

Second Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS
Official Report
(Hansard)

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 22, 2004

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PETITIONS

Proposed PLA–Floodway

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

These are the reasons for this petition:

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

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

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

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

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

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

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

Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

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

This petition is signed by Bruce Orbanski, Rhonda Block, Laurie Orbanski and others.

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

Minimum Sitting Days for Legislative Assembly

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

The background to this petition is as follows:

The Manitoba Legislature sat for only 37 days in 2003.

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by Auralee Bergado, Richard Bergado, Everton Griffith and others.

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

* (13:35)

Highway 227

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

These are the reasons for this petition.

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

Inclement weather can make Highway 227 treacherous to all drivers.

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

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

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

Residents of Manitoba deserve a better rural highway infrastructure.

We petition the Manitoba Legislative Assembly as follows:

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

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

Signed by Barb Warburton, Bert Warburton, Valerie Bullock and others.

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

Proposed PLA—Floodway

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

These are the reasons for this petition:

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

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

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

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

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

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built

under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

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

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

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

Signed by John Victor, Jo-Ann Koskie, Ron Koskie and others.

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

Mrs. Mavis Taillieu (Morris): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in the Legislature that may result in the \$660-million

expansion of the Red River Floodway by the summer of 2005.

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

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

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

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

* (13:40)

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

To request the Premier of Manitoba to consider entering into discussions with business, construction

and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Signed by Shirley Aitken, Pat Gagnon, Steve Hodgkinson and others.

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

INTRODUCTION OF BILLS

Bill 45—The Engineering and Geoscientific Professions Amendment Act

Hon. Nancy Allan (Minister of Labour and Immigration): I move, seconded by the Minister of Advanced Education (Ms. McGifford), that Bill 45, The Engineering and Geoscientific Professions Amendment Act; Loi modifiant la Loi sur les ingénieurs et les géoscientifiques, be now read for a first time.

Mr. Speaker: It has been moved by the honourable Minister of Labour and Immigration, seconded by the Minister of Advanced Education, that Bill 45, The Engineering and Geoscientific Professions Amendment Act, be now read a first time.

Ms. Allan: Mr. Speaker, this bill enhances the ability of the Association of Professional Engineers and Geoscientists to promote the professions of engineering and geoscience and their continued development and to give financial assistance to others.

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

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us today Mrs. Kelly Stoney and Mr. Gary DeLaronde. Mrs. Stoney is the legislative page's, Carson Stoney's, mother.

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

Also in the public gallery we have from Bemidji State University, Bemidji, Minnesota, 22 visitors under the direction of Mr. Tom Beech.

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

ORAL QUESTIONS

Province of Manitoba Administrative Costs

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, in last year's Budget, the Premier said that all departments would improve efficiencies to reduce costs. That never happened.

In this year's Budget, the Premier again said his Government was committed to affordability by reducing administrative costs. In this year's Budget, administrative costs have gone up in the Justice Department, Labour and Immigration, Advanced Education and Training, Transportation, Government Services, Energy, Science and Technology, Mr. Speaker. In Executive Council administrative costs for support for the Premier's office and Executive Council have gone up by \$60,000, or 2 percent.

* (13:45)

Mr. Speaker, why, when this Premier said that he was not elected to raise taxes, did he choose to increase user fees and taxes by some \$90 million? Why did he do that instead of tightening his belt to reduce administrative costs and make this Government more efficient?

Hon. Gary Doer (Premier): Mr. Speaker, this Budget includes 400 positions that are being reduced in the direct public service. Those positions will be reduced through attrition.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. The office also includes a 7% reduction in discretionary spending throughout the fiscal year which is in place in all government departments. We believe that we have a proper balance in terms of the initiatives we have taken.

Mr. Speaker, we also want to say that the evidence again today, with the budget in Nova Scotia, illustrates one of the factors we have in our Budget, that there is, indeed, as the Conference

Board has pointed out, a fiscal imbalance in Canada. There are tremendous revenue advantages right now in one province, Alberta, and in the federal jurisdiction. Many other jurisdictions in Canada are dealing with major changes in budgetary position to fund health care.

We and the Conservatives of Atlantic Canada and Liberals in other provinces are dealing with fee increases and some tax increases. In fact, in Nova Scotia today, the capital tax went up. We have dealt with the subordinated debt, which was a loophole in terms of that approach, but we think is more cost effective for the long-term economic benefit of Manitoba.

Mr. Murray: In this Budget what we on this side of the House and I think what all Manitobans would expect is what is it that this Premier said. What is it that he said? Not Nova Scotia, not other provinces, but what is it that he said?

He instructed all of his departments to reduce discretionary spending by 7 percent, but last year in the Budget he said he was going to instruct ministers to go line by line and reduce expenditures line by line in the Budget last year. It never happened. The problem is it is this Premier that has the spending control problem. He has got a spending habit.

Interestingly enough, Mr. Speaker, in this Government's own Budget, the Conservation Department, Administrative and Finance has gone up some 4 percent. Meanwhile, programs like Conservation, Environmental Stewardship have gone down.

What is really interesting is that when you get to Health, in his own Budget, at a time when we see this Premier putting \$100 million into a new fleet of VLTs, at a time when in Manitoba we have the highest addiction and growing problem, the highest addiction in Canada; in here the Addictions Foundation of Manitoba program was cut. Why, when this Premier said that he was not elected to raise taxes and he was going to reduce administrative costs, has he done just the opposite? Why is that?

Mr. Doer: I am just looking at the Conservative budget in Nova Scotia, and the spending is up.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

* (13:50)

Mr. Doer: Thank you, Mr. Speaker. They seem to be a little sensitive on the other side.

Spending, I believe, has gone up over 5 percent in Nova Scotia and spending in Manitoba has gone up over 3 percent in this Budget. We think that, with the pressures in health care, we will show even an improvement.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you. Well, I can assure the member opposite that the people of Bemidji are not as rude as the Member for Springfield (Mr. Schuler).

Mr. Murray: Mr. Speaker, this Premier has said that he was not elected to raise taxes. His Budget that he just introduced raised taxes more than \$90 million. He has been saying that he will find efficiencies to save money, but administrative costs under his watch continue to rise.

In his Budget, the Department of Education, Citizenship and Youth, and this one is shocking, admin costs have gone up some 9.9 percent. I would like to remind this First Minister that he put a 4% to 5% cap on administrative costs for school divisions. Why the double standard? Why does he preach to school divisions when he cannot live within his own administrative costs budget?

Mr. Doer: Mr. Speaker, I have just been given the numbers from the Addictions Foundation. I am informed the administrative lines are down and the program delivery lines are constant.

Education Department Administrative Costs

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, on one hand the Minister of Education (Mr. Bjornson) orders school divisions to cap their administrative costs at 4 percent to 5 percent of their budgets. Yet, on the other hand, we see in this Budget that his own administrative costs in the Department of Education have increased by some 9.9 percent. How can the minister justify a 9.9% increase in administrative costs in his department when he is ordering school divisions to cap their admin costs?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the members opposite want to start asking detailed Estimates questions. We are delighted that they are getting ready to go to the detailed Estimates but the macro perspective is this. Our program expenditure—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Selinger: Thank you, Mr. Speaker. This is not a fishing expedition, but our overall increase in government spending this year is about 2.2 percent. Our expenditures on a per capita basis are the third lowest in the country, and we have dedicated resources to health care, education, family services and housing. When it comes to education, four years ago when they brought in their first budget, they eliminated over 60 full-time equivalent posts within that department as they streamlined the operation of that department. They currently function with a shared deputy minister and they run a very lean department.

Mrs. Stefanson: Mr. Speaker, the Minister of Education said in a *Winnipeg Free Press* article on January 28, and I quote, "This is a sustainable way of financing education." Does the minister honestly believe that a 9.9% increase in administrative costs is a sustainable way of financing education?

* (13:55)

Mr. Selinger: The amount of money going to public schools in the last five budgets has increased by \$105 million. In addition, there have been improved property tax credits. The members opposite cut them by \$75. We increased them by \$150. We are the first government in the history of this province that has reduced the education support levy by over \$37 million. The total relief for taxpayers on education is over \$92 million. The increase in provincial spending in public schools has gone up dramatically, and the formula has been improved to ensure there is more money for teacher professional development, more money for special needs kids and more money for equalization to recognize some school divisions have greater tax-raising capacity than others. We have improved educational financing all across this province.

Mrs. Stefanson: Mr. Speaker, I am astonished. I am asking questions of the Minister of Education about

his own department and he is not getting up to answer these questions. The Minister of Education stated, and I quote, "School trustees could avoid large tax increases through prudent planning."

Mr. Speaker, I ask the Minister of Education: Does he consider it to be prudent planning to increase his own administrative costs by 9.9 percent? At a time when he has asked the school divisions to tighten their belts, why is he loosening his?

Mr. Selinger: Mr. Speaker, the member opposite likes to dwell on detail but she has overlooked the actual numbers that are on page 59 in the Estimates of Expenditure, where the significant increase in education expenses is for the Aboriginal Education Directorate. This is an area members opposite ignored for 12 years. All people in this province deserve a proper education, including Aboriginal people. That is why that line has gone up. There is more money to support First Nations people getting a proper education in this province, something you ignored for 12 years.

Budget Tax Increases

Mr. John Loewen (Fort Whyte): Mr. Speaker, it is unfortunate that the Minister of Education (Mr. Bjornson) is not even allowed to speak for his own department.

In its pre-budget submission, the Business Council of Manitoba, who represents Manitoba's largest employers, stated that competitiveness is the most important issue facing our province. They went on to state that, and this is from the Business Council, Manitoba's taxes are not competitive, new taxes are not warranted and tax reductions and government efficiencies are essential components of improving Manitoba's competitiveness.

I would ask the Finance Minister to explain to the Premier (Mr. Doer), who says that he was not elected to raise taxes, why the Finance Minister completely ignored the advice received from Manitoba's largest employers and imposed further taxes which will make Manitoba less competitive and kill jobs.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the member completely overlooks the fact that we have reduced the corporate tax rate in this province for the first time since the Second World

War. The member completely overlooks the fact that we have changed the exemption for capital taxes to a deduction so no business pays any tax on the first \$5 million of capital now, something members opposite ignored for 12 years. The member ignores completely that we have reduced business taxes \$74 million. The corporate rate has gone from 17 percent to 15.5 percent and it is on its way down to 14.5 percent. The small business rate has gone from 8 percent to 5 percent. The band of income covered has gone from \$200,000 to \$360,000 and is on its way up to \$400,000, surpassing anything they did in 12 years.

Mr. Loewen: Mr. Speaker, it is unfortunate that the minister did not take time either to listen to the Business Council or to read their submission because it states quite emphatically, the corporate tax gap remains, and we urge the Government to initiate further reductions to provide Manitoba corporations with a more competitive tax structure. They have not ignored the tax rates like you, Mr. Finance Minister.

I would like him to explain to the Premier and to the business community why he has not only completely ignored their advice and their pleas to reduce taxes but in fact has done exactly the opposite and raised taxes by expanding the PST. Does he not understand he is stifling our economy and killing jobs?

Mr. Selinger: Mr. Speaker, private investment in this province is at a historic high and that fact alone belies every statement the member opposite just made. But if he wants facts, if he wants facts and analyses that will help him focus his thoughts, I would encourage him to look in the *Manitoba Advantage* on page 14 where the internal rates of return for small and large manufacturing companies in cities like Brandon or Winnipeg are among the best in the country. In other words, this province is the most competitive place to do business for manufacturing across the country.

* (14:00)

Mr. Loewen: Mr. Speaker, I would remind this minister I am not making statements, I am quoting from Manitoba's largest employers. These are their pleas for this Government to make this province competitive. I would urge this minister to pay attention.

So much for a promise made is a promise kept, Mr. Speaker. We cannot believe anything this

Premier or his Finance Minister tells us. The Doer government has indicated that they are unwilling to listen to the advice of the Business Council. Instead of raising taxes, why did this Government not make another choice, reduce administrative expenses, get a handle on their own expenses and make Manitoba competitive?

Mr. Selinger: Mr. Speaker, it was just in the last session in the fall the same member was up asking us to spend more money, spend more money for agricultural producers, spend more money in health care. This member, one day, wants to spend more; the next day he wants to selectively quote briefs from certain organizations within this province. The facts are the following: The competitive advantage for manufacturing in this province is the best across the country for cities the size of Brandon, for cities the size of Winnipeg. We have reduced corporate income taxes. We have reduced small business taxes. We have changed the deduction for capital tax from an exemption to a deduction. These are all measures the members opposite could have taken. They never did. We did. We made a real difference.

Diesel Gas Tax Increase

Mr. Jack Reimer (Southdale): Mr. Speaker, back in September of last year the Premier (Mr. Doer) stated, and I quote, "My position stands that we did not get elected to raise taxes." Then, in November of last year, two months later, the Premier states again, and I quote, "We did not get elected to raise taxes."

Now, less than five months later, what does the Premier say to Winnipeg Transit when the diesel tax increases will cost an extra \$95,000 per year for the City? Does he say raise the ticket prices to pay for this tax increase?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, fuel taxes in this province, second lowest in the country and our capital program—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Selinger: Mr. Speaker, not only are the fuel taxes the second lowest in the country but our capital program for highways infrastructure is the highest it has ever been in the history of this province. That

was at \$120 million. This year, we have added an additional \$10 million to that historic high number of \$120 million. Next year, we are adding \$20 million more for \$30 million more over the historic high of \$120 million.

All of our motive fuel and gas taxes are dedicated to infrastructure and we are going to be accountable for that through new legislation. We will show Manitobans how we make their dollars work for them.

Mr. Reimer: The Government is going to tell them how to spend the money. I like that line.

Provincial Sales Tax Professional Services

Mr. Jack Reimer (Southdale): Mr. Speaker, back in September of last year this Premier (Mr. Doer) stated, and I quote again, "My position stands that we did not get elected to raise taxes." Again, in November of last year, two months later, the Premier states, and I quote again, "We did not get elected to raise taxes." Now, less than five months later, we see the sales tax announced on professional services like accountants, architects, out-services that the City of Winnipeg uses. This will raise the cost to the City of Winnipeg of \$1.4 million per year. Who is going to be paying for that? The taxpayers of Winnipeg.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, when members opposite raised or extended the sales tax back in '93 on baby supplies, on safety clothing, footwear and equipment, on school supplies, I mean they even increased taxes on sewing patterns, they said it was not a tax increase. The premier of the time said it was an extension of the tax base.

Not only that, when it comes to supporting municipalities, we are the only province in Canada that shares corporate and personal income taxes with the municipalities through the Provincial Municipal Tax Sharing agreement, the only province in Canada to share growth revenues with our municipalities.

City of Winnipeg Funding

Mr. Jack Reimer (Southdale): The minister mentions they are the only provincial government to share with the municipalities, but they are also the provincial government that is raising the taxes.

My question is: You are raising the taxes for diesel fuel for Winnipeg Transit. You are raising the taxes for professional services for the City of Winnipeg. Who is going to pay for that?

The citizens of Winnipeg will be paying extra money to ride the bus and to pay on their property taxes for the \$1.4 million on their professional services. Why is the minister going down this road? How is it going to support the city of Winnipeg better?

Hon. Greg Selinger (Minister of Finance): In my previous answer, I pointed out we are the only province in Canada that shares corporate and personal income tax revenues with municipalities. That commitment has been there since the time of Ed Schreyer, a very important commitment.

Just a couple of weeks ago, the three levels of government, the provincial government, the federal government and the civic government, made a commitment to building a rapid transit corridor in the city of Winnipeg. Never before done, and it was with the co-operation of the three levels of government that we made that commitment to public transit infrastructure, something that has been on the books of the city of Winnipeg for at least 15 years. This Government helped find a positive solution to improve public transit in the city of Winnipeg.

Red River Floodway Expansion Master Labour Agreement

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, in 1999 the Premier said, "Elect me and I will end hallway medicine in six months with \$15 million."

After the election he said, "Well, that is what I said, but it is not really what I meant."

After the Winnipeg mayor released his new deal, the Premier said, "I was not elected to raise taxes." Then, this week he said, "Well, that is what I said, but it is not really what I meant." Then, Mr. Speaker, he proceeded in this Budget to raise taxes by over \$90.

First this Doer government says that a project labour agreement, forced unionization and forced union dues are a done deal. They are non-negotiable, Mr. Speaker. Then the Premier said that no, they are up for negotiation. This Premier's word has less and less credibility as every day goes by.

Now the Premier has been presented a solution from the Winnipeg Chamber of Commerce that addresses all of his supposed concerns regarding the floodway expansion project. Will he do the right thing and adopt their solutions?

Hon. Gary Doer (Premier): I have just had the opportunity to look at the education and citizenship lines, Mr. Speaker. In terms of the financial administration services in government, there is actually a reduction in spending in the Department of Education. In terms of Human Resource Services in the department, or the Systems and Technology, there are reductions.

Mr. Speaker, for the members opposite to make that claim, there is a major deficit in this province and it is a research deficit on behalf of the leader and that opposition party.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would like to once again remind all honourable members, if the Speaker is standing, all members should be seated and the Speaker should be heard in silence. I also remind all honourable members that the clock is still running. You are going to be getting less questions and answers, so I would ask the co-operation of all honourable members, please.

*(14:10)

Mr. Murray: Thank you very much, Mr. Speaker. When it comes to credibility, this Premier should be very, very careful because it is he who has stated that he was not elected to raise taxes. He said that to this House. He said that to Manitobans and what did he do in this last Budget? He raised them by over \$90 million. That is something that this Premier should remind himself before he answers questions.

The Winnipeg Chamber of Commerce has put forward a solution that addresses all of the Premier's supposed concerns about the expansion of the floodway project. The Chamber's solution sets out a process that would ensure there is no labour disruption. It would ensure good wages are paid. It would ensure appropriate education, training and skills upgrade for new and existing workers are provided. It would ensure that contracts were let at the lowest cost to the taxpayers and for the ultimate goal of delivering the project on time and on budget.

Importantly, the chamber's solution would achieve these objectives without forced unionization and forcing non-unionized workers to pay union dues.

Will the Premier please put aside the ideology of his union-boss friends and listen to what the public is saying? Stop forced unionization on the floodway project. Get on with building it. The Chamber has come up with a solution. Will he not listen to them?

Mr. Doer: Mr. Speaker, we have advice from the members opposite for me to replace Mr. Fox-Decent in terms of their petition that they have been reading on the hour, every hour in the House. We have the Chamber of Commerce today with some suggestions. We had on Monday a letter from one of the advocates on behalf of some of the private interests on the floodway, recommending that Mr. Wally Fox-Decent be appointed to have an independent role in this regard. All this advice is useful. The members opposite have different views than Mr. Lorenc, it appears, in terms of who should be involved in this. I have great confidence in Wally Fox-Decent. I ask whether the members opposite do.

Mr. Murray: Mr. Speaker, I believe it is the people of Manitoba that have no confidence in this Premier because he has bungled this whole project. We have what is one of the most important projects in front of Manitobans, and this Premier is now in a position where people like the Chamber of Commerce have to come together because they want to offer a solution to this Premier because he cannot figure out how to build a floodway without forcing people to be part of a union.

All the Manitoba Chambers of Commerce and other members of the public are saying to this Premier is we respect the fact that people have the right to choose. People have chosen. The heavy construction industry is 95% non-unionized. The Chamber of Commerce has come forward with a solution because they also believe it is important to get on with the building of the floodway.

Mr. Speaker, will the Premier do the right thing? Will he listen to Manitobans? The Chamber of Commerce? Will he listen to the solution and take forced unionization off the table and get on with building the floodway?

Mr. Doer: It is interesting, because about four questions ago they made a false statement about the

Aboriginal training being an administrative cost. We know what they did to Aboriginal training. We know what they did to ACCESS programs. One of the key issues in the floodway for us, besides no strikes and lockouts, besides coming in on time and on budget, besides having a program that deals with recreation, is to have more participation with trained people and Aboriginal people in Manitoba. They do not give a darn about Aboriginal people. We care about them, Mr. Speaker.

Red River Floodway Expansion Budget

Mr. Kelvin Goertzen (Steinbach): Yesterday, the Minister of Water Stewardship (Mr. Ashton) tried to downplay the additional cost to building a floodway as a result of the new PST on professional services. He also tried to downplay the fact that costs for the floodway project have increased by \$40 million before digging has even begun. The Minister of Finance (Mr. Selinger) says that there is no line-by-line budget for this particular project to speak of.

Is there anyone on that side of the House who is standing up for taxpayers' dollars on this project?

Hon. Gary Doer (Premier): Mr. Speaker, we have a number of reports from the IJC and our own reports dealing with the overall project in terms of the cost. One of the areas that is still being worked on, and we certainly will make available to the House through our engineers, is some of the ground-water impacts from the building of the floodway in the mid-sixties. There are still some issues of aquifers in the northeast quadrant of the province, and we are concerned about that. We want to make sure that the design of the floodway expansion includes that total issue.

Mr. Speaker, the agreement we have with the federal government is for a \$240-million stage. That stage will in essence, besides recreation, besides improvement of the gates to give us more protection in the summer, and some of the investments we have made in downtown Winnipeg and other locations, also include the ability to go from a 1-in-90 year—

An Honourable Member: What does the IJC have to do with this?

Mr. Doer: The Member for Emerson (Mr. Penner) asked what the IJC has to do with it. He will note

that the IJC had two different numbers with two different reports. I suggest he read them, Mr. Speaker.

Mr. Goertzen: I think for the first time we have heard an admission from the Premier in the House that there really is not a budget for this project. He says he is going to come in on time and on budget, but there is not a budget. So I am pretty sure he will meet that low expectation.

Mr. Speaker, in December of last year, the Premier was full of praise for the federal government for exempting the floodway project from the cost of GST. Yet, yesterday, when the Doer government admitted that there will be a new PST applied to the project, they trivialized it saying that it will only amount to a few hundred thousand dollars. Can the Minister of Water Stewardship or anybody on that side of the House please tell us why there is such a two-faced position on this issue?

Mr. Doer: As I said, there will be a recreation component of 1 percent of the expenditures. There will be improvements in the flood gates. It deals longer term with the sustainability of some of the investments in tourism, investments in the city of Winnipeg. There will be major, major work to take us from 1-in-90 years to 1-in-270 years. That will give us protection from the 1827 or 1826 flood levels. We will triple therefore the capacity of the floodway with the \$240 million. That is our commitment to the people of Manitoba. That is the budget we have with the federal government.

I am interested, Mr. Speaker. I was curious to note in the paper on the weekend that there was an article dealing with the federal government. In fact, it was Brian Mulroney that had had a labour management agreement to build the Charlottetown bridge. What side are they on with Brian Mulroney?

Master Labour Agreement

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, this morning the Winnipeg Chamber of Commerce released a solution piece to help clean up the Premier's mess regarding the floodway project and contradictory statements from the Government regarding forced unionization and forced union dues. Today we hear there really is not a finalized budget on this particular project. We are into another phase, praising one level of government for taking off a tax

and then applying their own tax. There is not a premier who is in more of a need of a solution than this Premier here in Manitoba.

Will he take the lifeline that has been offered by the Winnipeg Chamber of Commerce and try to regain the confidence thereby lost by all Manitobans on his mishandling of this particular project?

Hon. Gary Doer (Premier): I am just looking at the petition, and there are some components that have been raised by the Chamber of Commerce dealing with the floodway which includes training. Mr. Speaker, training—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker, I know training is a foreign concept to members opposite but it is—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. It is very important to us, and I am pleased that the Winnipeg Chamber of Commerce has noted it as one of the issues to deal with. Some of that training will take place hopefully with some of the skilled trades that will be involved and be able to provide apprenticeship programs so that we not only have short-term training, but we have long-term skills left in our community because this is not the only construction project of a major nature that we are going to have in Manitoba.

Unlike the mothball policies of members opposite, Mr. Speaker, we are going to build the floodway. We are going to get approval hopefully from the Clean Environment Commission and build dams and build this province. We are going to build the province and build the future. The Flat Earth Society members opposite can raise all these issues. The Chamber position is different from the Tory petition. The Tory petition is different from Chris Lorenc's position. We will manage all that advice and get it done.

* (14:20)

Provincial Sales Tax Professional Services

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the Minister of Finance in regard to

the new taxes. It is interesting to note that the Department of Justice's bureaucracy is increasing while at the same time we have this new tax on legal fees, some irony in that.

My question is related to back in September of 2003. The minister was explaining the difference between the PST and GST inside the committee room and I quote what the minister said, "Average Manitobans would pay significantly more for the services and goods they receive, so that is considered a disadvantage which we believe still exists today." That was just last September, Mr. Speaker. My question to the minister is: Why does he now believe it is no longer to the disadvantage of consumers to have this type of a tax put on to them?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the short answer is because we have reduced personal income tax rates. We have reduced the small business tax rate. We have reduced the corporate tax rate. We have reduced the ESL. Manitobans now, because of our economic and tax policies, have personal disposable income 5% more in the last five years versus a 5% decline in the 10 years before that. Manitobans are better off.

Mr. Lamoureux: Mr. Speaker, the Minister of Finance, if you take money out of this pocket here and put money back in this pocket here, at the end of the day, there is less money that is going in the pockets, basic economics.

Mr. Speaker, when you think of a consumption tax, the NDP—

Mr. Speaker: Order. I have been standing here for about a minute trying to get the attention of honourable members. We only have so much time for Question Period and we are trying to get as many questions and answers in. When a Speaker is standing, all members should be seated and the Speaker should be heard in silence. I ask the co-operation again of all honourable members.

Mr. Lamoureux: Mr. Speaker, I do not see the humour in taxing from one pocket to another. At the end of the day, Manitobans are paying more taxes.

When you think of a consumption tax, Mr. Speaker, the NDP would say that if you can afford to buy it or consume it, then you can afford to pay a tax on it. I would argue people at times have no option but to have to use a service, for example, legal

services. This Government will be blindly charging hundreds of dollars in new taxes for a single parent experiencing financial difficulties that has no choice but to go through court proceedings. Will the Minister of Finance acknowledge that his tax grab on services will have a more negative impact on lower income people because this Government did not provide for any form of rebate?

Mr. Selinger: Mr. Speaker, there is a personal tax credit in the Budget and all legal services that are eligible for legal aid will not have this tax applied to them. Unlike the Liberal government, when we take \$10 out of our left pocket and put it in our right pocket, it multiplies to \$15. When they take \$10 out, it shrinks to \$5 because they bleed it off to their friends.

Mr. Speaker: Time for Oral Questions has expired. We will now move on to members' statements.

MEMBERS' STATEMENTS

Earth Day

Mr. Drew Caldwell (Brandon East): Mr. Speaker, today is an important day, not just for Manitobans, but for all people who inhabit this small planet. It is the one day a year that we formally set aside to consider something so essential to our survival that all of us should be thinking about it every day. Today, Earth Day, all Manitobans are asked to think of our environment and specifically about the health of our all too fragile ecosystem.

Why do we need an Earth Day? Mr. Speaker, we need this day because for the first time in the planet's long history one species, humankind, is dramatically changing our environment. Through human activities we are creating devastating changes to the planet's climate. It is because of this very real threat of climate change that this Government has made the environment such a high priority. That is why yesterday we announced the Climate Change Community Challenge, the C4 program. This program, working in conjunction with the federal One-Tonne Challenge, will challenge us and assist communities in Manitoba to reduce energy consumption, minimize waste and thereby reduce greenhouse gas emissions.

This program will enable communities to work together to take action on climate change and will allow us all to walk more gently on the Earth. In

particular, I want to salute young people who have heard, understood and are taking action everyday to do their part to help save our planet. The C4 program is just one piece in our ongoing commitment to Manitobans to help them deal with climate change in real and permanent ways.

Mr. Speaker, there is no more precious resource than the stuff of life itself, our water. Manitobans understand the importance of water and that it is our collective responsibility to ensure a safe and clean supply for centuries to come. That is why we have created the Department of Water Stewardship, the first department solely responsible for the care of water in Canada.

We know that Manitobans care deeply for their communities and for the wider world. Our record of international involvement speaks clearly about our water vision and we know that when we challenge communities to cut down on pollution, creating an easily accessible agency to help people cut waste or dedicating a government department to safeguard water and the quality of our water, Manitobans will respond because they care. Thank you.

Mr. Jack Penner (Emerson): Mr. Speaker, I find it absolutely astounding that this Government will not have a ministerial statement on Earth Day, but we will make a statement.

Mr. Speaker, I rise this day to congratulate contributors to a healthy Earth. An article written by Peter Holle, I believe, described the contribution made by scientists, businesses and the farmers. He singled out Dr. Norman Borlaug, founder of Green Revolution, who celebrated his ninetieth birthday this year. Mr. Borlaug developed wheat varieties that today yield 10 times what wheat varieties would have yielded during the sixties. Doctor Borlaug received a Nobel Prize in 1970 and is credited with saving billions of lives.

Many people will mark the day by cleaning up parks and yards and by planting trees, but the single most important contributor to our ecological health will likely be ignored, Mr. Speaker. These are the thousands of farmers that have adopted the technology and science-based methods to improve and protect the soil and water of our Earth. The billions of dollars that farmers have spent to achieve a healthier Earth has largely been ignored. This action, however, has allowed, according to Conservation

International, nearly half of our planet's total land to remain as untamed wilderness.

As Mr. Holle says on Earth Day, Mr. Speaker, let us take a moment to honour the contributions of modern farmers to this planet's health. Three cheers for the scientists, growers and middlemen who have simultaneously liberated us from hunger and preserving our open spaces. Thank you.

Ukrainian Easter Celebration

Mr. Doug Martindale (Burrows): Khrystos Voskres! Christ is Risen! On Wednesday, April 14, I attended the annual breakfast of Ralph Brown School in celebration of Ukrainian Easter and brought greetings on behalf of the Minister of Education, Citizenship and Youth (Mr. Bjornson). Ralph Brown School is the site of the English-Ukrainian Bilingual Program for the Winnipeg School Division. This is an important time of year for those who are of the Christian faith. I was honoured to partake in the symbolic breakfast and beautiful ceremonies at the school.

The morning began with the joyous and pleasant voices of the choir, followed by excellent traditional Ukrainian dancing. Both of these groups performed under the superb direction of Mrs. Harkavy. It was an outstanding and impressive display of talent.

Mr. Speaker, in the Ukrainian church during the time of Easter it is customary for the Easter baskets to be blessed. These special baskets symbolize family unity and the hope for a happy and prosperous year. They are filled with napkins embroidered with the most intricate detail and overflow with many delicacies such as Paska, butter, salt, ham, sausage, cheese, beets with horseradish, pysanky and Krashanky. Father Harkavy and Father Isidore were there to bless the Easter baskets before they were brought home by the children to be shared with their families.

I want to congratulate the 135 students in the English-Ukrainian Bilingual Program and the principal, Mrs. Linda Bulka, for inviting me to their wonderful celebration of Ukrainian Easter. I would also like to congratulate them for their hard work in decorating the gym, providing entertainment, putting together their baskets and learning about Ukrainian religious traditions by participating in this important celebration. I would also like to thank the parent

organization for devoting so much time in preparation for this special day.

* (14:30)

Glenlawn Collegiate Theatrical Production

Ms. Theresa Oswald (Seine River): Mr. Speaker, it is my pleasure to rise in the House today to congratulate the staff and students of Glenlawn Collegiate for their outstanding effort in the recent musical production of *The Music Man*. I had the privilege of attending a matinee performance on March 25, 2004, with 40 seniors from Kirchhoff Gardens, a lovely seniors residence located in the Seine River constituency.

Mr. Speaker, the history of musical theatre excellence at Glenlawn Collegiate is undeniable. Students at Glenlawn have the option of enrolling in a credit course in theatre production and, as a result, participation in this large school enterprise is very high. Students gain meaningful hands-on experience in organizing, planning, constructing and producing a major musical with a cast of over 50 performers. The musical accomplishment is also expertly provided by many accomplished student musicians. This year the orchestra was comprised of Trevor Robinson, Simon Christie, Chris Butcher, Heather Gardner, Gerard Modrzejewski, Jessica Bernardin, Matt Gelley, Michael Kosowski, Denim Kehler, Leigh Fischer, Ron Krug and Paula McLeod, and indeed they were outstanding.

The performance, under the musical direction of Marilyn Redekop and artistic direction of Maria Kives, was one of the most outstanding in the school's history. Jessica Strong, in the role of Marian, charmed the audience with her award-winning vocal talent, while Evan Sapach, as Harold Hill, clearly had charisma to burn.

The skillful and engaging performance of the quartet, comprised of Ben Campbell, Emily Walker, Kim Van Aerselaer and Jordan Day, were a favourite of the residents from Kirchhoff Gardens. It must also be noted that several moments of the show were virtually stolen by Kevin Kristjanson, an imported Grade 6 student, in his role as Winthrop.

The list of students with significant lead roles is deep. Congratulations are due to Jamie Guidolin, Jillian Sandison, Kevin Parsons, Matt Mihaychuk,

Kate Jestadt, Richard Hornung, Michael McDermid, Buffy Cowtan, Lindsay Hammond, Simon Walker, Lora Peters, Kelly Stokotelny, Emily Northam, Micheline Lessard-Lesk and Ryan McDonald.

The success of all the lead actors was beautifully supported by the townspeople, the kids, the dancers, the salesmen, the wa tan ye girls and the ladies' auxiliary. In all, the production of *The Music Man* was one that made all members of the community very proud. It is worthy to note that all the seniors were treated with dignity and respect. Thank you, Mr. Speaker.

Flooding (Fisher River)

Mr. Tom Nevakshonoff (Interlake): Communities in the Interlake are recovering from recent flash flooding, Mr. Speaker. Flooding on the Fisher River in the Interlake caused the evacuation of over a thousand people to neighbouring communities. Water levels in ditches and drains have receded but not before causing significant road damage and residential flooding.

Mr. Speaker, the people of the Fisher River Cree Nation and Peguis First Nation battled the rising Fisher River with full force. Flooding forced the closure of schools and the transfer of patients to Winnipeg hospitals and the transport of elders to other communities. The Minister of Aboriginal and Northern Affairs (Mr. Lathlin) and I met with the chief and council of Peguis April 7 to assess the situation and were impressed with the community response.

Mr. Speaker, I would like to recognize and thank some of the people who worked to evacuate people and protect communities. The Manitoba Association of Native Firefighters skilfully co-ordinated the evacuation of over 900 residents to Winnipeg and surrounding communities. Working with Department of Transportation crews led by Len Huff, MANF also cleaned out ditches, culverts and ice jams at bridges to improve water flow.

The Department of Water Stewardship provided regular and ongoing flood forecasts and Manitoba Emergency Measures Organization maintained close contact to provide assistance and information.

Thanks to the many volunteers from the community, who have done outstanding work as part of

the flood control efforts. Under the skillful guidance of flood co-ordinator Colin Williams, over 350 community members have been working continuously at sandbagging and now at cleaning up flood water. The work of Glen Gulay, Eugene Ratt and Robert Slater in aerial photography was especially significant.

Mr. Speaker, as water levels recede, the clean-up efforts continue so that people may return as soon as possible to their homes. Once again, we have seen communities and individuals rise to the challenge of protecting their friends and neighbours from harm's way. Thank you.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

ADJOURNED DEBATE (Fourth Day of Debate)

Mr. Speaker: Resume debate on the proposed motion of the honourable Minister of Finance (Mr. Selinger) and the proposed motion of the honourable Leader of the Official Opposition (Mr. Murray) in amendment thereto, standing in the name of the honourable Minister of Industry, Economic Development and Mines (Mr. Smith), who has 23 minutes remaining.

Hon. Scott Smith (Minister of Industry, Economic Development and Mines): Mr. Speaker, to continue on, balanced budget pays down the debt and avoids using the Fiscal Stabilization for the first time since it has been introduced here, in the province of Manitoba. I can tell you, Manitobans, in a tangible way have noticed the differences that have been brought in to each and every budget over the last four years, certainly on positive growth in our economy.

Mr. Speaker, when you take into consideration the amount of jobs that have been created in this province over the last four and five years, doubling the amount that were created through the nineties. You take the number of 3100 jobs created per year by the previous government. You look at our record of 6500 jobs being created. It is obvious, 100% increase in jobs for Manitobans. What is notable about the creation of jobs certainly has been that the large percentage of those jobs, well over 80 percent, have been full-time jobs.

Mr. Conrad Santos, Deputy Speaker, in the Chair

When you look at a per capita basis and you take into consideration, I know the members opposite have mentioned in Question Period about affordable government. Well, on a per capita basis this province is rating third on its expenditures right across the nation, on a per capita basis on the cost to taxpayers on government services that are delivered.

Mr. Deputy Speaker, it is because of the rationalization and the efficiencies that this Government has created since we have been elected in '99, compounding year over year by the budgets that have been introduced by this Finance Minister for Manitobans. It is beginning to take a serious effect on positive sides when people notice, certainly, that Manitobans today, their purchasing power is 5 percent better than when we were elected. That is a considerable amount in a short period of time, considering under the previous government over a decade through the nineties, the purchasing power for Manitobans decreased by 5 percent.

Mr. Deputy Speaker, the purchasing power that we have initiated and brought back, has actually given Manitobans approximately 10% more expendable money in their pocket through the initiatives that this Government has taken in a short five-year period. When you look at the Nesbitt Burns report, I think it is something that most Manitobans can relate to. When you take into consideration people work day after day on economic research and research right across the nation, when they put Manitoba as having one of the best financial plans on a move-ahead basis, that is both transparent and certainly easy for Manitobans to understand.

When you pay down the debt, which Manitobans can relate to their own homes, year over year, when you have a mortgage and you have other costs and things that are important to you and you pay that down. That is important to Manitobans. When their personal wealth increases and they can expend that money on other things that they would like to have, they can relate to that. Certainly, that is exactly what Manitoba has done.

Mr. Deputy Speaker, this Government, unlike the previous government, has reduced the debt year over year, and, certainly, combined with that, the pension liability. The government opposite, the Tory government, had taken and swept under the rug, and

let accumulate and grow year after year after year. People can relate that you cannot take outstanding loans and then not pay on them. The compound interest on that alone over the years under the previous government had become so unmanageable that if this Government had not been elected in '99 at a time when it was, Manitoba would be facing crisis right now under the previous government's financial planning.

Mr. Deputy Speaker, sticking to a Doer government's initiative, certainly, on a doable, long-term plan that is predictable and transparent and easy for people to understand and follow is something that this Government has worked very hard at. Under this Finance Minister, we have seen historic job growth. We have seen historic amounts of personnel coming back to Manitoba, young people coming back to Manitoba because of a vision that we have had, in part economic planning, in part an economic strategy that I can tell you is really beginning to work.

* (14:40)

People are starting to see it. When you see numbers of people coming back to Manitoba, population growth of 7584 people, members opposite have said that is not a lot. The reality is there was a decrease in population growth throughout their entire 11 years that they were in power. It is the highest level now since 1986 on people coming back to Manitoba, both interprovincial, international, and when we look at those numbers and the 15-to-24s that are coming back, 1055 more young Manitobans came to Manitoba than left. That is the best number in 20 years. When you look back and you think who was in power at that time, it was an NDP government. During those years, there was economic growth and there were job gains and full-time job growth, as well as population growth in Manitoba.

Again, we are seeing it. After the dark days and the disasters of the nineties, we are finally turning it around. We have taken education and made it affordable for families in decreasing the costs of education and post-secondary and maintaining and keeping that. It has given families the ability to be able to afford to send their families to school to have that education. It is a no-brainer, Mr. Deputy Speaker.

It is a simple strategy, but the other government would not do that. Not only would they not do that

and make it affordable for families to come out and have people with a higher education that obviously creates wealth in a province by having better-paying jobs and assisting business in the province to grow and expand and compete on a world-wide basis, the other government did not do that. Not only did they not do that, they did not re-invest in any of the capital. They let our universities and our colleges begin to deteriorate and other provinces have an advantage. Mr. Deputy Speaker, we now have an advantage of that re-investment into the capital at historic levels both in post-secondary and in K to S4 of rebuilding that system, giving young Manitobans the ability to go learn and come out with an education and come into a workforce highly trained, highly skilled and being part of a system that supplies intellectual development and quality to business to compete against anybody in the world.

Mr. Deputy Speaker, the challenges in the past year with the BSE, obviously in transportation where we had the issue of SARS, we had the second-worst fire season ever in Manitoba's history approaching on \$60 million of costs and expenditure. Still, this Government, still this Premier (Mr. Doer), the Minister of Finance (Mr. Selinger) and the members on this side of the House were able to adjust what is crucially important for Manitobans. The health care system has improved; the educational system has improved; the vision for young people to stay in Manitoba has improved. More people are coming from other parts of the world, in fact, coming to Manitoba at levels that we have not seen for 20-odd years. The personal income taxes are decreasing for people that are coming and there is more expendable money to spend on things that they believe are important for their lives. Those are tangibles. Those are things that people can relate to.

Mr. Deputy Speaker, year after year in our budgets we have set the bar very high and we have set a challenge certainly to the departments. Departments are holding the line and, in fact, a number of the departments, 12 departments, are looking at actual cost decreases.

I can tell you the economic strategy on a growing economy is enabling us to do that. Last year, as difficult as the year was, we had a 1.9% growth exceeding the national growth of about 1.7, and that is a positive. That shows Manitoba's actions. The actions that we have taken in so many areas are

certainly in economic growth and the things that are important to Manitobans.

People realize it, people look at it, and certainly people from other provinces are looking at that as well, \$311 million dollars annually cut on personal income tax for Manitobans, which does go back into the economy and does create wealth for many others. People in small business, people in large business and certainly inner trade is more positive when there is more money in the economy.

Mr. Deputy Speaker, when you take a small-business person in Manitoba, which is the backbone of the small business and certainly of the business community in any province, in any state, anywhere in the world, and you take tangibles of their 8 percent on the small business tax rate, reducing it year after year after year down to 5 percent now and then down to 4.5 percent moving ahead, small businesses notice, recognize that and appreciate it. That allows small business to reinvest in their businesses, to hire more people, to put that money back into the economy and move the economy ahead. Moving the threshold and rising with that threshold for small business up to \$400,000 a year from around \$250,000 a year for that tax threshold has been critically important.

When you take large corporations and large business on the capital purchases of those large businesses and not tax capital purchases until after \$5 million, that is probably why we have seen historic levels of capitalization of business in Manitoba, even though we have had challenges with America, certainly with the rising dollar for our Canadian dollar, which does impede international trade, does impede trade with America.

We have seen capitalization in small business. We have seen it with large business. We have seen it with municipalities. That is a sign of confidence in the economy. Any economist in Economics 101, when you see large capitalization in any industry, in any business, it is a sign of stability and it is a sign that there is a stability in the economy that people respect and understand and know that there are not going to be surprises moving ahead.

Promises made are promises kept. This Government has done it year after year after year, even with the challenges that we have had on a difficult financial year. Being proud to be one of the

few provinces or states in North America that will truly balance the budget in this fiscal year has been an achievement that Manitobans, small business and everyone within our borders has recognized.

Mr. Deputy Speaker, \$74 million annually since 2000 and continuing to fall in small business taxes is a considerable amount of dollars. Small business recognizes that and they know it. When you see, as the Minister of Finance (Mr. Selinger) has mentioned many, many times, and members opposite have said, oh, it is not being competitive; it is not moving ahead fast enough. Corporate income tax at 17 percent has sat here since the Second World War.

As we have reduced the corporate income tax for the first time in 50 years in this province, it is going to fall to 14.5 percent after 2005, an incredible decrease in corporate income tax. That is recognized as well by large business. Certainly, the equipment and business increase of 50 percent on income tax and depreciation rates is also recognized.

Mr. Deputy Speaker, we have done this with challenges. Certainly, we have been able to take and maintain an affordable government. The elimination of the 400 staff through attrition, saving \$30 million, has been well recognized. It has been something that this Government has trimmed, that we have cut. We are doing more with less. Certainly, the employees in the province of Manitoba should be commended for that. They do an excellent job.

In the 12 departments that, in fact, the reduced spending will happen, we will have challenges. We are up to meet those challenges and we will do it.

Mr. Deputy Speaker, a further \$32.5-million reduction in the Province's borrowing costs, which I might add are among the lowest in the country, has been achieved year after year after year through the diligence of this Finance Minister with the hard work of the people in that department, in Finance, working under the direction of the minister to reduce those costs. Those have been considerable.

The milestones that I will highlight: the housing prices in Manitoba generally are up 24 percent since 1999; the disposable income in the last year alone has risen by 3.1 percent, outpacing the national growth; the lowest inflation rate in Canada, with the lowest hydro rates and the lowest automobile insurance rates in Canada, is being maintained; over 1000

young people coming back to the province, as opposed to in the years in the nineties losing approximately the same number of 1000; the population rate growing, the highest that we have seen since 1986; and the numbers of doctors is at a 10-year high, the numbers of nurses graduated has tripled since 1999. Those initiatives Manitobans recognize each and every day in their lives.

* (14:50)

In creating more opportunities for young people to support and stay here in Manitoba, obviously, the support for colleges and universities is up 3.5 percent, instead of decreasing as the previous government did many times throughout the nineties. The funding for public schools is up \$17.6 million. The fifth straight year funding has been increased at or above the rate of economic growth. A promise made, a promise kept in education.

Mr. Deputy Speaker, new support for Aboriginal education, and our English as a Second Language, Special Needs, and libraries, certainly does help to support our immigration qualities that, quite frankly, have been spectacular in this last number of years, working with the Minister of Labour (Ms. Allan) and her department.

We know there are challenges ahead. We know that the challenges in health are immense, and we are seeing it in many other provinces where, in fact, the challenges in health and the cost increases in health are rising at near-double-digit figures. This Minister of Health (Mr. Chomiak) has brought our health care system and turned it around, left hallway health care way in the background, that we inherited from the previous government. It is making commitments to Manitobans on reductions and wait times and doing it at one of the best rates. Although we have funded health care at historic levels in the province since we have been elected, we are now bringing it under control where our health care costs, because of the efficiencies that have been created through the Minister of Health working with the Minister of Finance (Mr. Selinger) under this Government, are setting the examples for the rest of Canada in many, many areas.

Mr. Deputy Speaker, I can tell you that health care remains critical to Manitobans. It remains the number one issue for Manitobans, and certainly we have seen a turnaround in health care of historic

levels on expenditures. We saw it in Brandon, where the Regional Health Centre in Brandon that was promised seven times throughout the nineties by the previous government, people in Brandon were let down.

The plan and the work that the health care minister did, Mr. Deputy Speaker, the diligence that was done, the planning of the overall health care budget, which now is about 42 percent of our budget line, all of the things that were important to Brandonites started to materialize. Now, just a short time ago, we had a ribbon-cutting at the Brandon General Hospital. The reeves and mayors were invited from the entire surrounding area. The health care support workers from the surrounding area, the nurses, the doctors, the x-ray techs, the support staff in the hospitals, were there to cut the ribbon, and I heard comment after comment after comment, "We never thought we would see this happen after so many promises were broken through the nineties." The accolades for the health care minister, the accolades for this Government on that \$60 million commitment, that we followed through.

In moving ahead, with that in our Budget, the MRI, the first one outside the city of Winnipeg, will support people that are in the entire south-west region of Manitoba. No longer will they have to continue to come into Winnipeg, bring their families into Winnipeg, travel great distances; it will be right at home, right in the southwest region of Manitoba. We know there will be more MRIs, going into the future.

Mr. Deputy Speaker, I commend this minister. I commend the Minister of Finance (Mr. Selinger) and the hard work that was done to bring this Budget forward for Manitobans. It is the reason that we are seeing headlines saying now, Manitoba cheaper to do business than anywhere else in Canada except in the city of Edmonton. You did not see those a few years back. The initiatives year after year after year are ranking us as one of the best places in Canada to do business for many, many reasons: the reforms in health care; the support for young people; the educational system and the backing that we now supply Manitobans; the reduction in personal income taxes; the reduction in small business taxes; the reduction in corporate income tax; and a better quality of life for Manitobans, even through very, very difficult times.

Mr. Deputy Speaker, the partnerships that we have developed with small business and with large

business and certainly with working people in Manitoba, of every walk of life, has been well noted. It has been inclusive and it has been done, certainly by this Government, to include all people.

Critically important, Mr. Deputy Speaker, has been the protection of water and our environment, and today, on environmental day, the new support for Lake Winnipeg and the Stewardship Board to work towards reducing harmful nutrients into the lake could not have come at a better time. Funding is available. In fact, the new department created simply to look after the water that is so critically important to Manitobans, for Manitobans and for our future; a new 10% tax credit to encourage business to invest in odour control equipment. Further funding of livestock management to address and inspect and the enforcement in that area.

So, Mr. Deputy Speaker, moving ahead with that water stewardship and creating and having a department, one of the first in North America to simply look after one of the critical elements of our life support and putting money where our mouth is, is certainly important to Manitobans. Manitobans have told us that. It supports families, it supports children, it supports elderly and it supports everybody in the walk of life.

Just in closing, I congratulate the minister on this motion. Certainly, I am supporting it as I do know most Manitobans support as well. Thank you very much.

Mr. Deputy Speaker: Who stood first? The honourable Member for Morris. I am sorry, the honourable Member for River Heights.

Hon. Jon Gerrard (River Heights): Mr. Deputy Speaker, I rise to reply to the Budget and to discuss the Budget that was tabled by the NDP government earlier this week. First, I think it is important to face up to the fact that last year's Budget was not a balanced budget.

Last year, Mr. Deputy Speaker, the NDP budget projected expenditures of \$7.25 billion, but, by the time the end of the year had come, the Budget shows they actually spent almost \$7.4 billion, more than \$135 million over budget. Overall, the provincial government spent more than it raised so the provincial general purpose debt has risen by \$54 million.

Liberals believe the NDP should have shown the integrity to reduce ministers' salaries by 20 percent as required in the balanced budget legislation when the government has a deficit. To have used a Tory loophole, to have squirmed through a Tory loophole is abhorrent. When we have a Liberal government, we will eliminate that loophole. It is a bad Tory loophole.

Mr. Singleton would go further than I in looking at the extent of the deficit, because he tends to refer to the consolidated operations of the Government including the Crown corporations. Well, if we do this, there is a whopping increase in the size of deficit this last year in consolidated operations. This deficit in consolidated operations a year ago was projected to be about \$110 million for this past year but, in fact, looking at the budget papers we can see clearly that the deficit this past year on consolidated operations was more than \$500 million. That is a deficit greater than \$400 million more than budgeted. That is called missing the mark by a long way. If the Budget was a promise, it sure was not a promise kept.

Mr. Deputy Speaker, the Premier (Mr. Doer) and the Minister of Finance (Mr. Selinger) may make all sorts of claims about this year's Budget, but promises and performance did not match last year and we really do not have expectations that they are going to match this year. How can we believe they will not raid the rainy day fund next year when they raided it last year for \$143 million?

* (15:00)

Mr. Deputy Speaker, we anticipate, when the track record from this year is completed, that the NDP will likely overspend again. Their credibility is getting poorer. The predictions that they are making are getting farther from the mark. The irony is that the situation last year would have been far, far worse if federal transfers to the Government of Manitoba had not increased by \$287 million. Almost daily, the Premier chastises the federal government in the Legislature. Ironically, he was saved last year by substantial help from the federal government. As it was, his performance and his Government's performance were terrible. They are just very lucky that the federal government came to their aid so that it was not a lot worse.

Let us look at health care, Mr. Deputy Speaker. It is over budget again, by about \$40 million. The

NDP cannot manage budgets very well. We have seen this year after year. This year the NDP are taking it out on the sick who need medicines by raising Pharmacare deductibles. I have spoken up against this 5% rise in Pharmacare deductibles. It weakens the Pharmacare program. It targets those who are sick and who need medication. There are far better ways to reduce drug costs, in particular, using better approaches to ensuring drugs used are effective and are prescribed only when really needed. It is just one area of health care where there is huge room for improvement in management, which has been sadly lacking.

Let me give you another example. The NDP have been very poor at investing in the Manitoba Health Research Council to underpin innovation and improvement in health care to improve standards, to find new ways to do things. The budget for the Manitoba Health Research Council is just the same as it was 12 years ago. It went down and up a little bit, but it is the same now as it was in 1992. Moreover, when the funding through the Manitoba Health Research Council should be improved to spur the innovation needed, should probably be about 0.5 percent of Manitoba's health care costs. They are presently far too low to promote the kind of innovation, research and improvement that is really needed in the way that the health care system is managed.

When it comes to rural health care, there are many rural communities which have concerns and many of these concerns are only enhanced by recent reports.

Let me give one example. The community of McGregor has wanted, for a number of years, to switch from a hospital to a local health care centre promoting health. They have been trying to do this for four years, and they have been stonewalled every month, every year, every day, by this NDP government. A community which wants to move ahead is being stonewalled. What kind of an example is that to rural communities? A very poor example by this Government, where a community wants to move to a wellness model. No, we are not interested in that.

When they say that to McGregor, they say that to every community in this province. We are not interested in moving to a wellness model. We are not interested in moving away from the old model. You can forget about that. We are going to stonewall you as a community if you want to try that.

When it comes to promoting healthy living, this is a government which talks but does not act. One of the fundamental components of healthy living is sports and fitness and better lifestyles. Overall, the program funding of this Government, excluding the debt, has gone up by 21 percent over the last four years since 1999, but the funding for sports and fitness has remained the same, in fact decreased slightly this year. It seems an odd way to promote healthy living by decreasing support for sports and healthy activities.

It is a sorry government that cannot do better than this. The Government, the NDP, should be ashamed of themselves. They should be embarrassed to have brought forth a budget where they talk about healthy living and decrease the funding for sports.

My goodness, what a government which cannot get its priorities straight. In education funding, this year the Government missed a golden opportunity for major change. There is needed a huge change and overhaul in the way education is financed in this province. We have argued for a number of years that there should be 80% provincial funding, but the Tories took it down from 72 percent to 62 percent and the NDP have taken it from 62 percent down to 57 percent, and I am sure, when everything is said and done, at the end of this year it will be less than that.

The Government has decided not to act. We see, because of the approach that they are taking, they are offloading once again on school boards and local school taxes will have to rise, and that will affect people all over Manitoba.

When it comes to the environment and to water stewardship, we see an increase in the budgets for administration and conservation. We see a big increase in the budget for administration in Water Stewardship. Mr. Deputy Speaker, yesterday I said it was 47 percent, but I miscalculated. I must admit it is actually an 88% increase in administrative costs for the Water Stewardship Department, an 88% increase for the Minister of Water Stewardship (Mr. Ashton).

Well, it is a sad day because, when we look at the details of the rest of the Budget, the Minister of Water Stewardship has reduced funding for fisheries and water quality services by \$463,000. He has reduced the budget for surface water management by 6 percent since 1999. He has reduced the budget for

ground water management by 9 percent since 1999. He has reduced the budget for aquatic ecosystem management by 15.5 percent since 2001. This is hardly a reasonable approach to improving the stewardship of surface and ground water and aquatic ecosystems in Manitoba.

Indeed, it is a sad and sorry day to see this is happening. The minister is hiring or bringing in more people for his administrative bureaucracy, and at the same time reducing the critical services that Manitobans actually need to improve the quality of the lakes and the water systems in our province.

I talked about Lake Winnipeg. It is now in worse shape than it was when the NDP were first elected in 1999. There was a big spread the other day, demonstrating and documenting how it is worse than Lake Erie in the 1970s. It has gone from bad to worse under this Government and so far they have done little.

* (15:10)

Killarney Lake, an important lake, was so bad last year that it drove away tourists. It was so full of algae blooms that it was not possible to swim in it in a reasonable fashion. There was a smell. There were problems. People from Killarney and people who live around Killarney Lake have been calling for help, for a meeting with the Minister of Water Stewardship (Mr. Ashton), since early January, but he has not seen fit to have a meeting or to visit Killarney in spite of the fact that the request has been made since early January.

When it comes to taxes, we have heard the Premier (Mr. Doer) say on numerous occasions, "I was not elected to raise taxes." This has been repeated over and over and over, until it has become the mantra of this Government. Day after day after day we have heard, "I was not elected to raise taxes." Well, we just have to look at this year's Budget. The Premier is raising not one tax, but all sorts of taxes and all sorts of user fees. Is it any wonder that the credibility of this Government is going down the tubes?

The Premier is so desperate he is even raising taxes on women who need legal help to get child support. Due to legislation, not all of which may be bad but some of which has problems on maintenance enforcement, people are going to need more legal help than before, but that is going to be taxed. That is the style of this Government. We will push you

where you have no choice to get services for which you are going to be taxed. We are going to grab those taxes, says the NDP government.

The Premier is raising taxes on justice. Raising taxes on those who seek legal help to have justice, to right a wrong, to get human rights. This Government is raising taxes on fundamental justice. What an extraordinary move.

The Premier is so desperate that he is raising taxes on those who choose to use legal means to try and improve the environment, to protect the environment. "Oh, no, but if you want to do good things, we are going to tax you," says the Premier.

You know, one of the ironic things, Mr. Deputy Speaker, is that the Premier was listening to some of the things that Glen Murray was saying about decreasing certain business taxes and increasing consumption taxes. Well, the Premier grabbed Mr. Murray's clothes while he was swimming and he has presented them on budget day.

The Premier has not helped Winnipeg, but he sure has done his best to try to help himself and his bureaucracy and his administration costs. What a way for a premier to act.

Glen Murray had the due thought to consult with people, to talk to people, to give them an idea of where he was thinking of going and to having a whole series of town hall meetings, which had a vigorous discussion. Oh, but the Premier and his Finance Minister, oh, no, they were not going to let anybody know that they were going to tax legal services, that they were going to tax justice, that they were going to tax those who want to help the environment, that they were going to tax families who need legal help to help their children.

Overall, curiously, for a lot of businesses there may be a decrease in business tax from 5 to 4.5 percent, but an increase in the retail sales tax of 7 percent for a lot of these is going to offset or more than offset that. So the Premier and the Finance Minister in the way they have organized this, you know, have probably done a disservice to a lot of businesses, and I am hearing that and I hope that the Minister of Finance (Mr. Selinger) is also hearing that.

When it comes to farmers, the Budget raises taxes on legal and accounting services, on the diesel used by truckers for transporting farm products. But the reduction in education tax on farmland will not start until 2005, because the NDP government this year has unloaded costs onto school boards. This means that local school board taxes are rising and most farmers can expect to see an increase in the education tax they pay. It is sad that the NDP's Budget makes the situation worse for lots of farmers in this province instead of better.

Mr. Speaker in the Chair

When it comes to cities and the city of Winnipeg, the Government talks about housing. But a comparison: in 1999 there was a budget for housing of \$42 million, and when we look this year and the housing budget in this Budget, now maybe there are some other things hidden elsewhere, it is about \$28 million. They talk a lot; they deliver so little. It is a sad and sorry day for Manitobans.

Young people. It fails to create a real vision, to have steps to improve things for young people. And rural communities. There is a lack of approach to help with tourism, local economic development, museums, heritage buildings and so on. Well the NDP spent more to put people in jails, they spent less on heritage. The capital budget for heritage buildings has decreased from \$300,000 in 1999, to \$210,000 in the present year. Either figure is clearly inadequate, given the importance Manitobans place on heritage and the need for attention to heritage buildings.

Mr. Speaker, we believe there is a better way. I believe there is a better way to manage the Province's finances. We also believe that the Budget should have provided clearer direction for the province by better matching spending to critical priorities, like healthy living, like cleaning up Manitoba's lakes, like preserving and restoring our heritage as well as providing a clearer vision for economic growth and for attracting people to Manitoba.

We see that Manitoba can be a magnet for young people. We see that much can be done that is better than this Government is doing. Even in health care, so many of the recommendations of Romanow and Kirby still remain not done.

So, Mr. Speaker, I now move, seconded by the MLA for Inkster,

THAT the amendment be amended by adding thereto the following words:

And further regrets that this Budget also ignores present and future needs of Manitobans by:

(j) failing to set priorities well and to manage fiscal resources well;

(k) failing to reduce minister's salaries by 20 percent in recognition of the deficit incurred in the last fiscal year and the resultant increase in the general purpose debt of Manitoba;

(l) failing to support improvements in water stewardship and instead increasing administration and bureaucracy while failing to provide adequate support to surface and ground water management and fisheries and water quality;

(m) failing to provide adequate attention to healthy living by failing to provide adequate attention to sports funding in Manitoba.

* (15:20)

Mr. Speaker: The amendment is in order.

It has been moved by the honourable member for River Heights, seconded by the honourable Member for Inkster (Mr. Lamoureux),

THAT the amendment be amended by adding thereto the following words:

And further regrets that this Budget also ignores present and future needs of Manitobans by

(j) failing to set priorities well and to manage fiscal resources well;

(k) failing to reduce ministers' salaries by 20 percent in recognition of the deficit incurred in the last fiscal year and the reluctant increase in the general purpose debt of Manitoba;

(l) failing to support improvements in water stewardship and instead increasing administration and bureaucracy while failing to provide adequate support to surface and ground water management and fisheries and water quality;

(m) failing to provide adequate attention to health living by failing to provide adequate attention to sports funding in Manitoba.

Mr. Bidhu Jha (Radisson): I rise here to speak on Budget 2004, presented to this House by our brilliant Minister of Finance, the Honourable Greg Selinger. *[interjection]*

Mr. Speaker: Order. I am sorry, but I just have to make a correction that I made. When I was in k., it should read:

(k) failing to reduce ministers' salaries by 20 percent in recognition of the deficit incurred in the last fiscal year and the resultant increase in the general purpose debt of Manitoba.

That is how it should read. That is the correction I am making. It was my own error.

The honourable Member for Radisson, to continue.

Mr. Jha: Yes, I would like to speak on the Budget 2004 presented to this House by our brilliant Minister of Finance, the Honourable Greg Selinger. I congratulate this great minister for his courageous and bold step in presenting a budget which is balanced as per the balanced budget legislation. Needless to say, this minister has been trained in the world's best school of management, called the London School of Economics.

Mr. Deputy Speaker in the Chair

This Minister of Finance has demonstrated his skills of really being a Doctor of Philosophy. His professional skills, his passion of social justice and his philosophical commitment to our party's ideals have delivered the best possible budget at this time, when we are faced with BSE crisis, forest fires and several other challenges. The manufacturing sector has faced a lot of hurdles because of the higher dollar, but this minister has done a remarkable job by making a budget that is balanced and has purpose for all people of Manitoba.

Mr. Deputy Speaker, this is my first experience in this Legislature, and I must say that listening to the Leader of the Opposition (Mr. Murray) makes me understand why this party is sitting on that side of the House. I understand that the role of opposition is to ask questions on the Government's policies and issues, but as a new MLA, I have yet to hear and listen from the Opposition concrete advice where we are working together to solve a problem that is good for all people of Manitoba.

Mr. Deputy Speaker, I was expecting during the BSE crisis that the Opposition would walk with the Minister of Agriculture, go to Ottawa, go to Washington, D.C., and work to open the borders for the people suffering in the province of Manitoba. Other than that, I heard several times the request for cash advances. Now, cash advances is a solution, but that will also need revenues to come and, when the cash advances are being given, then the Opposition will try to say that you have a spending habit.

So I think, Mr. Deputy Speaker, as a new rookie MLA, I am astonished to see and hear contradictory suggestions from that side. I have heard the Health critic many times on the individual tragic cases happening in hospitals. As much as this is a very sad thing for all of us, to bring such issues time and time again onto the floor speaks of politicking and also the dignity of the families and of the departed souls. I feel very sad that such issues are brought onto the floor of the House and the political tone is not fair and dignified.

No one likes to see waiting lists, but I must say that, very firmly, to fix a health care system takes time. It takes time to train a doctor. It takes 10 years to get a doctor trained in the school, starting from the first year to the specialization. It takes a number of years for the nurses to be trained. They are not like French fries that you put potatoes in the oven and you eat. So I think it is a very serious matter that, when you build things, it takes times to build and after the period, then you see the results. We started training doctors and nurses and now we will see the results.

I remember, Mr. Deputy Speaker, 1996 when I lost my brother. My brother passed away waiting for surgery when I had my best friend in the medical system here. They could not help because the wait line was too long. I had two children; they were medical doctors, and I remember my daughter was saying that she may not find a job here because, at that time, all the nurses were fired and medical practice nurses were really scared of living in this province.

It was, I believe, Mr. Deputy Speaker, that the hidden agenda at that time was Americanization of medicine in Manitoba. So I was very shocked with that approach and I decided, that was the seed of my anger, to enter politics. This is something I say for the record that when I decided to run it was basically

the fear that I had about health care being eroded by Americanization. I must say that in the Radisson constituency when I heard of a Tory candidate called Dr. Linda West, who was working with Connie Curran at the time to fix our health care system in this province by firing nurses, closing hospitals and bringing a new system of Americanization of hospitals, private hospitals, hospitals for profit, that made me realize that I am not going to sit quietly and think that it will be all right. So I moved and I said no. I said no to that system, I said no to that candidate, and I am glad to report that the constituents of Radisson said no to that particular health activist that was trying to bring Americanization to Canadian medicine and particularly in Manitoba.

I think there are a lot of things that this Government has done and this Minister of Health has done, which is remarkable. I like to say that the new state of the art Brandon Regional Health Centre recently opened is to provide enhanced services to the Westman region. Brandon is to receive the first-ever MRI outside Winnipeg. Significant health care projects have been completed and are on their way in the northern centres including The Pas, Thompson, Swan River, Garden Hill and Churchill; dialysis treatments closer to home for northern residents; additional resources for Manitoba wait times reduction plan, which builds on such recent investments as new CD scanners in Steinbach, Boundary Trails, Selkirk; and radiology suites in Beausejour and Pine Falls. So all these actions had been taken by the Minister of Health (Mr. Chomiak) which he must be commended for, and the Government must be commended for.

I think there is a new hope rising when these nurses and doctors have been trained in hospitals. Within a few years, there will be more doctors, more nurses to practise, and the burden on the doctors who are having a stressful time now will be alleviated.

Mr. Deputy Speaker, I think the whole approach, which you see, is towards progress, towards a very positive approach to solving a very serious problem of health care.

*(15:30)

We have seen, Mr. Deputy Speaker, that the scientific culture of this province, universities, has brought brilliant scholars that are wonderful

scientists working now in Manitoba. We must say that it is the world-class virology lab which is headed by a world-renowned scientist, Dr. Frank Plummer, who is respected not only in Canada but throughout the world. That is right here in Manitoba. We have brilliant research scientists at the university motivated to work. Manitoba, again, is the province that the future generation will look ahead and will thank this present government.

The Budget speaks loud at the Government's fiscal management skills by optimizing human resources and not replacing 400 workers, that positions are being frozen or cancelled. This Budget has addressed issues of economic plan by giving business tax reductions of \$74 million annually since 2000, and continue to fall.

Mr. Deputy Speaker, let me, for the record, state that it was under the then-NDP government that the seed of the film industry was sowed right here in Manitoba, which is today pretty close to a \$80-million industry. I would like to go on the record that this man, myself, was the first producer of a 35-millimetre theatrical release film in the history of Manitoba, and it was in 1984 that I produced a feature film that was released throughout the globe. This industry today is prosperous and we are enjoying when we see Hollywood stars coming to the city and we celebrate, and Winnipeg's name is now all over the world.

This takes vision. Anything that we do in the society takes vision. It is hard work and the results do not come instantly. It takes time. The film and video production tax credit enhancement to include rural and northern initiatives, to encourage film activity outside Winnipeg, will attract more film makers to come to Manitoba.

Mr. Deputy Speaker, I know that these kinds of actions, which are futuristic, take money, energy, guts and time, but only if you look ahead, unless you look for future, you are a short-lived, short-visioned government that will be a bandage treatment to a cancer patient. So I think I am very, very pleased to see that the direction the Government has taken is in the right direction. The Budget has been balanced in the time that it is extremely difficult to really see where to cut and what not to cut, but we have done a remarkable job and I commend the Minister of Finance (Mr. Selinger) again for his remarkable job.

I think that the raising of the families, Mr. Deputy Speaker, always look ahead. When you have a family and you look for your children's future, education, their health, you need to see what is ahead, what will be 20 years from now, not what is happening today. So I think that the visionary plans that this Government and the Premier (Mr. Doer) have, specifically the Premier's vision of future alternative energy, is something that the future generation 50 years from now will remember. The creation of the Department of Energy, Science and Technology is an example of this vision. I think this department, which will look at the new energy alternatives which will generate an alternative sustainable growth to the province's resources, is again very visionary.

I must say, Mr. Deputy Speaker, that looking at the plans of energy enhancement of development of new hydro, new dams, a lot of people will think: Why are you doing this when we have an abundance of energy. We are exporting energy. We are preserving energy. We are looking at the future. We are not trying to fix it now and make things look better and the future dark. That is the difference between a government which has a vision and a government that wants to short-live and literally sell the soul to privatization and society be literally not a fair, equitable society.

Mr. Deputy Speaker, my comment is that we have an abundance of resources, and water being one of the scarce resources on this Earth is something that again this Government has demonstrated by bringing the new Ministry of Water Stewardship, which is led by Minister Ashton. He is a minister that gets things done. I am very happy to see the response on this floodway expansion that Minister Ashton has led. This is going to be, again, a historical thing, to have Manitoba clean water to use, safe water to drink and protect the Earth's most valuable resource. That is water.

I think, Mr. Deputy Speaker, that a lot of my colleagues have already spoken on the highlights of the Budget. I will not waste the time of the House by repeating those. All I would like to say in conclusion is that this land of ours called Manitoba today is small. We have a million-plus people. Fifty years from now, God knows what will be the size. I think the generation then will remember this Government. Future generations will remember this Government, which has laid the plan, the blueprint, the vision for

development of Manitoba to be a province that will be a prosperous province, that will be a province that will be a place for people to move to, dream to come and live in and live a quality of life that we all deserve.

I truly endorse this Budget, Mr. Deputy Speaker, which is not only brilliant, it is the most difficult time, balanced budget. I again commend the Minister of Finance (Mr. Selinger) and the Premier (Mr. Doer) for leading all our colleagues to have this Budget passed in this House.

Mrs. Mavis Taillieu (Morris): Mr. Deputy Speaker, I would just like the opportunity to put a few words on the record about this very bad Budget. I feel like I am sitting through a rerun of a very bad movie. I never liked the movie before and I do not like it any better now. Unfortunately, I know how it will end, and I do not like that either.

Mr. Deputy Speaker, how many of you remember the six disastrous years in the 1980s that Howard Pawley's NDP governed Manitoba? The current Premier remembers. He was a Cabinet minister in that government. In those five short years the NDP more than doubled the provincial debt, a debt that had taken over one hundred years to accumulate and was doubled in just five years.

After throwing money around like confetti at a wedding, the NDP then did what they do now. They tried to borrow and tax their way out of debt instead of controlling expenditures. As they approached the 1990s, Manitoba recognized that the NDP were driving Manitoba's economy into the ground and that a weak economy threatens the social safety net. So they voted in Gary Filmon's Conservatives to clean up the mess. Filmon's PCs got the government's financial house back in order, balanced the budget and passed legislation to force it to stay balanced.

By 1999, Gary Filmon was able to project that over a billion dollars of new revenue would be coming into Manitoba as a result of the Conservative government's initiative to stimulate the economy. He was right. The new money and more came in as predicted but unfortunately the wrong Gary was premier when it arrived. So the current NDP government got a free ride for a couple of years, coasting along on the money generated by the Conservatives and rather than using the money they received in a responsible way, they squandered and wasted it until

they could see that they would soon be in trouble. They called an early election last year when they began to see the handwriting on the wall. They wanted to go to the people while the people still believed that the economy was remaining good before it sank in, as it will begin to do now, that all is not as rosy as the NDP try to pretend it is.

But the NDP still did not get it, Mr. Deputy Speaker. They cannot spend your way out of debt. You cannot tax a nation into prosperity. That is what they are trying to do; balance the books on the backs of the people instead of handling their money properly. They have resorted to their usual solution: Tax, and tax in mean-spirited ways, through the back door and indirect, hidden attacks that eat away at the fabric of our province.

* (15:40)

The Government will tell you, for example, that it has imposed no new burden on farmers. Yet certain professional services will now be subject to PST. Farmers will feel the negative impact. Has the NDP considered what this new PST will do to farmers? Farmers have to pay legal and accounting services. Now, after suffering through drought and grasshoppers and BSE, farmers have to pay 7 percent extra now for accounting costs. They will face increased costs as well because of the increased tax on diesel fuel which truckers transporting their grain and livestock will now have to charge.

Mr. Deputy Speaker, it is interesting to note that while farmers and other consumers will now have to pay PST for professional services, those engaged in collective bargaining will not have to. Why are union negotiations exempt and farmers' operations not? Well, maybe the answer is self-evident. The lack of commitment to the farming community may come from a lack of understanding of the complexities of the agricultural industry, or it may come from a lack of caring. But, whatever the reason, the lack of commitment stands out as a glaring indication of what farmers can expect from the NDP. They can expect to feel abandoned.

The most miserly and mean-spirited hit in this Budget is the increased deductible for Pharmacare. Please do not tell me it will cost just a little bit more. When you are poor, you do not have a little bit more. What this means is that there will be people who will decide that they just cannot afford to buy their

prescription medication. If you do not believe that, then you have no empathy for or realistic understanding of those who are struggling. Seniors, people on fixed incomes and families who have high pharmaceutical costs are feeling nervous about the implications of this change. Is it the start of a gradual chipping away of this essential program? This is a program which should be moving to provide increased, not decreased, benefits.

In today's world, pharmaceutical advances have made it possible for patients to live longer and healthier lives. As research progresses, there would be more and better pharmaceutical discoveries capable of sustaining life and improving life quality. Will these drugs be affordable for all those who need them or only for those who can pay for them out of their own pockets? This cut in Pharmacare benefits affects the most vulnerable of our citizens. It is an area of essential need. Why did the NDP choose this particular program to attack as a cost-cutting measure?

One becomes increasingly concerned, Mr. Deputy Speaker, as the NDP looks around for places to find money. The Government simply never considers the idea of not spending. It is the best way to find money. Instead, the NDP goes after the things we need to be sustainable, like the rainy day fund, the things we need to protect for the benefit of consumers, like Manitoba Hydro and the essential programs in health like Pharmacare.

What concerns us, what alarms us is that the obsession to spend is always there. Never is it fully addressed. Like addicts who struggle with the curse of their addiction, the NDP does not recognize the full extent of this problem.

These NDP MLAs do not see that during their brief tenure they have undone much of the true good that was created during the Filmon years. They do not recognize the ultimate harm that their tax-and-spend mentality will do to this province.

I know a person who works in the demolition business. He and his co-workers can demolish a building in a very short time. I also know many people who work in the construction industry. They are builders. Anyone who watches demolition and construction jobs will tell you that it takes longer to build than it does to destroy, longer to renovate than it does to tear down. Just as it takes a long time to

build and a short time to destroy, it takes longer to undo harm than it does to undo good.

When the NDP runs out of coasting time and the real results of their actions are revealed to Manitobans, the people will ask us to come back to government and build things up again, and we will. The trouble with having to constantly rebuild is that building can be a messy process. It is a lengthy process. It requires strength and endurance and an ability to keep the vision of the final creation in your mind as you work. Sometimes the status quo, the familiar, old habits, are easier in the short-term.

The NDP think this is the short-term time. Manitobans can see this in the Budget. There is no vision, no direction, no long-term understanding. To be perfectly plain, today's NDP spent tomorrow's money yesterday. When tomorrow comes the NDP and their supporters will ask what happened and then spend more money on public relations to find some way to blame someone else for the troubles facing this province.

We know what these troubles are. We have read this script before. These troubles emanate from high spending, high taxes and intrusive socialistic government which over-regulates, undervalues and drives away entrepreneurs. Socialism cannot exist unless those who generate wealth are able to produce and create the wealth for the socialists to tax. It seems counterproductive to alienate those producers and have them settle in other, more business-friendly places.

Mr. Deputy Speaker, I think many of my socialist colleagues here in this Chamber mean well. Socialism is, after all, a benevolent theory which has only one major drawback. It does not work. History shows us that. What would happen if all the wealth creators disappeared or all the producers closed down their factories and businesses? I could imagine the resulting chaos. I do not think the NDP can.

Mr. Deputy Speaker, the NDP is going to claw back property tax credits, and it says it will give the balance directly to school divisions. With what criteria and conditions, may I ask? What controls are in place? Have the NDP not already made it close to impossible to get school taxes under control by its own handling of education underfunding while at the same time imposing amalgamations of mismatched school divisions, with all the costly harmonization of

public-sector collective agreements, programs and policies that that entails?

The NDP, Mr. Deputy Speaker, with its simplistic view of life, think that because some mergers work then all mergers will work. The NDP think that central control always works better than local control. They do not investigate variables or make pragmatic decisions. They do not do their homework on forced amalgamations. Do they not understand that commercial companies will make decisions to merge only if they expect to achieve cost reductions through synergies, pooling of sales, general administrative expenses resulting in reductions of staff? They make these decisions after careful cost-benefit analysis and market study. They can decide if an amalgamation should proceed or not. Moreover, they go to choose their partners.

A merger between company A and C may not work, while a merger between company A and F might. Not doing such analysis has a real potential to see costs go up as well as down. As the taxpayers are beginning to find out now, central planning, where the bureaucrats have the only input into legislation that affects everybody, does not work. People want to be involved. Look at Bill 40, The Planning Amendment Act; Bill 22, The Water Protection Act; Bill 23, The Red River Floodway Act; look at forced unionization on the floodway project. No input from the people affected because Big Brother thinks he knows best.

* (15:50)

Taxes are going up under this Budget. The increased taxes will not be offset by other tax cuts the NDP referred to in their budget speech, because some of these cuts were made in previous years and some will not take place this year but rather some time in the future, maybe.

Mr. Deputy Speaker, as Tom Brodbeck stated in *The Winnipeg Sun* on April 20, "Once you take out all the spin, half-truths and outright lies from the NDP's budget, you will see the overall taxes are going up more than \$70 million this year." I think that is \$90 million this year. Overall provincial debt will rise by \$800 million to an unprecedented \$19.3 billion. We have more money coming into Broadway and yet this Government continues to spend more than it receives. That way spells disaster, but like the captain of the *Titanic*, the NDP cannot see beyond the tip of the iceberg.

Mr. Deputy Speaker, the Government here should review what happened not that many years ago when New Zealand hit the wall. Better still, it should take a long, hard look at what New Zealand had to do to recover its crisis. But then not many people watching a movie ever think that bad things they see on the screen can happen in real life. The really pathetic part of this whole bad movie is the ugly scenes never had to take place.

The NDP started their tenure with a wealthy revenue stream and transfers from the federal government had increased substantially, but there is a reason the phrase "tax and spend" was coined to describe the NDP. It seems to be in their very nature. They could not use this new revenue in a responsible and realistic manner because the NDP have never learned how to reduce costs or how to control their urge to spend. We still are not through the scary part of the movie yet. The NDP has based their economic forecast on a rosy future that includes, among other things, an 8.6% increase in retail sales tax this year.

Many have already expressed worry about the projections are unrealistically optimistic and allow no room for any unforeseen expenditures, no room. We need to hope even more than we usually do that no forest fires or floods will challenge our province this year, that no federal recession will occur, that there will be no substantial decrease in our revenues. We need to hope that more than ever, because the NDP have drained our rainy day fund, robbed our Manitoba Hydro Corporation, and is now caving in to its addiction to taxing.

John McCallum, a highly respected economist and professor at the University of Manitoba, has stated, "I don't see this Budget as a plan to stop the bleeding we saw last year. I think a year from now we will find out it will even be a harder budget to balance."

Joseph Barnsely, of the Manitoba Chambers of Commerce, echoed that concern when he said, "We are starting with a bloated government budget. This Government has grossly overspent in the past. Unlike in the past, this Government now has to demonstrate it has the will and the skill to control spending. To demonstrate both will and skill, the Government must first possess them."

This Government wants to increase the costs of a major, important project in Manitoba solely to satisfy

its own ideology, and to support the union bosses that fund the NDP. I refer, of course, to the forced unionization of workers on the floodway expansion. This issue, with its blatant revelation of fanatical devotion to ideology, reveals a defining difference between them and us. We show respect for individuals. The NDP do not. Workers should not be forced to join unions if they do not want to. We have the right to assemble in Canada and we also have the right not to assemble, and if construction workers or any workers choose not to unionize, government should respect their right of freedom of choice.

I do want to acknowledge that there is one tiny thing good in this Budget, one bright spot. There is a little bit more money for Culture, Heritage and Tourism. Tom Brodbeck's column yesterday on the Budget said, "of 26 separate spending lines . . . 17 are going up, . . . Even Culture, Heritage and Tourism." So I am pleased about that.

Mr. Deputy Speaker, the Government has extended the tax credit program and provided an additional 5% rebate for movie productions in rural Manitoba. We know that the film and television industry has grown significantly in the last five years. In fact, just a few years ago there was a movie filmed here and they used my house for part of it, and my sons were in it.

Unfortunately, there is little else to get excited about in this Budget. As I said in the beginning of my remarks I feel like I am watching the rerun of a very bad movie, but I guess we will see it through to the end. I hope when it is over we can just destroy that tape and never see it again. Thank you very much.

Mr. Drew Caldwell (Brandon East): It is a privilege to rise as the Member for Brandon East and place a few words on the record with regard to the provincial budget. This is my fifth budget speech and the fifth budget our Government has placed before the Legislature. It is also our toughest budget as a government but it is also a budget which continues to invest in our priorities of education, of health care, of economic development, and of building a better Manitoba for all who call our province home.

In commencing my remarks, I would be remiss as a proud New Democrat from Brandon East if I did not first comment on the speech on the Budget from

the Member for Kirkfield Park (Mr. Murray), the Leader of the Opposition, defender of the declining Tory ideology in Manitoba.

Mr. Deputy Speaker, the surreal speech we heard from the Leader of the Opposition, full of empty rhetoric and nonsense, really does reflect the sorry state of his party today. As my colleague from Thompson noted, this speech was probably the shortest on record ever made by an Opposition Leader in this House. It really does point to the disarray of a party purporting to be in contention for power. While opposition budget speeches are supposed to be full of passion and legitimate options for government spending, this speech seemed to be made simply out of the obligation to speak.

However, in saying nothing, the members opposite also speak volumes. I will therefore take the opportunity to review some of the statements made by the Member for Kirkfield Park (Mr. Murray) in his speech and to perhaps flesh out some of his thought so that it may make sense to Manitobans.

Mr. Deputy Speaker, I would like to quote from the Member for Kirkfield Park's speech, page 991 of Hansard, the member speaks of the need, and I quote: "Manitobans want bold, innovative, and radical policies. That is what they want. They want solutions to our problems, a vision for the future. That is what Manitobans are looking for, policies that embrace optimism, policies that embrace the future, policies that embrace realism."

* (16:00)

I think that the Member for Kirkfield Park is right. I am sure he did not expect that he was speaking to the vision and the policies of this side of the House, but that is indeed what he did do on page 991.

Mr. Deputy Speaker, we do have a vision on this side of the House, a vision where all Manitobans are valued, where all Manitobans are respected, where all Manitobans are included, where all Manitobans are supported. We have a vision of social justice for all Manitobans, of compassion for all Manitobans, of a sense of community, a sense of inclusion and community for all Manitobans, where education is a right and not a privilege, where all have access to quality health care, not where money determines who has access and who does not.

We believe, Mr. Deputy Speaker, in a vision where communities are strong, where communities are growing, where communities are dynamic, where the wealth of our communities and the worth of our communities and the wealth and worth of our province is judged not by how well we treat our strongest and most advantaged citizens but how well we treat our weakest and most disadvantaged.

We have a vision of optimism, Mr. Deputy Speaker, a vision of realism, a vision of building for the future of this province. That is why we are investing in our colleges and universities, in our public school system, in our health care infrastructure and health care human resources, in urban renewal, in housing, in growth in the city of Winnipeg, and growth in the cities of Brandon and Thompson, in growth in communities throughout the province.

I will touch upon a few of those investments, Mr. Deputy Speaker, in a few moments. But I think it is important to note that there is, on this side of the House, an articulated vision, an articulated series of policies, and an articulated optimism in our future.

In the areas of colleges and universities, Mr. Deputy Speaker, we have invested over \$100 million in college and university infrastructure. In my home community of Brandon, we have invested \$5 million in the Health Studies Building and in the Aboriginal Counselling Centre.

In the University of Manitoba, Mr. Deputy Speaker, we have invested \$50 million leveraging over \$100 million in campus infrastructure. The most striking, I suppose, example of where members opposite reside and where members on this side of the House reside in terms of college infrastructure is emblematic in the engineering building at the University of Manitoba. In 1999, this engineering building had leaking roofs, open windows. When I was Minister of Education, I recall taking a tour through that building where areas were actually yellow-taped off for safety. We have invested in the University of Manitoba, as I said, leveraging over \$100 million to replace and renew the infrastructure that was left in such a sorry state of repair by members opposite.

At Red River College, Mr. Deputy Speaker, perhaps the greatest investment that we have made as a government is in hope and renewal for young

people and for the city of Winnipeg in the Exchange District, with the historic and innovative development of the Red River College campus on Princess Street downtown in Winnipeg. This award-winning and cutting-edge facility for higher education in our province is creating a stimulus for downtown renewal that is second to none.

Mr. Deputy Speaker, in health care, in my home community again, seven times over, 11 years members opposite in government promised the creation and redevelopment of the Brandon Regional Health Centre. Seven times citizens in western Manitoba were disappointed in the failure for members opposite to come through with their commitment and fulfil their pledge, their promise, to build health care excellence in western Manitoba.

Mr. Deputy Speaker, I was proud to attend with the Premier (Mr. Doer), with my colleague from Brandon West, at the unveiling of the new Brandon Regional Health Centre last month. A state-of-the-art \$70-million health care facility that will provide, and is providing, world-class health care excellence for rural Manitobans in western Manitoba.

Mr. Deputy Speaker, in addition to the creation of the Brandon Regional Health Centre, I had the privilege to be present at an announcement a little over a year ago for the establishment of the first magnetic resonancing facility outside of the Perimeter Highway in Brandon. That MRI facility will be up and running in western Manitoba in the months to come, reducing waiting lists, providing western Manitoba residents with diagnostic capabilities that are, again, second to none in Canada.

In terms of urban renewal, I have made reference to Red River College being an engine for urban renewal in the city of Winnipeg, but let us not forget the True North Centre, Mr. Deputy Speaker, which is going up on Portage Avenue in downtown Winnipeg. The True North Centre, which will provide an entertainment complex second to none, again, in western Canada.

Mr. Deputy Speaker, the Premier (Mr. Doer) likes to make reference to the phrase, "Manitoba is enjoying a return of the endangered species known as the building crane in Winnipeg," and certainly that is very true. The building crane can be seen throughout our province now, in Brandon, in my home community, in the city of Winnipeg. Certainly, the

True North Centre, the MTS Centre in downtown Winnipeg, has four of these endangered birds right now, at the four corners of this project. So the building crane is very much in evidence in our province today. We will see more of these creatures with the construction of the Manitoba Hydro complex in downtown Winnipeg in the weeks and months to come. We saw the building crane at the Red River College campus. We see the building crane at the University of Manitoba. We have seen the building crane at the Brandon Regional Health Centre, the Brandon General Hospital and the Brandon University.

The renaissance that has taken place in this province under the Doer government, Mr. Deputy Speaker, is unprecedented in the history of this province and I am certainly very, very proud to be part of a government that believes in building a Manitoba for all Manitobans for now and into the future.

Mr. Deputy Speaker, in terms of housing, this Government has provided more affordable housing in our four and a half short years in office than the members opposite did in their entire eleven years in office under the Filmon administration, both in my home city of Brandon, where we are pushing towards 500 affordable housing units, and in the city of Winnipeg, where we are in the 2000 range, and throughout the province, where we have exciting initiatives being proposed. This is one area where we can all be rightly proud on this side of the House, in terms of providing opportunities for Manitobans of low and moderately low income.

Perhaps the largest project that we have underway as a government and which is taking increasing prominence in this 2004–2005 Budget is the floodway, the floodway expansion. The floodway will provide over one half a billion dollars' worth of employment opportunities, recreation opportunities, community development opportunities, and preserve the 700 000 residents of the city of Winnipeg in the event of catastrophic flood situations such as we have seen, even within this decade with the flood of the century, such as we have seen over the years and over the decades in Manitoba. I am very, very proud to be part of a government that believes in undertaking massive capital works of this nature so that all Manitobans can have safety and security within the Perimeter, and without the Perimeter, when we think of the Assiniboine floodway in Portage, the

Shellmouth Dam upstream from Brandon on the Assiniboine River and, as I suggest, the Winnipeg Floodway.

Also, Mr. Deputy Speaker, I think it would be remiss if I did not touch upon hydro, which is the greatest natural economic advantage and economic development generator in Canada today. Manitoba hydro is the future for our province. We are building Manitoba everywhere in this province, because we have a vision for the future in Manitoba, a vision of optimism built upon solid and bold policies, built upon innovation, built upon realism.

I should take a second to contrast this, again, to members opposite. The two greatest innovations made by members opposite when they held office in Manitoba were the innovations to split votes in the 1995 Filmon vote-rigging scandal and the innovation to sell off Manitoba Telephone System to their friends and families in southwest Winnipeg, and that has robbed every Manitoban of a Crown corporation that was the pride of this province. The MTS sell-off, in particular, is an innovation Manitobans will long remember and will be saddled with paying for, Mr. Deputy Speaker.

* (16:10)

The Leader of the Opposition spoke so briefly on education, on health care, on the disadvantage and, indeed, on the Budget itself, that he did not do so much of a disservice to us as he did to factual reality. On education, the member spoke perhaps 15 lines of nonsense and rhetoric on property taxation, and a few other lines cynically hugging teachers.

Well, Mr. Deputy Speaker, let us look at the record on taxation and investment in the public school system. We, on this side of the House, have expanded the educational property tax credit to each homeowner in the province to \$400 a year. Members opposite, when they held office, reduced the education property tax credit available to Manitobans. They actually took money out of the pockets of every homeowner in the province.

We have put in place a program to reduce the educational support levy, the provincial property tax on education for three years running now, three budgets running. We have annually reduced this property tax on Manitobans by nearly \$100 million. Again, I will place that in context to the record of the

members opposite, where, for 11 years, they did nothing to reduce the educational support levy. For 11 budgets, they had the opportunity to reduce the property tax burden placed upon Manitoba homeowners, and for 11 years they abrogated that responsibility, but we on this side of the House are reducing the educational support levy paid by each Manitoban homeowner.

We made a solid commitment, a solid policy initiative to tie expanding educational investment to the rate of growth in the economy and for every budget, for five budgets we have met that promise or exceeded it. My colleague the Member for Gimli, the Minister of Education (Mr. Bjornson), in the House a short while ago talked about gauging the weather when we look at the educational investment and he talked about the Tory record. We can make the analogy with temperatures, where it was minus two, minus two, minus three, zero. Oh, it is plus one today, there is an election on the horizon. Minus two, minus three. We will contrast that record of cynicism and cutbacks to educational investment to our record of solid investment, meeting or exceeding the rate of growth in the economy for five years running. The largest sustained investment in our public school system in the province's history.

Let us not forget the capital infrastructure in our public school system, the bricks and mortar, as it were, of our public school system. In 1999, we inherited a public school system and a public school infrastructure that was crumbling. Every year since coming to office we have invested heavily in our capital infrastructure in the public school system, nearly a quarter of a billion dollars since coming to office, and tens of millions in additional dollars in this Budget alone.

Finally, Mr. Deputy Speaker, let us not forget about the adult learning centre legacy, where over \$40 million of public money went out the door of this Legislature without a legislative framework in place to account for that money under the watch of members opposite when they were in office.

Mr. Deputy Speaker, this issue stunk so badly that when I was minister we had to call in the provincial auditor, who went on to identify millions of dollars more completely unaccounted for under this scheme that was directing tens of millions of dollars without a legislative framework.

This was a personally tough issue for me, Mr. Deputy Speaker. It was a very personally tough issue. It was a tough issue for me. It was a tough issue for loved ones who were also personally affected for my defence of the fiscal responsibility and accountability of this Chamber and resulted in much personal slander and ad hominem attacks being delivered my way by members opposite. I remember the slander of criminal fraud being made against me. This was particularly reprehensible and particularly tough both upon myself and loved ones. When there is no defence, the tactic of members opposite is to slander and deliver ad hominem attacks against those of us on this side of the House.

Nonetheless, we did the right thing in providing accountability to Manitoba's adult learning centres, and \$40 million that went out the door without any accountability is followed by a legislative mandate and accountability in money that is directed towards adult learning centres today.

More than this, however, Mr. Deputy Speaker, our record on education taxation is the polar opposite of members opposite. We have and will continue to deliver meaningful relief to property taxpayers and deliver meaningful programs and meaningful investment to educators.

In one of the other education issues, Mr. Deputy Speaker, the Member for Kirkfield Park (Mr. Murray) says in his speech, and I quote, on page 994, "Every child matters, every child can learn. We know our children will lift this province to incredible heights, but they must be given the tools to do so, and that means better resources for our teachers. We value the tremendous contribution our teachers make and we must do more to help them. Our teachers do not fail our children and we do not want to fail our teachers. We want to support them."

Well, Mr. Deputy Speaker, I am glad that the Member for Kirkfield Park is making comments like that because it really represents an epiphany for his party. I am not certain, truly I am not certain how a Tory with a straight face can say such things, but I have to give the benefit of the doubt to the Member for Kirkfield Park. He was not in this Chamber when the Filmon government was gutting the public school system, gutting the post-secondary system, ridiculing daily almost educators and undermining the opportunities available to students and families for educational excellence in this province.

It was Sterling Lyon who first politicized me to action as a student activist in the late 1970s by scorning educators and immensely raising tuition. In fact, one year I seem to recall a 20% increase in tuition in a single year. Fortunately, Manitoba only had to deal with Mr. Lyon for one term. The 11 years of the Filmon government were far more insidious.

I would remind members opposite that when we took office in 1999 the collective bargaining rights for teachers had been gutted. Educators were scorned and ridiculed, oftentimes in this Chamber, oftentimes in the public outside of this Chamber. I would remind members opposite that our schools were crumbling, that commercial television was being introduced into the classroom as part of the curriculum, that children who still believed in Santa Claus, Grade 3 children, were being subjected to standardized testing and that no sustainable plan was in place for the funding of our public schools.

We on this side of the House are very proud to have restored teachers' collective bargaining rights. We are proud to support the good work that educators do in our classrooms and our colleges and our universities across the province and support the good work that educators do in our adult learning centres that today are second to none in this country.

We believe that pedagogic principles should inform what goes on in the classroom, should inform the daily classroom activity and should inform testing. In post-secondary education, we believe in the tuition cuts that we imposed in 1999 and the freeze that was subsequently added to those cuts. Budget 2004-05 continues that freeze.

In no small way, the policies that the Member for Lord Roberts (Ms. McGifford) has put into place has led to the largest expansion in university and college enrolment in recent history. The policies that the member has put into place in terms of capital expansion have restored the infrastructure deficit left by members opposite.

Mr. Deputy Speaker, on the area of education, our record is clear. We stand in stark contrast, proudly stand in stark contrast, to the members opposite, who speak nothing but nonsense when they purport to support public education and our public educators.

*(16:20)

On page 993 of Hansard, Mr. Deputy Speaker, the Member for Kirkfield Park (Mr. Murray) speaks of the disadvantage. He says, and I quote: "You may have my assurance that those in our society, those who are most vulnerable, who are afflicted with mental illness, . . . will never be lost in the shuffle of priorities. You are not getting that from the Doer government because their ideology is controlling their thinking. Manitobans do not care who owns the sports medicine clinics. They do not care who owns the X-ray clinics or the walk-in clinics. What we care about is that we get timely access to excellent service, and that Manitoba Health pays for it. The fact is we are frustrated by escalating health care costs and we are concerned about deteriorating services. Significant changes to the way health care is delivered are needed and government should not be afraid to make them."

Most telling of all, the Member for Kirkfield Park concludes his remarks by saying, "Just as you can walk into those privately owned clinics in your doctor's office, you present your Manitoba Health card, and you get the care that you need, Manitoba Health should pay for you to access timely, quality care in other privately owned health facilities."

Mr. Deputy Speaker, I cannot think of an area that more starkly divides this House than our belief in a quality, affordable, publicly supported health care system, and members opposite who see the profit motive as the only thing guiding health care in this province.

The words that the Member for Kirkfield Park speaks in the passage that I just quoted are at the height of nonsense. When we came into office, the Brandon Mental Health Centre had been closed by the Filmon administration. Mental health clients in many places, certainly in my home community of Brandon, were left to their own devices or to the support of community agencies like the Canadian Mental Health Association who, I am proud, stepped up to the plate and helped mental health clients reintegrate into general society. In my home constituency, Mr. Deputy Speaker, just down the street from where I live in Brandon, at 1202 Rosser Avenue, the CMHA, in partnership with this Government through our Affordable Housing Initiative, has created a multiple-unit affordable housing complex specifically to assist mental health clients. So we are doing, on this side of the House, what the Member for Kirkfield Park says governments should be doing

and what his party tragically and grossly neglected to do during their time in office.

On the issue of two-tier health care, Mr. Deputy Speaker, I will be happy, for as long as I am an elected official, previously as a city councillor, today as an MLA, in the future as a citizen, to each and every day be proud to defend and proud to stand up for Canada's public health care system. I will take that to a doorstep. I will take to a senior home. I will take that to any debate, any time, anywhere, to debate with members opposite their vision of a private, profit health care system, an American model versus a Canadian model, where all Manitobans, all Canadians, are valued not because of the size of their pocketbook, but because of the depth of their need.

On the issue of the disadvantaged, Mr. Deputy Speaker, I will continue. In addition to providing for the largest growth in affordable housing opportunities in recent history, we have also provided increases to assistance rates to the most vulnerable members of our community in this province. We have introduced Healthy Child Manitoba to assist low-income Manitobans and low-income families and mothers in providing an environment of health for their children, in utero and once born. For 11 years, members opposite did nothing but cut support, abandon mental health services, ignore affordable housing. They closed the Brandon Mental Health Centre in western Manitoba. They did nothing, but create more pain and more destitution for those disadvantaged Manitobans who are as valuable as any Manitoban in this province, north, south, east, west, urban, rural.

It is very tough to make sense of some of the comments from the Member for Kirkfield Park (Mr. Murray) given the Tory record, Mr. Deputy Speaker. But one thing is clear. Two-tier health care is something that the members opposite firmly believe in. It will continue to lead to defeat for that party opposite, because Manitobans believe in compassion, because Manitobans believe in community, because Manitobans believe in providing hope and optimism, and real opportunities, and real support to those in need.

Finally, Mr. Deputy Speaker, there are many other areas I could speak to, but there is just a couple more in concluding my remarks. It twiggged, when the Member for Morris (Mrs. Taillieu) was speaking,

that the Member for Kirkfield Park also spoke on this issue. I would like to take a couple minutes to talk about Pharmacare. As I have indicated, a Tory sense of fantasy, I suppose, which is reflected in their comments on education, and is also reflected in their comments on health care. I would like to remind the members opposite that it was Brian Mulroney, the mentor and former boss of the Leader of the Opposition, who extended patent rights to multinational corporations, thus providing the structure for the windfall profits being made on Pharmacare by drug companies in Canada and, indeed, throughout the world.

In contrast to that, we, on this side of the House, have doubled the investment in Pharmacare during our five years in office, and have listed a thousand new drugs to support seniors, and support those in ill health in Manitoba, who need drug products to lead healthier and better lives. Finally, Mr. Deputy Speaker—I see my light flashing—the heartland of strength for today's Tories is rural Manitoba, a small heartland, smaller than ever before, but still a heartland. In Westman, my home region, the Tories remain particularly strong, but that, too, is changing.

Why? Well, let us just look at the issue of highways. I will conclude by talking about the historic levels of investment in our public road system: \$120 million last year, \$130 million this year with more increases to come; \$140 million to come. We are twinning the Trans-Canada Highway to the border, west of Virden to the Saskatchewan border, west of Brandon, west of Virden. On this side of the House, we believe in building Manitoba, and that is exactly what we are doing. Thank you, Mr. Deputy Speaker.

Mr. Larry Maguire (Arthur-Virden): It is my privilege to stand before this House today, and provide some insight into the why we brought forth a non-confidence motion in this particular budget that the Government put before this House, this vast, spending, no-control ship that the NDP are leading in Manitoba today, Mr. Deputy Speaker.

It is unfortunate, the member from Brandon who felt that the reason, in his view, they are gaining some more support in rural areas is because of their highways and expenditures. He has just given a fine reason as to why they are not gaining any strength in rural Manitoba, at all. In spite of the fact that they have given voice to a \$10-million increase in the

highways budget across Manitoba, what they fail to realize is that they tell Manitobans they have not even spent the full \$120 million they put in last year, into that particular budget. So the overlap is part of the shell game that they have played in trying to produce a balanced budget last year, when, according to the Auditor General, we know it was a \$583-million unbalanced budget by this Government, one of the worst in the history of this province.

But, Mr. Deputy Speaker, I want to first say that, as the representative for Arthur-Virden, there are a great many entrepreneurs and many fine citizens in that corner of the province of Manitoba who have worked extremely hard over the past year to try and survive. The reason they have survived is because of their own initiative. It is because of their strength of families. It is because of their ability to work together in communities. In spite of the fact that a number of folks are still leaving, that our population has decreased somewhat, it is those remaining people who give the strength of those communities and the local citizens who have actually kept the web and the fabric of southwest Manitoba together in the constituency of Arthur-Virden, from the Peace Gardens to Elkhorn and all the communities in between.

Mr. Deputy Speaker, it is due, in no part, with no thanks at all to this provincial government. I think the budgets we have seen, the true colours coming out since the election last summer of this Government and its policies it has put forward and its platforms are giving Manitobans extreme reason as to why they would doubt how they voted last year.

* (16:30)

I want to add that it became very, very obvious to some of us who announced early that the Premier (Mr. Doer) was calling an early election last year. He did not have to call an election to get his regular four-year term for another six or eight months, but he did. He called the election for last June in Manitoba.

We knew, or our suspicions were there at least because we did not have access to the books of this Province, but it was becoming very apparent with the unbalanced books they had had, the money they had stolen from Manitoba Hydro, the funds they had raided from the rainy day fund, all of the pots of gold they had taken away from the ends of the rainbow, to even get halfway back to where they were when Mr. Pawley left government is a shame.

They knew there were no more pots of gold left to pick up from, Mr. Deputy Speaker. They knew they were going to have to go and raise taxes to the citizens of Manitoba, the unsuspecting citizens of Manitoba who bought into this idea that the "Howard Pawley in a Harry Rosen suit" could actually come forward and provide balanced budget legislation in the province of Manitoba. The first suspicion they should have had in that '99 election was from the fact this Premier said he would fix health care and end hallway medicine with \$15 million in six months.

Now, if that was not suspicious enough, my honourable colleague from the constituency of Morris has just pointed out that nobody in Manitoba can ever forget the Pawley days in Manitoba. Those bad Pawley days when the spending of this Province went from \$1.4 billion in 1984 to \$5.2 billion in 1988, four short years, Mr. Deputy Speaker. You remember that when you were out in your constituency. I believe even the Deputy Speaker probably felt there was something out of control here in those days. I am not sure if those were the four years he missed being in the Legislature or not, but all Manitobans remember those days. They also remember the days, the 11 years intervening, when the spending was held to \$700,000, in this province.

Now the spending of this Province has gone from \$5.9 billion in 1999 to this Budget before us today of \$7.4 billion. It is on the same incline. It is on the same incline as it was in the '84 to '88 period. My, how quickly we forget.

I want to point out the differences. The members across the road will say, I will make an analogy here, there are a number of things they could have done with those dollars. They could have brought things under control to make the future of Manitoba better. They could have done a lot to create infrastructure, to create economic activity and gain their tax that way in the province of Manitoba, but, no, they have to take it right off the backs of the poor unsuspecting taxpayer out there today who has been already hard hit by issues in the rural areas, such as BSE and a number of other issues across the province of Manitoba.

I want to say that over the years the Alberta government has reduced its taxes to its local citizens. I will draw the analogy in a moment. I also want to say Manitoba has had the opportunity to do that. The honourable members on the government side will

say, yes, but Alberta is flooded with all these natural resources, minerals, oil, forestry, a better tourism industry and all of those things in Alberta, and that might be true. I would agree with them. I could agree with them, but the difference is what did Alberta do with the taxes they generated. What did they do? They reduced, first of all, the deficit they had. Then they eliminated their debt from \$13 billion in 1999-2000 down to \$6.5 billion in the spring of 2000 alone. They cut it in half. That is, probably, because they had some benefits in their resources, but sound fiscal management and discipline, as the Member for Steinbach (Mr. Goertzen) has indicated, was what allowed that government to carry on, and this year reduce that debt in the province of Alberta to \$2.5 billion.

Mr. Harry Schellenberg, Acting Speaker, in the Chair

Next year, I daresay, if the Premier is able to come anywhere close to keeping his word, he will completely eliminate the debt in the province of Alberta, no deficit, no debt. Now that is fiscal management, at the same time as he has continued to provide education and health care and all of the other social programs that Alberta needs.

We often hear how it is so much cheaper to live in Manitoba, but I want to tell you that in Alberta, if you look at the government of the day, in their own budget that they just brought down, if you add personal income taxes—their personal income taxes and their health premiums together, and Manitoba's personal income tax—even though we do not have those personal health premiums, it is still \$200 less overall in the province of Alberta.

They always give us the example, oh, but it is so much—you have to add the health care costs on in Alberta. Well, even when you do, they are still \$200 ahead of us. It is an absolute shame that Saskatchewan is about \$600 lower than we are.

Even after this Budget, and we made a lot of cause about this in the last budget this Government brought down, in fact the last two budgets, we were, first of all, the highest taxed personally west of Québec. We were the highest taxed last year west of New Brunswick, and this year they did not improve a thing because we are still the highest taxed west of New Brunswick. This Government has done nothing

to reduce that and provide Manitobans with an opportunity.

I want to draw an analogy back to those years in the eighties and the early nineties. Members across the way say that the debt in Manitoba increased substantially during those years. I can only add look in a mirror, to the Government across the way, because the debt today is closer to \$19 billion than the \$13 billion that it was under the Filmon years. This Government, whether they have gone and taken the responsible action or an action and put some of the debt and pension programs into that debt or not, has still outstripped anything that was in it before. They only got the idea of doing that and spreading the cost over 30 years in the Government from the balanced budget legislation that was brought in under the Tories in 1995 anyway, because that balanced budget legislation provided a 30-year plan to eliminate the debt in the province of Manitoba.

Let us be very clear that if balanced budget legislation in Manitoba did not include a clause that caused this Government to have to eliminate the debt by \$96 million a year, to reduce the debt by \$96 million a year, they would not be doing it. It is only because that \$96-million clause is in the balanced budget legislation that this Government today is taking any action to reduce and eliminate the debt.

In the early nineties and the late eighties, Mr. Acting Speaker, in this province we were in a recession. These two colleagues in front of me here and members who were in the government and Cabinet ministers of the day in Manitoba under the Conservative government of Gary Filmon were trying to balance the books at a time when the federal government had cut over \$300 million away in the fiscal area and transfer payments for health care. At a time when interest rates were extremely high across the country and in Manitoba, they were dealing with a recession, basically, in the country, that was falling across the country. It was not just here that they were cutting health care payments, but it certainly impacted Manitoba to a greater extent when you look at the size of our budget and the impact the \$300 million had on it in those days.

I want to point out that the Conservative government, under Eric Stefanson and my former colleague from Minnedosa, Harold Gilleshammer,

balanced the books in those tough times in this province—

An Honourable Member: Both sets of books.

Mr. Maguire: —balanced them, all of them. This Government cannot even balance the books at 2% interest rates. We have got the lowest interest rates in, probably, Canada's history, certainly of the time of anybody that is still sitting in this House, Mr. Acting Speaker. We have got the lowest interest rates in Canada today. The Bank of Canada is between 2 percent and 2.25 percent. It has been under 4 for the life of this Government, and they still cannot balance the books, but they do not have to take my word for it. That is why I went to a breakfast put on by the Manitoba Chambers of Commerce on Tuesday morning. It was also sponsored by the Manitoba Institute of Chartered Accountants.

Mr. Deputy Speaker in the Chair

Some members across the way want to talk about accountants in some of the banking institutions that they deal with across the province of Manitoba. They are credible people. I certainly would do nothing to discredit any of those fine people, but this is an Auditor General looking at the books of Manitoba. An institute of chartered accountants that they should bring him in and let him discuss the whole concerns of the Province of Manitoba. He has indicated to all of them publicly that this government of the day has not balanced the books in the last four years, but last year's was a \$531-million deficit and that they are projecting a \$58-million deficit for this year.

* (16:40)

That, Mr. Deputy Speaker, at a time when they are taxing Manitobans to the tune of \$90-million new money. The Premier (Mr. Doer) said he was not elected to raise taxes. He did not mean it, and he did not mean that he was going to fix health or end hallway medicine in six months with \$15 million, even though he has spent now something like \$1.2 billion more in health care. How many multiples of \$15 million is that? Seventy times of what he said it would be. No wonder you are smiling; you know the numbers. This Government has spent seventy times the amount of money that they said they would to end hallway medicine in six months, and they still have not fixed it. It would be a different thing if there

still were not people in the hallways of Manitoba today in the hospitals. But there are. The seriousness of the situation is just as much or more than it ever was in our nursing. We have got front-line health care workers in this province who would retire if they could, but due to a sense of fulfilment—well, not fulfilment. They have fulfilled their promises and their workload to the province of Manitoba and to the people in those hospitals, the patients of Manitoba.

They just feel like they would be short-changing the future of health care in Manitoba if they were to actually take the retirement when they have planned on it. This Government has done nothing to alleviate that circumstance in spite of saying that they have put more health care money into training and the other areas.

Mr. Deputy Speaker, I think that the point has been well made that this Government are not fiscal managers. Every one of the departments that we have looked at today, you know, in spite of the fact that they have said we are going to reduce administration costs, our leader pointed out today in Question Period all of the various areas that this Government has increased administration costs and reduced funds to front-line operations, health care, education, justice, agriculture. The next thing they are going to do is do what Saskatchewan did and cut out 32 Ag reps in the province of Manitoba and put them all in a call centre like they did in Moose Jaw, like their neighbours. *[interjection]*

Well, yes, and the colleague from Steinbach indicated the closure of rural hospitals. Well, that saved a lot of money in Saskatchewan, did it not? It just made the rural people drive further. It did not save the government a dime either.

So, I want to just reiterate that point because it is one that I think that Manitobans will defeat this Government on in three years' time. It is the one crucible, if the floodway does not fix them before then, that will cause citizens of Manitoba to come back to the Conservative Party in this province and say, "We want you to do what you had to do after the Pawley government left, and that is come back and clean up the mess left by these high-spending socialists in the province of Manitoba."

Mr. Deputy Speaker, we said in 1999 that there could be a fair balance between social spending and

tax relief in the province. I want to go back to saying that the only difference between the Alberta government and the Manitoba government, when you look at the proportions of excesses in their budgets over the last number of years, has been that the Alberta government actually reduced their debt. Even this Government, in their own Budget today, has indicated that there is a \$30-million saving by paying down some debt since they came to power, and they put that due to the fact that they reduced some of the debt in Manitoba, when it really has more to do with the reduction of the interest rates on that debt in the province of Manitoba.

There is a big difference, Mr. Deputy Speaker. The citizens of Manitoba cannot be fooled by this kind of a shell game. I just wanted to say that if this Government had done the same thing as other provinces have done who have had the resources to do so and actually reduced the debt that this Province would have funds down the road for our children and our grandchildren to be able to stay in Manitoba and attract more and keep more of them in this province. You would also, surprise, surprise, be giving the businesses an opportunity to stay here that would put those young people to work. You might even have young people staying here because they are entrepreneurs in their own right and would develop the businesses themselves that would keep them here.

I want to give just one more example of how this Government who proclaims that they have been such a fiscally responsible manager has done absolutely nothing to try and hold their spending under control. All you have to do is compare the spending of the 2003 Budget compared to the 2004 Budget. If you look at what the revenue side of the 2003 Budget was, it was some, and I see some of the members flipping through to try and find out where that was, it was \$7.302 billion. That was the estimate of revenue that the Province of Manitoba was to have had at that time. I just want to point out that with revenues of \$7.3 billion, if it was such a hard year as they led the press to believe and tried to hoodwink Manitobans into believing prior to this Budget coming down—there was a fair bit of advertising amongst every press release that the Premier (Mr. Doer) said. He was admitting that he could not balance the books, so he was sort of looking for an out. Last year's revenue was \$7.3 billion. This year's spending is \$7.39 billion. I mean, his spending is still \$88 million, almost \$90 million over what he had for revenue last year. He could not even live within the confines of

the revenue that he had, which would have been a good starting point.

We know that this Government inflated the revenue this year as they did last year, saying that they were going to have a growth process of 3 and it came in at 1.9. Who is going to believe them this year, because they only had to take \$583 million extra to balance the books last year. This year they are saying, "Well, we will do it for 10 percent or roughly 8 percent of what it was last year at 58." I do not think there is a Manitoban left alive that believes that this Government is going to come in and not have to dip into that \$3-million surplus. I mean, that is just above as much of a farce as Saskatchewan after they brought their budget down, who said that their surplus is \$67,000. That is not even one bureaucrat's salary, according to the numbers that keep flowing across our desk of what these people are hiring today in Manitoba. Manitobans deserve more accountability than this.

I want to go back to the disaster that struck our rural areas this particular past year in the BSE issue. Now, I stood up in this House and challenged the Minister of Agriculture (Ms. Wowchuk) and the Premier during Question Period to at least put the hundred thousands of dollars that they spent on their advertising campaign to go out and say that they had made \$180 million available to Manitoba farmers and actually tell Manitoba farmers what they paid out. There is a huge difference between saying I will lend you another \$100 million and put you further in debt, and actually putting some money in their pockets.

A cash advance would have done that. Our leader and Ag critic came out and did that in early July some six weeks after the May 20 BSE cow was found. This Government had \$43 million in their budget under these risk management programs for use in these kinds of areas, Mr. Deputy Speaker. It has come to our attention, and I am sure more of it will be borne out in Estimates, that this Government did not even spend that much in regard to the BSE issue in the province of Manitoba. So, while they are out there flogging the idea to the public that they have actually done something, and while they are out there flogging the farmer again by saying that, you know, we have to invoke this clause that allows us to use extraordinary circumstances to take money out to balance the books in the province of Manitoba because of those darned poor farmers. The fact that it

was BSE and beyond their control had nothing to do with it in their minds. Just blame the farmers when they are already down for having to put \$75 million more on the table.

Then we had some forest fires that they could not budget for either. There is not a government in any province that does not do some budgeting for forest fires in any given year.

Mr. Deputy Speaker, I want to point out that this is a shame to come in with these kinds of rhetorical statements and press releases. It is as bad as the Justice Minister, who every time there was an issue that came up last year and was challenged by our Justice critics, would put out another press release and say he had done something, and really nothing happened. *[interjection]*

* (16:50)

In this case, another farmer fell, but they did not care. They did not take any more actions than putting out another press release and saying, well, we made a hundred million available. We made 12 million available for transportation. We got a two-cent-a-pound feeder program out here, \$2 a head, rather, for our feeder program that they announced on the first of August, retroactive to the early part of June, said it would continue until October 15 and, within three weeks of putting the thing out, cancelled it on July 20. They did not even carry out the last one, two, almost three months of a five-month program, only got it going for about six months and said they ran out of money. Well, what they really did was draw it back and realign it and put it into a transportation program to haul feed.

I also challenge the Agriculture Minister by saying what in the blazes are these farmers in the drought-stricken areas of Manitoba supposed to use to buy the feed to put on the truck to get the subsidy to haul it. They did not have any funds, Mr. Deputy Speaker. You have an Agriculture Minister that was out in Hartney at the time, on July 29, when the cattle producer representative for that area put her and me and our Agriculture critic and the member of Parliament for that area in a vehicle, and we showed her first-hand how bad it was in that drought-stricken area. I know other members in this House whose areas were hit just as hard from drought and grasshoppers. Then they came back and announced the transportation program at a time when if she had

just declared a green feed program that was separate from what she claims they already have under crop insurance and actually went out and allowed some of the farmers that were in the hardest hit area to buy standing green feed in five, some cases it was only ten miles away, ten kilometres away—but she put a subsidy program in place in which you did not qualify for the darned transportation subsidy unless you were at least twenty-five away.

Well, Mr. Deputy Speaker, I do not know how many farmers have come to me this winter—I have lost track there have been so many—that said this was the biggest farce in the world. We had to take the longest way to get from A to B that we could possibly record on any map and still have any cause. Some of the fellows were in such poor dire straits that they absolutely had to qualify for some of those funds because it was actually the money they were using to put the feed on the truck to get it to haul in the first place.

So what does this Government do? Well, they come out in this Budget and tax these farmers some more. *[interjection]* Real good idea. Well, no. I asked the Finance Minister (Mr. Selinger) about his diesel fuel increase. I said, "Surely you are not going to increase diesel fuel to farmers on their production, on their day-to-day work on their tractors and their own grain-hauling equipment." He said, "Well, of course not, we are making it parallel to gas taxes. Of course they are not taxed on purple gas when they are fuel for production." I said, "Well, thank heaven, but at the same time you have just increased their production costs on every tonne of fertilizer that gets delivered to the yard, on every load of hogs, or beef, or chickens, or eggs. Anything else that leaves the farming operation, this Government taxed it."

Like somebody said in the House the other day, "If it moves, they taxed it." I have to say, Mr. Deputy Speaker, that while I have lived in the rural area all of my life and that my responsibilities in this House are now critic to rural development and Transportation, that it is most disappointing to look at a government that surely must recognize that we have four or five of the top trucking companies in Canada based in Winnipeg, based in Manitoba, some of them in Brandon. *[interjection]*

Steinbach as well, the member from there, he is always sharp. He never wants you to forget about that area in the world, the southeast and the

southwest. We will help take care of this whole province in the long run, Mr. Deputy Speaker.

I want you to know that this Government does not care about farmers. They do not care about truckers either. How could any government that has any hint of responsibility increase diesel fuel taxes to a commercial trucking industry that has most of the trucking industry head offices in Canada based in this province? They, certainly, did not go and talk to the Manitoba Trucking Association before they raised this diesel fuel tax. They, certainly, did not go to the citizens of this province and ask them if they would gladly pay another \$5 fee for every one of their driver's licence permits, Mr. Deputy Speaker. It is not that five bucks; it is the fact that it has gone up 110 percent since this Government came into power.

Also, in this Budget, they increased the vehicle licensing and registration fees, this Budget alone \$23. But, since this Government came in, that tax has gone up by \$43 a unit. Now, you know, many of us who now live in communities or even in cities have one or two vehicles, so it might cost us, what, the member from Inkster said \$43 times two, \$86. The average household, they said we will reduce your education taxes by \$20, and we will up your licenses by \$83; it is not a winning combination.

But, if you are a farmer in Manitoba, who has to have a vehicle to haul fuel, and a vehicle to haul grain, and a vehicle to get back and forth, the same as the city people do to the functions that they have, they can have any number of vehicles. So, let us just say four is the minimum, Mr. Deputy Speaker. They have put another tax on farmers of, at least, \$200, and, you know, this at a time, when, well, you would almost think they were taking a page out of the federal government, the way they are spending money, and not being accountable.

If there is a place that they can get money to keep up their activities and their spending habits that this Premier has, in Manitoba, this is, certainly, a place that they just feel is a kind of commercial business and we will go after it.

I want to say, Mr. Deputy Speaker, as I did earlier, that this Government has not spent all of the budget that it had on highways last year. We look forward to the minister being able to explain that one when he gets into estimates.

We are also wanting to let him know that, if it had not have been for the 2000 petitions that we got together and put forward in this house, that No. 1 highway would never have seen any dirt moved either. This Government would not have acted on No. 1 highway if it had not have been for the thousands of petitions that were put forth by the citizens of that region to get it built and twinned in the first place. They did not care about safety, Mr. Deputy Speaker. They were not caring about safety, and they were not caring about that. If they were really to care about safety, they would have been out there on the northeast Perimeter Highway four years ago, doing something with it then, twinning that part of the highway.

The member from that area only knows how many accidents, and how many people have been killed on that—

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

Mr. Daryl Reid (Transcona): It is my pleasure to rise to add my comments about Budget '04.

I want to say, and start off first thanking my colleagues in our Government for the excellent work that they have done in preparation, and in drafting of this provincial budget this year, and in past years. Mr. Deputy Speaker, this has been an exceptionally challenging year for Manitobans and for our Government as we tried to balance the finances of our province.

My colleagues in this House and I listened to the members opposite. It is interesting. They seem to forget the BSE issue that they had raised from time to time in the Chamber here, and the cost that was associated with that, that our Government had to absorb. An unbudgeted, unallocated expense, in the sense that no one could predict that BSE would be facing us as a major challenge in this province. We had committed some \$170 million towards solving that BSE challenge in this province.

Not to mention, the second-worst forest fire year in the history of the province of Manitoba, which added a further \$60 million dollars to the cost of operations of our provincial government.

Now, in addition to that, Mr. Deputy Speaker, we are facing additional challenges this year with the

federal government withdrawing some funding, \$104 million from health care in this province, which is, again, an additional challenge for us.

I wish the first ministers in Canada luck this coming summer as they get together with, perhaps with the current Prime Minister, and try to negotiate [interjection]

Well, Mr. Deputy Speaker, you can never tell when you are negotiating with Liberals. It is one of those things that you have to face. So I wish the premiers in Canada good luck when they try to negotiate with the current Prime Minister, should he choose to extend—[interjection]

*(17:00)

Well, we will see the commitment of Liberals, perhaps, later on this year when the first ministers and the Prime Minister go to the table to see if the Liberals are actually, indeed, interested in fulfilling the promises that were contained in the red book when they talk about a national Pharmacare program and participation in the Home Care program, two areas that are sorely lacking federal participation.

Mr. Speaker in the Chair

Mr. Speaker, I encourage the Member for Inkster (Mr. Lamoureux) and his leader to encourage the federal government to be a full partner in health care in this country, because I think that since the years that they have been in office, I believe since 1993, there has been a continual reduction or withdrawal from their participation. This year, you listened to the Minister of Health and our Premier talking in this Chamber about the federal government now down to the point of only 16% participation in health care costs in this country. That is, I think, unfortunate and, in fact, it is deplorable that they have allowed that to occur in this country. But we will go on and talk about health care in a few moments.

I want to say, Mr. Speaker, I am proud of the work that our Minister of Finance has done in bringing forward the current budget. This minister, under exceptionally difficult and challenging circumstances, has managed to once again balance our Budget in every sense of the word. We have followed the balanced budget legislation in this province. We continue to fund the pension liability and pay down the debt in this province, and have not done it this year as previous governments have by

drawing on the Fiscal Stabilization Fund. Now, the member opposite can laugh about that, but it is unfortunate that his government had to draw on the Fiscal Stabilization Fund to do that.

In addition to that, I just listened to the comments that were coming out just in this last day or so about the Nova Scotia budget. The promised tax cuts in Nova Scotia were \$311 million and the Nova Scotia government has had to say—I believe it is a Conservative government—we are withdrawing the tax cuts that we promised to the people of that province. That is what the Nova Scotia government said, because the federal government is not at the table to help to negotiate or to help to participate in the health care costs in this country that are skyrocketing.

Mr. Speaker, in this province, we had continued to make our investments in health care. I am proud of the work that our Minister of Health (Mr. Chomiak) has done to continue to build our health care system, to train more people in health care, the nurses, the doctors, the health care professionals that are involved in the health care system to rebuild that health care system after the devastating years, the dark years of the Tory government in this province. What they did to undermine health care in this province is they moved their way along the path towards privatization of health care. As the Member for Brandon East (Mr. Caldwell) has said, "Any time, any place, anywhere, we will go out and we will debate the issue of your privatized health care philosophy versus our public health care philosophy in this province."

We have contributed, I believe, about \$116 million of new health care funds in this province, which, I believe, is about a little over 5% increase. We are putting \$100 million into the new Health Sciences Centre project in this city of Winnipeg, \$100-million project; \$100 million that I can say we are proud of. I can remember in my 14 years as a member of this Legislature, the previous government, the Filmon administration, promising seven times to expand the Brandon General Hospital. Never once was that promise or commitment made or kept with the people of Brandon. This Government has kept that word and that hospital is now there for the people of Brandon and West-Man.

Our Government has purchased new CT scanners; we have purchased new MRIs; we have

purchased new dialysis machines, new ultrasound machines. We have the first gamma knife machine in Canada here in Manitoba, and we are proud of the new capital investment we have made in our health care system to help reduce the waiting lists for all of the people of Manitoba. We have not played favourites. We have placed those machines in different areas of the province, even represented by some of the members opposite. For example, Mr. Speaker, Steinbach and Winkler have those machines, in Portage La Prairie. So we have made the investments for the people of Manitoba into those areas.

In addition to that, Mr. Speaker, we have expanded coverage for our Pharmacare program for Manitobans. We have, as the Minister of Health has said here, placed 1000 new drugs onto the drug formulary of this province, the cutting edge drugs that Manitobans want, who call our offices frequently and, I am sure, call offices of members opposite, wanting to have access to those new drugs. Yes, we have had to ask Manitobans to contribute a small amount more towards the cost of the operation of the Pharmacare program, but with the 20% increase in the Pharmacare cost in this province—I remember in my time in this Legislative Chamber when the members opposite were in government, where they gutted the Pharmacare program and made it income tested, and the devastating impact that that had on people in my community, I am sure in every community of this province. I recollect that very clearly when that decision was made by the Conservative government of the day. We have put \$5.6 million more into our Pharmacare program in this province, in addition to the additional drugs that we have put onto the drug formulary.

Mr. Speaker, with respect to education, I think our new Minister of Education (Mr. Bjornson) is doing an exceptional job as he works to build our education system of this province. We have, as we committed to do, continued to cut the educational support levy off the property tax bills of Manitobans. This year, we have cut a further \$10 million from the ESL costs of Manitobans for a three-year total now of \$92 million, less education property taxes that Manitobans do not now have to pay as a result of our Minister of Finance (Mr. Selinger) and our Minister of Education's initiative to reduce ESL. That will mean that for an average home in my community, just this year alone, \$33 less in provincial ESL education property tax with respect to that. *[interjection]*

Let us talk about school taxes. I can recall sitting in the seat there where, perhaps, the Member for Tuxedo (Mrs. Stefanson) is sitting now, listening to the Minister of Finance and Minister of Education, when you announced for my community that you were cutting the education support for my community, 2 percent, 2% cut the next year. Oh, it is election year, zero. Next year, after the election, you were successful in coming back into office again. You cut the support for the education in my community, again, after the election. That went on year after year after year, and you continued to erode public education in my community and the education of everyone that is in this room here today.

I have to say, Mr. Speaker, that I am proud that every year that we have been in government, we have funded public education at or exceeded the growth of the economy of our province. This year, we funded it at 1.8 percent for my community, which means an additional 1.3-million new dollars went into my school division this year; 1.3-million new dollars. That is despite a slight declining enrolment in student population in my school division. So there was more money going into my school division to help fund public education.

At the same time, Mr. Speaker, we have continued to fund and to keep our commitment with respect to the post-secondary tuition freeze. I am proud of that. That enables more people in my community to attend college and university, to go on to have those high-skilled jobs that we want them to have when they finish their education.

Mr. Speaker, I want to talk a bit about highways, Transportation and Government Services, something that I have close and near and dear to my heart. I listened to and have read the comments from some of the members opposite with respect to the highways' capital program that we have here and the work that our minister of highways and transportation has undertaken on behalf of the people of Manitoba. I want to quote back to members of this House, just kind of refresh their memories about some of the statements that were made by the Member for Springfield (Mr. Schuler) in particular. Now, I know members opposite here like to rehash the '99 election and are still licking their wounds from that particular time. I will not go that far back. I will only go back a couple of days and look at the comments that were made here by the Member for Springfield. It says, "But to go out there and hold a press conference and

then mention that sometime, perhaps, maybe if they get around to it by 2009, they might complete—," and he was referring to the twinning of the Perimeter Highway. He goes on to say, "There is clearly no intention of dealing with the twinning of the highway." Those were the statements of the Member for Springfield in this House here two days ago.

An Honourable Member: And he is going to cut the ribbon in five years.

* (17:10)

Mr. Reid: Well, you can keep dreaming. I guess it is always good to have a dream or a vision for the future. Where would we be without dreams? You can continue along that tract if that is your vision.

I have to say that I was quite proud, in addition to the Member for Rossmere (Mr. Schellenberg) and the Member for Radisson (Mr. Jha) who played an active role in this process, the Member for Selkirk (Mr. Dewar) was there with us, along with the Minister of Transportation and Government Services (Mr. Lemieux). We were proud that we were able to work within our Government and with our Minister of Transportation and Government Services to finally get this project moving when the members opposite had 11 years to twin that highway and did not do that job.

Mr. Speaker, let me share with members opposite about some of the things. I know the Member for Springfield is perhaps not up to speed on what it would require to do a project like this, but I want to refresh the memory of members of the Chamber here on some of the things that did occur when the Tories were in office with respect to the twinning of the northeast Perimeter Highway.

That functional design study was done and completed by Reid Crowther for the department in 1988. In addition to that, it took until 1996, eight years after that study was completed, for the then Filmon government to start that first section of twinning of the northeast Perimeter Highway. Eight years it took you to do that part. So we have said we have committed \$65 million to complete that project that you could not complete. As the Member for Fort Whyte (Mr. Loewen) might say, you could not put the puck in the net.

An Honourable Member: I have never said that in my life.

Mr. Reid: Well, perhaps we said it about you then.

Mr. Speaker, I am proud that our minister and our Government has now committed to a \$65-million project to complete the northeast Perimeter Highway. It was just a short time ago I was talking to someone. I say this guardedly that I make no reference to a member of this Chamber, but when I am driving along the northeast Perimeter Highway or down 59 highway and we get to the corner of 59 and the northeast Perimeter, folks often would say to me here we are, we are coming up to Mitchelson corner. I say guardedly that is not in reference to any member of this Chamber, but that is the name that has been attached to that particular interchange and the confusion that is occurring at that particular point in our traffic system.

The work that has to be undertaken to complete this project is pretty detailed. There has to be an environmental study, something the Member for Springfield (Mr. Schuler) seems to have forgotten. Oh, you just build the project and you get on with it and you can have the asphalt laid this year. He forgets that we have to do surveys. You forget that you have to have a detailed design. You have a floodway that is going in parallel to that road but you have to have a detailed design to make sure the two can co-exist. You have to have service relocation for your hydro and your telephone lines for any that exist in the area. You have to have land acquisition. Maybe the Member for Springfield is saying, oh, just go out and expropriate the land that people own. We do not worry about them. Is that what he is saying?

We also have, in addition to that, Mr. Speaker, because we do require a number of components to have this project moving forward, we are committed this year, our Government is committed to moving that project forward. We are going to bank up the land around the CPR tracks to make sure we can construct that interchange, that overpass.

An Honourable Member: Delay, delay, delay.

Mr. Reid: Well, your government I remember, and I live in Transcona next to where that site is, I remember it was about two years that you banked that land and shaped it before you did anything with the overpass over the CPR tracks, so do not tell us that we cannot take that time to make sure the project is done right because we are going to do it right.

The department of highways and transportation, I cannot say enough good things about the folks that

work in that department. Over the course of the last several years, I have had the opportunity to work with the folks very closely, and I can say they are some of the most dedicated folks you will find in all of the civil service, not only in this province, but of any province in Canada that I have had the fortune to talk with civil servants working for the different governments. I am quite proud of the folks working in our civil service and, in particular, in Transportation and Government Services.

Mr. Speaker, we are going to make a \$65 million investment. That is going to be some \$30 million for the interchange at 59 highway, something that you in the Conservative government, could not do in 11 years: 11 years, you could not build that interchange. It is going to cost us another, oh, I would say, about \$8-10 million to do the overpass over the CPR tracks, which we are in preparation for this year. It is going to cost about \$1 million a kilometre, so about \$16 million to do the asphalt on that route there.

We have the interchange point to the CNR tracks in Highway 15, in my community, that we have a dilemma there, because CNR, historically, even when the Conservatives were in government, would not give a commitment to keeping that rail line there well into the future, before we would expend that kind of money.

Mr. Speaker, that is another area that we are going to have to address, with respect to that. So that is some of the information with respect to Highway 15, and I hope the Member for Springfield (Mr. Schuler) will know and understand that there is much work that has to go into this, and we are committed to this project. It is nice that he came on board now that we are going to move forward with this project.

Mr. Speaker, I also want to say about the Member for River East (Mrs. Mitchelson), I listened to some of the comments that she had made in this Chamber here when the Budget was being spoken by the Minister of Finance (Mr. Selinger). I listened to what the Member for River East said where she does not support the rapid transit system that the tripartite levels of government are now engaged in. Now, you can talk about those studies that have been ongoing for a number of years. The studies have been done *[interjection]*

Come over to the city of Winnipeg; we will get you the studies. The Member for River East is

opposed to rapid transit, and what she does is a disservice to her own constituents, because the second phase of that project is a component of the first phase, and that is going to service the people of northeast Winnipeg.

So we are going to be a partner in the first phase, and then there is a functional design study for phase 2, which will move out to northeast Winnipeg, which will service my community, will service Elmwood, and will also service River East.

The Member for River East is saying forget it, scrap the rapid transit system, because we do not need it. Well, I can tell you that the people of northeast Winnipeg—*[interjection]* That is not what she said. That is not what she said. She said she is opposed to rapid transit. And I say shame on the Member for River East doing a disservice to her own constituents and to the people who live in northeast Winnipeg, because that second phase is going to service the people of those communities, and we want the rapid transit system here in the city of Winnipeg. I am proud that our Government has been a partner in that, in addition to the other partnerships that we have with the federal and city governments.

Now, I listened to the Member for Fort Whyte (Mr. Loewen), who likes to talk about cowards; he is kind of one of those bullies, perhaps similar to the Member for Springfield (Mr. Schuler), who likes to try and impose their will on others, and to be forceful about their ways, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. All members are honourable members in the House, and, when singling out a specific member, we should use caution in the words that we choose. So I caution the honourable Member for Transcona, and I want to make sure that all members pick and choose their words very carefully, because each and every member is an honourable member in this House.

Mr. Reid: Thank you, Mr. Speaker, and if I offended any member, I withdraw those comments.

Mr. Speaker, I listened when the Minister of Finance (Mr. Selinger) was reading the Budget in the House here, and the Minister of Finance was referring to a section with respect to our centre for disease control. We have, and I am proud of this, the

only Level 4 lab in Canada. We are making a further investment of some \$250,000 to try and expand the function of that lab, and to bring further services in disease control, and to make Manitoba the headquarters for all of Canada for that particular function.

I was appalled that the Member for Fort Whyte (Mr. Loewen) said that it was a waste of money to try and expand that Level 4 lab and the services that it will provide, not only to the people of Manitoba, but to the people of Canada, and we will work in conjunction with other Level 4 labs in the world.

An Honourable Member: You are making that up, too.

Mr. Reid: No, I am not making it up. There are other members of the House—

* (17:20)

An Honourable Member: It is right there in Hansard, is it not?

Mr. Reid: Well, if that is your choice to deny what you said in this House when other members were present, that is your choice. Mr. Speaker, I was appalled the Member for Fort Whyte would say that we were wasting our money to try and expand that Level 4 to make sure we got the expanded services and to convince the federal government that it is important to have that service in Manitoba. I hope the Liberal members of this House will work in conjunction with our Government to try and make sure that particular project comes to Manitoba. They have not said that they are in favour of that yet, that I can recollect, but I hope that they will go out and actually speak to their Liberal colleagues in Ottawa.

We have many new initiatives as a part of our government operations. We are going to finish the twinning of the highway to the Saskatchewan border through the Arthur-Virden area, something that the members opposite could not complete in their time of government.

We have taken some steps to reduce the civil service positions that were—*[interjection]* You can say that, but I guess you will have to wait, will you not stay tuned. We are going to be saving money with respect to that.

Mr. Speaker, we are also taking the steps to combine the department of Driver Vehicle Licencing

with Manitoba Public Insurance to reduce the duplication, the administration and to improve customer service for the people of Manitoba. I think that is a wise step, and while we have much work to do to make sure that moves forward smoothly, it is something that our Government has undertaken. One of the cautions I will say to members of the House, is to make sure that we would have a separate regulatory function and that the regulatory functions of DVL do not transfer over to MPI because I think it is important to have a separation between regulation and the other operational functions.

We have as a part of our Government, and I listened to the speech of the Leader of the Official Opposition (Mr. Murray), and I want to quote the comments that particular individual said. It says in his statement that the Premier has no plans to grow a Manitoba economy.

Mr. Speaker, I have mentioned many of the issues here today with respect to how we are growing the economy in Manitoba. I am proud of the True North Centre, the MTS Centre, that we have here in the city of Winnipeg. Every day there is more building going on at that site. I am proud of our Red River College downtown campus and the work that we have done there. I am proud of the effort that we have made at the University of Manitoba.

I want to tell some of the members opposite about a friend of mine that happens to have a construction company, and that friend of mine was talking to me last year about construction on the project. I was asking him how his business was doing. I know the member for Headingley, this individual would be familiar to her, but I will not mention the name on the record here. This individual said that since the NDP has come to government, he has never, ever had so much construction work as he has had; in fact, he cannot keep up with the all work that he has. *[interjection]*

Well, the interesting part is that he is a Conservative. It would seem unusual that I would pay off my Conservative friends.

Mr. Speaker, I also had a chance at a funeral in my community this week, unfortunately, one of my constituents, a long-time community member, passed away after a lengthy illness. It was a sad occasion, but in those different events one has the opportunity to talk with members of the community. I was proud

this individual came up to me and said that he works in the film industry. This individual said to me, "Thank you, thank you, thank you for the work that you have done to maintain the film industry of this province, because you have made my life more comfortable and have given me more work to keep me employed in that industry." I am proud that our Government has kept that commitment, and has made an opportunity. We have built the film and sound industry of our province, and we have done a lot of good work. I would like to congratulate our minister responsible for the work that has gone on with respect to that.

Mr. Speaker, I listen to the statements the Leader of the Official Opposition (Mr. Murray) said that the Premier (Mr. Doer) has no plans to grow the Manitoba economy. I have mentioned Red River College downtown campus, the University of Manitoba expansions, the engineering building where the roof was falling in when the Tories were in power; we fixed that. The University of the North, my northern colleagues are happy that we are moving to a University of the North. Trades training, I am proud that we are moving in the direction to train more Manitobans to be employed in the jobs that we are going to have after we move the environmental hearing process for the Wuskwatim dam and, hopefully, the Conawapa dam. I am happy because those trades folks will be working on the expansion of the floodway. We, Mr. Speaker, I think we will not have enough tradespeople.

I think, Mr. Speaker, that it will not be too far down the road that the Albertans will be looking to Manitoba for their employment opportunities, as I have encountered here recently with folks who have moved to Manitoba for employment.

Mr. Speaker, we have committed \$140 million to the City of Winnipeg. We have had two credit upgrades. We have reduced our debt costs. We have the floodway expansion, which is six years, and going to create over 1000 jobs. We have the third lowest per capita spending in all of Canada. We have, as the Premier has often said here, that rare event—it was rare during the Tory times, not so rare under our Government—the building crane is back in the city in the province of Manitoba, something that we are all proud of.

Mr. Speaker, our population is increasing. It is the highest it has been on an annual basis since 1986.

We have over 1000 more young people coming to the province of Manitoba. We have more disposable income for Manitobans, 3.1 percent more than the Canadians. We have the lowest inflation rate in all of Canada at 1.8 percent last year, something I think that we can be proud of. Our cost of living is reasonable. A lot of that credit can go towards some of the services that we have through our Crown utilities. Now, I know members opposite do not support Crown agencies in this province; after all, they did sell the Manitoba Telephone System. We know what happened with telephone rates, up over 65 percent, of course, since that telephone company was sold.

We have, Mr. Speaker, I believe, the lowest hydro rates in North America, perhaps the world.

We have the lowest automobile insurance rates in all of Canada. I am proud of the work that our Manitoba Public Insurance Corporation has done to keep Manitoba automobile owners and drivers with the lowest automobile insurance rates and the best protection in all of Canada. If you look to the province of New Brunswick, they are now looking to model their public insurance system after the province of Manitoba. I am proud that we will have, I am hoping that we will have, another public insurance company in Canada and that we can play a role in helping them to get that off the ground.

We have the lowest unemployment in Canada. A lot of folks in my community say, when I tell them that—

An Honourable Member: Thank you, Reg Alcock.

Mr. Reid: Thank you who? Reg who? That is the new guy, is it not? The guy who just came on the scene.

An Honourable Member: Jean Chrétien, Paul Martin.

Mr. Reid: Yes, right, they sure helped us in Manitoba, did they not?

Take \$155 million a year in fuel tax out of Manitoba and say we are even, not put a nickel back into our highways in this province. Give us that \$155 million back into our highway system, and we will double the construction work that we are doing in this province.

Mr. Speaker, as we have often said in our statements that we make to Manitobans, and I have said only some of the things that I wanted to say here because I wanted to talk more about our work with respect to highways. We have, in our province, made a significant investment. We have accomplished—

Mr. Speaker: Order.

Mr. Kelvin Goertzen (Steinbach): Is it the will of the House to call it 5:30?

Mr. Speaker: The honourable Member for Transcona's time had expired.

Is there a will of the House to call it 5:30?
[Agreed]

When this matter is again before the House, the debate will remain open.

The hour being 5:30 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Friday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 22, 2004

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