: How many times?

Mr. Dyck: Well, this is now his second time, but, again, what happened with this re-announcement though was that there was also a postponement, which was the letter was sent to the school division postponing this re-announcement.

An Honourable Member: It is a de-announcement.

Mr. Dyck: I find that very interesting. And, by the way, just on that, we do desperately need that school.

Right now, we have got about 550 students, and these are elementary school students, who are in huts. It is a growing community. This Premier, the Finance minister, the members opposite, continue to brag about how there is growth taking place within the province of Manitoba.

An Honourable Member: In spite of it.

Mr. Dyck: Well, anything that is taking place within the area that I represent is in spite of the Government in what they are doing. In fact, they are putting everything forward as a disincentive so that things will not take place.

I need to move on. The other announcement they have which I found very interesting was the Pembina Valley Park. Well, now, this is interesting because they had absolutely nothing to do with the establishment of the Pembina Valley Park. In fact, that took place in 1999, but, oh, no, this is something now that the general public, and they are not aware of it, you know, suffice it to say, they are not aware of it, they do not keep track of it, so what is happening is that the government of the day is trying to convince Manitobans that they, in fact, are doing some things which have nothing to do with them at all.

* (16:10)

The Pembina constituency is a growing community. With the growth of the communities such as this, there is also a tremendous growth in the tax base. Now, Mr. Deputy Speaker, here is the other concern that I have. The announcements that came out, and of course they are announcing all kinds of highway projects—Highway 32. In fact, I had a petition in this Chamber here in the fall when we met. I had a petition every day, and it was asking the Government, the Doer government, the Finance Minister, the highways minister, to, in fact, consider four-laning Highway 32. It is a provincial responsibility. Yet what has happened? Nothing, absolutely nothing. In fact, I must say, and I do want to commend the Minister of Transportation (Mr. Lemieux) for actually coming out two weeks ago, after having denied a meeting, I think it was three times, but, finally, on the fourth time now of having slated and scheduled a meeting, he did come out to Winkler—

An Honourable Member: Where was that street light?

Mr. Dyck: —to meet with the City of Winkler. The Member for Steinbach (Mr. Goertzen) asked me about a street light. Now that was an interesting one. The highways minister, and I forgive him for that, I guess he was not aware of it. He thought that Steinbach and Winkler were sort of the same community, but I think, if you look at the geography of the province of Manitoba, they really are not all that close.

An Honourable Member: He does not get out to southern Manitoba that much.

Mr. Dyck: Anyway, he did come out to the city of Winkler and check it out and found out that, no, in fact, the NDP, when they were in government, did not put up any stoplight in Winkler. That was not a part of their jurisdiction and so they did not do it.

So, anyway, I found that somewhat interesting. But back to the need. We have one of the fastest growing communities in the province of Manitoba, in rural Manitoba and so Winkler has a need, a continuous need for safety in order to be able to four-lane Highway 32. So there are needs. The four-laning is a need. It is the lights that need to be put in for safety reasons. We are continuing to attract business into the Winkler area and to the Morden area and yet there seems to be no recognition of it from this Government.

So I would encourage the highways minister to take it seriously, to meet some of the demands that are out there, as well as the Education Minister. Yes, they can have lip service, but until you actually see something happening it is not taking place and we need this desperately.

Oh, I must mention the fact that the Member for Rossmere (Mr. Schellenberg) who was talking about frozen food—I find this very interesting because the government of the day liked it so much that they bought the company. They liked it. So why would they do that?

Well, then, I need to digress and move off to the floodway for a moment. I think the feeling you want, well, could it be unionization that all of a sudden now it is so quiet? Talk about the frozen food. When you look at actually what happened was, and, in fact, I would think everyone within this Chamber does get some frozen food from Ontario, yes?

In fact, we have frozen food in our house and once it is warmed up and put in the microwave, does not actually taste all that bad. The point being that here is again a government that totally, totally misled Manitobans.

The other comment that the Member for Rossmere (Mr. Schellenberg) made was about the—then they continued to talk about this firing of a thousand nurses. Oh, did you know that the Doer government four years ago fired 500 nurses in the Pembina constituency? Did you know that?

Yes, it is unbelievable. It is unbelievable and all I am doing is using the same comparisons. That is all I am doing. If they want to be dishonest about the comments that they put on the record, I want to assure you that the same thing is taking place today. So I would just caution the Member for Rossmere not to put misleading information like that on the record because it is not accurate, not accurate at all.

An Honourable Member: A senior member.

Mr. Dyck: In fact, I have been advised that he is a senior member. So, Mr. Deputy Speaker, I find it astounding that he would do that, that he would put misleading information like that on the record.

Mr. Deputy Speaker, I need to move on. Agriculture, this is one of the largest industries in the province of Manitoba.

An Honourable Member: There was nothing about agriculture in the Budget. Why are you talking about it?

Mr. Dyck: The member has indicated that why would I even mention that because it was not talked about. Well, that is accurate. That is accurate. While the Minister of Agriculture (Ms. Wowchuk) shakes her head, I will give just a little credence, just tap on a little bit. The closest that I could get anyway was that they were going to have and they were going to fund 16 extra officers to police farmers. So there we go. So there we go. So, ah ha. I would say that in Canada, Hells Angels can go free, but farmers, now we are going to start watching these guys who are trying to make an honest living.

But no. We are going to have people out there. We are going to be checking to see what is going to be taking place. I find that somewhat interesting. I

can give you examples of that. Today, I do not think I will have time to do that but I can give you some examples of some of what some of the officers are doing. They are going out just looking for little problems rather than trying to create a climate and atmosphere where business can prosper and grow. They are putting all kinds of impediments out there for them to try and stop them.

I find that rather distasteful of this Government to do that. So, Mr. Deputy Speaker, really, in the light of the fact that we have BSE, we have had that within the province, the PMU industry has gone through some really hard times. Now we have the potato industry which has lost a number of growers, thousands of acres, and in light of all of this, really, no mention made of agriculture within the Budget. I just find that rather astounding. Other than, I guess, the other reflection could be that, yes, and then I do have to read between the lines, but farmers, businesspeople, Manitobans, they use professional people, they use accountants, and so on, I guess in that light, when I read between the lines, yes, farmers have been mentioned. But again, I am trying to, it is maybe a stretch, you could call it a stretch, I am trying to read between the lines to find out how, in fact, agriculture has been mentioned within this Budget.

This is reflected within the amendment that the leader of our party had to this Assembly here and he said, "Failing to provide adequate support to Manitoba's agricultural sector, especially those farm families struggling through the BSE crisis."

Again, nothing really mentioned, and so I find that somewhat astounding that we would have a budget with an industry that is as important as this to Manitoba and it is not mentioned.

Mr. Deputy Speaker, another area that I have real concern, again, was reflected in the Budget, was one of justice. We should be providing safety for the people of Manitoba. This is a responsibility of the Justice Minister; this is a responsibility of the Government. Yet, though, people continue to look over their shoulders as they are walking down the streets. It is a sad day in Manitoba when this continues to take place, but that is actually what is happening.

An Honourable Member: Increase in violent crime.

Mr. Dyck: We see an increase in violent crime. All that we see taking place by the Justice Minister is another photo op, and that is really unfortunate.

So, Mr. Deputy Speaker, this Government does not have a long-term strategy. It does not have a long-term view of how they are going to increase the revenues of the province of Manitoba. Everything that I went through on this Budget, that I looked at, it just seemed to be putting some sort of an impediment, anything in place that we can stop the growth that is taking place within the province when it comes to industry.

I had an e-mail from one of my constituents just yesterday. He had looked through it. I had not given him this information, but he had been following fairly accurately what this Budget portrayed. In the e-mail he indicated, "Why would anyone want to continue to do business within the province of Manitoba?"

What has happened with this, and again, we have lost our tax competitive advantage. We are now the highest-taxed province west of New Brunswick, and, Mr. Deputy Speaker, if that is not a disincentive to try to grow a business or trying to establish a business within the province, I would beg to ask the question, what else would you need in order to want to move away?

What is the point of trying to grow something and here we have a government that continues to take it away? So we should be attracting people rather than discouraging them from staying. We should be keeping our young people within the province of Manitoba. I see this Budget as being a disincentive to investors and, of course, the NDP are constantly indicating, well, yes, all you are wanting to do is to promote business.

Absolutely, I want to promote business, because that is the base and that is the stability of any province of any country. If we want to have dollars available for funding in health care, education, social services, and believe me, these are all areas where we need to put dollars, we need to have a base that we can draw those dollars from. There needs to be a good, solid, strong taxation base, and I do not see that in this Budget that has been presented.

* (16:20)

Mr. Deputy Speaker, I believe that the ideology has gotten in the way of this Premier (Mr. Doer) to make sound, rational decisions. He is catering to the union bosses and this—*[interjection]* I am glad the question is asked and that they are astounded by it, because let me explain that. Very simply, just look at the floodway and the direction that that is going. Just look at it.

An Honourable Member: That member is astounded by any question.

Mr. Dyck: Well, talking about being astounded. I need to go back to a comment that the Member for Rossmere (Mr. Schellenberg) made. I found that very interesting and yet the outset of his debate here this afternoon he indicated how the jaws seemed to be falling. Now I disagree with that, but on the other hand, maybe there was an element of truth to that because we were absolutely shocked that a budget would be brought forward into this Chamber, and presented to the people of Manitoba, which was a deficit budget when the Premier had said how many times that he was not elected to raise taxes.

I think anyone would be astounded by a budget like that when the Premier, the First Minister, the Leader of the province of Manitoba has said one thing and then presents, in black and white, something completely different to the province of Manitoba, to the people of Manitoba.

So I find this extremely interesting that the Member for Rossmere made that comment. However, I can understand it. If that really was the way we were perceived to be that, yes, I can understand. It was just that we were astounded by what the comments that the Finance Minister made as a result of the direction from the First Minister.

So, Mr. Deputy Speaker, I do need to wrap up the debate here this afternoon and I must indicate, just in case someone has missed it from the opposite side, that I will not, definitely not, be able to support the Budget that they have brought forward.

It is misleading. It is deceitful. It does not accurately reflect the books of the Province of Manitoba. And so, again, I am saddened to say that the Finance Minister together with the Premier (Mr. Doer) have put forward a budget like this which does not accurately, at all, reflect the finances within the Province of Manitoba.

So, with that, I want to thank you very much.

Mr. Tom Nevakshonoff (Interlake): It is a pleasure to rise in the House today to respond to the Budget put forth by the Minister of Finance (Mr. Selinger) a couple of days ago.

Worthy achievement on behalf of our Government on behalf of the people of Manitoba, five years of balanced budgets in this province. Balanced budgets that conformed to the balanced budget legislation put in place by the former Filmon government in this province. The Budget adheres to it, and the Auditor, I think, agrees. Truly, it is a major accomplishment. This was done with no draw, Mr. Deputy Speaker, on the Fiscal Stabilization Fund. Despite the fact that we are in dire straits in this province because of natural disasters and so forth, we still managed to do this with no draw on the Fiscal Stabilization Fund.

In addition, Mr. Deputy Speaker, he was also able to pay down, once again, as he has in the past, \$96 million toward the accumulated debt in this province. Also, once again, to address the pension liability which the previous administration, the Filmon government, completely ignored in their decade in office. So I give the Minister of Finance full credit for this accomplishment.

Granted, Mr. Deputy Speaker, we did have to rely on the \$75-million emergency withdrawal, which also was part of the previous administration's balanced budget legislation. But for them to sit there and dispute that this province was in a crisis last summer, I am totally amazed and as member of the Interlake, I think that I speak from experience. No constituency in this province, I do not think, experienced greater hardship because of the calamities that we faced last year. Of course, I refer to the BSE crisis, which hit us almost a year ago today, and is still causing considerable hardship for the cattle producers in the Interlake and across the province as a whole. Our lack of slaughter facilities and our inability to export across the border live cattle have put our producers in a very difficult situation, and they are still in trouble today.

Added to that was the drought, Mr. Deputy Speaker. I recall producers telling me last year by the first of July their pastures were finished already. They were feeding their winter hay supply to their cattle in high summer, and that was gone in short

order. By wintertime they were hauling straw from as far as 150 miles away. Straw, to feed to their cattle, that is how bad things were.

So the BSE compounded by the drought put our producers in a very, very difficult position. When you look at the drought—

An Honourable Member: And you did nothing.

Mr. Nevakshonoff: The Member for Emerson wants to know what we did. I will get to that in short order, sir, but I might add that all of Lake Winnipeg also happens to be in my constituency, all of Lake Winnipeg, and the impact of the drought was certainly felt there as well. The water levels were down to the lowest point since the Jenpeg control structure was put in place, which jeopardized our hydro revenues. That is a factor that has to be considered.

Also, in the Interlake were forest fires. I think it is notable that we spent probably upwards of \$50 million fighting forest fires in this province, which is probably twice the amount that the province of British Columbia spent fighting forest fires, despite all the good press that they got. Here it is just accepted that we are going to face this, but it was the second worst forest fire season in the history of this province.

All those factors combined, I think resorting to an emergency draw to address these crises was absolutely necessary and in accordance with the balanced budget legislation. This Budget is balanced according to the law.

Not only did we have drought last year in the Interlake, but we had a flood the following season. Go figure, eh. From drought to flood, only in the Interlake could that be possible, I would think, but once again, well, we did have heavy snowfall over the course of the winter. It is looking good for our pastures this spring, thanks to that, but of course the impact on the Fisher River watershed was considerable. Once again the Peguis First Nation and the Fisher River First Nation both were forced to evacuate upwards of a thousand people.

When you are in government you are always fighting crises like this: flood, fire, feast or famine. There is no easy way out of it. We have also addressed that. That was made note of in the budget

speech. It is something that I have lobbied for hard for all the years that I have been in government here. I thank the Premier (Mr. Doer), the Minister of Finance (Mr. Selinger), the Minister of Aboriginal and Northern Affairs (Mr. Lathlin), also the Minister of Culture, Heritage and Tourism (Mr. Robinson) and all of my caucus mates for supporting me in our Cabinet for recognizing that the First Nations people in this province are not just wards of the federal government. They are also citizens of Manitoba, and we have responsibilities toward them. This Government recognized that in this Budget today.

* (16:30)

Now, the Member for Emerson (Mr. Penner) was making some remarks about what have we done for our cattle producers. Before I begin to list some of the numerous programs that we have put in place, I would just like to make brief reference to what the Tory solution to the BSE crisis was. Cash advance. Just throw out a cash advance. That is all we have heard from them for 11 months that we have been in this Chamber. Throw in a cash advance. What exactly is that? Was there ever any terms of references, any definitions as to what this mythical cash advance was going to be? How much was it? Was it going to be a billion dollars? Was it going to be two billion dollars? Were we to buy the entire herd and manage it over the course of this crisis? What were the terms of repayment, and so on and so forth? I would expect that from sound fiscal managers, or so they purport to be on the opposite side of the House, here, but, no. It is easy when you are in opposition. You can just throw out a thing like that, a cash advance. That is going to solve all the problems.

Well, it is not that easy, Mr. Deputy Speaker, because we do have the responsibility to manage our resources in a fiscally sustainable manner. Therefore, we had to craft some very well-thought-out, very strategic programs to address this issue. I think it is noteworthy that this was a national crisis. This was a trade issue, first and foremost, and if anybody should have dealt with this, it should have been the federal government. They should have stepped up to the plate and helped us, but they were deaf to the needs of the cattle producers in western Canada for too long. The Government of Manitoba, as a matter of course, had to structure a number of programs.

Now, when I was in the northwest region of my constituency last summer, which is the Ashern,

Moosehorn area, which is almost exclusively cattle country—it is marginal land; there is really no annual crop production in that area—those people were in dire straits. I cannot stress that enough. We were looking at wholesale economic collapse of that entire region, given the effects and impact of drought, grasshopper infestation, so on and so forth.

It was at that particular point in time when this Government came across with a number of programs, in particular, the low-interest loan program which was something that was recommended by the Leader of the Opposition. He wrote a letter to my constituents saying that a low-interest loan program should be an option that the Manitoba government should consider, and we did. We put \$100 million on the table in low-interest loans, 2.25 percent to producers under 40 years of age. That program was instrumental in pulling some of these farmers out of crisis and bridging them over for another year of production, which brings us basically to this point of time when, hopefully, the border will open not too long from now. Without that \$50,000 loan, I would estimate that 75 percent of the small producers in that northwestern region would have gone bankrupt.

That helped them out, but they were still in a tough spot. As I said earlier, they were hauling straw from as far away as southern Manitoba, 100-plus miles, incredible transportation costs. This Government once again recognized that specific need, and we put in place a \$15-million program, Mr. Deputy Speaker, to facilitate the transportation of feed into the crisis areas, not just the Interlake, but into southwestern Manitoba as well, where they were also experiencing drought. If a producer so chose, he could move his cattle out of the region into an area where there was ample feed. So it was a very well-thought-out program.

Those two programs, in combination, were fundamental in seeing the cattle industry in my particular region, and in the province as a whole, survive to this point when, hopefully, we are going to see better days to come.

Another initiative, and I should not say it was an initiative of the Government because we are calling upon the producers themselves to be innovative and come to us with good ideas, and I give credit. A number of constituents in my constituency, Mr. Blair Olafson, Mr. David Reykdal and others, came up

with an idea to buy an existing slaughter facility in Winnipeg to deal with the cull-cow problem. Quite frankly, even if the border opens to cattle 30 months and under, it is very unlikely that it will also open to our cull cows and our bulls. So, rather than having to ship them all the way to Alberta for slaughter, these men have drafted a proposal where they will buy this plant in Winnipeg and convert it over to a cattle slaughter plant. This provincial government is in agreement with that and we are going to put the money where our mouth is. I think we are on the record as committing \$2.5 million towards the capital purchase and, then, if any upgrades are necessary, maybe lines of credit for operating. I think these are options that are under consideration as well. We have said from the very beginning that any viable option such as that we will certainly be interested in participating in.

Of course, we have other initiatives under way—the ethanol initiative, the bio-diesel proposals—which might work well with the cattle crisis in terms of rendering some of these animals that are not suitable for conversion to feed. If we could render that into bio-diesel, instead, it might be a very good mix to the whole scenario.

Now, as a rural representative, I would like to speak briefly on another Tory idea or proposal out there. During the election, I think their one idea that they did come up with was that they were going to eliminate all education property taxes across the province. Now, I do not know what the price tag to that would be, \$300 million, \$400 million, something in that range. Where they were proposing to dredge this money up is beyond me. I think the implication was that it was going to be the growth in the economy that made up that \$300 million, but the needs of other departments grow as well, not just the Education departments. So I think that was a red herring that anybody who applied a few seconds thought could have figured out. I think the people of Manitoba actually did figure it out and returned this Government that makes sound proposals to office with an increase in their majority.

We have done things with the property tax credit. We have worked within our limits and have made incremental changes to the system. We have increased the property tax credit in our first term in office from \$250 up to \$400, after the previous Conservative administration had reduced that tax credit.

We lowered the portioning on farmland from 30 to 26 percent, I believe it was, something that the Conservatives had raised, the portioning, supposedly the supporters of the farming industry. How they can look farmers in the eye with a straight face after raising the portioning on farmland is beyond me, but this Government recognized that inequity and reversed it.

We have also committed to phasing out the provincial support levy. We have made moves in that direction and will continue to do so if we have the financial resources to put it in place. It is always an if, the Member for Russell (Mr. Derkach) says. When you are required to balance your budgets, when you are dealing with crises, disasters and so forth, that will limit our abilities to do all things for all people, but, to date, I think, we have incremental reductions and will continue to do so in the future because this economy is on the rise.

Now, interesting that the Member for Russell should have just made those comments. I recall his comments during the provincial election, I think, in regard to the schools and how they were going to just phase out all the education taxes. I believe that is what he had on the line. He was going to eliminate phys ed in schools; he was going to cut music programs. It was back to the basics. That is what it was going to be, back to the basics under them. I do recall some mention of schools of excellence, right? Schools of excellence, most likely in constituencies like Charleswood or Tuxedo or, possibly, in Russell, where these schools of excellence would be. The rest of us poor schmoe out in the Interlake were going to be back to the basics, no music, no phys ed, just the three Rs, according to the Member for Russell. So I think that was very fortunate for the people of Manitoba that they saw through your plot, sir, and reduced your minority even more in the '03 election.

* (16:40)

Another thing I am very proud of, and I thank the Minister of Finance (Mr. Selinger), is his commitment to rural infrastructure.

Mr. Deputy Speaker, \$600 million is dedicated to highways. We now have the largest highways capital budget in the history of the province, and in this budget speech the minister committed even more money to it, another \$10 million on to the capital program for this year.

I sat in this House yesterday and listened to the Member for Springfield (Mr. Schuler), and I was totally amazed. For somebody who has a \$65-million highway commitment made to him, \$65 million, Mr. Deputy Speaker, he had the nerve and the audacity to actually criticize this Government for making that commitment. It was not fast enough for him. It was supposed to be built yesterday, I assume. Well, you know, if he had any grasp of the highways capital program whatsoever, he would know that it takes roughly four years to develop a highway. You have to do survey design work; you have to do property acquisitions in your second year; in your third year, environmental licensing; you have to move utilities; hydro poles have to be moved back. Maybe, in your fourth year, they will begin construction. That is just par for the course.

That is not NDP policy. That is not Conservative policy. That is just the way it is when it comes to building highways. If we have committed \$65 million to twin the remaining portions of the Perimeter, then he should be damn happy that this Government made that commitment. Instead, criticism, whining, moaning that things were not going fast enough. Well, that does not surprise me. That is typical behaviour on the part of the Member for Springfield.

We have done a lot in years past in my constituency. I would like to refer once again to the work that was done on Highway 7 over our first two years in office. It was almost \$8 million to RTAC No. 7, to the community of Arborg, and then close to \$18 million, I believe, spent on Highway 68 from 17 all the way to No. 8 highway. That has put in place infrastructure into my riding so that now our producers can haul year-round and get their product to market. Our rail lines are disappearing; our elevators have gone down. We have got one terminal called the South Lakes terminal, just north of the Perimeter, where all our grain has to go, so we need highways, and our ministers on this side of the House have stepped up to the plate, every one of them.

This year, we are doing more. This year, as I understand it, we are going to connect the community of Riverton to that infrastructure. One of the busiest highways in the province, No. 6 highway, which serves all of northern Manitoba, we have made commitments to do considerable resurfacing on it, so that we have now addressed the needs across

the Interlake from east to west, and I am proud to be a member of this Government that has taken that action.

There is a wide variety of things in terms of highway that we have accomplished. I will just make brief reference just to remind members of the House of the community access dust control program that the Member for Thompson (Mr. Ashton) when he was the Minister of Transportation put into place. Three communities of my people were choking on dust 40 miles, while the Member for Emerson (Mr. Penner) does not know the meaning of dust, I do not think. Are there any highways in southern Manitoba left that are unpaved? I do not think so. Maybe one or two, but certainly, in my riding, there are a lot of gravel highways, and the people in Matheson Island, the people in Kinonjeoshtegon First Nation, the people in Dauphin River, have all been served by that program, and I thank the Minister of Transportation for making that possible.

When you want to talk about rural infrastructure, talk about schools. Look at the commitments that we have made to our capital program, and I can point to a new school in Gimli. I understand we will be constructing a new school in the community of Inwood. We invested well over \$1 million in the two schools in Fisher Branch. Mr. Deputy Speaker, we have resurfaced the exterior on the Arborg Early/Middle Years School, and on and on and on.

This Government has addressed the capital infrastructure deficit that we inherited from members opposite. When we came to office, the bricks were falling off the schools. The bricks were falling off the University of Winnipeg; they had to have a wire mesh attached to the University building to catch the bricks that were falling off. That is infrastructure Tory style. This Government has addressed that infrastructure deficit, and we will continue to do so over our term in office, and the next term in office, as well.

I could go on, on health, once again. A new hospital built in the community of Gimli. The people of the Interlake were driving almost all the way to Winnipeg to get proper care. Now, in the community of Gimli, we have a new hospital. The Minister of Health is also going to rebuild the Community Health Centre in Riverton, and put in place a nurse practitioner. So all of these things combined have

made our record of building infrastructure quite respectable.

Now, I see that my time is ticking down, but I would like to make some mention of our commitment to watershed management. I recall, when we came to office, one of the first acts that we had to introduce into the Legislature was to reconstitute The Water Rights Act, because these people opposite were so inept that a judge in this province actually ruled that The Water Rights Act no longer applied because the Province, obviously, was not doing their job; so he threw it out of court. So this was one of the first things that we had to reconstitute. Since then, we have moved onward and upward, culminating just last year with the creation of a new Water Stewardship Department, the first of its kind in this country to deal specifically with water stewardship issues. I think the crowning glory to that would be the commitment to widen the floodway in this province, which will be one of our legacies; I have no doubt.

The new Minister of Water Stewardship (Mr. Ashton) just recently tabled in the House the new Water Protection Act, which, in conjunction with an amendment to The Planning Act, will put some good policies and regulations in place as to how livestock will continue to expand in this province.

Livestock is absolutely necessary for the economic well being of this province. I am well aware of that since the loss of the Crow rate, and so forth. We have been compelled to go in this direction, actually, and, given the value-added aspect of raising livestock, I am 100 percent behind it, but there are risks inherent with that. If you are producing vast amounts of manure, you do have to have sound and strategic policies in place to ensure that your aquifers are not contaminated, and that great jewel of the province, Lake Winnipeg, hopefully, we can start to improve the situation there, as well. I look forward to those acts coming back before the Legislature for full debate, and intend to participate.

Something that we have focussed on, as well, in our term in office, is the expansion of conservation districts in this province. This is a legacy of the government of former Premier Ed Schreyer, who put the program in place back in 1970. In our first term in office, we have virtually doubled the number of conservation districts in this province. I am very happy to say that rural municipalities in my

constituency, the Interlake, both on the northwest and on the northeast, municipalities like Bifrost, Siglunes, Grahamdale, Armstrong, are all looking very seriously at this program and I would expect that in the not too distant future that the CD program will move into that region of the province as well.

* (16:50)

We have addressed some critical problems, water related problems in the Interlake. I made some mention of the situation in Peguis. Well, this Province has put an offer on the table. We are looking for some cost-sharing with the federal government, given that their responsibilities in these areas are considerable. We are going to deal with these problems. The Fisher River, no doubt, with 300 miles of municipal drainage that was duly surveyed and licensed by the provincial government, we have incurred some responsibility there, and we are prepared to step up to the plate and address the needs of these people. Likewise, on the west side, the Fairford First Nation, as well, has experienced, not just Fairford, but Little Saskatchewan and Lake St. Martin First Nations have experienced difficulty with widely fluctuating water levels on Lake St. Martin. These are commitments that we have made, and we will continue to make progress on these fronts.

I see my time is almost up, Mr. Deputy Speaker, so I thank you for the opportunity to speak on the Budget, and I, certainly, will be voting in favour of it when it comes before the House. Thank you.

Mr. Jack Penner (Emerson): Mr. Deputy Speaker, I want to, first of all, thank and congratulate our leader for laying out the concerns that we have with the Budget. I think he has indicated very clearly what the needs are for proper fiscal management and responsibility in this province, and we, certainly, saw very little of that, of responsible governance, in this Throne Speech at this time.

I think the budget speech, in large part, demonstrates the lack of management ability of the members of the Cabinet and the ministers who represent this Government and are charged with the responsibility of responsible spending, responsible budgeting to ensure that the direction of government is, in fact, maintained. I think this budget speech clearly demonstrates that lack of ability. I think it is interesting that members of Cabinet, such as the Minister of Health (Mr. Chomiak), the Minister of

Family Services (Ms. Melnick) and the other ministers, the ministers of Finance and Justice and others that make up Cabinet, have allowed the fiscal management to deteriorate to the point that it has in this province.

We had, I believe, in the almost 12 years that we governed, made a concerted effort to bring government spending under control to match the revenues of the province. I believe that, from the years 1988 when we took office to the year that we left office, we accomplished that in about five years of governing and tight budgetary controls that we put on.

I know that the then-NDP opposition criticized us severely for making good management decisions, but they were needed because spending had been out of control. I will never forget when I was first appointed minister that my deputy minister came to me and he said there was one thing lacking with the previous government. He said that it started with Mr. Schreyer. He said that Mr. Schreyer had a huge amount of revenue increase when he first came to office. He said his government made every possible effort to ensure that they would spend every dollar of increased revenues they could find, and that they built all sorts of stuff. But, he said, when the economy turned against them, when the revenue stream started on its downward trend, they had forgotten that they, at times, must put new shingles on roofs, and he said there was not even enough money left in the budgets to shingle the roofs.

I only draw that analogy to this Chamber because I believe we are in a similar kind of trend under the Doer administration. I truly believe that the efforts that have been made by the Minister of Health to resolve the health dilemma because the Premier had made a promise. The Premier said, "I will fix health care," to the people of Manitoba, when he ran for election in 1999. He said, "I will fix health care." He said, "Give me \$15 million and six months and I will fix hallway medicine." Well, it is interesting when you look at the Budget today, when you look at the actual expenditures in health care, we see that in the last three-and-a-half, four years, that Budget has increased by over a billion dollars, better than a billion dollars.

Where did they get the money from? Well, we had projected increased revenues from 1999 to the year 2003. We projected them. They were clear. We set an economic model in place that would generate

that increased revenue, so we knew that. But the NDP government, as they did back in the Schreyer era, made every effort possible to spend every last nickel and dime of increased revenue, plus they went to Hydro and said, look, we need some more money, because at the end of the year, their books were not balanced. The Budget was not balanced. They said, "We need money," so they increased the water rates. "We need more money," they said, so they took a \$200-million dividend. At the end of the year, Hydro was \$280 million short.

What do we see out of Hydro today? Look at the losses that they have incurred, Mr. Deputy Speaker. You as a government, you people that are charged with governing must use fiscal prudence if this province is going to remain competitive in the long term, and you cannot continually rob your corporations of their assets, because your corporations will fail. They will fail if you keep doing that.

Look at the debt that Manitoba Hydro currently has on its books, \$8 billion worth of debt on Hydro's books. *[interjection]* The honourable member says look at their assets. Well, if you look at their assets and you do the balance, you are running a pretty tight ship. What you have done is you have encouraged the debt to climb to such an extent that Manitoba Hydro will find it difficult to finance future operations and expansions at a reasonable rate of interest. That is the problem that these people sitting and governing here today do not understand. They do not understand, and I know they have the answer because the answer is simple. We will just increase taxes. That gets me to the point that I want to make. This Budget, today, has increased taxes very substantially, very substantially, and the Premier has said on a number of occasions: I was not elected, our Government was not elected to increase taxes.

* (17:00)

The one thing that the Premier should have told his Cabinet ministers is do not you guys overspend your budgets because, if you do, we are going to have to raise taxes, and that is exactly what happened in this Budget, Mr. Deputy Speaker. This Budget has raised taxes fairly dramatically, and the people are upset. The people in the province of Manitoba are upset.

I think what you are demonstrating in this Budget that will not be reflected till a few years

down the road is this, that you are starting to lay off people. You are going to lay off 400 people to do what? Why would you do that? You have hired about 1200 or 1500 till now, additional people. Now you are going to lay off 400. Oh, no, you are not going to lay them off, you are going to do this through attrition. Attrition is a nice word for the elimination of jobs. You are not going to fire them, of course not, as the previous government did not fire the thousand nurses that you have talked about consistently, or that your Minister of Health (Mr. Chomiak) has talked about, and is one of his biggest efforts to try and deceive the general public into really believing that. When we changed the operational structure in the Central Health Authority, it was required under the union agreement. It was your unions that required that those nurses be laid off and rehired the next day into their new jobs. There is nothing wrong with that, except for the fact that the Minister of Health has continually accused the previous administration of firing a thousand nurses.

You know, if you want to be untruthful, that is your business. That is this Government's business. If that is the way they want to portray the previous governments, let them. The people are starting to see through it. The people are starting to note that you cannot trust this Government. I think the Premier of this province owes it to the people of Manitoba that when the Premier speaks there should at least be a measure of honesty there.

I think that the trips, the two trips that the Premier has made, the last one I believe he took his Minister of Water along to Washington, and I am not sure whether the Minister of Agriculture (Ms. Wowchuk) also accompanied him on that trip, but, regardless, to go to Washington, the central governance point in the United States, to go to Washington and pretend that you going to meet with significantly powerful people to talk about Devils Lake, to talk about BSE, and to talk about other water issues, I think it is inconceivable when you go to do it the day before Good Friday. We know what happens around here the day before a major holiday. We know what happens in this province. The decision makers are gone to the lake, well, halfway through the day they are gone. So, if you arrive there at noon, you missed them all. I suspect that is what happened on this trip, that the minister and the Premier made to Washington, you missed them all.

An Honourable Member: No, we had meetings, Jack.

Mr. Penner: The Minister of Agriculture said, "no, we had meetings," but she will not tell me who with. We have asked, on a number of occasions, give us a list of the people that you met with, but they will not give us a list of the names of the people. Do you know why? They were insignificant people that could not make decisions. The same thing happened when the Minister of Agriculture went to North Dakota and came back and said, we had met with senators in North Dakota and I believe that the border will open within a few weeks. Well, that was almost a year ago. These people did not have any power to open any border or make any of those kinds of decisions. They were state senators. She left the impression with the people of Manitoba, when she came back, that she had met with significant people and the border will open.

Well, you know what happened, Mr. Deputy Speaker, when she came back and made that statement to the people, that was last fall, and the people were seeing the price of their cattle rise to the point where they could virtually break even, but they decided, hey, if the border is going to open within a few weeks, we are not going to sell our cattle. We are going to wait until the border opens. So they kept their cattle. What happened three weeks later? The price dropped. They phoned me and said, what was our minister talking about, that the border would open? Total, total, utter chaos is what she created amongst those farmers. Many of them are still holding their cattle, waiting for that price increase, and waiting for the border to open to live cattle. That still has not happened.

The minister said the other day again that she was very happy that there had been a further opening of the borders, and we all are. We all are. We are glad that the Americans are finally going to eat T-bone steak again, Canadian T-bone steak. However, for Manitoba producers, we need the border open to live cattle. Our cattle market is dependent on the shortest distance to that marketplace, and that is straight south of us. Mr. Deputy Speaker, our Alberta market and our Ontario/Toronto market are too far away. It costs too much to get them there. So we are dependent because we are a cow-calf operation. We are dependent on that border opening and opening soon.

However, I have not heard from the Minister of Agriculture (Ms. Wowchuk) that she got anywhere in her discussions or had any discussions with any member of any prominence in Washington that would have the ability to open the border. I have not heard that. Neither have I heard that the Premier (Mr. Doer) met with anybody of significance to discuss the water issue at Devils Lake, and neither have I seen the court action that the Government of Manitoba has mounted against North Dakota and in Washington to stop the NAWS project or Devils Lake. No effect, and Devils Lake is being constructed, as we speak.

The ditch is being built. The outlet will flow water, Devils Lake water, into the Sheyenne, into the Red River. All this money that the Government has spent on pretending or trying to demonstrate that they are going to take North Dakota to court, in my view, will be a total waste of money.

In my view, if the Premier would have used a gentlemanly, diplomatic approach to try and sit down with the people in North Dakota, and try and say to the people of North Dakota, let us test your water in your lake, and let us do some scientific testing of water in the Red River and in Lake Winnipeg to see if there really is a difference in biota, or in fish species, or other species, I believe we could have accomplished a lot more by using diplomacy. But we did not. No, we are going to box them in the eye and poke our fingers in their eye and take them to court.

So what do we expect? Do we expect co-operation from them? I doubt that. I have never heard or seen anybody that, if you slap them in the face, he will do you a favour the day after. Never seen that, and that is basically what is happening between North Dakota and Manitoba now, and I think that is unfortunate, quite frankly.

I think we would do a much better job if we used diplomacy, discussion, and offers of co-operation in using scientific analysis to see whether, in fact, there was a difference in biota fish species and/or any other pertinent material that we are adverse to. But, no, the Minister of Water Stewardship (Mr. Ashton) said to me, we are going to base our court case on the results of what the Army Corps of Engineers has indicated in their report. Well, Mr. Deputy Speaker, it is a 500-page report. I have a copy of the report, and I have not read the whole thing. So, when the minister said that, I picked up the phone and I called

Washington, and I called the Army Corp of Engineers, and I asked whether they could tell me what questions they had raised in that report. They said, "Yes, we can."

Believe it or not, within 15 minutes, the person that did the biota testing, the person that did the fish species testing, and the person that wrote the report were on a conference call to me and laid the whole thing out to me. I said, "Can you fax to me the summary of that report?" They said, "Yes, we will do that; we will underline the three concerns that we voiced in that report."

* (17:10)

You know what those concerns were? They were not able to find any striped bass in the lake. The minister said he was going to keep these big monsters out of the Red River, because these striped bass grow to large proportions, and they are a danger to our fish species. "We cannot ensure that there are not any striped bass left in that lake, but we could not find any," they said. And they are testing; that is what the report said.

They said, "We cannot ensure that we will not have zebra mussels in Devils Lake, because we have boats coming from all over the U.S. and Canada to come fish for walleye in Devils Lake. We cannot ensure that there might not be a zebra mussel attached to one of the boats when they are docking there, and they might, in fact, intrude into our lake at some point in time. We did not find any." That is what the report said, and I can share that with people in this Chamber.

The third one was, "We cannot ensure that we will not have—" *[interjection]*

I know that the Minister of Water wants to speak, and we will allow him the courtesy of speaking when the time comes, Mr. Deputy Speaker. I know he is a bit embarrassed about having indicated to Manitobans that he has substantive evidence that he can take to court, and win a court case. Well, so far, I have not seen any of that.

The other thing that I found most interesting, there is, I am informed, in the Red Lake Reservoir, there is what is called a white algae. I guess it is something that we do not like, but it is in the Red Lake Reservoir. There is none at Devils Lake, but the

report said: "We cannot ensure that, in the future, there might not be introduction of white algae into Devils Lake, because we do not know whether it could be transferred by boat, or otherwise, or by birds carrying it into the lake. We cannot ensure that." So they said, "But, we know that it is prevalent in Red Lake, and that Red Lake flows into the Red River, and the Red River flows into your lakes. So we believe that you already have it in Manitoba. If it is prevalent in Red Lake, because it is all connected, obviously, you might have it." Although, they said, "We do not know that for sure."

Those are the three issues raised in the report. The minister knows that. If he has read the report, then he knows that. But I have never been more disappointed than when one of the minister's staff, out of his department, spoke at Emerson, and he laid out all the negative things about the pollution that farmers were causing to the Red River and to Lake Winnipeg, and the hundreds of tonnes of nitrates and phosphates that farmers were delivering into the Red River system, and that the Americans were contributing some 30 to 40 percent of those nutrients to the Red River, and that, if you opened the Devils Lake, they would deliver another 30 tonnes. So I asked the staff member, I said, "Can you table the evidence that you are quoting from today, at this meeting?" "Well, no," he said, "I did not bring it along, but I will make sure you get it next day."

Well, this is a month and a half later now, and I still have not seen it. I do, however have three reports. All three of those reports are nothing but estimates and guesstimates, because this Province has not done the testing on nitrates and phosphates in their river waters. I do not know if they have the ability to do it or not, but they have not done it. The reports that were written have not been able to demonstrate clearly what the results are. They are estimates, and they are guesstimates.

I would suggest to the minister, that, if he wants to put those kinds of fear tactics on the record, please be careful, because I was at the Brandon Winter Fair for a couple of days, and I met a number of my American friends, and I said, "Are you coming back this summer?" I know they are hunters and fishermen. I said, "Are you coming back this summer to fish?" They said, "We are not quite sure." I said, "Why? What is the problem? Did you not have good results last year?" "Oh, yeah, we had great fishing last summer." But they said, "We do not know

whether we want to come to Manitoba this year." I said, "Why?" "Well, because we have been reading all the things that the minister and his office have been saying about the Manitoba water, the huge pollution that we have in Lake Winnipeg, and the huge pollution that we have caused in our rivers and our lakes and our streams, and we do not know whether your fish are safe to eat anymore."

So I thought about that, and I said, "You know, what are we doing to our commercial fishery? What kind of message are we sending to the rest of the world that buys our freshwater fish out of our lakes that we have marketed all over North America, and what kind of fish are we now going to be marketing? Are we going to be marketing highly polluted fish out of highly polluted waters out of lakes that are dying?"

I think this minister has been totally, totally irresponsible in his will to try and create an image that agriculture has been attacking our lakes and our waters and our streams, and our farmers are polluters, nothing but polluters, and they have caused pollution in our rivers, in our lakes, in our waters, and they have destroyed our lakes and our rivers without any evidence, Mr. Deputy Speaker. He has no clear evidence. Why would he do this if there was not any clear evidence that he could put on the table?

I say to you, Mr. Deputy Speaker, if he has the evidence, then let him table it in this House, but he has not done it. So I say to you, we should be very careful, if we believe that we have a truly marketable product in our freshwater fishery, because I believe we do. I think we have some of the most pristine waters in the world. I think we have some of the most pristine lakes in the world, yet our minister portrays it as something else.

I want to say this, Mr. Deputy Speaker. Our farmers in this province, as well as all the other provinces in western Canada, have done more to protect the soil and the waters of our province than any other sector in society has over the last decade or maybe two, because 20 years ago the movement towards zero-tillage started. It was started by a very good friend of mine from Carman, and I hold him in high regard. He was a zero-tiller, and is a zero-tiller today. He spent his life trying to convince farmers to leave straw and stubble on their land, so the water could not wash away the soil, and it works.

We have changed, on our farm, our total tillage practices. The mow board plow is gone. The heavy cultivators are gone. We leave our straw and our stubble on our soil, and we use air seeders, which spike the seed into the ground, and lift the straw, and leave the straw to protect the soil from blowing and from washing away in the water. Farmers in Manitoba have spent millions, and millions, and millions of dollars changing the way they do business, to protect the land that they work, to protect their heritage for their children and their grandchildren, to protect the waters that our fish swim in, and that our fishery is protected, and the minister accuses us of blatantly destroying the land.

Mr. Speaker in the Chair

* (17:20)

An indication of how bad it is, I was at a meeting in Winkler where the department was telling the people how they would have to deal with pump-outs of their sewage holding tanks, and the minister said, or the staffperson said, "We will no longer allow you to spread your pump-out out of your septic tanks on your neighbour's field." So I asked him, "Why would you not allow that?" I said, "We have hundreds of thousands of acres of land that you could spread your septic tanks on. It will not hurt anybody." He said, "This, your land is so polluted by livestock manure. We will not allow you to put human waste on the land." I said, "Where do you get that from? We have 4000 acres of land that has not got any manure on it, has not, because we have not had any livestock on our farm for 15 years." So, no manure. But I am not allowed to say to my neighbour, "I will give you permission to spread his septic tank on, dump his septic tank on my field and spread it." How utterly silly can we get?

But those are the messages that this minister has perpetrated and sent all over North America, that this is a polluted province. We have polluted water and we have polluted lakes, and the products that we are going to draw out of those lakes might be contaminated. So I say to him that the attack that this minister has made on the farmers of this province will come to haunt him, but it might not come to haunt him in southern Manitoba where most of the farms are located. It might haunt him in his lakes and his streams and his freshwater fishery where he comes from. There might not be a market for them because he has sent the message that those fish are

now living in polluted waters and those lakes are dying and we might not have any fresh fish.

So I say to the minister, be careful what you say. The minister has told us that Lake Winnipeg is dying, that the fish species are endangered by the pollution that is caused. So I say to him, let us be careful.

I think that is demonstrated by the two acts that we have just seen before us. I have received many calls.

Hon. Scott Smith (Minister of Industry, Economic Development and Mines): Mr. Speaker, it is a pleasure to stand in the House today and, firstly, congratulate our Minister of Finance (Mr. Selinger) for putting this motion on record and certainly, putting this Budget forward for Manitobans.

As we hear volleys back and forth in the House, I think it is interesting to recognize factual information. To start with, this Budget again reflects on work that was done by this Government, by this Minister of Finance, over a period of time. It has been predictable. It has been transparent and it has meet needs that Manitobans truly find important.

Mr. Speaker, it is a balanced budget. It pays down the debt and it avoids using the Fiscal Stabilization Fund for the first time since the Fiscal Stabilization was introduced here in Manitoba. I can tell you, as the member from Steinbach, the member from Portage and others rant about their previous record, we just need to look at a few key points about the previous record. The member opposite from Emerson previously talked about the economic model that they structured through the nineties for Manitobans.

Let us start with a model of the hallway health care that members had. Let us start with the doctors leaving the province in droves. Let us talk about Connie Curran and the thousands of nurses that were laid off in this province, reducing health care for Manitobans substantially. Let us talk about leaky roofs in the universities. Let us talk about bricks falling off and wire cages around the university here in the beautiful capital city, here in Winnipeg, at the downtown location, in our universities.

Mr. Speaker, let us talk about education costs. They were skyrocketing on the special levy, 65%

increases during the Tory reign during the nineties. I must agree with members of the public that I heard say, "Progressive Conservative in one sentence is certainly an oxymoron." That is simply the vision that they had opposite.

In underfunding education, underfunding health, and, quite frankly, Mr. Speaker, running a capital deficit on our infrastructure here in this province in so many ways, on our highways and our educational and our health care facilities that Manitobans hold dear.

Let us look at historic job growth. The members opposite have been ranting and raving here for the last few days about the Budget that was introduced. The true fact that Manitobans do understand is that this Government, through this initiative by the Premier (Mr. Doer) on economic strategy, has created over 6500 jobs per year, compared to a meagre 3100 jobs a year created all through the nineties by the previous government. Mr. Speaker, I am sure some members on the opposite side can understand that 3100 compared to 6500 is certainly a poor and dismal record by the previous government. Increasing job creation for Manitobans by 100 percent over a short period of time has been a model and a model of economic growth that we are seeing.

Mr. Speaker, we are seeing it in tangible ways. We are seeing it certainly in rationalized efficiencies through the government system in Manitoba has now put us in the top three, in fact third, in provincial terms for government services on a per capita basis on costs for our government services. That has been done meticulously through the last number of budgets that we have had, making our Government a very affordable government in Manitoba. It has stuck to a doable plan, a long-term plan that has been extremely predictable.

Business in Manitoba, average people in Manitoba understand, year over year, that you do not make commitments and you do not make promises as the previous government did about building health care facilities. In fact, I can use an example right in my community of Brandon West. Seven times it was promised by the previous government that they were going to come in, usually just before an election, and build a health care facility for southwestern Manitoba and for Brandon to have health care facilities. They did not do it. It took this Government and a health care minister that cared about

Manitobans to put these projects forward and put them ahead. The money was found and still the Budget was balanced with this Government on priorities for Manitobans.

Mr. Speaker, the diligence by this Government and by this Finance Minister certainly members opposite do not have to take it from myself, they do not have to take it from the members on this side when they speak, but let us see them dispute BMO Nesbitt Burns and certainly Douglas Porter, a senior economist with Nesbitt Burns that said: "Faced with the many economic challenges in the past year, Finance Minister of Manitoba boosted program spending modestly, trimmed taxes for Manitobans and announced another small surplus in Manitoba's Budget Address, the Province projecting a small decline in the reported surplus from \$5 million in the fiscal year that ended to \$3 million in '03-04."

I hope the members opposite are paying attention. "Notably, though, the Province is not expecting to make any drawdown on its Fiscal Stabilization Fund this year." Members opposite continued to raid the rainy day fund and access, leaving the province in dismal straits. It is a good thing that members opposite were rejected from government when they were, because members opposite would be running a terrible deficit and putting Manitobans into a position that we would not have wanted to have seen.

Mr. Speaker, this Government, year over year, has reduced the taxes for Manitobans. In fact, more than government in the history of Manitoba, personal income taxes have been reduced for Manitobans in Manitoba. We have seen the tax credit on personal property and homes increase under this Government. We have seen the ESL decrease, year over year, for people in the communities all over Manitoba. We have seen the hydro rates equalized for all Manitobans. The rural communities are recognizing the growth was certainly through the electronic initiative that this Province has taken in the technology challenges that the members opposite never attacked. They never attacked with vigour. This side of the House recognizes that rural communities are important and should be connected all around the world.

When we look at the previous government on the portioning, that they like to say that they are supporting rural communities. They like to puff and

blow, and say that they are doing things for Manitobans.

They talk about it and what they say usually when you listen to them is, oh, it is a great initiative but you are not going fast enough or you are not going far enough. Take a step back from that, they did not do it at all. They increased the portioning for farmland up to 30 percent. This Government reduced it to 26 percent. This Government is predictable. It is

working for Manitobans and certainly people are recognizing a difference.

Mr. Speaker: Order. When this matter is again before the House the honourable member will have 23 minutes remaining.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

April 21, 2004

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