

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

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

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authority of  
The Honourable Daryl Reid  
Speaker*

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

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

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Wednesday, June 4, 2014**

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

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

Good afternoon, everyone. Please be seated.

**ROUTINE PROCEEDINGS**

**Mr. Speaker:** Introduction of bills?

**PETITIONS**

**Tabor Home—Construction Delays**

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

And the background to this petition is as follows:

- (1) Morden's population has grown nearly 20 per cent in five years.
- (2) Twenty-three per cent of Morden's population is over the age of 65.
- (3) The community worked for years to get the provincial government's commitment to build a new personal-care home, and as a result, construction of the new Tabor Home was finally promised in 2010.
- (4) The Minister of Health initially indicated that construction of the new Tabor Home would commence in 2013.
- (5) The Minister of Health subsequently broke her promise and delayed construction until spring 2014.
- (6) The Minister of Health broke that promise as well, delaying construction again until fall 2014.
- (7) In March of 2014, the Minister of Health broke her promise yet again, once more delaying construction of Tabor Home until 2015.

(8) Too many seniors continue to live out their final days and months in facilities far from home and family because of a shortage of personal-care-home beds in the area.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to stop breaking their promises, stop the delays and keep their commitment to proceed with the construction of Tabor Home in 2014.

And this petition is signed by D. Smith, B. Nield, V. Pringle and many other fine Manitobans.

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

**Provincial Sales Tax Increase—  
Reversal and Referendum Rights**

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

The background to this petition is as follows:

- (1) The Balanced Budget, Fiscal Management and Taxpayer Accountability Act is a law that guarantees Manitobans the right to vote on a referendum to either approve or reject increases to the PST and other taxes.
- (2) Despite the fact that the right to vote is enshrined in this legislation, the provincial government hiked the PS to-T to 8 per cent as of July the 1st, 2013.
- (3) The progressive party of Manitoba has asked the courts to rule on whether or not the government broke the law failing to address the referendum requirement before imposing the PST tax increase on Manitoba families.

We petition the Legislative Assembly of Manitoba as follows:

- (1) To urge the provincial government to reverse the PST increase.

(2) To urge the provincial government to restore the right of Manitobans to vote in a referendum on increases to the PST.

This petition is submitted on behalf of K. Eyford, C. McKay, R. Howe and many other fine Manitobans.

**Mr. Speaker:** Are there any further petitions?

### COMMITTEE REPORTS

**Mr. Speaker:** Seeing none, we'll move on to committee reports.

#### Standing Committee on Justice Second Report

**Mr. Bidhu Jha (Chairperson):** I wish to present the Second Report of the Standing Committee on Justice.

**Clerk (Ms. Patricia Chaychuk):** Your Standing Committee on Justice—

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense? Dispense.

*Your Standing Committee on JUSTICE presents the following as its Second Report.*

#### Meetings

*Your Committee met on June 3, 2014 at 6:00 p.m. in Room 255 of the Legislative Building.*

#### Matters under Consideration

- **Bill (No. 49)** – *The Manitoba Public Insurance Corporation Amendment Act/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba*
- **Bill (No. 52)** – *The Non-Smokers Health Protection Amendment Act (Prohibitions on Flavoured Tobacco and Other Amendments)/Loi modifiant la Loi sur la protection de la santé des non-fumeurs (interdiction visant le tabac aromatisé et autres modifications)*
- **Bill (No. 57)** – *The Highway Traffic Amendment Act (Countermeasures Against Drug-Impaired Driving)/Loi modifiant le Code de la route (conduite avec facultés affaiblies par la drogue)*
- **Bill (No. 60)** – *The Restorative Justice Act/Loi sur la justice réparatrice*
- **Bill (No. 66)** – *The Statutes Correction and Minor Amendments Act, 2014/Loi corrective de 2014*

#### Committee Membership

- *Hon. Mr. ALLUM*
- *Hon. Ms. BLADY*
- *Mr. CALDWELL*
- *Mrs. DRIEDGER*
- *Mr. GOERTZEN*
- *Mr. GRAYDON*
- *Mr. JHA (Chairperson)*
- *Mr. NEVAKSHONOFF*
- *Mr. PEDERSEN*
- *Hon. Mr. SWAN*
- *Ms. WIGHT*

*Your Committee elected Mr. NEVAKSHONOFF as the Vice-Chairperson.*

#### Public Presentations

*Your Committee heard the following two presentations on **Bill (No. 49)** – The Manitoba Public Insurance Corporation Amendment Act/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba:*

*Ken Guilford, Private Citizen  
John McDonald, Private Citizen*

*Your Committee heard the following 10 presentations on **Bill (No. 52)** – The Non-Smokers Health Protection Amendment Act (Prohibitions on Flavoured Tobacco and Other Amendments)/Loi modifiant la Loi sur la protection de la santé des non-fumeurs (interdiction visant le tabac aromatisé et autres modifications):*

*Erin Crawford, Canadian Cancer Society, Manitoba Office  
Daniel More, Brigham Enterprises  
Mike Klander, Rothmans, Benson & Hedges  
Rob Cunningham, Canadian Cancer Society, National Office  
Murray Gibson, MANTRA - Manitoba Tobacco Reduction Alliance  
Ken Guilford, Private Citizen  
Mel Hinds, Private Citizen  
Ken Dalton, Thomas Hinds Tobacconist Limited  
Margaret Bernhardt-Lowdon, Manitoba Lung Association, Executive Director  
Tessa Bortoluzzi, Erin Andrushuk, Hayley Ward, Ashpreet Maan, Marlies Morris (by leave), Manitoba Swat (Student Workers against Tobacco)*

*Your Committee heard the following presentation on **Bill (No. 57)** – The Highway Traffic Amendment Act (Countermeasures Against Drug-Impaired*

*Driving)/Loi modifiant le Code de la route (conduite avec facultés affaiblies par la drogue):*

*Ken Guilford, Private Citizen*

*Your Committee heard the following presentation on **Bill (No. 60)** – The Restorative Justice Act/Loi sur la justice réparatrice:*

*Ken Guilford, Private Citizen*

*Your Committee heard the following presentation on **Bill (No. 66)** – The Statutes Correction and Minor Amendments Act, 2014/Loi corrective de 2014:*

*Ken Guilford, Private Citizen*

### **Written Submissions**

*Your Committee received the following nine written submissions on **Bill (No. 52)** – The Non-Smokers Health Protection Amendment Act (Prohibitions on Flavoured Tobacco and Other Amendments)/Loi modifiant la Loi sur la protection de la santé des non-fumeurs (interdiction visant le tabac aromatisé et autres modifications):*

*Luc Martial, Casa Cubana/Spike Marks Inc.*

*John Fitzgerald, Imperial Tobacco Canada*

*Andrew Klukas, Western Convenience Stores Association*

*Glen D. Ross, Glen D. Ross Agencies Ltd.*

*Ruth Couldwell, Private Citizen*

*Val Burgess, Private Citizen*

*Harold Bidzinski, Private Citizen*

*Jarred Skolnik, Private Citizen*

*Ren Kumar, Sheffield & Sons Tobacconists*

### **Bills Considered and Reported**

- **Bill (No. 49)** – The Manitoba Public Insurance Corporation Amendment Act/Loi modifiant la Loi sur la Société d'assurance publique du Manitoba

*Your Committee agreed to report this Bill without amendment.*

- **Bill (No. 52)** – The Non-Smokers Health Protection Amendment Act (Prohibitions on Flavoured Tobacco and Other Amendments)/Loi modifiant la Loi sur la protection de la santé des non-fumeurs (interdiction visant le tabac aromatisé et autres modifications)

*Your Committee agreed to report this Bill, with the following amendments:*

*THAT Clause 2(1) of the Bill be amended in the proposed definition "flavoured tobacco product", in*

*the part after clause (c), by adding ", pipe tobacco" after "chewing tobacco".*

*THAT Clause 2(1) of the French version of the Bill be amended in clause (a) of the proposed definition "produit du tabac au menthol" by striking out "l'une ou l'autre des caractéristiques" and substituting "les caractéristiques".*

*THAT Clause 2(1) of the French version of the Bill be amended*

*(a) in the proposed definition "produit du tabac"; and*

*(b) in the proposed definition "produit du tabac aromatisé", in the part after clause (c);*

*by striking out "tabac sans fumée" and substituting "tabac à priser".*

*THAT Clause 7 of the Bill be replaced with the following:*

*Coming into force*

*7 This Act comes into force on a day to be fixed by proclamation.*

- **Bill (No. 57)** – The Highway Traffic Amendment Act (Countermeasures Against Drug-Impaired Driving)/Loi modifiant le Code de la route (conduite avec facultés affaiblies par la drogue)

*Your Committee agreed to report this Bill without amendment.*

- **Bill (No. 60)** – The Restorative Justice Act/Loi sur la justice réparatrice

*Your Committee agreed to report this Bill without amendment.*

- **Bill (No. 66)** – The Statutes Correction and Minor Amendments Act, 2014/Loi corrective de 2014

*Your Committee agreed to report this Bill, without amendment on a recorded vote of yeas 6, nays 4.*

**Mr. Jha:** I move, seconded by the honourable member from Interlake, that the report of the committee be received.

**Motion agreed to.**

**Mr. Speaker:** Any further committee reports? Tabling of reports? Ministerial statements?

### **Introduction of Guests**

**Mr. Speaker:** Prior to oral questions, I have a number of guests to introduce.

We have with us today in the public gallery from Red River College Language Training Centre 30 adult English language students under the direction of Floyd Yewchan. And this group is located in the constituency—the Minister of Multiculturalism and Literacy (Ms. Marcelino).

Also in the public gallery today, we have with us from Angus McKay School 22 grade 4 students under the direction of Michelle Lee. And this group is located in the constituency of the honourable member for Elmwood (Mr. Maloway).

And also seated in the public gallery, from Sunflower Valley Christian School we have 15 grades 7 to 9 students under the direction of Matthew Goossen. And this group is located in the constituency of the honourable member for Emerson (Mr. Graydon).

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

## ORAL QUESTIONS

### PST Increase Economic Impact

**Mrs. Heather Stefanson (Tuxedo):** Today, the Progressive Conservative Party of Manitoba is standing up for Manitobans in court fighting this NDP government on their illegal PST hike.

Mr. Speaker, since the NDP illegal PST hike came into effect last July, Manitoba has had the worst inflation rate in Canada at double the national average, the most job losses and the worst increase in the employment rate. It's clear that this NDP PST hike has had a very negative impact on the economy here in Manitoba.

Will the NDP government just admit that today the PC Party and our leader are standing up in court for Manitobans while the NDP are looking out for themselves?

**Hon. Jennifer Howard (Minister of Finance):** What we know today is that the Conservative Party is committed to the same thing they were committed on day one of the economic crisis, and that's to cut deeply into the services that matter to Manitobans.

\* (13:40)

When the economic crisis hit, the member that asks this very question put in front of this House a motion to cut half a billion dollars from the budget when every other government in Canada, every other government in the western world was investing in

stimulus to protect jobs, to fight our way through the recession and into recovery.

We remain on that path of recovery. We remain committed to creating good jobs and protecting the services that families need.

We will not go down the path suggested by the members opposite, cut those services and throw people out of work. We know that is the wrong path.

**Mrs. Stefanson:** Mr. Speaker, what we are committed to is standing up for Manitobans against this NDP illegal PST hike.

Since the NDP PST hike came into effect last July, not only did we have the worst inflation rate in Canada, the most job losses, the worst decrease in employment rate, but we're also the second slowest year-over-year wage growth, the second biggest increase in the number of people looking for jobs and the second biggest increase in the unemployment rate. Clearly, the PST hike has had a negative impact on the Manitoba economy.

Will they just admit that we're standing up for Manitobans while they're standing down?

**Ms. Howard:** And you know what, Mr. Speaker? Had we taken her advice, had we taken the advice that the Leader of the Opposition continues to give, that we should cut deeply into those services, we wouldn't have had the record we've had through the recession and through the recovery, the record of one of the fastest growing economies in Canada, the record of one of the lowest unemployment rates in Canada.

And today, Mr. Speaker, we continue to invest in creating good jobs and making sure our young people have the skills they need to get those jobs and stay here without doing it at the expense of cuts to services that families count on, services like health care and education.

We know the vision of the members opposite because we've heard it time and time again: tough love, a chill, cuts to health care and education across the board.

We know that when the member of—the official Leader of the Opposition had the chance to vote for budgets, the budgets he voted for cut budgets like education and agriculture every single year he voted for a budget. That's what they did then; that's what they'll do tomorrow.

We will continue to fight—

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

**Mrs. Stefanson:** Had they listened to us, the PST would be at 7 per cent right now, Mr. Speaker, not 8 per cent.

Not only since the NDP PST hike came into effect last July did we have the worst inflation rate in Canada, the most job losses, the worst decrease in employment rate, the second slowest year-over-year wage growth, the second biggest increase in the number of people looking for jobs and the second biggest increase in the unemployment rate, but it gets worse: the third fastest shrinking labour force, Mr. Speaker, and the third fastest shrinking participation rate.

It's clear to Manitobans, it's clear to the Progressive Conservative Party that the—that this has been—the PST hike has had a negative impact on our economy.

Will they just admit that this has had a negative impact on our economy?

**Ms. Howard:** I think what is clear to Manitobans is that the choice that they made when they had the opportunity, when they were faced with economic challenges, what are the choices that they made? They cut the education budget and froze it. At the same time, they saw property taxes go up. They expanded the base of the PST and they cut funding to agencies working with kids. They cut funding to agriculture. They fired nurses. They fired teachers. That was the path they were on then.

When they had the chance to say what they would do in this fiscal crisis, they said the plan is to cut half a billion dollars today out of the budget. When the Leader of the Opposition had the plan to say what he would do, it was across-the-board cuts.

Had we listened to them, there'd be thousands of people laid off today. We would still be going through a recession in this province. We wouldn't be investing in creating the good jobs for our young people so they can stay and have a good life here in Manitoba.

#### **PST Increase Provincial Revenues**

**Mr. Cameron Friesen (Morden-Winkler):** This Finance Minister knows the facts, and the facts are these, that federal transfer payments account for one third of every dollar that this government takes in revenue.

The Minister of Finance knows that the facts are that these are the lowest interest rates in history.

The Finance Minister knows that the NDP government collected \$150 million more in income tax in 2013 than in the year before, and this year the Finance Minister knows that she's on track to collect another \$150 million in income tax than the previous year.

And, Mr. Speaker, in that context, the government said they wouldn't raise taxes and then they shred the taxpayer protection act and they hike the PST on all Manitobans.

Mr. Speaker, will this government just admit that while we are standing up for Manitobans, they are only looking out for themselves?

**Hon. Jennifer Howard (Minister of Finance):** Well, let's take a look at the kind of budget that the Leader of the Opposition seems to like.

Let's look at some of the budgets he voted for. Budget '93, he voted for \$17 million cut from the Department of Agriculture. Budget '93, he voted for \$1 million cut from northern communities and that year \$14.3 million cut from Education. That's a budget that he voted for.

And let's look at what happened to provincial income taxes in the times that he was in Cabinet. When the Leader of the Opposition went into Cabinet, in Budget '95 a family of four making \$60,000 paid \$7,056 in income tax. Two years later when he left Cabinet, they paid \$4 more in provincial income tax. Today that family pays \$2,500 less.

**Mr. Friesen:** Mr. Speaker, what the Finance Minister left out is that even the Auditor General is saying she has grave concerns about the way that government spends money in this province.

The facts are these: federal transfer payments, highest around; interest rates, the lowest around; income tax revenue accruing to government, the highest ever.

And with all this revenue, the NDP breaks its promise to Manitobans to balance the budget in this fiscal year. Instead of a balanced budget, what do Manitobans get? They get a \$400-million deficit. They get a \$32-billion accumulated debt.

Mr. Speaker, will this NDP tired government just admit today that while this party is standing up in the interests of all Manitobans, they are only looking out for themselves?

**Ms. Howard:** You know, in the time that the Leader of the Opposition was in government, they were also complaining about transfer payments from the federal government. They said that because they didn't have enough money from Ottawa, they had no choice but to freeze every hospital, every personal-care home, every clinic in the province.

In this province, the reality is that transfer payments from Ottawa did not grow throughout the economic recession and the economic recovery. In fact, on a per person basis, it's gone down. And that information is from federal Finance.

But we didn't make those choices. We didn't cut organizations. We didn't freeze all capital spending. We didn't lay people off. We saw a different path, a more responsible path, to grow the economy, to protect the services that matter to Manitobans, to invest in flood protection and infrastructure. That is a better path for Manitobans.

The policies that they followed in the '90s failed. They were the wrong policies for Manitoba. The policies that they advocated when the economic crisis hit were the wrong policies. And the policies that the Leader of the Opposition is still committed to, to cut and slash the things that Manitobans care about, is the wrong—

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

#### **PST Increase Youth Sport**

**Mr. Ron Schuler (St. Paul):** Mr. Speaker, the illegal NDP PST increase hits Manitoba families and youth sport very hard, good nutrition, consistent meals, registration fees, equipment fees, facility and field fees, repair on aged facilities, declining volunteerism and volunteer background checks all being increased by an illegal PST hike that Manitoba families had no say in.

Why is this spenDP government forcing families to make the choice between more money for the Cabinet table and less for youth sport?

**Hon. Jennifer Howard (Minister of Finance):** Well, this budget that that member voted against has half a million dollars more for Green Team. That's jobs for young people this summer in his community and our community and communities all across the province.

But let's look at the kind of budgets that they like. The budget that, in '93, that the Leader of the

Opposition voted for, let's look at some of the organizations that it cut. It cut funding to the Learning Disabilities Association of Manitoba, a self-help parent group. They cut funding to the Manitoba Child Care Association. They cut funding to friendship centres, the Family Day Care Association of Manitoba.

When they had their hands on the wheel, when they had the opportunity to make a choice between supporting young people, supporting families or cutting those services, they chose to cut.

We have chose to invest, and we will continue to invest in the services that Manitobans count on and investing in an economy that creates good jobs so our kids can stay right here.

**Mr. Schuler:** With youth obesity rates at an all-time high and youth exercise at an all-time low, why would this NDP government force Manitoba families to make a choice between the NDPST or the opportunity for youth athletic development and healthy lifestyles?

No referendum, no consultation, just an increased cost barrier to our youth.

The question is simple: Why?

\* (13:50)

**Ms. Howard:** Well, Mr. Speaker, we have seen increased investments in our public schools, investments in new gyms and investments in those gyms that stay open later, after the school closes. We've seen investments in community centres where kids can come and play. We've seen investments in after-school programs. We've continued those investments even through the economic crisis, even through the recovery period.

When they had a choice, they ended those investments. In fact, in one budget they both cut funding to schools and increased education property taxes.

That's their record. That's the record of the Leader of the Opposition when he has the chance. That's what he did then; that's what he would do again.

#### **PST Increase Insurance Premiums**

**Mr. Kelvin Goertzen (Steinbach):** Mr. Speaker, while the NDP is trying to get off on a technicality like a common criminal across the street in the law



court, real Manitobans don't have that option when it comes to paying the PST tax increase.

Just recently, I heard from Harv's Air, who operates a flight training school in Steinbach and in St. Andrews, and they told me that their insurance bill this year with the PST added and the expansion on insurance was \$12,000 more than before the PST was increased and expanded.

Why does this NDP government believe that that \$12,000 is better in the hands of the government than in a job creator like Harv's Air?

**Hon. Jennifer Howard (Minister of Finance):** We know that when we took the decision to raise the PST by one point on the dollar, we were doing that because we wanted to invest in flood protection. We wanted to invest in infrastructure. We wanted to make sure that Manitoba could continue to create the good jobs that our kids are depending on so they can stay here and have a good life here.

But we weren't going to be forced into the decision that members opposite would have us make, a decision to cut the services that Manitobans count on. That wasn't the path that we were on.

And, Mr. Speaker, I would also say to the member opposite, when his leader had the power around the Cabinet table, he was charging a small business \$50,000 a year in tax. Today that small business pays zero.

### **Litigation**

**Mr. Goertzen:** Well, Mr. Speaker, the government wants to say that they're listening to Manitobans, but they had their chance. Hundreds came to committee last summer and the Premier (Mr. Selinger) didn't come to one single meeting. Hundreds came to the front of the Legislature, the Premier didn't show up to even one of those rallies. He had the opportunity to listen to Manitobans last summer.

We decided to stand up for those Manitobans. We're bringing it to court. We're saying, if you want that tax increase reversed, you've got to vote for us because the NDP will never listen to you.

Why won't this government finally listen to Manitobans and stop reaching into their pocket and taking every last penny that Manitobans have earned?

**Ms. Howard:** Well, I think Manitobans remember well what happened the last time there was a Conservative government in this province.

They remember losing nurses to provinces all over the country. They remember a time when instead of increasing the number of spaces for young people to become nurses and doctors, they actually cut the number of those spaces. And today when they stand up and ask where are the doctors, where are the nurses, they only have to look in the mirror, an entire generation of medical professionals gone because of the short-sighted decisions they made.

And today, Mr. Speaker, they're fighting for the opportunity to force us to make those same kind of short-sighted decisions. We say no to those kind of short-sighted decisions.

We think there's a better way, and that's a responsible way forward where we can create good jobs, invest in infrastructure, invest in flood protection, protect health care and education to move towards a balanced budget responsibly. That's the path we're on. That's the road we're on. We'll take that—

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

### **PST Increase Mining Industry**

**Mr. Cliff Cullen (Spruce Woods):** Mr. Speaker, only a tired and lazy government would keep going back to taxpayers and Manitobans to fund their own spending habits.

Mr. Speaker, in Canada retail sales tax is collected in the mining industry in only three provinces, that being BC, Saskatchewan and, yes, Manitoba. We know how investment monies work in the mining industry; money goes where it's wanted, and we have to compete with other jurisdictions for that investment money. Clearly, the provincial sales tax has an impact on mining companies and their decision to invest in Manitoba.

Can the minister tell how the Manitoba PST is affecting investment in the mining industry here in Manitoba?

**Hon. Dave Chomiak (Minister of Mineral Resources):** I'm a very happy—I'm very happy to have the opportunity to answer this question.

First of all, Mr. Speaker, we have had the largest mining expansion in the history of Manitoba with the development at the Lalor mine. The largest mine in Manitoba history has been developed in the last several years in co-operation with Hudson Bay.

Secondly, those—several years ago Vale was going to close its smelter and close its Birchtree Mine. Now, because of co-operation between the community, First Nations and the government, the smelter refinery is going to stay open and they will probably invest \$1 billion in 1D. I hardly call that a setback.

Finally, we, for the first time, have put together a mining advisory committee consisting of chiefs, mining companies to work out the future of consultation and going forward on mining. We have hope, Mr. Speaker.

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

**Mr. Cullen:** Well, Mr. Speaker, under this government we've gone from No. 1 in the world to No. 26. That's the record you have.

Mr. Speaker, only three provinces collect PST, Manitoba being one of them. In BC the Province allows exemptions for the mining industry. In Saskatchewan the PST is only 5 per cent. We have an illegal 8 per cent PST in Manitoba. Clearly, that impacts investments in the mining industry here in Manitoba.

How does this illegal 8 per cent increase in PST—how does that impact mining in Manitoba?

**Mr. Chomiak:** Because of the mining tax provisions we have in place, we are the most competitive in terms of tax treatment of any mining companies in the country.

Secondly, the statistics given to us by the member come from an institution that has called for the privatization of health care in Canada. The Fraser Institute has only one intention. It wants to privatize health care just like members opposite did with home care.

We want to build the economy. We have, Mr. Speaker, one of the expanding oil and gas—that they never talk about—regimes in the country. We have mining companies and expanded the largest mine in Manitoba history. Lalor mine is opening. And we have some very, very promising gold 'explorations' that are looking at opening in Manitoba very, very soon. And we work with all the companies by sitting at one table.

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

### **PST Increase Small-Business Community**

**Mr. Doyle Piwniuk (Arthur-Virden):** Mr. Speaker, today I spoke to Bill Holden, mayor of Melita, and I asked him how the PST affected Melita, which is 20 minutes away from the Saskatchewan border and the US border.

He stated that he sits on the Melita art council, which runs the local movie theatre. He informed me that their organization did not raise their ticket prices but absorbed the PST, both on the increase and also on the insurance premiums. They wanted to keep the business in their town, so that's why they didn't increase the price. This has greatly impacted on their non-profit organization.

Would this minister admit that this is bad for the local economies of border towns like Melita?

**Hon. Jennifer Howard (Minister of Finance):** You know, when we look at the economic performance in Manitoba, I think one thing that is interesting to note is that Manitoba's creating manufacturing jobs at a time when the rest of the country is losing those jobs. That is a credit to Manitoba manufacturers. It's also a credit to some of the tax credits that we've put in place.

But, you know, the member opposite mentions Melita. Here's a fact he may want to take back to the mayor of Melita. One of the budgets that his leader voted for, in fact, reduced funding to Melita hospital by \$182,000. Those budgets that his member—that his leader voted for actually cut funding to that hospital by \$180,000.

I submit that he should talk to the mayor of Melita, ask how—ask the mayor of Melita how that would affect his town if he's successful, if they form the next government and they cut the Melita hospital. I wonder what the mayor would say.

**Mr. Piwniuk:** Mr. Speaker, right now Melita is without a lot—number of doctors and nurses. They lost two more nurses. So what does that say about this NDP government?

Mr. Speaker, also in this conversation with Bill Holden, he informed me that the people of Melita region are doing most of their shopping in places like Redvers, Saskatchewan; Minot, North Dakota; and Bottineau, North Dakota, due to the increase in price—the PST. This is affecting the small businesses in Melita.

Has this government taken into consideration the impact of border towns like Melita, and does this minister explain to the local businesses in this town like Melita?

**Ms. Howard:** Well, Mr. Speaker, I'll tell you this, you can't recruit a doctor with \$180,000 less than you had before. But that was their approach to health care when they had the chance, to cut doctors and nurses, to not train them, to cut funding to hospitals.

We have taken an approach to small businesses throughout the province to reduce the taxes that they pay so that today a small business that makes \$500,000 or less pays the lowest amount of tax in the country.

\* (14:00)

In addition, we've committed to a path to invest in training and education, building skills for young people so they can get good jobs, so they can help those businesses grow in rural places in Manitoba, and we've done that without making the decision that members opposite would have us make, to cut services like health care and education that those rural communities also depend on.

#### **HIV Therapies Government Commitment**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, British Columbia has used a Treatment as Prevention approach to HIV/AIDS with the result that in the last four years the number of new cases in BC has dropped from 114 to 40.

While triple-drug therapy is fully supported in BC, here in Manitoba there has been a failure to act, and the number of people with HIV/AIDS is increasing.

Dr. Montaner, who's led the effort in BC, says Manitoba will never be able to successfully control its growing HIV problem until the provincial government seriously commits to the needs of patients.

I ask the Minister of Health: When will she seriously commit to the needs of HIV/AIDS patients?

**Hon. Erin Selby (Minister of Health):** I thank the member for bringing this to the House. I think that, in times past, we did used to speak a lot about the seriousness of HIV and AIDS, and it seems that that conversation has been lacking lately just in the general public.

Mr. Speaker, one of the things that we're making sure that we're doing for patients with HIV or AIDS, or any patient across Manitoba, is to make sure that we're funding health care, that we're providing doctors and nurses and that we're bringing health care right across the province.

It's important to recognize that we have patients, of course, not just in Winnipeg, not just in urban centres but across rural and northern Manitoba as well, and it's important to make sure that we have a strong health-care system in every part of Manitoba. That means training more doctors, that means hiring more doctors and that means having more nurses so that we can make sure that people get the attention they need where they need it when they need it.

**Mr. Gerrard:** Mr. Speaker, the failure of the Health Minister to address the needs of patients in Manitoba is astounding.

Women with breast cancer can't get critical Oncotype testing. A diabetes epidemic is raging out of control. The number of children coming to the Children's Hospital emergency room for mental health issues has gone up sixfold.

And now we see there's only partial support for treatment of patients with HIV/AIDS, resulting in an increase in the number of Manitobans with this infection.

Will the minister today begin providing full coverage for the Treatment as Prevention approach to HIV/AIDS, which is now the global standard?

**Ms. Selby:** Of course, we are always looking to provide the best care for people in Manitoba, no matter what health-care challenge they're facing.

Mr. Speaker, I think it's important to put some facts on the record because the member is unnecessarily scaring people about the things that we do do in order to help people with breast cancer. For instance, the Wait Time Alliance has just given Manitoba an A+ for radiation therapy. We know that we continue to expand our treatment and our screening for people with breast cancer. Certainly, we know that our survival rate has gone up from what was only 79 per cent in 2002 to 85 per cent now.

We know there's more work to do, and that's why we're making sure that more Manitobans are getting screened for breast cancer and it's why we've made a commitment for all cancer patients towards a cancer patient journey so that from diagnosis or

suspicion to cancer until treatment begins is two months or less, and we'll keep working to improve health care for everyone.

**Mr. Gerrard:** Mr. Speaker, the breadth and depth of the minister's failures are boundless.

Failing to provide effective Treatment as Prevention is resulting in increased numbers of new HIV/AIDS cases in the province. There are 1,100 patients with HIV/AIDS in Manitoba, 400 of whom cannot afford current effective drug treatment, aren't getting treatment.

The black hole of NDP indifference grows larger as the minister fails to see that increased HIV/AIDS cases are an increased strain on the inadequately funded HIV program in our province.

Will the minister commit today to guarantee access to Treatment as Prevention with adequate funding for the HIV program as well so that the HIV/AIDS epidemic can be reversed here in Manitoba?

**Ms. Selby:** Mr. Speaker, the most important thing we can do is prevent people from getting HIV/AIDS in the first place.

We know that early testing and diagnosis can improve the outcome for people, and that's why we've got the healthy sexuality action plan that has been making investments to encourage safer sexual practices, better sexual health and, of course, STI prevention.

As a result, we are identifying more people with HIV sooner and therefore are able to treat those people, and we're going to keep working to do that.

#### **Home Care Program 40th Anniversary**

**Mr. Ted Marcelino (Tyndall Park):** In 2003 and up to 2006, when my mother was dying, it was the program of our government, which is the Manitoba Home Care program, that saw us through the grieving process. It was 24 hours a day that the Home Care program was assisting me and my family while we took care of my mom, who was dying.

Now we are celebrating the 40th anniversary when it was first instituted by the NDP government of Edward Schreyer.

Can the minister please inform the House how our government has and is continuing to support and improve Home Care throughout the province?

**Hon. Erin Selby (Minister of Health):** It is a very important day for Manitobans, Mr. Speaker. Forty years ago today the NDP government under Ed Schreyer knew that universal health care was more than doctors, more than nurses. It also meant allowing people, seniors, to stay in their homes for longer, to be more comfortable at home, to get the rehabilitation that they needed in order to live an independent life.

Today, Mr. Speaker, 40,000 Manitobans are served by Home Care in this province, and today we are recognizing the great work of all the people, all the staff in the front lines and, of course, all those people who help make those 40,000 people live a little more proudly, a little more with dignity.

We also released our five-year strategy guide in an effort to move everything forward, Mr. Speaker. We know great work has done by over the last 40 years, and we know great work is going to happen over the next 40 years.

But I can tell you what won't happen. What won't happen is what the Conservatives tried to do to Home Care when they were in government. That's when they tried to privatize it and introduce user fees. That's not the plan going forward.

#### **PST Increase Low-Income Manitobans**

**Mr. Ian Wishart (Portage la Prairie):** Those on limited and fixed incomes have to make every penny count. Increases in costs, including the illegal PST increase, have taken away money from the kitchen table of many Manitobans.

As a party, we've gone to court to defend Manitobans. The NDP are only looking after themselves. They are certainly not helping low-income Manitobans.

Mr. Speaker, why have they targeted low-income Manitobans?

**Hon. Jennifer Howard (Minister of Finance):** Well, what they've gone to court to do is protect their right to cut into the programs that help those families. That was their advice when the economic crisis hit. That was their advice a year ago. That was their action in the 1990s.

When they had the opportunity to make a choice about supporting families, what did they do just to child care? They made a decision to stop creating any new spaces, to cap the amount of subsidy that

low-income families could get and to reduce by half, by 50 per cent, in one year funding to nursery spaces.

We are not going to be forced to make the same wrong decisions that they made. They can fight for their right to cut; we're going to fight for our right to invest.

**Mr. Wishart:** Well, Mr. Speaker, maybe they'd like to look at their record and be in this century for a while.

Each year—each year—since 2005 we've seen an increase in the number of people in Manitoba using food banks. The number is now up to 64,000 people. This number is up 14 per cent since last year; funny, that's the same amount the PST went up. One third of these families have dual wage earners. The working poor, seniors and refugees have doubled their use of food banks since 2010.

The NDP is only looking out for themselves. Why are they targeting these most vulnerable Manitobans with a PST increase?

\*(14:10)

**Ms. Howard:** You know, Mr. Speaker, the quest to reduce poverty in our province, that is something that goes on every day.

And some of the actions that we have taken to do that include things like ending the clawback of the National Child Benefit brought in by those members when they were in office. We ended that clawback and restored that money, and that money still today is going to those families and making a difference to those families.

And in this budget, Mr. Speaker, we put in place an increase to help families have better places to live, cleaner, safer, more affordable places to live, and those members opposite voted against that measure to increase help to the lowest income families.

In this budget we invested 5 and a half million dollars more in providing child care. When they had the opportunity, they cut funding to child-care programs. That's the difference.

#### **PST Increase Household Income**

**Mrs. Bonnie Mitchelson (River East):** But this NDP government has made cuts across the board. They've cut the disposable income of every working family in the province of Manitoba.

Mr. Speaker, I'd like to ask the government: Because of their illegal PST hike, how much more are taxpayers going to have cut out of their households to pay the legal costs to defend their illegal PST increase?

**Hon. Jennifer Howard (Minister of Finance):** This is a government that every year it had the power to do so raised the minimum wage for working Manitobans, and every year that we did that and we put that in the budget, those members have voted against us.

Minimum wage earners today are able to buy more because their disposable income is up. When we came into government their disposable income had fallen to a low that it hadn't seen in 20 years. In addition, we've raised the basic personal exemption so those people pay less taxes.

People in Manitoba who are working for minimum wage are better off today because they make more money and they pay less taxes, and we're investing in programs that can help them get the skills and training that they need to get a better job so that our economy can continue to grow.

That's our plan. Mr. Speaker, that's what we've been doing when we had the chance. When they had the chance they lowered the wages of low-income people and they cut the programs that they depended on.

#### **Litigation**

**Mrs. Mitchelson:** But there was no resemblance to an answer in that minister's response.

Mr. Speaker, again, every family in Manitoba has had cuts made to their disposable income as a direct result of the illegal PST increase, and now they're having to pay the legal cost for a government that made that kind of wrong-headed decision.

Mr. Speaker, how much—very simple question—how much money are Manitobans having to pay to have the NDP go to court to defend their illegal PST tax hike?

**Ms. Howard:** Well, Mr. Speaker, if the assumption of members opposite was that we would not go to court to defend this government's plan to invest in infrastructure, to invest in flood protection, to create good jobs for young people without compromising the services that families count on, without making their cuts, they got that wrong.

Absolutely, we will defend the right of a government to make budgetary decisions to protect the services and the jobs that Manitobans count on. We will do that.

And one thing that they may not tell you is if they're supporting their legal costs with political donations, taxpayers are paying for that too.

#### **PST Increase New Immigrants**

**Mr. Dennis Smook (La Verendrye):** Many of the immigrants who come to Manitoba struggle to make ends meet. When trying to establish themselves financially, the last thing that they need is to have their hard-earned money taken away. The PST increase makes life difficult for new Manitobans.

We are in court standing up for Manitobans. The NDP are only looking out for themselves.

Mr. Speaker, why is this NDP government trying to make it more difficult for new immigrants who come to Manitoba?

**Hon. Jennifer Howard (Minister of Finance):** Well, I will tell you something that made it more difficult for refugees is when the federal government decided to stop funding health care for those refugees. That made it more difficult. When they said that those refugees should have to bear the costs of the medications and the treatment that they needed, when the federal government did that, this government stepped up to make sure that those refugees had health care.

And that is the kind of investment that we will continue to make, and it's exactly the kind of investment that if members opposite had the chance they would cut in a heartbeat.

#### **Refugees**

**Mr. Smook:** The tax increase is a result of the NDP's inability to manage money.

Over 10 per cent of newcomers to Manitobans are refugees. Many of them face concerns regarding savings for needed assets, learning English, finding housing and securing employment. This NDP government works against refugees by increasing the PST and raising taxes.

We are in court fighting this tax increase while the NDP are only looking after themselves.

Mr. Speaker, why is this NDP government trying to make life more difficult for our new refugees?

**Ms. Howard:** You know, Mr. Speaker, sometimes you should listen to the answer before you just follow the script in front of you.

What I just said to the member opposite is that one of the things that makes life difficult for refugees is when the federal government decided to cut the support for health care to those refugees, when the federal government said to refugees who had diabetes, to refugees who had chronic health concerns, you're on your own, pay for your own health care.

And when that happened, this government stepped up. This government stepped up to fund health care for those refugees on the same basis as every other Manitoban.

We made the choice to spend that money, to invest that money. I don't apologize for that. And I know that that's exactly the kind of investment that that party over there today is fighting for the right to cut.

We'll continue to fight to invest in health care, to invest in education, to create good jobs, to invest in flood protection, to grow the economy and to move to a balanced budget in a responsible way that lets everybody in Manitoba enjoy the prosperity that this province is known for.

#### **PST Increase NDP Election Promise**

**Mr. Cliff Graydon (Emerson):** Mr. Speaker, Terry Lakusta is the proud owner of Vain Hair. He's a proud resident of Riel and a proud Manitoban.

When the member for Riel (Ms. Melnick) came to his door in 2011 and promised him no new tax increases, Terry believed her. Terry expanded his business. Then the member for Riel and the NDP slapped a PST on haircuts. Then the member for Riel raised the PST by 14 per cent.

Now the NDP has taken Terry's money to defend themselves because they broke the law.

Mr. Speaker, why did this government break the law and break Terry's trust?

**Hon. Jennifer Howard (Minister of Finance):** Well, Mr. Speaker, we'll continue to have the debate about what is the right path forward for Manitobans.

Is the right path forward for Manitobans the path that the Leader of the Opposition took in the 1990s, the path to cut education, to cut health care, to cut

hospitals, to freeze any capital spending, to cut daycare? Is that the right path for Manitobans? No.

The right path for Manitobans, the path that I believe we are responsibly on, is to create good jobs, to invest in skills and training so our children can get those good jobs and stay right here in Manitoba, to invest in flood protection to make sure we continue to be able to protect the economy and people's property from disastrous floods. That's the path that we're on, without making the cuts that the members opposite would like to force us to do.

Make no mistake, that's what today is about: a choice to cut, a choice to invest; a choice for families, a choice only for your friends. That's the choice that is going to be in front of Manitobans. We'll take that case to Manitobans.

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

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

Time for oral questions has expired. It is time—it's good to see members are in good spirits today. Time for oral questions has expired.

#### MEMBERS' STATEMENTS

**Mr. Speaker:** It's time for members' statements.

##### Remembering Genocide: DR Congo

**Mr. Dave Gaudreau (St. Norbert):** Mr. Speaker, today, myself and the Minister of Multiculturalism and Literacy (Ms. Marcelino) joined members of the Legislative Assembly and those of the Manitoba Congolese community to remember victims of the decades of violence in the Democratic Republic of the Congo.

For over 100 years, Congolese people have suffered untold violence and atrocities in the face of vicious colonial rule, dictatorship and civil war. Atrocities of the DR Congo's past and present sadly go untold, but courageous members of Manitoba's Congolese community are changing that.

Today we marked the first in what will become a yearly tribute to those millions of Congolese who've lived—whose lives have been ended or shattered by the violence in their country.

From 1908 to 1960, 3.8 million Congolese were massacred as part of Belgian colonial rule. From 1960 to 1994, Congolese suffered under the dictatorial rule of Mobutu which killed another 2.9 million.

Since 1994, those in the DR Congo have struggled to build better lives amid brutal violence and conflict. Since 1994, more than 7.4 million Congolese have died as a result of this violence, more than half of which are children. Since 1994, 2 million Congolese women have been raped; 2.6 million are now internally displaced; and more than 500,000 have fled their country.

Mr. Speaker, Manitoba is home to many of these forced to flee this violence, which is why we should all be committed to raising awareness about these horrible crimes against humanity. During today's ceremony called Remembering the Unspoken Genocide, Democratic Republic of Congo, the names of victims known to the Manitoba Congolese community were read by provincial leaders hoping to bring this much-needed awareness to this tragedy.

Every year from now on we will come together at the Legislative Building to remember those who have lost their lives amidst inhumane and unimaginable violence. Thank you to Serge Kaptegain, Thierry Kalonji, Bahati D. Mulimbwa, Sylvie, Rachel, Francine and Odette Bahait, and all those advocates who organized this event. You push to make this world a better place.

Thank you.

##### Tiananmen Square 25th Anniversary

**Mr. Wayne Ewasko (Lac du Bonnet):** Mr. Speaker, today marks the 25th anniversary of the Tiananmen Square massacre, also known as June 4th Incident and the '89 Democracy Movement. Following the death of the Chinese Communist Party's leader and reformer, Hu Yaobang, on April 15th, 1989, thousands of students across China led demonstrations that lasted nearly seven weeks to raise awareness about concerns over splits within China's political leadership, government accountability, freedom of the press, freedom of speech and the desire to restore workers' control of industry.

On May 20th, 1989, the Deng Xiaoping and the Chinese government imposed martial law which allowed hundreds of thousands of troops to stop the student protesters. Tens of thousands of protesters blocked the army's entry into Beijing, and on May 24th the soldiers retreated. By the month of June, tensions grew very high and the protestors began to lose organization, and thousands went on a hunger strike. On June 4th, 1989, the Chinese government ordered 300,000 soldiers to open fire on the protestors. Approximately 2,000 protestors were

reported to have been killed, but it is likely that there were more deaths and it is certain that thousands were injured.

Despite the limited amount of information that is available regarding the Tiananmen Square massacre, one of the most memorable moments of the protest was when an unknown man stood in front of several tanks which were lined up on the north end of Tiananmen Square. Despite the efforts of the operators of the tanks to move around the man, they were unsuccessful. The Tank Man climbed on top of one of the tanks and spoke with one of the tank commanders. The standoff continued until the Tank Man was pulled out of the way of the tanks.

We are extremely fortunate, Mr. Speaker, to live in a province and country that grants us the rights of speech, expression, thought, belief, opinion, and freedom of the press and other media communication. We are fortunate that our students can feel safe enough to express their opinions and that we are able to make our concerns known to the government in a peaceful manner.

Thank you, Mr. Speaker.

#### **Ball for the Brave**

**Hon. Sharon Blady (Minister of Healthy Living and Seniors):** Mr. Speaker, last month, the United Fire Fighters of Winnipeg hosted the Ball for the Brave, a dinner in support of Cvet's Pets, MSAR search and rescue and the Courageous Companions program. I had the pleasure of joining the special envoy for military affairs and the member for the Interlake at this event, and we could not be prouder to support this wonderful cause.

The Courageous Companions program connects veterans and current members of the Canadian Forces diagnosed with post-traumatic stress disorder or physical disabilities, with highly trained medical-service dogs. This is a made-in-Manitoba initiative that first started when MSAR brought service dogs to work with PTSD sufferers at 17 Wing, Winnipeg. Today, MSAR provides service dogs to veterans free of charge. It is their gift to men and women who have given so much for our country.

In many cases, a service dog is the difference between life and death when traumatized veterans struggle with thoughts of suicide and depression. The dogs pull them away from those thoughts. With a loving nudge, they are able to inspire hope and relief.

However, Courageous Companions is not just about helping veterans; it is also about helping dogs. The program follows the motto: Rescuing One Soul to Save Another. Each service dog is rescued from an animal shelter and then trained for over a year before going to its new, loving home.

Winnipeg-based Cvet's Pets, founded by former Winnipeg Blue Bomber, Chris Cvetkovic, has long been a supporter of animal rescue programs. Cvet's Pets is now a valuable partner for Courageous Companions. They fundraise to provide soldiers with a service-animal starter kit that includes everything from a kennel and dog bed, to collars, leashes and dog dishes.

Mr. Speaker, I want to thank the United Fire Fighters of Winnipeg for hosting the Ball for the Brave and, of course, extend my sincerest thanks to Cvet's Pets and MSAR search and rescue for their incredible gift that they are providing to our veterans.

#### **Back 40 Folk Festival**

**Mr. Cameron Friesen (Morden-Winkler):** I rise today to highlight the 25th anniversary of the Back 40 Folk Festival. The Back 40 Folk Festival is an organization that aims to keep homemade music alive in southern Manitoba. It started in 1990 by co-founders Linda Hiebert, Wes Hamm and James Friesen. The initial intent was finding a venue to play their own music, as well as feature the talent of other local artists.

The event started with humble beginnings but has grown each year, showcasing and providing world-class developing and performing opportunities for local talent and drawing upon Canada's finest artists.

This year's headliners included Little Miss Higgins and The Winnipeg Five, and other performers.

Co-founder Wes Hamm reflects back on the 25 years and notes the progress they have made, and the humble beginnings from which they have come. The first concert had only 200 people and very little business savvy, and charged a meagre \$1.40, and now the festival boasts over 1,200 people in attendance.

Board members have expressed surprise at how the festival has evolved over the years, not only with the growing talent, but with the interest from the community to come out and support these musicians.



This year's festival included yoga, an artisan village where crafters can display their wares, a children's tent and food vendors.

To celebrate their 25th anniversary, this year's festival, which took place under sunny skies and in warm conditions, focused on local singer-songwriters like Jess Reimer, Warren Friesen, Linda Hiebert, Wes Hamm and Bill Dowling, to name a few.

I congratulate the Back 40 Folk Festival co-founders who had no idea how big and successful the enterprise would become, how loyal and resilient their audiences would prove to be and how effective the festival would be in helping so many musicians with a context and the encouragement and experience they need to take the next step in their musical careers.

Congratulations to this year's board of directors, volunteers and sponsors, on another successful festival, and best wishes for another 25 to come.

#### **HIV/AIDS Treatment in Manitoba**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, approximately 30 years ago, global awareness came to the problem of HIV/AIDS. It was identified. It was understood to be an infection. And, since then, the HIV/AIDS has spread all around the world, has caused tremendous problems, tremendous sickness, tremendous grief, in many parts of the world and, of course, particularly, in areas like Africa.

Here in Canada, British Columbia has been one of the leaders in addressing HIV/AIDS in recent years. And a number of years ago, British Columbia decided that they were going to use an approach which is called treatment is prevention. And the idea was, that they would treat with very effective, new anti-HIV drugs, triple therapy, and that these drugs would then suppress the virus to such an extent, that it would not likely be able to be transmitted to others. In British Columbia, this approach has proved to be very effective. Even in the last four years, the number of HIV/AIDS cases has gone from 114 to 40. They are seeing the wards, where there used to be AIDS patients, emptying out. They are seeing a situation where they can talk about the end of the HIV epidemic.

\* (14:30)

Sadly, Manitoba has been a laggard. Manitoba has not followed this. Manitoba has not used the Treatment as Prevention approach, and our numbers

of HIV/AIDS cases in Manitoba are going up and up and up because this NDP government has been delinquent; this NDP government has been a laggard. They haven't even provided adequate support to Manitoba's HIV program and the effort that goes into it.

It is a sad day when this is happening here in Manitoba, and it's important that Manitobans should know about this, should know how the NDP have disrespected Manitoba, have disregarded their duty, and that we need to change.

Thank you, Mr. Speaker.

**Mr. Speaker:** Grievances?

#### **ORDERS OF THE DAY GOVERNMENT BUSINESS**

**Mr. Speaker:** Seeing no grievances, orders of the day, government business.

**Hon. Andrew Swan (Government House Leader):** Could you please call for debate on concurrence and third reading, Bill 55. Then we'll move to second reading of Bill 73, debate on second reading of Bill 69, Bill 70 and Bill 71, and then concurrence and third reading of Bill 58.

**Mr. Speaker:** So we'll start calling bills in the following order starting with debate on concurrence and third readings, starting with Bill 55, and then we'll move to second readings, Bill 73; then to be followed by debate on second readings, bills 69, 70 and 71; and then followed by concurrence and third readings of Bill 58.

#### **DEBATE ON CONCURRENCE AND THIRD READINGS**

##### **Bill 55—The Environment Amendment Act (Reducing Pesticide Exposure)**

**Mr. Speaker:** So we'll start first by calling Bill 55, under debate for concurrence and third readings, Bill 55, The Environment Amendment Act (Reducing Pesticide Exposure).

The honourable member for—55 is standing in the name of the honourable member for Morris (Mr. Martin) who has 11 minutes remaining.

Is there leave for this matter to remain standing in the name of the honourable member for Morris?

**Some Honourable Members:** No.

**Mr. Speaker:** No. Leave has been denied.

Is there any further debate on the bill?

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I want to talk about this bill which deals with pesticides. I think, first of all, it's important to note the changing nature of the pesticides being used, that there's been a tremendous amount of work put in to designing pesticides which are metabolized much more rapidly, which break down in the environment much more rapidly and have fewer problems with side effects.

But, that being said, there is a history with pesticides, and there are concerns even about some of the newer pesticides, such that we need to have some caution in the way that pesticides are applied, and this is particularly true when it comes to children.

And a fundamental reason that we need this caution in relation to children is the fact that the pesticides, many of them—I think maybe a large majority of them—are targeted at the nervous system. The nervous system in—and they will have an effect, then, which may be particularly concerning on the nervous system development of children.

And these pesticides—and I add herbicides—we're really talking in many circumstances here about the application in this bill which is focused on children, which is talking about decreasing the availability of herbicides and pesticides and their use on lawns where children are playing and on areas where children congregate. It's a very focused bill in this respect because it focuses on the impacts on children.

And there is a good reason to do this, and that is that these chemicals have been shown in many studies to be associated where they are used with an increase in certain types of childhood cancers and in certain types of behavioural and developmental problems.

What one has to be aware of, in terms of these studies, is that we are looking here not in what's called a double-blind randomized trial, because no one would knowingly give or expose people, let alone children, to these chemicals to test their impact, but what we are talking about is studies which look very carefully at the association between the use and the application of these chemicals. And one of the lawn chemicals, which is and has been historically applied and is still being applied but would be banned for lawns after this bill, is the chemical 2,4-D.

And I have here in front of me a scientific article which talks about, in particular, 2,4-D, which talks about certain of these relationships, the fact that, for example, a childhood cancer neuroblastoma is—doubles in incidence where landscaping pesticides are used around the home. The non-Hodgkin's lymphoma, leukemia and sarcoma are frequently noted in association with the use of herbicides like 2,4-D. There are concerns about 2,4-D being found in the urine and the semen of individuals, and they've been linked to sperm abnormalities and increased miscarriage rates, difficulties conceiving and bearing children and birth defects.

The lawn pesticides are implicated in neurological disorders including—not this time for children—Alzheimer's disease, Parkinson's disease, amyotrophic lateral sclerosis, and—this is children—autism, attention deficit hyperactivity disorder. Neurological impairments, dizziness, muscle weakness, loss of co-ordination and fatigue is, in fact, noted as—on the pesticide label for professional applicators, although not always on that used by homeowners.

So we need to exercise what has been called the precautionary children principle where we are talking about children, and it is for that reason that, in this instance, I think it's important that we are supporting this legislation, and I certainly will be.

Thank you, Mr. Speaker.

**Mr. Speaker:** Is there any further debate on Bill 55?

**Hon. Gord Mackintosh (Minister of Conservation and Water Stewardship):** Well, Mr. Speaker, I want to just conclude debate then on this bill. It's been a great deal of work in the making, and I think that it really recognizes the importance that we, as legislators, have to put on job No. 1, and that is to protect the well-being and health of Manitoba's children and to ensure that we take all the necessary steps, all the steps available at our disposal, to ensure that we keep children top of mind and we take practical and yet precautionary steps in the interests of our youngest citizens.

Mr. Speaker, over the course of receiving much feedback about the legislation and the role of synthetic chemical pesticides when it comes to application on our lawns, I think I should read into the record the statement of Margaret Fast, the former acting chief provincial medical officer of health's statement, supported by Dr. Michael Routledge, the Chief Provincial Public Health Officer, who states,

and I quote: Pesticides are designed to kill a variety of insects, fungi, weeds and other pests. If humans are exposed by the right route to a toxic dose of any pesticide, they can, of course, also be affected. For this reason, it is essential that pesticides always be used according to the manufacturer's directions. Health Canada registers only those products that provide effective management of pest problems and that can be used safely when label directions are followed. However, a number of studies have demonstrated association between a variety of pesticides in variable doses and exposure routes and negative health effects. These associations, although they do not prove that pesticides used as prescribed cause these health effects, do raise concerns about their use. In the face of this uncertainty, it is prudent from a health perspective to weigh the potential benefits of pesticide use with the uncertain risk of human pesticide exposure.

\*(14:40)

Simply stated, if pesticides are not needed, they should not be used. Pregnant women and children should always be priority populations for avoiding risk regardless of the nature and magnitude of that risk. Whether they live in rural Manitoba or urban centres, their exposure to pesticide should be minimized.

Mr. Speaker, I think that is a very informed and insightful view. It is the concluded view of those who we in Manitoba defer to when it comes to the protection of our health, and I also will just add, the Canadian Cancer Society, as well, has put on the record across this country when it comes to the debate about synthetic chemical lawn pesticides; it has put on the record a very informed view, but I just read in answer to concerns about why lawns, I quote the following from the Canadian Cancer Society:

Pesticides are used to control pests that can affect our health, safety or food supply. This use of pesticides is called non-cosmetic because it's needed for public health and safety. Pesticides are also used to make lawns, gardens and other green spaces look better. We call this use cosmetic because it's not needed for health and safety. Studies show that there may be a connection between pesticides and cancer in adults and children. That's why you should reduce and even eliminate exposure to pesticides where possible. Our view, says the Canadian Cancer Society, about pesticides depends on what they are being used for. We discourage the cosmetic use of pesticides.

Mr. Speaker, we've heard statements about the effectiveness of replacement products. We recognize that when a regulation regarding synthetic chemical pesticide use on lawns was brought in, in some other jurisdictions years ago, there was not the availability of replacement products that are available today, and, of course, those replacement products are an alternative to organic and turf management practices that are well established in this world and increasingly are being tuned up and made to even more effectively ensure healthy lawns in the pure sense of the word.

But, Mr. Speaker, when we look at Ontario, for example, and the experience with replacement products there, I look at the Weed Man website reviews from last April, and I'll just quote a few of them. One is from Samuel in Toronto: Our lawn looks beautiful and green and your weed control service really worked. I can say that our lawn is weed free. The Bergen family at Barrie, Ontario, said: Barrie Weed Man lawn care service has been great. We love our lawn weed free. Jennifer at Brantford: No more weeds. Your weed and grub control service worked wonders for my lawn. Great work. Thank you. And here's Marcus from Barrie, Ontario: Our lawn is beautiful and green and weeds are gone for the first time in four years. We will continue to use the Weed Man lawn care and weed control services. So that is where there is synthetic chemical pesticide regulation in place.

But, Mr. Speaker, I notice that the—I want to comment on the opposition's position, but first, I do remind members opposite of what the conclusions are from—let's start, for example, from the journal of the American Academy of Pediatrics, and I think I quoted this already on the record but it states: Epidemiologic evidence demonstrates associations between early-life exposure to pesticides and pediatric cancers, decreased cognitive function and behavioural problems.

Mr. Speaker, when reading something like that, what is a legislator compelled to do? A legislator is compelled to do exactly what is before this House and compels the support of members on all sides of this House. I ask—I commend the Liberal member of this House, a pediatric physician himself, for his support of this legislation. Indeed, I've been told that pediatricians all across North America would support this legislation, and I think that was on the record of the Standing Committee from the Canadian Associations of Physicians for the Environment.

But, Mr. Speaker, when you look at the 2012 systematic review of pesticide health effects by the Ontario College of Family Physicians, when you look at even the publications of the Pesticide Action Network North America called *A Generation in Jeopardy: How pesticides are undermining our children's health and intelligence*, we are called on as legislators and as adults to take action to invoke the precautionary principle and move ahead, particularly in light of the cosmetic application that is the subject of the legislation, and particularly because there are both organic and replacement products available to do the job. And I can say, as one lawn lover, that those alternatives certainly are effective.

Mr. Speaker, I want to just conclude by saying this: I'm very disappointed in the position of the opposition. I understand they believe dandelions on playing fields are a bigger risk to children than synthetic chemical pesticides. I think that is quite a shock to all of those parents who came out to committee other day.

And I note that the opposition critic made a point of not citing any of the evidence of the scientists, of the parents who came to standing committee; instead, wanted to cite the evidence of those who make money selling 2,4-D. But, Mr. Speaker, the position of members opposite isn't just junk science, it's junk politics, in my view. And it's not what the mothers that I heard from believe and said in committee.

I also want to say that unfortunately the members think this is some partisan issue. It is not. Indeed, governments of all parties across this country have acted in a way consistent with what we are doing here today, and, indeed, most recently, the Harper government in Ottawa that introduced a weed-and-feed ban for last summer.

But I would just want to say this in conclusion: On at least some days, on at least some issues, in this House, I would hope that we can make policy decisions not as partisans, but as parents. I leave it there.

**Mr. Speaker:** Is there any further debate on Bill 55?

**Some Honourable Members:** Question.

**Mr. Speaker:** House ready for the question.

Question before the House is debate and concurrence—on concurrence and third readings of Bill 55, The Environment Amendment Act (Reducing Pesticide Exposure).

Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**An Honourable Member:** No.

**Mr. Speaker:** I hear a no.

#### Voice Vote

**Mr. Speaker:** All those in favour of the motion will please signify by saying aye.

**Some Honourable Members:** Aye.

**Mr. Speaker:** All those opposed to the motion will please signify by saying nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** Opinion of the Chair, the Ayes have it.

#### Recorded Vote

**Hon. Andrew Swan (Government House Leader):** Recorded vote, Mr. Speaker.

**Mr. Speaker:** Recorded vote having been requested, call in the members.

Order, please. The one-hour allocation for the ringing of the division bells has expired, and I'm instructing that they be turned off and we'll proceed to the vote.

The question before the House is concurrence and third reading of Bill 55, The Environment Amendment Act (Reducing Pesticide Exposure).

#### Division

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

#### Yeas

*Allan, Allum, Altemeyer, Bjornson, Blady, Braun, Caldwell, Chief, Chomiak, Dewar, Gaudreau, Gerrard, Howard, Irvin-Ross, Jha, Kostyshyn, Lemieux, Mackintosh, Maloway, Marcelino (Logan), Marcelino (Tyndall Park), Melnick, Nevakshonoff, Oswald, Saran, Selby, Struthers, Swan, Wiebe, Wight.*

#### Nays

*Briese, Cullen, Driedger, Eichler, Ewasko, Friesen, Goertzen, Graydon, Helwer, Martin, Mitchelson, Pallister, Pedersen, Piwniuk, Rowat, Schuler, Smook, Stefanson, Wishart.*

**Deputy Clerk (Mr. Rick Yarish):** Yeas 30, Nays 19.

\* (15:50)

**Mr. Speaker:** The motion is accordingly carried.

## SECOND READINGS

### Bill 73—The Budget Implementation and Tax Statutes Amendment Act, 2014

**Mr. Speaker:** We'll now proceed with second reading of Bill 73, The Budget Implementation and Tax Statutes Amendment Act, 2014.

**Hon. Jennifer Howard (Minister of Finance):** I move, seconded by the Minister of Municipal Government (Mr. Struthers), that Bill 73, The Budget Implementation and Tax Statutes Amendment Act, 2014; Loi d'exécution du budget de 2014 et modifiant diverses dispositions législatives en matière de fiscalité, be now read a second time and be referred to a committee of this House.

His Honour the Lieutenant Governor has been advised of the bill, and I table the message. That's his message.

**Mr. Speaker:** It's been moved by the honourable Minister of Finance, seconded by the honourable Minister of Municipal Government, that Bill 73, The Budget Implementation and Tax Statutes Amendment Act, 2014, be now read for a second time and be referred to a committee of this House.

His Honour the Lieutenant Governor has been advised of this bill, and the message has been tabled.

**Ms. Howard:** Of course, this Bill 73, commonly known as BITSA, is the bill that implements the measures announced in the 2014 Manitoba budget. I know that that budget has been well debated, thoroughly debated in this House, so I'm going to keep my remarks brief.

The 2014 budget, of course, my first budget as Minister of Finance, is a budget that focuses on the priorities that we have heard from Manitobans and that we share with Manitobans, and those priorities are committing to a path of steady growth and good jobs. And these measures that are in BITSA support that approach, support the approach—a balanced approach to steady growth, good jobs and opportunities for young people.

Some of these measures that are in here, perhaps, that haven't had as much discussion as others, and I want to briefly discuss. You'll see in

this bill creating a number of tax credits to help small and large businesses continue to grow and create good jobs in Manitoba.

One of these is a new Employee Share Purchase Tax Credit to support entrepreneurs looking to retire but who want to pass their business on and want to make sure that the jobs that they have created in their business continue to exist, and to pass those businesses on to a new generation of owners. This will support employees who want to buy in and own a portion of the business they work for, offering a credit of 45 per cent based on the shares that they purchase.

It also improves the Small Business Venture Capital Tax Credit, the Community Enterprise Development Tax Credit and the apprenticeship and co-op education tax credit. We certainly heard from employers who are seeking to hire apprentices that they wanted a tax credit system that was streamlined, that was easier to use, that was easier to apply for, and I believe we've made those changes working with them that does exactly that.

We believe and hope that these measures will help us on our way to realizing the goal of 75,000 more workers in the province of Manitoba, people who are ready to expand the labour force, who are ready to help the economy grow and who are ready to work in those good jobs that we know will help them have a good life right here in Manitoba.

There's also other key tax credits to support businesses and employers, such as the mineral exploration and manufacturing tax credits that are extended through BITSA.

In Budget 2014, we also took measures to make life more affordable, especially for our seniors. And BITSA will make those legislative changes necessary to implement our new seniors' school tax rebate. This rebate means that in 2014, eligible seniors could see school tax savings of an additional \$235. This is on top of the almost \$1,100 that seniors can be eligible for when it comes to property tax credits.

We believe that these education property tax credits combined with the rebate will help seniors continue to live in those—in their homes, will help make that—continue to make that an affordable option for seniors. And I will say, in the time since we have announced the seniors' school tax rebate, we've seen

incredible response to it, incredible uptake in the thousands in terms of seniors calling and asking for application forms and sending in those application forms.

We also see in BITSA, amendments to support the commitment made in the budget to move to ensuring that people have Rent Assist, housing assistance up to 75 per cent of the median market rent, and this bill makes those amendments to allow the new program of Rent Assist to come into being. This, of course, is a new portable shelter benefit that will be available to recipients of income or general assistance as well as other eligible renters. It includes provisions to transition Rent Assist as people move from welfare to work. And in the design of this program, I know what has been very important is to design this program, this assistance to help people live in affordable housing, in safe housing in a way that doesn't trap them in poverty, that doesn't build what is commonly known as a welfare wall. And so we've worked hard to develop a portable benefit so that people, as they move from social assistance to employment, they're not worse off.

Mr. Speaker, also contained in Bill 73, we update the reporting mechanism on our infrastructure investments to reflect our government's focus on core infrastructure. Certainly, in the lead-up to the budget we spent time listening to people who were engaged in our province in those infrastructure projects, people in the industries that build infrastructure, people in municipalities that know what their priorities are for their own economic development and wanted to talk to us about that, as well as business leaders and employers who know that having strategic investments in infrastructure helps to grow the economy.

These amendments ensure transparency and accountability provisions in law with annual progress reports on our five-year, 5-and-a-half-billion-dollar core infrastructure plan. We know from what the Conference Board tells us that this plan will create thousands of good jobs and boost our economy by \$6.3 billion. And it was interesting to me, Mr. Speaker, in the weeks following the budget, that work that the Conference Board did was borne out again by two independent groups. Standard & Poor's did similar work looking at what would be the effect of infrastructure investment on the American economy, and they actually found that the effect would be an even greater multiplier when it comes to job creation and it—when it comes to investment back into the economy. So it was clear from that report

that they also believe that investing in infrastructure grows the economy, creates good jobs and is important part of moving through the recovery.

The other report that came out in the aftermath of the budget was from the Brookings institute which also made the case that investing in infrastructure is one ingredient in the plan to reduce income inequality, because we know that when we're investing in those jobs in the construction sector, in the infrastructure sector, that often those jobs pay—according to the Brookings institute—about 30 per cent more than jobs which require a similar level of skills and experience. So they saw that making infrastructure investments, not only does it create jobs, it creates good jobs; not only does it create good jobs, but it helps to reduce the inequality between people who have much and those who have little.

So I think that was also an important piece of evidence that shows us that our plan to invest in key infrastructure to create good jobs and grow the economy is the right plan and the right path for Manitoba.

Mr. Speaker, I believe that this bill implements a budget that shows a balanced approach, that focuses on what matters most to Manitobans. I believe we've worked hard also to look at how we ensure that the money that we spend, the money that Manitoba taxpayers entrust to us to spend on their priorities in areas like health care and education, services to families and people with disabilities, to ensure we're spending that money efficiently and we're spending that money effectively.

\* (16:00)

We know that every day we have to come to this Legislature and all of the people that work in the public service come to their jobs seeking to improve the services they provide to Manitobans, looking for ways to make sure that what they are doing is adding value to the lives of Manitobans, and we will continue on that quest to make sure that when Manitobans give us their hard-earned money to spend on their behalf for the services that they need, that we're doing it in a way that is effective, that is efficient and that we're always, always, always trying to improve the services that Manitobans count on. And that's also a key part of this budget.

So, Mr. Speaker, I think what you—though—people will find as they look through this version of BITSA is legislative amendments that support a

budget that continue to move us forward, a budget that continues to help Manitoba recover from what has been described as the greatest economic crisis since the Great Depression, that continues that recovery. And we know that Manitoba has done well through the recovery, better than many places, has become one of the fastest growing economies.

We also know that recovery is fragile and the economy remains uncertain. And so now is not the time to sit back, to sit on our hands, to take a laissez-faire approach to the economy, as members opposite have suggested we do. Now is the time to make those critical investments in our infrastructure and strategic pieces of infrastructure that we believe can help grow the economy.

Now is the time to make those investments in flood protection. We know in this province, perhaps better than many provinces, that when you invest in protecting your people and your economy from floods, that that has tremendous, tremendous payoff, and we have seen, similarly, reports from organizations like TD Bank that say as climate change becomes more and more of a reality that we live with, governments need to invest in the mitigation of the effects of climate change, and part of that for us is investments in flood protection.

We also know that this piece of legislation supports a budget that has a heavy emphasis on growing the labour force. We know that in Manitoba, with the low unemployment rate for many years, that really our challenge is ensuring that we have enough people to work, that we have enough people in the province who have the skills and training ready to help businesses grow. And so this budget, again, invests in skills and training.

And just this week I was pleased to be part of an announcement at Red River College of a very innovative training plan called Transforming Futures, and this is a plan to help people who have intellectual disabilities, developmental disabilities, come into the college, get involved in post-secondary education, get involved in programs that can help teach skills that will lead to good jobs. We know in this economy, we can't leave anyone on the sidelines. We need everybody to contribute, and so this budget, again, focuses on funding that kind of skills training that we know can lead to good jobs.

So, Mr. Speaker, I know that we've had a great deal of debate on Budget 2014. I submit we'll probably continue to have a great deal of debate on budgets, but we believe firmly on this side of the

House that this is a balanced approach. It grows the economy. It helps create good jobs. It invests in skills and training. It protects the services that matter to Manitobans like health care and education and it moves us toward a balanced budget in a responsible way. Thank you very much.

### House Business

**Mr. Speaker:** The honourable Official Opposition House Leader, on House business.

**Mr. Kelvin Goertzen (Official Opposition House Leader):** On House business, Mr. Speaker, after in-depth and detailed consultation with the Government House Leader, I'm seeking leave of the House to file a revised version of the PMR I filed yesterday on celebrating the 50th anniversary of the Mennonite Heritage Village Museum, which appears on today's Notice Paper. The revision would simply change the words Dutch windmill to European windmill. The revised version would appear on tomorrow's Order Paper.

**Mr. Speaker:** Is there leave of the House to file a revised version of the private member's resolution that was filed yesterday by the honourable member for Steinbach (Mr. Goertzen), Celebrating the 50th Anniversary of the Mennonite Heritage Village Museum, which appears on today's Notice Paper, and the revision would simply change the words Dutch windmill, in quotations, to European windmill, and the revised version would appear in tomorrow's Order Paper?

Is leave granted? *[Agreed]*

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**Mr. Speaker:** Now, the honourable member for Morden-Winkler, on Bill 73.

**Mr. Cameron Friesen (Morden-Winkler):** Mr. Speaker, it's my pleasure to rise this afternoon and to put some comments on the record with respect to the BITSA, The Budget Implementation and Tax Statutes Amendment Act, as introduced yesterday. And, while I will put some comments on the record, of course, this document is new, and I look forward to a chance—for an opportunity to actually meet with the minister—I believe that date is coming up early next week—because I have some very specific questions pertaining to the language of the document, the scope of some of the changes and some of these things that require explanation. I will indicate some of the questions that I have in the context of these remarks, but there are others that

remain that are probably best dealt with and best addressed in a ministerial briefing. So I do look forward to that opportunity.

Mr. Speaker, we know that this bill represents, it symbolizes the machinery by which the government will make happen those things that they put in their budget, but let us be clear that all of this effectively amounts to another reminder that the NDP government has failed to reverse an illegal and immoral PST increase. They have failed to deliver to Manitobans what they promised, including tax relief to seniors; they have failed to return Manitoba to a state of fiscal balance even as they indicated a short 24 months ago that they would do; and they have failed to keep their word.

And, Mr. Speaker, that is exactly why I think it is important to note that the background to this bill is that just down the street, in the law courts, there is a challenge going forward today, one that is brought forward by our party, one that is seeking to address the illegal tax hike brought by this government. That is the background to this.

We understand what this bill seeks to do, the apparatus that it uses to put into effect the—what the government wants to bring forward in their bill. But, clearly, the wider context is the government's failure, failure to all Manitobans, a failure that sees them all pay more through a PST.

So, Mr. Speaker, with respect to this bill, with respect to BITSAs, you know, of course, there are a number of things in it including the creation of a new shelter assistance benefit to replace RentAid benefits. It was our party who first called for changes to the system, citing the fact that there had not been a movement upward in the payment, the EIA allowance for living, to individuals for 23 years, and that's why our party brought forward this policy. We talked to the stakeholders, our critic spoke to stakeholders, listened to them, brought forward this proposal.

And we know it was uncomfortable for them to go to convention and hear their own delegates at an NDP convention talk about the fact that this party had the right idea. We know that that's not an idea that fits well with the two-dimensional kind of view that they love to talk about with respect to our party.

We know that these kinds of changes make them uncomfortable, but the fact of the matter is, Mr. Speaker, that the changes that this government is even bringing forward now, shamefacedly, are not

changes that go far enough. They're not changes that say we will do it now. They are not changes that say we will do it wholesale. There are all kinds of conventions. There are caveats. There is an incrementalism in the government's approach where our party has been clear: do it now. They have not gotten to that threshold that we have been at the whole time with respect to these changes.

Mr. Speaker, I note with interest some of the aspects of this bill like the community enterprise development tax credits. I look forward for an opportunity to ask the minister more about the details of that as I do when it comes to a small business venture capital tax credits.

Mr. Speaker, I would make note of the fact that when it comes to the employee share purchase tax, this is not something that was included in the budget. I believe it is always important for us to take note and to take care because this government has a way and has a record of introducing things in the context of BITSAs that maybe didn't come up in the budget, maybe things that they were trying to get done.

And I think about the Jockey Club and the changes to the funding arrangement that this government had with the Jockey Club; that was also a change that was introduced in the context of BITSAs, and that is not something that the government should be proud of.

So, yes, we do go through this document. We scrutinize it. We talk to third parties and, of course, being in possession of the document for only 24 hours at this time, we will have more questions as we go forward. But I do take note of the fact that this is something new for the government to introduce, this Employee Share Purchase Tax Credit, and I look forward to asking the minister more changes about that: what the implications are of it; what the effect of it is; what might be some of the unintended consequences? But all of these things need to be taken into account.

\* (16:10)

Mr. Speaker, there are other issues as well, of course, pertaining to exemptions in certain pieces of this bill that have to do with exempt taxable items from PST. But, like I said, the context for the bill is clear that this is a—the context is that this government has missed the mark, that as many times as that Minister of Finance (Ms. Howard) would like to convince her 34 other colleagues that they are on the right track, it is only those 35 members on the other



side who actually believe it. That is because Manitobans are the ones who are left paying; Manitobans are the ones who are on the hook because of this government's economic fail record.

Mr. Speaker, only earlier this afternoon, the Minister of Finance (Ms. Howard) got up and talked about her government's commitment to the basic personal exemption; nothing could be farther from the truth. As a matter of fact, since 2004, Manitoba's basic personal exemption has only increased \$1,500 in the same period of time Saskatchewan has increased by \$7,000. To put it in another way, Saskatchewan's basic personal exemption is up 86 per cent; in Manitoba, less than 20 per cent. And it is only the most cynical kind of government that would keep, artificially, that basic personal exemption low, understanding who it most negatively affects, who is most affected, and, of course, those are people of marginal income, the same people that this government purports to protect and stand with. The truth is anything but that.

Mr. Speaker, when it comes to the income tax burden that is placed on Manitobans, earlier in this session I had a chance, through question period, to introduce various scenarios where I talked about the difference in the income tax burden faced by people who live in this province as opposed to people who live in other jurisdictions in Manitoba, people in Ontario, people in Saskatchewan, people in Alberta, people in BC. And I shared scenarios with this Finance Minister and invited her 'commentarier'-commentary and her response on those issues. And time after time we would introduce scenarios, single-wage earners, families of modest income, families of combined income with wages over \$75,000, and in all cases the income tax burden borne by Manitobans was far, far greater.

The Minister of Finance points to affordability, but we know, all things considered, the burden on families here is still much greater than burdens in other places in Canada. It has been a burden that this government has been unwilling, has been unable or not competent to actually address.

Mr. Speaker, we've talked about the fact that this government was entertaining the notion of an 8 per cent PST even at the same time as the former Finance minister said they were doing nothing of the kind. He said that they weren't even thinking about it, and yet the Ombudsman's report comes out and makes it very, very clear there is two documents that point specifically to the fact that government was in

possession of documents that they offered him, they asked for the scenarios to be drawn up. They knew what they were doing; they raised that tax.

Mr. Speaker, we can have no confidence as ratepayers in this province that that government won't do it again. I heard this Finance Minister say earlier this afternoon, they did it before, they will do it again. I paint—I point those same words back across this aisle of the Legislature toward the government members and I say, they did it once, they will do it again. Manitobans should be afraid, because this is a government, as we have made clear, that has mismanaged the finances, given the most fundamentally good opportunity to make a difference, to pay down debt, to create real affordability for Manitobans who are paying bills and raising families and paying for university tuition and entering into retirement.

Mr. Speaker, given the fundamentals that other governments would have been envious of, they have dropped the ball. And we know what those fundamentals are. We know that it is the largest federal transfer payments in history. We know it is the lowest interest rates in modern times. We know that it is the highest revenues accruing to government through personal income tax and corporate income tax. As a matter of fact, earlier today, I made clear that the government has enjoyed an increase of about \$150 million in personal income tax alone over the year previous and, again, 150 over the year previous to that. And given these kind of fundamentals, given this kind of environment, what did the government do? Well, they paid off the deficit and they paid down the debt and they put Manitoba on a bright course to a new future.

Actually, no. If only we could say that that was the legacy that they had left behind, but rather than that, they took this enormous amount of revenue accruing to government and they decided that rather than do any work to create efficiencies to do a better job of tendering—as the Auditor General has pointed to and said there's huge problems that are going on with this government—instead they raise a tax.

Let me point out, Mr. Speaker, they raised the PST to 8 per cent, a step that no other Canadian jurisdiction is taking. So, no matter what this Finance Minister stands up and says, whatever rationale she attaches, whatever tired and worn speaking notes she uses to try to inculcate in the minds of Manitobans that they are somehow on a path towards prosperity,

we know what the fact is. No other provincial government has taken this extraordinary step.

But, also, no other government has taken that step in the context of a taxpayer protection law, a law that is there to safeguard the opposition—safeguard the people of this province from exactly that type of step. There was a law; they broke it. There was a path by which they could have done this. The government knows that. They entertain opinions by legal experts to tell them what they can do. And, Mr. Speaker, it is clear that they were advised by civil servants against the path they chose. They chose it anyways. They said, full speed ahead; there won't be any consequences.

And I think that is exactly what comes from being in that position of power too long. I think it's certainly the message that I hear, as I travel across the province, meet in coffee shops across Winnipeg with people who say, that's what happens when a government loses a sense of where they have come from. That's what happens when they stop listening to Manitobans. When your senior civil servants are telling you there's a law that you cannot contravene, you must do this in a procedural way, you must do this incrementally or sequentially, the government just goes and does it anyways. Why? Because they cannot live without the revenue sources. This government has so overspent.

But, Mr. Speaker, you would think that with all of that revenue accruing to government, they could at least meet the target that they set out about doing away with the deficit. The fact of the matter is, they cannot. And, again, this year, they're projecting another near \$400-million deficit, even though two years ago they said they would arrive in surplus at this very point in time. How could they get it so wrong?

We've asked them what happens if interest rates rise, and they have been silent. We have asked them why they're raiding the Fiscal Stabilization Account, and they have been silent. As a matter of fact, the minister keeps saying—depending on what day it is—that she needs to raid the Fiscal Stabilization Account. She needs to raid the rainy day account again. They've withdrawn another 20 per cent of what remains in the Fiscal Stabilization Account even right now. Why? To simply service the debt caused by an NDP spending addiction. And what is the cost of servicing that debt now in Manitoba? It's \$875 million. I believe it's \$34 million more than last year, \$34 million more than the year before. Money

that could be spent on Manitoba's social programs; money that could have gone into infrastructure; money that could have gone into reducing the debt of Manitoba. But, instead, it goes to feed the spending addiction by a government that does not know its way around when it comes to fiscal matters.

Mr. Speaker, when it comes to core deficit—core government deficits—we know that this government cannot hold a line on spending. Just in this year alone, the government first stated that the government deficit for core spending was \$505 million. But, in the second-quarter update, they revised that. They bumped the projection to \$540 million, and then in the third-quarter update, the Minister of Finance (Ms. Howard) bumped it again to \$613 million. That's a difference of \$108 million over their own projection.

Mr. Speaker, it is no wonder that the debt of this province has grown to exceed more than \$32 billion—\$10 billion more than just five years ago, and that is a source of major discouragement among Manitobans.

So, Mr. Speaker, as I said, Bill 73, The Budget Implementation and Tax Statutes Amendment Act is important as much as it provides a background for us to understand that this is about colossal failure of the government to get its fiscal house in order. All of this rationale and all of this machinery in this particular bill, to get done the work of this budget, is further reinforcement that this government has failed Manitobans through the PST increase. They failed Manitobans through a \$32-billion debt. They failed Manitobans by tabling another deficit budget that almost reaches \$400 million, and that's just the projection.

\* (16:20)

But it also fails Manitobans in terms of the very promises that are made in here, not going far enough in terms of affordable housing, not doing enough to alleviate the burden on seniors in our province, not doing enough to make business succeed in our province.

And, Mr. Speaker, I thank you for the opportunity to put these and other comments on the record this afternoon.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I want to put a few words on the record in terms of this bill which deals with a whole variety of budgetary items.

First of all, I think I want to make it clear that the type of poor budgetary management that we have seen in the last 14 and a half years—now going on 15 years—from this government is totally unacceptable, budgeting 101. If you bring in a budget for expenditures at the beginning of the year, you should meet that budget at the end of the year. Every year since they've been in power and when they've brought in a budget for expenditures at the end of the year, they've spent more than they budget. Cumulatively, this adds up to almost \$3 billion of spending more than they budgeted for in terms of spending. This is a very poor way to manage the budgets of this province and it, of course, has resulted in all sorts of problems, including the government getting itself into such a big deficit that they've had to raise the PST because they couldn't manage expenditures from the beginning of the end of the—to the end of the year properly. It is an issue which is ongoing and continuing.

This government has done a very poor job in many instances of tendering—with the STARS helicopter, with the Teranet—costing this province tens of millions, probably hundreds of millions of dollars as a result of this sort of poor tendering or not tendering practice. And it is no wonder, when you manage money badly, when you don't tender properly that you get yourself into situations as this government has where they've ended up getting big deficits and having to have increases in taxes like they did last year with the PST.

It's also very clear that there is a number of areas where this government has hopelessly abandoned major issues in health care. I talk, for example, about the diabetes epidemic which I have raised many, many times in this Legislature. We are now 14 years going on almost 15 years, and there still is not a comprehensive plan put forward and implemented to address this epidemic and turn it around. Our, you know, very cautious estimate is the result of the poor performance of this government on this one file has cost this province an additional \$600 million, and that's a very cautious estimate. If there had been a reasonable approach to addressing the diabetes epidemic, when you manage things like diabetes in such a way that you end up with very large extra costs, then, you know, it's a reason why this government has had to raise taxes like the PST.

The prevention of other diseases, FASD is an example. We have probably—are having to spend many millions, tens of millions, probably hundreds of millions of dollars as a extra as a result of the

failure of this government to act well in the prevention of FASD.

In HIV/AIDS, which I raised earlier on, the government in British Columbia has shown what should have been done. They used treatment, effective treatment with triple therapy to decrease viral loads and as a very important preventive measure that this government has not done. The result is that in British Columbia they are now coming to the end of the HIV/AIDS epidemic, whereas here in Manitoba we're still in the middle of it with increasing numbers of HIV/AIDS people and increasing costs to taxpayers because of the very poor approaches taken by this government and poor decisions made time and time again by this government.

As I have pointed out many, many times in this Legislature—and we produced a major report on this last year—the government has done a very poor job in supporting families, rather than doing what they are doing, which is to be very aggressive in terms of apprehending children without even seeing many instances where there's good ways that they could support those children in their families or their extended families in a much better way.

This was pointed out in a report back in 1987, which either this government never read or certainly never paid any attention to, that the approach that this government has taken and has decided to take over 14 years, going on 15 years, is an approach in which they have chosen the most expensive, least effective approach to supporting families. And, as a result, we have had multiple problems, not only in Child and Family Services but in our education system, in our criminal justice system and much more extensive costs than we would've had had this government done a good job of supporting families instead of—all too often as happened, they have been involved in breaking up families to the detriment of the children and the families, again, because of the poor approach that this government has taken over time, much more costly and much less effective, poor government, poor management, time and time again.

We saw in the 2011 flood—and we produced an extensive report on this—that this government, instead of being well prepared for that flood, was not prepared, had not managed water well, had not retained water, had managed the province so that we got a lot more water coming off the land and a lot higher expenses and a lot more damage and a lot

more harm to individuals, to families, to their properties, to their homes, to their cottages as a result of the poor way that this government has managed, time and time again, things which are really essential. And this, in spite of good recommendations that had been made in previous floods for better approaches. So it is no wonder, with such poor management, that this government last year had to raise the PST and has got taxes which are too high in a whole variety of areas, because instead of managing things wisely and well, they have managed things badly and poorly and at a very high cost.

There's no doubt that it's really important to spend adequately on infrastructure, and because of the foolish way that they have spent in many other areas, there has not been for the early years of their mandate, starting in 1999, sufficient attention to infrastructure, notwithstanding that they may have had a little bit of an excuse in the years before that. But, that being said, that one of the areas where they clearly could have done much better is ensuring that the quality of the infrastructure that has been built, lasts. There has been an ongoing problem of infrastructure not lasting appropriately, roads and bridges, you know, having to be rebuilt before they might have otherwise been, and, indeed, a problem with, as Manitobans are all too familiar, too many potholes because roads should have been built and there should have been the research and the science and a major effort to make sure that the roads were being built better, that potholes were being filled better and so that we don't have this continual and ongoing major drain on resources.

\* (16:30)

Nevertheless, that there are some measures which this government clearly has learned a little bit from what Liberals have been saying for quite some time. The assistance in seniors with education property tax is one area where we have called for for a considerable number of years. The support for housing for people on low incomes—better support is something we have called for for many, many years

We have called, in terms of spending on research, for allocation of research funds to a natural and sciences and social sciences, to engineering and humanities as well as health care. And we have called on this to be done for many, many years, recognizing that this is a—has been a severe shortcoming that has persisted until this year.

But there is a big problem in the way that the government is approaching it this year because if

you're going to extend this, you should actually increase the level of funding. And, in fact, when we compare the 'carmentalized' funding and how it was brought together, there is actually an overall decrease in funding for research. And so extending it to other areas without a very significant increase in funding is poor design, poor management and I suggest will be a problem in the sense that critical areas of research won't get the attention that they should be getting.

We also have under this government a major problem with young people who are leaving the province, going to other provinces. We have issues with, you know, the support for everyday Manitoba families, single-parent families, families with two working parents, the attention to child care. The government has provided lip service to supporting child care and early childhood education but has failed dramatically to address the long wait times and the real need that there is. And this is causing problems for lots and lots of families and many parents and it's also causing problems for employers because the people they would like to employ are not able to work because there's not adequate child care and early childhood education. And it's also a problem for some employers because they themselves need child care and are not able to get it and so they're actually not able to run their businesses. And in at least one case I know that an employer had to, you know, end her business and lay off 10 people just because this government is not doing a good job in this area of child care and early childhood education.

And there are big and ongoing shortcomings in the way that health care is managed. I raised a number of these earlier today. We are not getting Oncotype tests done for people with breast cancer, in spite of the fact that this is the usual standard in most areas today. We have very poor management of ambulances, very increasing off-load wait times—means extraordinary that this government is spending millions of dollars on paying fines instead of improving the way that their ambulance system and their emergency room works. There have been continued problems ever since this government came to power in emergency rooms which still have not been adequately addressed.

I pointed already to HIV/AIDS. I talked earlier on about the increasing number of children with mental health issues in our children's emergency rooms and being seen by pediatricians because this government is not paying attention in the way that it should to what's actually happening in our province

and the needs of people—children and adults with mental health and addictions and other brain health issues. There is so much better approaches that could be used and this government is choosing not to use them.

When it comes to education, we have major ongoing issues instead of addressing our PISA scores and making sure that our universities have the autonomy and the ability to do wonderful things for students and for people in this province. This government has been focused on trying to micro-manage other areas and so that our students' scores and our students' abilities in reading and science and math and in problem solving are much less than they should be and are not performing at the same standard as the best in Canada

In post-secondary education there has been a furor recently because this government has decided that it was really going to try and take over universities. Now, it looks like the government may be backing off from this, and that is a good thing, and I'm pleased to have had conversations with the Minister of Education to move this in a better direction. But, certainly, you know, the approach, time and time again taken to education, whether it's early childhood education, whether it's primary and secondary or post-secondary education has left a lot to be desired.

So, Mr. Speaker, the budgeting policy of this government, as I have talked about, notwithstanding some things that we would generally support, but there are such huge problems in poor management in so many different areas that we couldn't possibly support this government's budgetary policies in general because they have been so bad for so long.

Thank you.

**Mr. Speaker:** Any further debate on Bill 73? House ready for the question?

**Some Honourable Members:** Question.

**Mr. Speaker:** The question before the House is second reading of Bill 73, The Budget Implementation and Tax Statutes Amendment Act, 2014.

Is it the pleasure of the House to adopt the motion?

**Some Honourable Members:** Agreed.

**Some Honourable Members:** No.

**Mr. Speaker:** I hear a no.

### Voice Vote

**Mr. Speaker:** All those in favour of the motion, will please signify by saying aye.

**Some Honourable Members:** Aye.

**Mr. Speaker:** All those opposed to the motion, will please signify by saying nay.

**Some Honourable Members:** Nay.

**Mr. Speaker:** Opinion of the Chair, the Ayes have it.

### Recorded Vote

**Hon. Dave Chomiak (Acting Government House Leader):** Recorded vote, Mr. Speaker. Recorded vote.

**Mr. Speaker:** Recorded vote having been requested, call in the members.

Order, please.

The question before the House is second reading of Bill 73, The Budget Implementation and Tax Statutes Amendment Act, 2014.

\* (17:00)

### Division

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

#### Yeas

*Allan, Allum, Altemeyer, Bjornson, Blady, Braun, Caldwell, Chief, Chomiak, Dewar, Gaudreau, Howard, Irvin-Ross, Jha, Kostyshyn, Lemieux, Mackintosh, Maloway, Marcelino (Logan), Marcelino (Tyndall Park), Melnick, Nevakshonoff, Oswald, Saran, Selby, Struthers, Swan, Wiebe .*

#### Nays

*Briese, Cullen, Driedger, Eichler, Ewasko, Friesen, Gerrard, Goertzen, Graydon, Helwer, Martin, Mitchelson, Pedersen, Pivniuk, Rowat, Schuler, Smook, Stefanson.*

**Clerk (Ms. Patricia Chaychuk):** Yeas 28, Nays 18.

**Mr. Speaker:** I declare the motion carried.

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**Mr. Speaker:** The hour being past 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow morning.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Wednesday, June 4, 2014**

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