

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

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 26, 2004

The House met at 1:30 p.m.

Proposed PLA—Floodway

PRAYERS

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

ROUTINE PROCEEDINGS

These are the reasons for this petition:

PETITIONS

Minimum Sitting Days for Legislative Assembly

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.

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

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

The background to this petition is as follows:

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

The Manitoba Legislature sat for only 37 days in 2003.

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

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

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

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

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."

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.

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.

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.

Signed by Armin Juergens, Aime Chartrand and Mario Ferrer.

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

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

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 Elsie Janzen, Kim Friesen, Vern Neufeld 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.

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.

*(13:35)

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 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 for the safety of all Manitobans and all Canadians who travel along Manitoba highways.

Signed by Bev MacMillan, Don MacMillan, Bruce MacMillan and others.

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

TABLING OF REPORTS

Hon. Nancy Allan (Minister of Labour and Immigration): I am pleased to table the following reports: the 2003 Annual Report of the Workers Compensation Board, the 2004-2008 Five-year Plan of the Workers Compensation Board and the 2003 Report of the Appeal Commission and the Medical Review Panel.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from Red River College Language Training Centre 18 students under the direction of Miss Paige Glen. This school is located in the constituency of the honourable Minister of Energy, Science and Technology (Mr. Sale).

Also in the public gallery we have from Machray School 22 Grade 4 students under the direction of Ms. Jane Walters. This school is located in the constituency of the honourable Member for Point Douglas (Mr. Hickes).

Also I would like to draw the attention of all honourable members to the loge to my left where we have with us Mr. Marcel Laurendeau, who is the

former Member for St. Norbert, and I would just like to remind him that there are to be no points of order raised from the loge today.

ORAL QUESTIONS

Health Department Budget

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, this Premier said that he was not elected to raise taxes. He said in his last Throne Speech he would respect the views of the citizens and he would not close health facilities.

Something was clearly lost in translation because this Premier's 2004 Budget is raising taxes. It is forcing unionization on Manitobans that are clearly opposed to it. He is closing the Victoria General's maternity ward and rural health care facilities.

A closer look at this Premier's Budget shows that he is also cutting funding to Emergency Health and Ambulance Services, Mr. Speaker. It says right here in his own Budget.

I wonder if the Premier can explain why he has increased support services for emergency services and health ambulance services prior to the last election and in this Budget why is he cutting them, Mr. Speaker.

Hon. Gary Doer (Premier): Mr. Speaker, if the member opposite will look at the line dealing with the City of Winnipeg, I believe there is close to a \$2-million increase in ambulance services.

Mr. Murray: Mr. Speaker, the question is specifically about why he cut Emergency Health and Ambulance Services. That was the specific question.

We know that this Premier is closing health care facilities. He is cutting Pharmacare. He is reducing rural health services and funding for the Addictions Foundation. He is cutting funding to Emergency Health and Ambulance Services and he is also cutting funding, we find in his own Budget, to the Selkirk Mental Health Centre and for Aboriginal Health. That is in his own Budget.

*(13:40)

Something must have been lost in translation, Mr. Speaker, because the Premier said that he would improve mental health services. His Throne Speech said the services for Aboriginal peoples would improve with the creation of an Aboriginal Issues Committee of Cabinet. Instead, the 2004 Budget this Premier has brought in is cutting funding for Aboriginal Health and for the Selkirk Mental Health Centre.

Why are taxpayers' dollars being wasted on a Laundromat facility and a sandwich factory while important services for Manitobans such as Emergency Health and Ambulance Services, Aboriginal Health and the Selkirk Mental Health Centre are being cut? Why is he doing that?

Mr. Doer: Again, we have a deficit of research capacity if not knowledge across the way. The emergency expenditure '03-04 for Emergency Response and Transportation Systems was \$24 million. In this year's Budget it is \$28 million. That looks like an increase of close to \$4 million when you add the money in support of the Winnipeg Ambulance Services. The member is wrong, wrong, wrong again, Mr. Speaker.

Mr. Murray: Well, Mr. Speaker, again only that side of the House, when they disagree with the numbers in their own Budget, would applaud. They either do not understand it or there is a problem. Clearly what we see in this Budget, in their document, is that they are cutting those services.

Improving health care services in Manitoba is the No. 1 priority for all Manitobans, but something must have been lost in translation because his Budget, rather than making it a priority, they are cutting. Interestingly enough, and again in his own Budget, and I would hope his Minister of Finance (Mr. Selinger) would help him through this process, but in their own Budget we also see they are cutting funding to Health Accountability, Policy and Planning by \$1.5 million.

Mr. Speaker, we understand this Premier is not going to be accountable to Manitobans. We understand that, and he does not have the ability to follow the bold policies that have been introduced into health care such as Roy Romanow. He is calling for cuts to the Health Accountability, Policy and Planning department, and that should not surprise anybody.

Can the Premier explain why he talks about all this increase in health when in fact he is cutting, cutting and cutting priority programs? Why is he doing that?

Mr. Doer: I would point out that the budget for ambulance services goes up—*[interjection]*

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker, the member opposite should go home tonight and read the Estimates book, but he has to read more than just one page, and he has to read more than what his research staff, his staff—rather take back the first term—gives him. The emergency services go up \$4 million. He will find another line in the City of Winnipeg budget where it goes up close to \$2 million, from \$138 million to \$140 million. Those are two additional increases. Maybe the member should spend his time apologizing for his mistakes.

Pharmacare Deductible Increase

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, this Minister of Health has spent the last four years cranking up his spending in health care by a billion dollars without a plan and without a grand scheme. Without a plan he could not prioritize his spending. Now we are seeing this Minister of Health scramble to try to find money by increasing Pharmacare deductibles, a backdoor tax.

Mr. Speaker, why should our Pharmacare program come under attack by this Government just because this Minister of Health cannot prioritize his spending?

* (13:45)

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, in a series of errors made by the so-called research staff of the member opposite, let me correct them. First off, emergency services is getting \$4 million.

An Honourable Member: More.

Mr. Chomiak: More. Second off, Pharmacare is getting over \$5 million more, Mr. Speaker. Since we came to office, Pharmacare has almost triple the budget. We have been on for a long time and we

want to preserve the program. We looked at all of the options available to us. This will still preserve the program into the future, provide 100% coverage to Manitobans and will provide a coverage that is still the best in the country.

Three examples that the members opposite cannot even get the Estimates book right, Mr. Speaker. They cannot even get the numbers right. How would Manitobans believe the rhetoric that we hear day after day in this Chamber?

Mrs. Driedger: Mr. Speaker, this Government has increased deductibles by 15 percent over the past three years. Their pharmacy cuts are hurting the most vulnerable in the system, not people that can afford it, but those who cannot.

Amy Fleming is a stay-at-home mom. Their family Pharmacare deductible was \$1,300 prior to the Pharmacare cuts of this Budget. Even then, she and her two children were recently off their medication for almost a month because they could not afford to pay for their medication. Why should mothers like Amy be forced to choose between milk or medicine for her children? Why is he doing this to such vulnerable people?

Mr. Chomiak: Mr. Speaker, not only are we putting additional funding into Pharmacare but we have expanded the range of Pharmacare. For example, we now offer free drugs, Pharmacare coverage for people who are in palliative care. They used to have to go into hospital and stay in the hospital to get the drugs. Now they are at home. They get the drugs. We have expanded that program.

Mr. Speaker, 85 percent of Manitobans who are on the income-based Pharmacare program and who get 100% coverage when they reach their deductible will pay a maximum of \$1 to \$9 per month, in addition, for a program that pays almost three times the benefits that it did several years ago.

Mrs. Driedger: I am really quite dismayed at this minister's cold and indifferent attitude toward the most vulnerable that he is attacking with his Pharmacare cuts. Amy's son, Matthew, has ADD and is on Ritalin. Amy's daughter, Amanda, is asthmatic and is on two different puffers daily because only one of her lungs works properly. For these children, being without their medication for a whole month is a very serious matter.

Why will these children now have to suffer more because this Minister of Health cannot prioritize his spending? Why cut Pharmacare and instead build Laundromats and sandwich factories? Why cut Pharmacare and hurt poor children like Matthew and Amanda?

Mr. Chomiak: Mr. Speaker, the benefits to Pharmacare are going up. Some deductibles are rising. If Pharmacare spending increases at the level of 15 percent and 20 percent per year, it is the largest-growing area of our Budget.

Members opposite said prioritize. What we said is we want to have a program. We want to continue a universal Pharmacare program. We looked at Alberta where they have minimum coverage. We looked at B.C. where they have minimum coverage. We looked at Ontario where they only cover seniors and some chronic disease groups. We said that we are not going to do that. We looked at the Maritimes where they only cover disease groups. We said that we want a universal program that covers all Manitobans and is there for the future.

* (13:50)

Not only are we expanding, but we have added in the last few years a thousand new drugs to the program and better coverage and wider coverage. But yes, we have to deal with the supply side and we have to do the payment side. We want to maintain a universal program.

Education Department Administrative Costs

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, last week the Premier (Mr. Doer) said, and I quote, "In terms of the financial administration services in government, there is actually a reduction in spending in the Department of Education."

I refer the Premier specifically to page 58, line 1 of Estimates of Expenditure where it states very clearly that there has been a 9.9% increase in administration costs in the Department of Education. Is the Premier saying that these numbers that are printed in his own financial statements are incorrect?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Mr. Speaker, as budgets reflect the priorities of government, our priority is in

the Aboriginal Education Directorate where the bulk of the increase of this particular budget may lie. It is a very important priority for this Government, and we are proud to stand on this side of the House and say that it is a priority for this Government in terms of our objectives for Aboriginal students in Manitoba schools.

Mrs. Stefanson: Mr. Speaker, I am glad to see that the Minister of Education is finally getting up and answering questions on behalf of the Department of Education.

The Premier obviously is unable to read his own financial statements. Administration costs in the Department of Education are up 9.9 percent. Perhaps when the Premier was referring to cuts in education, he was referring to line 2, School Programs. Is it the policy, Mr. Speaker, of this NDP government to cut School Programs in favour of putting more money into administrative costs?

Mr. Bjornson: Mr. Speaker, education is a priority for this Government. We have shown that time and time again with our increased funding to education. We continue to fund it at affordable, sustainable and predictable rates, \$105 million compared to \$15.2 million over the same five-year time frame. It is very simple math. This is a government that stands up for public education.

Mrs. Stefanson: Clearly the only priority for this Government is beefing up administration costs. It is absolutely astonishing, Mr. Speaker, that neither the Premier nor the Minister of Education, nor the Minister of Finance (Mr. Selinger) can answer questions on the Estimates section in the Budget.

Is there anyone on the governing side of this House who can explain why it is the priority of this Government to take money from front-line education in favour of beefing up administrative costs?

Mr. Bjornson: Mr. Speaker, the Aboriginal Education Directorate is a very important component of that front-line education and the ability for us to deliver the services that are important for Manitobans, especially given our priority with Aboriginal academic achievement and our Aboriginal Action Plan, something that we are very committed to, something that is reflected in our Budget as a priority.

Agriculture and Food Department Layoffs

Mr. Jack Penner (Emerson): The staff members of the Department of Agriculture have been summoned to a meeting in Brandon on the 30th of April. Can the Minister of Agriculture tell us how many staff positions will be affected by this change that the Government is intending to make in her department?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): The Department of Agriculture, Food and Rural Initiatives is a very important division for the people of rural Manitoba, but every so often it is time to review services and look at how we can improve them. We have a process in place where we are having discussions with all staff, unlike the other side of the House when they were in government. They would be cutting jobs.

Our goal is to consult with people and look at how we can improve those jobs. The discussion on Friday is an inclusive discussion with all people in the department to look at how we can improve services for people in rural Manitoba, Mr. Speaker.

Mr. Penner: Numerous staff members that have been with the Department of Agriculture for many years are wondering whether the 400 staff reductions mentioned in the Budget are applicable to them. Can the Minister of Agriculture tell us today how many staff she intends to lay off?

Ms. Wowchuk: Mr. Speaker, the member opposite may not appreciate staff in a department the way I do. They are the front-line workers who work with the people in the rural communities. From time to time, you have to look at the services that you deliver and look at how you can improve them.

I can tell the member opposite that the staff in the department have been very appreciative of the process that we have put in place where they can have input into the kinds of services they believe should be delivered to the people of rural Manitoba. We will continue to be inclusive, Mr. Speaker.

* (13:55)

Mr. Penner: Recently we have seen the government of Saskatchewan lay off a large number of staff in the Department of Agriculture. On April 30, is it this

minister's intent to tell her staff of the Department of Agriculture how many jobs will be lost and who will lose their jobs?

Ms. Wowchuk: Well, Mr. Speaker, that may be the member opposite's style but I can tell you that we work in a much different way than they do. We have put into the Budget that there will be 400 jobs that will be reduced through attrition, and there will not be layoff announcements.

Red River Floodway Expansion Master Labour Agreement

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, this Premier's Throne Speech last November said his Government would, and I quote, "Listen with respect to the views of the citizens of our province, work hard to find common ground, encourage co-operation and build consensus, unite our province and not divide it and govern fairly for all citizens in all regions of Manitoba."

Does the Premier stand by those words as they applauded on the other side, or is he going to go against what he said he would do in the Throne Speech and force unionization on companies, force workers that are not part of a union to pay union dues? Will he stand by what he believes in the Throne Speech, Mr. Speaker, or will he stand by what we just heard applauded today, something completely different?

Hon. Gary Doer (Premier): I thought the member was rising to apologize for his error on ambulance services. We still await his correction of the factual record, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Murray: Well, thank you, Mr. Speaker. If there is any apology required in this province, it is clearly from the Premier of the province of Manitoba who is forcing non-unionized companies to be part of a union, who is forcing hardworking Manitobans to pay union dues to satisfy his appetite. That is where the apology should be.

Mr. Speaker, I am fascinated and I hope that the Premier also had a chance to read an interesting report that came out of the *Winnipeg Free Press*. The

construction of the MTS Centre does not have a labour agreement, but according to reports is going to be delivered on time and on budget. The same can happen with the floodway. It is possible to make that happen.

Why does the Premier not do the right thing and listen to what Manitobans are saying, that is, to take forced unionization off the table, to take the issue of forcing hardworking Manitobans who are not part of a union to pay union dues? Why does he not do the right thing?

Mr. Doer: Well, I am glad the member opposite is now celebrating the new entertainment complex arena. Members on this side, when we were involved in the partnership for that arena, members opposite voted against it, Mr. Speaker.

Mr. Murray: Mr. Speaker, I understand that this is a very sensitive question for this Premier. It is very sensitive because he is incapable of answering a very straightforward question. It is something that is important to all Manitobans.

Perhaps this Premier would listen to Mr. John Neill, who is overseeing the construction of the MTS Centre, who said that the biggest thing on these jobs is to mould the team and get it to pull together. According to him, harmony is pivotal, and you are only as strong as the weakest link. In this debate about expanding the floodway, the Premier is the weakest link in this negotiation because he wants to force non-unionized companies to pay union dues.

What is interesting is that the original floodway was built without a project labour agreement. The Z-dike was built without a project labour agreement. The MTS Centre is being built without a project labour agreement and apparently all on budget and on time. Why does this Premier not do the right thing and listen to Manitobans, take forced unionization off the table, stop trying to force non-unionized workers to pay union dues and get on with building the floodway?

* (14:00)

Mr. Doer: Mr. Speaker, it was only a couple of years ago that the member opposite was running around with the Leader of the Liberal Party opposing the new entertainment complex. You know, tying a yellow ribbon around the old Eaton's building which,

when we came into office, was a building that was shuttered up along with almost every other building on Portage Avenue.

We have rebuilt downtown Winnipeg against the objections of members opposite, Mr. Speaker. The PCL management group has done an excellent job with the entertainment complex. They have done an excellent job at Brandon with the general hospital, building a hospital. They have been tendered out to do the Health Sciences Centre. Brandon is on time on budget.

There are other examples of labour management agreements. I am not sure whether Wally Fox-Decent will recommend going as far as the member's friend, Brian Mulroney. I do not know whether Brian Mulroney's model, which of course was embraced by the Leader of the Opposition when he worked for him, will be the model or whether it will be something else, but I would ask the member opposite to go to page 98, read the numbers, Mr. Speaker, and apologize to the House for his error.

Construction Industry Wages Act Review

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, before a shovel has even gone into the ground, the Doer government has, through stubborn ideology and poor management, made a public shamble of the floodway expansion project. Mr. Speaker, will the Minister of Labour listen to construction industry employers who say if wages are the stumbling block for the Premier to move away from forced unionization, then open up and review The Construction Industry Wages Act?

Hon. Nancy Allan (Minister of Labour and Immigration): I would just like to inform the member that The Construction Industry Wages Act is an act that I have had the opportunity to dialogue with the construction industry leadership. As the Leader of the Opposition (Mr. Murray) knows, Ron Hambley of the Winnipeg Construction Association, who lives in his constituency, is one of those people that I have had the opportunity to speak with. We have had very good discussions in regard to The Construction Industry Wages Act, Mr. Speaker, and we will continue to dialogue with them.

Mr. Goertzen: Lots of dialogue, Mr. Speaker, but very few decisions.

Mr. Speaker, the Minister of Water Stewardship refers in the media to the \$700-million floodway expansion project. The floodway authority refers in news releases to the \$660-million floodway expansion project. The Minister of Finance (Mr. Selinger) says, "Well, there really is not a budget." The Premier last week says, "Well, maybe there are other things we have to consider before we have an overall budget."

Mr. Speaker, why can this Government not simply provide Manitobans, who are paying for the project, a line-by-line budget before the Winnipeg floodway expansion project becomes the NDP sinkhole?

Hon. Steve Ashton (Minister of Water Stewardship): Mr. Speaker, once again we have the members opposite being unable to read this document. It is called the Estimates of Expenditure. If the members opposite care to check, there is in fact a line item in terms of the floodway which reflects the budget. It is \$9.12 million in this year's Budget. It reflects our 50% share of the projected expenditures that are expected this year. I would expect that members opposite might want to read the budget document that was tabled by the Minister of Finance (Mr. Selinger). We budgeted this year, and I want to stress again, unlike members opposite, it is not a "may" for us. We are going to build the floodway expansion.

Mr. Goertzen: Well, Mr. Speaker, Manitobans will be happy to know that there has been a \$691-million reduction in the cost of the floodway expansion, \$40 million over budget, three government positions on unionization, additional taxes applied to the project by the Province, no real budget to speak of unless we are \$691 million down, secret agreements on details being done in secret and that was only last week.

Mr. Speaker, we are wondering what we are going to get for an encore this week. Will the Minister of Water Stewardship just admit that he was wrong to go down this path and say that a public agreement without forced unionization and forced union dues will be made public?

Mr. Ashton: I tell you, Mr. Speaker, normally you expect that opposition parties are attempting at least to put forward some idea that they could be a potential government, but for this member not to understand that there is money budgeted this year—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I am sure the honourable member asked the question to be able to hear the answer. It is very, very difficult to hear, so I ask the co-operation of all honourable members.

Mr. Ashton: If that honourable member does not understand that there is money budgeted this year, in this year's Budget, as part of the overall project, that we will start construction subject to the final environmental approvals next year that will take place until the year 2009. You know, I would try to explain this to the members opposite, but they are not interested in building the floodway expansion. Mr. Speaker, they are interested in playing politics with the floodway. That is very obvious to Manitobans.

Budget Tax Increases

Hon. Jon Gerrard (River Heights): Mr. Speaker, once upon a time, a big city mayor decided he wanted a new deal. He went out and bought some fine new tax clothes and paraded around town in a wonderful new sales-tax shirt, a new fuel-tax suit and a fancy new liquor-tax tie.

Now, Mr. Speaker, the Premier saw the mayor parading around and he said, "We do not want any new tax clothes in our province." Secretly, the Premier was envious of the mayor. One day when they were at the infectious disease lab and had to change into protective clothing, the Premier excused himself first and, on the way out, he put on the mayor's new tax clothes.

I ask the Premier why he is wearing the mayor's new tax clothes when only a short while ago he was saying that we should not have such new taxes in Manitoba.

Hon. Gary Doer (Premier): Mr. Speaker, the only change I have seen in the budget discussion is the member opposite walking around with a bowl of fudge and then voting for the Budget last year. That is not a little fantasy that was written up for Question Period; those are the facts.

Mr. Gerrard: Mr. Speaker, there is a credibility gap. The City of Winnipeg suggested some solutions. The Premier said no. The Premier then grabbed some of these solutions as his own. The Premier has not only

taken the mayor's new tax clothes, but he is also applying his new sales tax and diesel taxes to the City of Winnipeg. The Premier then added insult to injury by charging his new tax on liquor purchased by the mayor to entertain visitors and to promote the city and the province.

My supplementary to the Premier: I ask the Premier why he is exempting unions from wearing his new tax clothes while requiring the City of Winnipeg to submit to his new taxes.

Mr. Doer: The member opposite wanted us to say yes to every proposal including an increase of 1% sales tax, province-wide, an increase of 5 cents a litre on gasoline. That is the member opposite's position.

Mr. Speaker, we have increased the funding over the last three years to the City of Winnipeg by \$10 million. The municipal tax-sharing agreement that is in place in Manitoba is the only one in Canada, does not get a lot of coverage, is not profiled a lot, but it is the equivalent for the City of Winnipeg to 5 cents a litre on gasoline.

The \$140 million in revenue that is shared with the City of Winnipeg, including money we backfilled when the federal accounting error took place over the last three years, that amount of money is, I think in terms of gasoline taxes, well over the amount of money that is collected totally in Winnipeg for gasoline taxes, notwithstanding the fact that we have to fund highways and other infrastructures.

So the member opposite may want to, far be it from me to use Dan Kelly as a source, but during the budget discussions last week he actually said that Manitoba treats the municipal governments with the Municipal Tax Sharing Agreement better than any other province in Canada.

Victoria General Hospital Maternity Ward Closure

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the Minister of Health. Back in 1983, we used to have obstetrics being delivered in our Seven Oaks Hospital, the Concordia Hospital. In fact, it was the Howard Pawley NDP administration that took out obstetrics in those two very important hospitals. At the time the New Democratic government MLAs sat on their hands and did nothing, which was most unfortunate.

*(14:10)

Today, if I could, my question should be going to the member from St. Norbert or members from Fort Garry, Riel, Seine River. These are the members that are on the government benches that need to ensure that their voices are in fact being heard.

My question to the Minister of Health is: Will the Minister of Health acknowledge that, by definition, the community hospital means community health care services being delivered, and there are important communities in the south end of Winnipeg that do have and do merit having obstetrics?

Will the Government make the commitment today that obstetrics will continue to be delivered through the Victoria Hospital, because we appear to see no backbench support for that particular initiative?

An Honourable Member: It is silent over there.

Mr. Lamoureux: The silence is deafening.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, I am very proud to be part of the Government that has expanded services at Seven Oaks Hospital to include dialysis and to include additional treatments and is in the process of expanding the ER at Victoria Hospital, something that did not happen over the past decade.

Mr. Speaker, as I indicated Friday, we do want the option of community obstetrics for people of Winnipeg. We have expanded and put in place midwifery. We have put in LDRP, which is a community option both at St. Boniface and Health Sciences Centre for women.

In the past six or seven years, the number of births at that particular hospital has gone from 1400 when an inquest took place down to 800. I have asked the WRHA to take a look at those numbers and to come back with recommendations, but we do want a community option.

Mr. Speaker, I should indicate to the member that it would help if the federal government had not cut out \$104 million from the health budget this year, the federal Liberal government.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I am sure the honourable Member for St. Norbert appreciates the ovation on behalf of the members, but we still have to be able to hear the questions, please.

Immigration Statistics

Ms. Marilyn Brick (St. Norbert): I do actually really appreciate the applause. Notwithstanding, the Government made a commitment to increase immigration annually to 10 000 people. Last year we saw immigration increase to 6500 people. Mr. Speaker, can the minister advise this House how immigration levels this year compare to last year at this time?

Hon. Nancy Allan (Minister of Labour and Immigration): Mr. Speaker, I am very pleased to answer this question, and I am sorry that the members opposite do not share the view that Manitoba's immigration strategy keeps Manitoba competitive. I am very pleased to answer this question.

In 2003 we saw a 40% increase in our immigration levels, and in the first quarter of this year we saw our levels increase by another 38 percent.

We have also made a commitment in this Budget to put more resources into settlement services and we will continue, Mr. Speaker, to raise the bar in Manitoba because more than 70 percent of all provincial nominees that come to Canada, come to Manitoba.

Victoria General Hospital Maternity Ward Closure

Mr. John Loewen (Fort Whyte): Mr. Speaker, I am astounded that the member from St. Norbert would stand up and ask a question and not ask the Minister of Health to live up to his promise to keep the maternity ward open.

The minister knows the reason for the decline in births is from a lack of his support. Mr. Speaker, more family doctors are refusing to do obstetrics in the area because they are afraid they are going to have to go all the way to Health Sciences, all the way to St. Boniface Hospital, and they cannot run a practice giving obstetrical services in hospitals that far away.

I would ask the minister today if he would stand up in this House, stand up for the people in Fort

Garry, stand up for the people in St. Norbert and live up to his promise to provide the necessary funding to keep the ward open at Victoria Hospital.

Hon. Dave Chomiak (Minister of Health): Since 1999, there are 156 more doctors practising in Manitoba than there were under the Conservatives. Since 1999, there are 879 more nurses registered to practise in Manitoba than when the Conservatives were in office. Mr. Speaker, 70 percent of our budget costs are wages and salaries that go to those new nurses, those new doctors, those other new health care professionals, and every day they tell us we are spending too much. They cannot have it both ways.

Mr. Loewen: Mr. Speaker, I do not quite understand why the minister is so angry. All I am asking him to do is stand up for the citizens in Fort Garry, citizens in Fort Whyte, the citizens in St. Norbert and provide the services they need. He refuses to answer the question.

The problem is there are fewer and fewer family doctors providing obstetrical services in those areas because he refuses to stand up and make a strong case for keeping that maternity ward open. It is a simple, simple thing to do, Mr. Minister. All he has to do is stand up in this House, indicate he is going to provide the necessary resources to Victoria Hospital not only to keep the ward open but to bring it up to date, to provide funding for an obstetrician on a 24-hour basis and the equipment needed.

I would ask the minister today if he will stand with the member from St. Norbert, if he will stand with the member from Fort Garry and stand with me to keep that ward open.

Mr. Chomiak: Last year and the year before and the year before, the Regional Health Authority got more funding. Victoria Hospital got more funding. It was not like the 1990s when members opposite gave zero, zero, minus 2, minus 2 and zero.

Not only that, Mr. Speaker, but we are undertaking a capital project at Victoria Hospital that was on the books and avoided by members opposite year after year after year. He knows that. They talked about it; we are doing it.

Mr. Loewen: The trouble is this minister is talking about it but he is not doing anything about it. It is a simple request. We heard from this Government how

in 1999 they were going to ignore the needs of the citizens of south Winnipeg by not building an underpass. Now we hear they are going to ignore the needs of south Winnipeg by not assuring that this maternity ward is going to stay open. I would advise the minister the citizens are upset. They are going to mount the same type of campaign that the Premier had to deal with, and he is going to have to change his priorities.

I would ask him once again. Will you stand with the member from Fort Garry? Will you stand with the member from St. Norbert? Will you stand for the citizens of south Winnipeg, stand up today and make a strong commitment, the maternity ward will stay open and be updated.

Hon. Gary Doer (Premier): I would note that for 11 years the members opposite were not able to achieve a Kenaston underpass. I would note that there now is a plan to build it. One government does it. One group of people just raise their voices.

Mr. Speaker: Time for Oral Questions has expired.

Introduction of Guests

Mr. Speaker: I would like to draw the attention of all honourable members to the public gallery where we have from École Saint-Lazare 14 Grade 9 students under the direction of Mlle. Laura Audet. This school is located in the constituency of the honourable Member for Russell (Mr. Derkach).

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

MEMBERS' STATEMENTS

Community Access Centre

Mr. Jim Maloway (Elmwood): Mr. Speaker, today we are taking a major step forward in improving the health of our communities. Earlier today, the Premier (Mr. Doer) officially opened the first community access centre in Winnipeg, Access River East.

In attendance at the opening was our M.P., Mr. Bill Blaikie, our city councillor, Lillian Thomas, and my legislative colleagues, the Member for Rossmere (Mr. Schellenberg), the Member for Transcona (Mr. Reid) and the Member for River East (Mrs. Mitchelson).

Mr. Speaker, this new centre will provide more than 90 000 residents of northeastern Winnipeg with improved access to health and social services including a primary health clinic, midwifery, home care, child and family services, children's special services, child daycare licensing and co-ordination, community mental health services, employment services for persons with disabilities, vocational rehabilitation, employment and income assistance, public health, a senior's health resource team and supported living

* (14:20)

This new centre makes it much easier for individuals and families to find the essential services they need to stay well. Delivering integrated health and social services from community sites allows staff to be more focussed on the unique needs of people and that means better co-ordination of services and improved care.

There are a number of excellent facilities in the building including well-equipped clinic rooms, an audiology lab, a comfortable waiting area, private consultation rooms, a community kitchen and education rooms, and meeting places available to the community.

I would like to point out there are currently 170-plus staff and three doctors working at the centre with two more doctors to be on staff by July, plus two mental health workers are currently there. In addition, Mr. Speaker, there are some 300 home care workers currently working out of the centre.

Students from four local high schools, Elmwood, Kildonan East, Mennonite Brethren and River East, are designing a mural for the children's waiting area and they will be painting that mural in the coming weeks.

Mr. Speaker, there is also a beautiful round room that acknowledges the important contribution that Aboriginal culture makes to the health of our community. The centre will provide—

Mr. Speaker: Order.

Manitoba Tourism Awards

Mrs. Mavis Taillieu (Morris): Mr. Speaker, thank you for the opportunity to put a few words on the

record on the 2003 Manitoba Tourism Awards. It was my pleasure to attend the Rural Forum Gala Dinner on April 23 where the Manitoba Tourism Awards were presented.

It was a wonderful time to celebrate the successes of Manitoba's tourism industry with industry leaders, businesses and some honourable colleagues. Mr. Speaker, there are so many Manitobans who contribute to the positive experience of fellow Canadians, international travellers or of Manitobans exploring their own province and I would like to acknowledge and thank them for their efforts.

Congratulations to all the nominees for the 2003 Manitoba Tourism Awards. All people working within the tourism industry truly deserve our recognition and thanks for the work they are doing in ensuring people feel welcome and have an enjoyable time in our fine province.

I would like to congratulate those people who received the tourism awards this past weekend. Erwin Olazo of the Sheraton Hotel won the long-time service award. Simone Neveux received the Ambassador Service Award. There were two recipients of the volunteer award, Jack Forsyth of Forsyth Agencies and the Goldwing Ambassador Program.

Joie de Vivre received the marketing award. The Delta Hotel received the Service Excellence Award. The towns of Killarney, Boissevain and Deloraine received the Community Partnership Award.

Mr. Speaker, there were also two recipients for the Innovation Award, the Roblin Snowmobile Association and the Foxwarren Memory Garden Committee. The Red River North Tourism Committee received the Media Award, and the Eco-Tourism Award went to the Falcon Trails Resort.

The Manitoba Tourism Awards recognize those that have led and contribute to the growth and success of Manitoba's tourism industry. The individuals, towns, businesses and organizations I have mentioned are truly deserving of this honour. In closing, once again, I would like to congratulate the recipients on the awards and encourage them as they continue so graciously to host and serve Manitoba. Thank you.

Brandon Wheat Kings

Mr. Drew Caldwell (Brandon East): Mr. Speaker, it is with pride and great delight that I rise in the House today to commend the Brandon Wheat Kings AAA midget hockey team on their outstanding performance this weekend at the National Midget Hockey Championship in Kenora, where they won the Canadian national title. Today this team can probably call themselves national champions. Brandonites will rightfully brag that we are home to the AAA midget national championship hockey team.

Mr. Speaker, under the direction of head coach Craig Anderson, the Wheat Kings beat Québec's Collège Charles-Lemoyne 2 to 1 in the final game to win the championship. While this is only the latest chapter for a city and a team with a long-standing tradition of hockey excellence, it does mark the first time ever that a team from Brandon has won this national championship. In fact, this is Manitoba's first ever medal at the National Midget Hockey Championship, and it is a gold.

The Wheat Kings are a staple in the Westman sporting scene, supported not just by Brandon residents but by fans from a wide surrounding area. Fan support is unwavering. This championship only shows the rest of the country what Brandon already knew, that we have the best midget hockey in the country.

Of course, it is the players, the coaches and their families who have made the sacrifices and committed the time and energy in order to achieve this great honour we all now share. The hard work involved in even getting to a national championship is incredible. To win is a testament to the sacrifices they have made in the sport.

I would ask the House to join me in commending these young athletes on this most impressive achievement. To repeat a quote from the Brandon Wheat Kings team, "We are the best in Canada." What more can you say? Thank you, Mr. Speaker.

Lisa Pao

Mr. David Faurshou (Portage la Prairie): It is my pleasure to rise today to acquaint all honourable members of this Assembly with a young resident of

Portage la Prairie whose academic, extra-curricular and community activities, quite simply stated, are exemplary.

Currently, she maintains not only the highest academic standing in her Senior 4 class at the Portage Collegiate Institute but could quite possibly graduate with the highest standing in the most courses ever in the 110-year history of PCI. Some of her extra-curricular activities include archiving a photographic history of PCI, captaining the "Reach for the Top" team and cheerleading for the school's athletes.

She has been active within our community as secretary of the Children's Wish Foundation local chapter and is responsible for the creation of Pao Gardens, a beautiful Oriental-themed rest area with trees and shrubs, significantly enhancing the William Glesby Centre in downtown Portage la Prairie.

A Provincial Music and Arts Festival silver medalist, she is working toward her Grade 9 level pianist exam at the Royal Conservatory of Music. As well, she plays violin, clarinet, tenor and baritone saxophones. Speaking four languages, English, French, Cantonese and Mandarin, Mr. Speaker, she has travelled countless times into Winnipeg to voluntarily teach linguistic skills to Chinese children, for which, I am pleased to say, on April 21, 2004, our First Minister (Mr. Doer) presented her with the Premier's Volunteer Service Award.

Interested in science and a career in medicine, she has accepted an invitation extended to her by the prestigious Harvard University to pursue her studies.

Mr. Speaker, I would like to extend on behalf of all honourable members of the Manitoba Legislative Assembly our congratulations to Ms. Lisa Pao, daughter of George and Meida Pao, for demonstrating excellence, determination and the will to succeed in all aspects of her life. Thank you.

Winnipeg Airport Terminal

Ms. Bonnie Korzeniowski (St. James): Mr. Speaker, the Winnipeg Airports Authority has just today announced plans for a phased-in airport site redevelopment. As the MLA for St. James, I was delighted and proud to join the Premier (Mr. Doer), several of my colleagues and many other guests for the exciting announcement made by Art Mauro,

chair of the WAA board, and Barry Rempel, CEO of the airport, of a new airport terminal building, a building of 60 000 square metres that will be located northeast of the existing facility.

This exciting project is targeted for completion in 2009, with some additional structures such as parking and site services to be completed earlier. Mr. Speaker, this redevelopment will make a significant contribution to the future of Winnipeg and will enhance Manitoba's position as a major centre of economic, cultural and community activity and as a hub of international air traffic.

Our airport is visited by 4 million people a year, including 3 million passengers and 100 000 tonnes of cargo. Mr. Speaker, the usage of the airport facilities has increased more than five times the original capacity since the existing building was built 40 years ago but deteriorated rapidly. Several audits have shown that renovating the current terminal would be more expensive than constructing a new one.

Total cost of the program is estimated at around \$350 million, including \$200 million for the new terminal building. The Winnipeg Airports Authority, which is undertaking this project, is a not-for-profit community-based corporation which is 100 percent self-sufficient, receiving no government funding. All revenues, including the airport improvement fee, are being reinvested into meeting the community's aviation needs.

* (14:30)

Mr. Speaker, on behalf of all members of the House, I would like to heartily congratulate the Winnipeg Airports Authority on the announcement of the redevelopment project. I look forward to seeing the positive results as this growth and development takes place.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

ADJOURNED DEBATE (Sixth 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, and the proposed motion of the honourable Member for River Heights (Mr. Gerrard) in amendment thereto, standing in the name of the honourable Member for Tuxedo who has seven minutes remaining.

Mrs. Heather Stefanson (Tuxedo): In conclusion, I am sorry but I will not be able to support this Budget. This Government is clearly taking Manitoba in the wrong direction, Mr. Speaker, and I am very concerned about a number of things in this Budget. An increase in taxes of more than \$90 million, and enforcing employees of the floodway expansion to become members of a union, is unproductive and not conducive to growing our economy and keeping young people in Manitoba.

Mr. Speaker, cutting school programs while beefing up administration costs in no way creates a better quality of education for our children in our province. Health care costs continue to rise, yet waiting lists are on the rise and people continue to line our hospital hallways. Criminal activity continues to rise, and the Premier (Mr. Doer) continues to make promises that he cannot or is not willing to keep.

Mr. Speaker, I encourage all members of this House to vote against this Budget and in favour of the amendment to be put forward by our leader, the Member for Kirkfield Park (Mr. Murray).

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, it is indeed a pleasure and an honour to put a few words on record regarding the Manitoba Budget 2004. I am listening with great interest to the various views expressed in this House, and it is quite obvious that there is a fair degree of ideological positioning going on. It seems obvious to me that the Tories are not going to vote for this Budget even though we, not too long ago, remember voting for a Tory budget. I assume that members on this side will definitely support this Budget because it is a good budget, and the Liberal Party, well, I am never too sure what they do.

In this atmosphere of claim and counterclaim and propaganda and spin, the ultimate judges really will not be in this Chamber because we are not going to change any minds in here. I am pretty sure of that. The ultimate judges will be the people of Manitoba. They will decide, in a few years hence, whether or not this was a good budget, whether we as a govern-

ment were on track or not on track, and I have great faith in the people of Manitoba.

I understand that this Budget, Mr. Speaker, was a tough budget for us. I am aware of that. I think all Manitobans are aware of that. We have gone through some challenging times. To mention some of those challenging issues that created these difficult times: the BSE crisis which devastated family farm income; the forest fires with the second largest forest fire season in history; there was drought; the higher Canadian dollar does not help us very much when we are so depended upon exports, it helps us in some sectors but it also hurts us; low water levels for Hydro did not improve the fiscal situations for us; slowdown in national economic growth did not help us all across this nation, so times were tough, and when times are tough you have to make the books balance anyway. Manitoba families know that. They know how to balance their budgets and they do the best they can. I think that the Minister of Finance did an amazing job in these difficult times and he should be commended for this Budget. This is after all a balanced budget following the Tories' own guidelines. This is a balanced budget in the fifth straight year, and it is the first balanced Budget ever to pay down debt and pension liabilities without making a draw on the fiscal stabilization fund.

Talking about pension liabilities, Mr. Speaker, I do not remember when the members of the Opposition were in power that they ever, ever addressed that issue. I would also point out, that in this Budget, no sector in this province is ignored, no peoples in this province are ignored. The North is included, definitely included. And if you want to get down to brass tacks, the bottom line is there is 5% more disposable income for Manitobans in the last five years than there was before. In fact, under the Tories the last five years it was 5% less. We have the lowest inflation rate in the country. If we do not have the lowest Autopac rates, I am pretty sure we are close to the lowest. We certainly have the lowest hydro rates in the country. Talking about low hydro rates, in fact they are not only the lowest, I think they have been lowered. When we equalized hydro rates, remember it cost Hydro \$14 million, so farmers and northerners are paying less. So equalized hydro rates actually meant lower rates. And rates have not increased for the average consumer for seven years, and for the large corporate interests they have not increased for twelve years. I think this is amazing. Where else do you know where you can buy something that has not

increased in price over seven years or twelve years? Only in Manitoba.

Compare that to the Tory years, '92, '93, three-quarters of a billion dollar deficit. In fact, it was more than three-quarters of a billion dollars, after the Pawley government left them \$58-million surplus in 1988. From a surplus we have gone to deficits by 1992, 1993, of over three-quarters of a billion dollars.

We have other debacles. There was not only the health care cuts, there was the nurses that were laid off, 1000 nurses. There was the SmartHealth debacle. There was a frozen food fiasco. There were attempts to privatize home care and, Mr. Speaker, we all know the Connie Curran saga. Give \$6 million to an American consultant because allegedly they are better than Canadian consultants. Only members of the Opposition would believe that. What did this consultant tell us? Cut back, cut back, slash, cut back. And of course above all, the former government sold MTS in order to stick money in the Fiscal Stabilization Fund and thus balance the books that way.

It is no wonder then that Manitobans opted for change in 1999, and I think they opted for positive change. But, as I said before—

An Honourable Member: —and 2003.

Mr. Jennissen: —and in 2003, as my honourable colleague said. We are continuing on that same path. But, as I said before, speeches in this House will not change any opinions in this House; Manitobans will ultimately decide whether the course we embarked on in 1999 is indeed the correct course, as I believe it is.

But there are divergent opinions. Let me give you a couple of examples. On budget day, CJOB, the radio station in this city which is hardly a left-wing radio station, I do not think anyone is going to confuse Charles Adler with Fidel Castro.

It is hardly a left-wing radio station, and in a dialogue that morning before the Budget even came down, Larry Updike, the host, and Professor Norman Cameron from the University of Manitoba were chatting. I would like to sort of play that back a little bit. I would like to recreate that situation.

Here is the dialogue. Updike says: "Has this Government been a good fiscal manager?"

Professor Cameron says: "Yes, yes. I think that Manitoba governments over the past 15 to 20 years have been the best in Canada."

Updike says: "Wow, including this crowd here."

Cameron says: "Yeah, oh, especially this crowd, yeah."

Updike: "Especially this crowd?"

Cameron: "Yeah."

Updike: "Why is that? Why is that the case?"

Cameron: "Well, the NDP government is not the one that you most expect to be fiscally conservative, and they have. Now the Tories you expect that but of course remember."

Updike: "Pardon the pauses. That does not work on radio, I realize that, but your words are having that effect on me. I think that probably people looking out the window at people driving, they are going, wow."

Cameron: "Well remember in the last election it was the Tories that were going to give away the banks."

Updike: "That's true."

Cameron: "It was not the NDP."

Updike: "But they said"—they being the Tories—"that they could do that and get away with it."

Cameron says: "Well, they said it, but none of us believed it."

Updike: "You didn't believe it?"

Cameron: "No, I thought they were giving away far too much. When I was on the Lower Tax Commission we thought taxes could be lowered, but not that far."

And that is the end of the dialogue. But what I think is important is that whatever the professor is saying is leaving Mr. Updike temporarily speechless, because he is saying several things. For one thing, he

is saying we have had good government in Manitoba for the last 15 to 20 years, and that does include the Filmon government to some degree. The Filmon government did some things right, but he is also saying clearly that the New Democratic Party government is doing a better job. I think that is critical.

He is also implying, Mr. Speaker, that when the Tories promise huge tax cuts or huge giveaways, the public does not believe it. They simply do not believe it because they cannot promise huge tax cuts and still maintain services. How are you going to do that? The income is not going to be there. There might be some ways around that and I suspect the Tories had ways around that. Suppose they had been elected in 1999 or 2003. Suppose that would have happened. How were they going to keep their expensive promises, massive tax cuts, increase in spending? You cannot suck and blow at the same time, and yet they promised it.

* (14:40)

I suppose, Mr. Speaker, that the Tories had another plan. I know they are intelligent enough to have a backup plan, and I think I know what that backup plan is or was. I think the backup plan was that we sold MTS once and it saved our bacon, and we can sell Hydro and that will save our bacon again. I think that was the plan. I believe that the people of Manitoba expected that to be the plan. They did not like it and they voted against it.

The privatization of Hydro, as you know, Mr. Speaker, is not on the agenda for the people of Manitoba. So even a hint, even a whiff, even a faint suggestion that the Tories might go this route, I think, spooks the people of Manitoba and I do not blame them. After all, it was former Premier Filmon who said, "I have no intentions of selling MTS." Of course, we know where that promise left the people of Manitoba.

Members opposite, like a broken record, keep demanding tax cuts, tax cuts, tax cuts. Where were their tax cuts when they were in office for 11 years, Mr. Speaker? Where were their tax cuts? Not only that, they talk about taxes as if they were a universal evil. Well, they just talk about taxes. We actually cut them. But are taxes a universal evil? I suggest that the members opposite should read the speech on the Budget given by the member of Wellington when he

explains, I think, most lucidly why taxes are important.

Mr. Speaker, no one wants higher taxes. No government wants higher taxes, but taxes are the price you pay for civilization to keep minimum programs operating. That is what the Member for Wellington (Mr. Santos) tried to point out. He made good theoretical reference to liberal capitalism which recognizes the existence and the need of some form of government, to the capitalism to which we are now shifting and which the Opposition seems to be embracing somewhat, that is, libertarian capitalism, which privatizes all public functions. In other words, privatize it if it moves because it is better.

The implicit belief is that the less government, the better. There is a limit to that, folks but, apparently, the Tories on that side are shifting away from the progressive aspect of being a Progressive Conservative to the much more radical, right-wing extremist attitude embraced by the Conservatives of the country, which is really a Republican vision of the right, not the Progressive Conservative vision of the right which is much more flexible and has a heart, the Red Tories.

Mr. Speaker, I do not believe that total privatization is the answer. It sort of reminds me of the L'il Abner cartoons of the past where they would have a character in there called General Bullmoose who used to go around saying, "If it's good for me, it's good for everybody." Well, that is not true. Just because it is good for big business sometimes it does not necessarily follow it is good for ordinary citizens.

It is a very dangerous direction to go, Mr. Speaker, when the members opposite start harping on tax cuts, tax cuts and tax cuts. In reference to that I would like to quote last Friday's editorial page in the *Free Press*, my favourite editorial writer, Frances Russell. Her editorial is entitled "Taxes pay for civilization." Let me read a few quotes because the members opposite, maybe, need to refresh their memories. She says that when big business or business lobbies incessantly for tax cuts, "at least business is consistent. The same cannot be said for the Conservatives. They ceaselessly demand lower taxes and higher spending while threatening to unleash the Red Scare at the mere mention of a deficit.

"Budget day was Red Scare Day. The government that has handed out \$301 million in tax cuts and paid off \$480 million in debt since 1999 was excoriated by Conservative Leader Stuart Murray for not delivering a balanced budget."

Mr. Speaker: I hate to interrupt the honourable member, but I have been consistent with the ruling that, when addressing other members, it is by their constituencies or ministers by their portfolios and not members by their names. I have been consistent with that, and I will tend to be consistent with that.

Mr. Jennissen: I apologize, Mr. Speaker. The reference is to the Leader of the Opposition (Mr. Murray).

To continue Frances Russell's statement, she says, "Retreat from governance has taken on a life of its own, fuelled as it is by a proliferation of business lobbies, right-wing think tanks, so-called 'taxpayer' and 'citizen' groups, and a largely supportive media. Even a nominally progressive government like Manitoba's cannot stand against it without imperiling its survival."

She ends up, Mr. Speaker, if I can just quote the last paragraph. "The right's argument that tax cuts increase government revenue by stimulating more economic activity is ultimately self-contradictory. Taken to its logical conclusion, a government would be rolling in money at the point it collected no taxes at all.

"There is a new saying worthy of memorializing," and that saying is: "If you don't like taxes, try Haiti." That is the end of the quote from Frances Russell.

Mr. Deputy Speaker in the Chair

Mr. Deputy Speaker, it is obvious you cannot draw a parallel by saying no taxes equals utopia. It cannot be done. Then Haiti would be utopia. It is really nonsense. It is oversimplification, the same simplification, if you will indulge me, that the Americans used I think around 1917 in the Volstead Act. Their argument was we have serious problems with alcohol in the country, possibly they never looked at the social reasons for drinking and substance abuse, so let us abolish alcohol. It seemed like such a simple solution, the Volstead Act. But you know what happened? That was the act, Prohibition, that really launched organized crime.

When you try and solve a very complex problem in a simplistic manner, inevitably you run into all kinds of quagmires, and I would suggest that the mantra that is being repeated in the benches of the Opposition, tax cut, tax cut, tax cut, has that same inevitable result if you keep going that direction. At some point you have to realize that taxes buy civilization. They pay for teachers and doctors and roads and infrastructure. I mean there is a logical reason why we have taxes. You cannot just assume that you can privatize everything and that big business will take care of us.

Mr. Deputy Speaker, I personally do not have that great faith in the morals of the marketplace. I do not think the marketplace is God. I simply think we need government, decent government, honest government, straightforward government as an arbiter in the destiny of peoples so that the most impoverished and the most needy do not get left by the wayside. An extreme right-wing thinking leads to extremely poor people and more violence. And there are no simple solutions as they seek south of the border. You got a problem? You have a war on. The war on drugs, the war on communism, the war on terrorism, the war on you name it. Have they solved any one of those problems? The answer is no.

So I would suggest, Mr. Deputy Speaker, that right-wing direction that some members of the Opposition are embarking on, and which certainly the federal party which is now no longer the progressive party, Progressive Conservative Party, is embarking on, is a dangerous direction. Canadians see that as an extremist direction. Canadians are not extremist by nature. They want to solve the problem. They are practical. I suggest this is a practical government and I think these are practical solutions, and I think this is a practical budget, and I think the Minister of Finance (Mr. Selinger) has done a wonderful job.

Mr. Deputy Speaker, when we are arguing in this pro-con, she-said-he-said welter of statistics, there are some statistics I would volunteer to give the members of the Opposition. I do not want to be triumphalistic about this. I do not want to sound arrogant about this, because I honestly do not want to be.

But the statistic you should look at seriously, we all should look at, that in 1988 when this party was down to 12 seats and the next election 20, the next election 23, the next election 32, the next election 35,

shows to me a trend. Now most trends do not last forever, and I know there will be an end to it and there will be a plateauing and there will be a downturn. But I think that the people of Manitoba since 1988 have been putting more and more trust in the New Democratic Party's philosophy than before, and that is why we formed government.

I do not think this is a left-wing, radical government, as the members opposite would like to paint us. That is why I think the people of Manitoba have said, "You make a lot of sense, but the Tories do not make a lot of sense when they promise these crazy tax cuts that are not sustainable or these huge gifts that are not sustainable." I mean, the people of Manitoba, give them a little credit, they are smarter than that. Mr. Deputy Speaker, I could go on and on, on this point, but I am belabouring it, I am sure.

We have affordable government today. We still emphasize our priorities, and our No. 1 priority is health care. It has always been our No. 1 priority. After all, this was the party that built medicare, believe it or not, and we certainly would be the last party to imperil medicare.

There is a 5.2% increase in the health care budget. That is a pretty large increase considering the difficult economic times we are in right now. We continue to reform the health care system, Mr. Deputy Speaker—

An Honourable Member: Not very well.

* (14:50)

Mr. Jennissen: The member says, "Not very well," but I would say, compared to the record of the former government, we are doing sterling.

An Honourable Member: Sterling?

Mr. Jennissen: Sorry, Mr. Deputy Speaker, that would remind us of Sterling Lyon. We are expanding equipment, more resources. I can mention the latest technology, more MRIs, more CT scans, the latest technology such as the gamma knife. Compare that to the stuff we had before, the Connie Currans, as I mentioned, this SmartHealth stuff, the frozen foods, the attempt to privatize home care, and so on and so on.

Mr. Deputy Speaker, we are also putting \$5.6 million more into Pharmacare. Yes, the deductibles have gone up 5 percent, but there is wider drug coverage and many more dollars are available. Was it not the Tories that cut Pharmacare by 20 percent, if I am correct? We are trying to save the system. We are trying to save the system.

Mr. Deputy Speaker, certainly the formulary has been much expanded and there are no Connie Currans here. There are no attempts to privatize health care, and certainly we do not even talk about SmartHealth.

Also, Mr. Deputy Speaker, we are creating more opportunities for young people. Funding for schools is up \$17.6 million. The tuition on universities and colleges is 10 percent below 1999 levels. Where else is this happening? More young people are coming into the province, returning to the province, because there is hope here. Our population has grown.

Take a look at the infrastructure. It is not only the skyline of Winnipeg that is changing, the True North Centre, the MTS Centre, the downtown Red River College, and so on, the Hydro building that is coming in the future. It is happening all across the province. I can talk about Flin Flon where we have what we call the Flintoba Mall. Do you know what the Flintoba Mall is? It is a new shopping mall. It may not be a big deal in Winnipeg, but it is a huge deal for us in northern Manitoba, particularly in Flin Flon.

Do you know where it is built, Mr. Deputy Speaker? It is built on a huge flat chunk of marshland that once belonged to Peter Pocklington. Do you remember Peter Pocklington? People were going around with buttons on Peter Pocklington saying stuff like, "Save a Pig, Pickle Pocklington." Well, I do not want to get into that.

An Honourable Member: Peter Puck.

Mr. Jennissen: Mr. Pocklington, Mr. Puck, as somebody mentioned him, owned that chunk of land in his quest for more money and more glory, but once he realized he could not make that much money on it, he just left it. It sat there for 30 years. It was this Government in conjunction with the federal government, in conjunction with the City of Flin Flon under the infrastructure program that built that mall. Now we have some nice, big stores there, Mr.

Deputy Speaker. We can shop. Northerners can shop and they have some—

An Honourable Member: Shop until you drop.

Mr. Jennissen: Shop until you drop, as the member says. It is really a big issue for people up there because they used to have to go to Thompson or to Prince Albert or Saskatoon or wherever to shop, to get the kind of competitive shopping they wanted. Now we have it in Flin Flon.

So we have done many things in infrastructure, Mr. Deputy Speaker. That is just one of them.

Regarding highways, this is the third year we are into the \$120-million-a-year infrastructure expansion with highways. Mr. Deputy Speaker, we will do significant work on resurfacing No. 6 highway and there will be other major projects such as twinning the northeast section of the Perimeter Highway, twinning the Trans-Canada west of Virden.

Let us talk about the floodway expansion, Mr. Deputy Speaker, huge project. I do not know, I cannot believe that I am hearing my ears when I see Tories out there blasting the floodway expansion project and they keep hammering about labour unions and labour contracts. How about getting the floodway built?

We are not into a war with labour like they would like to have. They are always at war with somebody, nurses, teachers, labour unions, and I really, really resent when a friend of mine, Rob Hilliard, is being attacked in the back benches here, being called, you know, "Well, he is your union boss."

Well, you know, if he is a union boss, he is a pretty gentle union boss. I meet with this gentleman on occasion. He is a decent human being. He is a great union leader. He is a wonderful Manitoban. He runs a democratic union organization, a group of unions. Like, what is wrong with that? Why is he evil?

Mr. Deputy Speaker, I can only come to the conclusion that members opposite have embraced the extreme right's philosophy that all unions are bad, that all unionized labour is bad, that people should not make decent wages. I would suggest to them they

go back to the history of the labour unions and the trade union movement in this country.

We fought for decades and decades and decades to get decent wages and decent living standards and decent working conditions, and this Government will continue to work on that level. So I am really disappointed that they would take the cheap shots at such revered people as Rob Hilliard. I find that personally quite insulting.

Mr. Deputy Speaker, in fact, I could add at this point on the 28th of April, many Canadians and many Manitobans will be involved with a day of mourning which was instituted by Rod Murphy as a backbencher bill in Ottawa a number of years ago. I think we should all be proud to walk with organized or unorganized labour compatriots, walk with them and honour the memory of those who were killed in the workplace or who were injured in the workplace. Instead of attacking labour and attacking workers, you have to deal with them.

The Tory party, I will give you some free advice. Mr. Deputy Speaker, the Tory party is not going to go anywhere if it does not treat workers decently and has a good relationship with working people, including unionized labour and including Aboriginal people and including all northerners. If you are going to continue ignoring large sectors of this province, you will never be elected. You have to be a little bit more, shall we say, creative, than you are at the present.

This Government also has provided more support for children and families: the 11% increase for the Supported Living Program to help persons with mental disabilities; \$4 million more for child care programs; there is continuing support for the Lighthouses program. I am happy to say we have a Lighthouse program that will be up and going in Flin Flon.

This Budget does not ignore northern Manitoba, as former budgets did under the previous administration. I remember only too well a number of years when during the Estimates procedure I had to deal with Glen Findlay, who was then the Minister of Highways. He was a good gentleman, an ethical gentleman, for whom I have great respect, but we could never agree on the North particularly. His argument was, "Well, look, you have only 4 percent

or less of the population, so you should only have 4 percent of the budget for roads."

That is not acceptable to northerners, because our roads are lifelines. They are long roads. They are difficult roads. Many of them are unpaved. They are in bad shape. Four percent will not cut it. I am very glad that when this Government was elected in 1999, one of the first priorities, next to health care, was to reverse things a little bit and put 25 to 30 percent of the highways budget into the North. I thank my colleague from Thompson, who was instrumental in that.

We would put three times as much money into winter roads. Winter roads are critical in northern Manitoba. Some winter roads in the northwestern sector, my sector of the province, were toll roads, where the poorest of the poor people living on reserves had to pay extra because the food coming in was subject to a toll. We took that off. We removed that. We made life just a little bit easier for northerners.

This Budget also has upgraded and improved water quality and waste treatment to 45 northern communities. This Budget is involved with new Hydro initiatives, or at least this Budget is part of the new Hydro initiative, which Wuskwatim is going to play a major part in, a \$900-million project. It will create many, many jobs. Aboriginal people and northern people are really looking forward to dams once again being built in northern Manitoba so that we can continue to flourish and continue to use the resources that we have.

That is not all. There are other directions we are going as well with energy. Ethanol and wind power are also extremely important directions we ought to be investigating, and not only investigating, working on making them come true. I am very happy to see the wind farm at St. Leon.

Also in the North, mineral exploration programs will continue as in the past. It is extremely important to have those mineral exploration programs continue. Mr. Deputy Speaker, \$350,000 may not seem like a large amount of money, but it is earmarked in the Conservation Department for cottage lot and camp-site development. Much of that development will take place in northern Manitoba, because we live in a beautiful part of this province.

There is \$6 million more for housing in remote communities. Mr. Deputy Speaker, a new Northern Healthy Foods Initiative has been launched as well by this Government. There is money attached to that, because, as I have alluded to before, some of the prices in stores in northern communities are excessive, are extremely high. It is the poorest people again who have to pay those prices. It is something we have to address, and we are attempting to address that.

We have the University College of the North. I am disappointed that the Leader of the Opposition (Mr. Murray) actually pooh-poohed this idea. He basically said it was not a good idea. He did not vote for it. He would not support it. I think since then he may have changed his mind. I hope he has, because the University College of the North is very important to us in northern Manitoba, partially for symbolic reasons, because it tells the rest of Manitoba that we have grown up, that we are mature, that we deserve our own institutions, our own university. I am very happy that this Government has finally made this dream come true, that we have our own University College of the North.

Mr. Deputy Speaker, a number of years ago, together with my colleagues in northern Manitoba, we talked about some major initiatives that needed to take place in northern Manitoba. We isolated, basically, five areas that we needed to focus on: housing, health care, transportation, education, economic development. It came to be known as the Northern Development Strategy. We delivered on each of these aspects.

*(15:00)

Under the Tories, I sometimes wondered if northern Manitoba really existed. It certainly was on the periphery of things. It certainly never got its fair share. Now I can say that with regard to housing there is \$6 million more for northern housing, as I mentioned before. For health care, we have new technology, Telehealth, new ambulances. For transportation, as I said before, we have tripled the amount of money for winter roads. We put a lot more money into northern roads. In education we have the University College of the North. Economic development, we have got Wuskwatim and other hydro projects, and so on.

I see that I am slowly running out of time. I simply want to point out once again for the benefit of

my colleagues, I really do believe that they need to take stock of where their party is going. I know that all parties go through transitions.

I know when CJOB hints that we have become fiscal conservatives, that is, the New Democrats, on the other side, maybe the Progressive Conservatives have dropped their progressive label and have gone too far to the right. I think they have to be very much aware of that.

What I really deplore is that they do a lot of talking, but I would like to say that the Tories talk and we deliver. Now, I know that is not entirely true. They have delivered some good things. Professor Cameron said that under the Filmon Tories some good things did happen, but also, in all honesty, better things happened under the New Democratic administration that embarked on a new road in 1999. We are still walking on that road and we are still progressing satisfactorily. I think the people of Manitoba will give us the benefit of the doubt. They will see that we really mean what we say. They will support us. I hope that members opposite will also consider supporting this wonderful budget. Thank you, Mr. Deputy Speaker.

Mr. Mervin Tweed (Turtle Mountain): I too am pleased to put some comments on the record, Mr. Deputy Speaker. I have had the opportunity to sit through—I believe this is the ninth budget for the province of Manitoba. I did want to make a couple of comments on some of the things that I had seen in the past and also some of the things that I see in this Budget.

There is a time when governments have to be accountable to the people and have to show to the people that what they are doing and what they say they are doing are the same thing. Governments over a period of time are often judged on the things that they say, but, more importantly, over time they are judged on things that they actually do.

We have seen a government for the last five years, four years—I believe this is their fifth budget. Is this your fifth budget? It is their fifth budget that they have presented to the people of Manitoba. I want to highlight some of the things that we have heard about, we have talked about, we have debated in here and certainly I think will be of interest to Manitobans.

First and foremost, a budget presents a blueprint or a design of where the Government is going to go in the province, what their priorities are in spending, what their priorities are for the people of Manitoba, things that they have heard and, hopefully, are responding to. It is an interesting time.

I look back in the past budgets that we have seen this Government present. I want to talk about the first one in the sense of what was promised to Manitobans and then in reality what was delivered to them.

Back in 1999, in September, the current government ran an election campaign on ending hallway medicine in our hospitals in Manitoba. They talked loudly and proudly across the province about how they would do it, when they could do it and the time frame of six months. They actually put a dollar figure on it, which is something that, you know, at the time, I think, the people of Manitoba were looking for and were asking for and, I suspect, even hoping for. I think a lot of budgets are presented as a hope for the future, not so much in the sense of a Throne Speech as a vision for the province, a budget kind of puts the hard numbers to that vision. That is what the people of Manitoba believed, were led to believe, and supported.

Well, Mr. Deputy Speaker, we know where that went. We certainly know that our health care system, although it has received several large injections of new funding and new money from the federal government and the provincial government, where are we actually today? We have got a government who presented in their last budget a suggestion that the administration costs of health authorities and of the Health Department should be and could be cut by 10 percent.

Mr. Deputy Speaker, if you are managing the economy and you are doing things right, that should have been a priority five years ago. What we have seen is, we have seen a government that has continued to increase the funding to administration, encouraging the growth of administrative costs, neglecting the service side of it, the services that people are expecting and actually need, and it is jeopardizing our health care.

No one would disagree with this Government or with the federal government when they say that our health care is not sustainable at the rate we are going.

All of a sudden, their first year, five years as government, they wake up one day and say, "Gee, maybe we should look at our administrative costs and maybe try and do something with that." In reality the numbers show that that is one of the largest increases in the budget documents over the past five years that this Government has failed to address.

I think the issue, though, Mr. Deputy Speaker, and as I go through my comments in regard to the Budget, I think we are going to see a pattern developing here. I think we are going to see a pattern of a government that has made commitments to all groups of people and the question is will they be able to, or now I think the question that people are asking is can they deliver on what they have said.

We certainly know in health care that waiting lists are getting longer. We heard today, and we have heard in the past, that they are talking about reducing services at many of our city hospitals. We know in rural Manitoba that the Government may say that they are not going to close a hospital, but they restrict and reduce funding to all the departments of that hospital. Management is forced into making decisions on reducing services, and eventually they will close and the Government will stand and again say to Manitobans: "We did not do it; we have a health authority that made that decision. We have empowered them to make that decision. We are saying they should be open and stay open and continue to provide the services." But they do not back up those statements with the actual plan or the funding that is required to do that.

A lot of the issues that I find in our health care system are what people are telling me time and time again, that they need access to care. It is not impossible and it is not extremely difficult to make that first contact into our rural health care facilities. What is difficult is getting the next step into the professional or to the specialist who will serve and meet those needs. I think this Government has failed terribly in providing that comfort to those people.

You talk to people who are on waiting lists, and have been on waiting lists for months and sometimes years, and at the end of the day, I think that is what is driving the private-public discussions that are out there. People are saying, "We do not care who provides the service to us. We do not care how or where or why we get it, we want it in a timely fashion," and as long as the quality of that service is

maintained, I do not think people are going to be too upset about where or how. In fact, we are seeing it on a daily basis with the amount of people that are going, not only out of province, but out of country to obtain those services.

Mr. Deputy Speaker, another area where this Government, I think, has made promises and has been unable to deliver, and, again, I think it is something that is now starting to show up in the communities that I represent and I believe communities all across Manitoba, including Winnipeg. A while back the Premier (Mr. Doer) spoke to a group of people, a group of educators, a group of school trustees, and he made the comment to them, and it is a public comment, and it is on record, that he would never force amalgamation of school divisions in the province of Manitoba. In fact, he said over and over that that was not the Manitoba way and that is not the way that my office will run, or our Government.

Yet, Mr. Deputy Speaker, within months of making that comment, what was the very thing that this Government did? They forced amalgamations upon school divisions that had already been sharing a great amount of services, had shared costs and reduced costs in their administration, and they felt that they were lied to. They felt that the Premier of Manitoba had misled them with his comments and his suggestions. Over time, people build up resentments that over time will come back, I think, to haunt this Government.

One of the other things that they did, and again it shows the continuous pattern of what we see this Government doing, is under the guise of amalgamation they suggested to the people in Manitoba that this would save them \$10 million. The Minister of Education at the time put that number on it right off the bat. So now we have a government that is saying, "We will not force amalgamations," and then does; says, "We are going to save \$10 million dollars," then does not. We are seeing anywhere from \$18-million, \$22-million, \$24-million increased costs to force the amalgamation that this Government imposed upon people, and again the pattern starts to set up.

* (15:10)

It is starting to show up, the footprint is starting to show up: "I say one thing when I am in this crowd with a group of people that I know are going to be

upset with me if I tell them what I am really going to do, I go back to where I am comfortable, in the Legislature, where I do not have to face the public on a day-to-day basis, and I make decisions that impact and actually go against everything that I have said to the public at the time."

The education fiasco even went so far as that the Government had to bring in a bill to protect their minister from the decisions that he made while he was the minister. In a democracy, I would suggest to you that there is something dreadfully wrong with a system when government has to bring legislation forward to save their own bacon on an issue that they probably misread and misrepresented to the people in the province of Manitoba.

In recent times, Mr. Deputy Speaker, we have listened to this Government. They presented to the people of Manitoba an opportunity where they were going to steal \$30 million from MPI. The public got wind of that, the people were opposed to that, and, to their credit, what did this Government do? They backed away and said, "We hear you loud and clear; we are not going to do that."

But in this Budget they talk about amalgamating the MPI and Vehicle Licencing department. While originally part of that \$30 million that they were trying to take out of Autopac, \$10 million, was scheduled to upgrade DVL in their computers and in their programs, I suspect that is now going to happen. I suspect that it is going to happen at the expense of Autopac, MPI.

I suspect that that will be reflected in the rates that we are going to pay over the next few years. You cannot increase the cost of services by \$10 million to an organization whose only revenue and only source of income is the people that are using it. So I suspect that we are going to see user fees go up for our Autopac, for our insurance, to cover off a plan that the Government tried to backdoor us at one time by taking the money out of Autopac. Now, by amalgamating them they are going to force them to pay.

I found it quite interesting that the Member for Thompson (Mr. Ashton) talked about tolls on roads. Well, I would suggest to you that a \$23 surcharge on my licence and on every Manitoban's licence in the province of Manitoba is a surcharge. The difference is, and I think there is the real difference, this

Government again is telling people that that money is going to go into fixing roads, upgrading roads, making roads safer. We know for a fact that that money will never go there. That money is going to go into MPI; it is going to pay for the upgrade for those computers that they could not take out of it before, to the DVL, and we are going to see increased costs.

I suspect again, Mr. Deputy Speaker, that we are going to see rates continue to go up with MPI as well as our education fees, simply because they have built in higher expenses. It is a service that only is provided on a user-pay basis. So I am predicting, and I hope I am wrong, I think the people of Manitoba hope we are wrong and you know this \$23 just is not the first time that this Government has done this. It was \$10 three years ago, it was \$10 last year, now it is \$23. I mean they talk about protecting and being aware and being concerned about the underprivileged, the disadvantaged, and yet everything we have seen in this Budget is a direct hit on that particular group of people in our society.

Mr. Deputy Speaker, we all know that hydro rates are going up. We know that, the Minister of Hydro has announced it. We are talking 25 percent, I believe, over the next 10 years. We are talking about a substantial hit in the next two years, but they even couch their comments and, again, I go back to pattern that has been developed by this Government of saying one thing and doing another.

They announced that hydro rates were going to go up and they had an average, I believe it was 5 percent, 3 percent over one year and 2 percent over the next. What they did not tell people was that was the average. What they did not tell people was that homeowners were going to see a 7% to a 7.5% increase. Because they averaged it out, it was a lesser number and again misled people, misled the consumers in Manitoba. But this Government was being very cautious with their money and very careful with their money, but, oh, by the way it is not 5 percent like we said in our news releases; it is closer to 7 percent and a little bit above in certain areas.

So, Mr. Deputy Speaker, what do we see here? This pattern developing, doing one thing, saying one thing, doing another. I will give you another example: Workers Compensation rates. Workers Compensation rate is funded solely by employers. It

is to provide a benefit to the employees that work within their system for insurance and health care benefits should they be injured.

What are we seeing now? Mr. Deputy Speaker, we are seeing a government that is manipulating the Workers Compensation Board spending the money like it is theirs, instead of the people that it actually belongs to. They are out there negotiating first to purchase an MRI on behalf of Workers Compensation that they would be expected to pay for and when the business community expressed their concerns, what did they do, they changed it. Now they are talking about a lease. So we are not really buying it, but do not worry.

What have we seen in the last three years? We have seen Workers Compensation rates going up. They have gone up year after year after year. They always use this argument that yes, they are going up and yes, but we are still the lowest or second-lowest in Canada.

Well, Mr. Deputy Speaker, I would like to think that that is a congratulatory handshake to the previous government who worked extremely hard to get those rates as low as they possibly could be and still sustain themselves. What we have seen this Government do is go into every department, every Crown corporation and find a way of increasing those fees, not for the benefit of the people that are accessing and using those services, but for themselves. It is more revenue for the Government. It is more need for the Government. I guess the bottom line and the question is how do we get that need. Why did we get to that point?

Mr. Deputy Speaker, we talk again about a government that says one thing and does another. We have heard members in this House, we have heard members from the government side talk about the sale of MTS, and how the previous government took those funds and put it into a rainy day fund and used it to benefit all Manitobans, to help cover the costs of the flood of the century, the worst flood that we have seen in our history, in our lifetime. We saw it to cover costs of forest fires in the North. They always make the comparison about we sold MTS, but the current government, no, they did not sell Hydro; they just mortgaged it to a point where it is starting to run out of wiggle room and be able to do the things that Hydro was meant to do, what they were mandated to do.

So I ask the Government across, Mr. Deputy Speaker, what is the difference when you have put a company like Manitoba Hydro into a position where it can no longer make the decisions that it has to because of the Government siphoning \$200-plus million out of it. They did not ask the taxpayers about that. They did not run on the issue that they were going to steal \$200-plus million from Hydro. They did that. Again, they had to change legislation. They had to rewrite legislation that allowed them to do that.

Mr. Deputy Speaker, when the legislation was first written on Manitoba Hydro, it was clearly to benefit the people of Manitoba. It was not to benefit a government that needed an extra \$200-plus million of revenue to balance their budgets. The members opposite will say, "Well, what do you want us to cut, or what do you want us to give back, or if we did not take the money from there, you would not have this or you would not have that."

* (15:20)

Well, I suggest to you, Mr. Deputy Speaker, that is exactly what this debate is about. It is about a budget. When you lay out a budget for the people of Manitoba, you are asking them, you are saying to them, you are promising to them that you will be accountable within that budget. We have not seen that. In fact, I believe it is the Auditor General of the Province of Manitoba who has said for the last three, no, it is four years now with this one that this Government has failed to balance its budgets.

Now, they will use the ruse that, well, it falls under balanced budget legislation and I agree that it does. But if we are truly being honest with people and straightforward, that is like saying that this is going to happen only because this out here, that is the way it was written to be. Why do they not just be honest with people and tell them the truth? Tell them that they needed \$200-plus million from Hydro to balance their books instead of saying, "Oh, no, it is under the balanced budget legislation." People become very, very untrusting of a government that uses phrases and uses legalese to escape responsibility.

In reality, as the Auditor has said, this Government has overcome their deficits by falling—and, to use a never-used piece of legislation to balance their books, and then say to the people it was

because of the forest fires, the BSE crisis. If there was a crisis out there, these guys were out there looking for it. In reality, and it shows up, I believe, in the first quarter where they advanced \$98 million and they said it was for the forest fires, for the BSE and, yet, when you look at the expenditures on the news release, about \$75 million of that \$94 million, \$98 million went to health care. So, again, they are misleading the public as to what they are saying and what they are doing. I think, over time, I really believe that people start to question government's motives and their abilities to do things in the right way.

Mr. Deputy Speaker, we come to this year's Budget and what have we seen? We have seen this Government tax everything that moves, breathes or even suggests that it is a part of Manitoba. We have seen every municipality, town, city in Manitoba getting hit by three separate taxes, new taxes from this Government. They are getting taxed on the legal services that they now contract out. They are getting taxed on the accounting services that they now provide. They are getting taxed on the diesel fuel that they now use in their system.

You know what, Mr. Deputy Speaker? What is ironic is they say that it is all fair and everything is good and everything is rosy. Do not worry. But, when they talk about caring and they talk about being the defender of the underprivileged and the needy, what have they done is they have put a 7% tax on every one of them, not once, but three times. It just boggles a person's mind that the Government that stands for fairness and righteousness for all Manitobans would put such a tax on people and, I would suggest, at a time when probably they can ill afford it.

To put the topping on it, Mr. Deputy Speaker, not only have these people had to endure these large tax increases, but they have had to increase again their health care premiums for Pharmacare. Again, I have sat here long enough and I have listened to this Government when they were in opposition rail against the Government about Pharmacare. You know, it is a tax on the sick; it is a tax on the poor. What have we seen in the last three budgets? We have seen a 15% increase in the deductible.

I suggest to you that Manitobans have seen a distinct pattern developing across the province of Manitoba. It is a government that says one thing,

does another, and whatever room it happens to be in at the time, that is the message and the song that they will sing to the people that are in it.

I want to just speak briefly about the Premier's comments. You know, there are a lot of things that we say in this business that we either regret or we wish we had said it differently. I can think of a couple of things from the Premier's point of view. Obviously, he said, "We will not force amalgamation; that is not the Manitoba way." I bet he would like to take that one back, because he really did not do that, he did just the opposite.

I can remember in the debate over the downtown, and you know what? I find it amazing that this Government, because of their anger and disdain for MTS, almost reluctantly or not at all call it the MTS Centre. They talk about the True North Centre, they talk about the entertainment complex, but it is almost like it hurts them to say MTS Centre.

Here is a company that was a Crown corporation, owned by the Province of Manitoba just a few years ago, and today they are building a beautiful downtown arena, and this Government has not even got the gonads to call it what it is, the MTS Sports Centre. They want to call it a recreation or a skating rink. I mean, this is a corporate citizen that they said would be out of Manitoba as quick as they could, it would be gone and would have nothing to say for itself. Well, what have we seen? We have seen this become one of the top telecom communication businesses not only in Manitoba, not only in Canada, but in the world. They are out there in the world market. They have just taken on another purchase, another huge growth for the company. But this Government does not have the caring, they do not have the understanding that these are good corporate citizens of our community.

I just ask them, in any of their comments, and I will go back and check it out, because I suspect there are very few references to the MTS Centre in any of their comments. I would just ask that they consider that. They talk in great terms about their downtown Manitoba Hydro building, but they do not talk at all about the MTS building. I think this Government should probably consider that.

Other things that the Premier was quoted as saying but really did not follow through on, and again more just to set the table to show you the

pattern that has developed, I remember the debate over the funding of the MTS Centre, the beautiful complex that is going to be built, or is being built in downtown Winnipeg. They talked about gambling revenues, and the Premier, I have it on tape, so I have got to believe it, I have got to believe what he said, and I am sure he meant it at the time. But he looked right into the camera and he said, "We are putting VLTs as part of the complex downtown, part of the MTS Centre, and the maximum revenue that they will take out of that is \$1.5 million." The Premier is on record. He looks right into the camera and says it.

The next day in the House I asked the Premier if that is what he meant. He would not even acknowledge that he said it. Then later we find out that that was the minimum that they were going to pay, and if they did not raise that much money, the Government would back-fill up to that amount, again, a government, a Premier, a Cabinet that says one thing and does another.

The list goes on. I mean, we have had promises in agriculture; we have had promises to our producers. Every year, including this year, we see announcements of more money going into agriculture. In the reality, we look at the bottom line and there is less money.

The people in rural Manitoba are saying that our Minister of Agriculture has abandoned us. The minister has come out and promised, through great fanfare and through great publicity, signed an agreement to be part of an Agricultural Policy Framework, and yet my constituents have seen none of the money flow from the Province of Manitoba.

* (15:30)

In fact, when questioned about it, this is ironic, this gets back to the phrase, "We balanced the Budget under balanced budget legislation." When the minister was questioned about it, finally we got to the third question and it was, "Oh, oh, you meant that. Oh, okay, I did not know you meant that, I thought you meant this other agreement." It is something that we have been talking about for the last oh, probably 10 months, Mr. Deputy Speaker, and all of a sudden it is, "What about that?"

The final phrase that the Premier (Mr. Doer) has stated, he said, "I did not get elected to raise taxes."

What has he done in this Budget? He has raised taxes on everybody that lives, breathes, eats and moves in this province of Manitoba.

Mr. Deputy Speaker, in closing, I would like to have the Premier listen to one of his phrases that I think rings most true about himself, about the Premier of the province of Manitoba, about the Government that he represents and the people that sit on the other side. The Premier said, "Over the short run you can be intellectually dishonest because in a world of 10-second clips you can say one thing one day and you can say another thing another day. You can do that for a while, and that is unfortunate, because over a period of time it catches up to you."

With the budget speech that we are performing today, over the last four years I would say that phrase has caught up to the Premier of this province. Thank you.

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Mr. Deputy Speaker, it certainly gives me pleasure to have the opportunity to put my thoughts on the record on this balanced budget.

We listen to the Opposition talking about us not meeting the balanced budget legislation, but, Mr. Deputy Speaker, it does meet it. It is balanced between the important goals of investing in our citizens today, continuing our progress on affordability and public financing and building for the future.

I want to pay tribute to the Minister of Finance (Mr. Selinger) for the work that he has done on this Budget. I happen to sit on Treasury Board and I know how much work it takes to prepare a budget. Along with other Treasury Board members, it is the minister and staff of Treasury Board that puts hours and hours of work in. I want to commend him for his commitment to this process and for putting forward such a solid plan.

It is a solid plan given the challenges that we have faced in this last year. Who would have thought that when we started 2003 that we would face the kind of challenges that we did? The challenge of BSE that hit our farming community not only affected the beef and dairy producers and other ruminant producers, there was a serious impact on all the communities, on the trucking industry, on the

auction marts. Many, many people were affected by this. I am pleased that we are moving forward, and I hope very soon that we will see live animals moving across the border and get back to a more normal situation that we had.

The whole case of BSE made us look very closely at our plans, how we test animals, how we trace animals. We can be proud of Canada's record on this, but there is no doubt that there is more that we have to do and that is happening.

Along with BSE there was the drought, forest fires, a record number of forest fires, second highest year of forest fires in this province. The drought caused serious challenges for Hydro, given that the generation was way down.

As well, Mr. Deputy Speaker, the level of the Canadian dollar impacted us because we are an exporting country and our biggest exports are to the United States. This rise in the dollar has affected that. One of the areas it really affected was with the hog industry. I am pleased to see those prices turning around a bit and the hog producers not facing the challenges.

So, Mr. Deputy Speaker, Manitoba has risen to meet these challenges as individuals and as communities. Individuals have put together long-term plans. They have found ways to get through this difficult situation, just as we have with this Budget. This Budget maintains investments in education, health, and in Manitoba families. As you look at the Budget, you can see that about half the government departments have been directed to reduce spending and to hold the line, in order to focus on investments and support future growth opportunities.

One of the most important areas for our Government is in education, primary education, and this Budget has maintained our commitment to fund schools at the rate of the growth of the economy and to keep post-secondary education affordable for the students who qualify. These are the policies that have expanded colleges' and universities' enrolment over the past five years and, really, are paving the way for future economy growth. This Budget maintains our commitment to affordability. We set out a sustainable program for tax reductions for individuals in Manitoba and for businesses and we have delivered that reduction despite the challenges we have faced. I would invite the members opposite, when they are

talking about the taxes, to compare what other provinces have been forced to roll back. How they have had to roll back their promises on tax reduction and have also, in many cases, made serious reductions in vital services.

But, Mr. Deputy Speaker, I am very pleased with what we have been able to do, once again despite the challenges we were able to allocate \$96 million to pay down our debt and pension liabilities. I guess it is worthwhile remembering that it was this Government that started the proper accounting for public pension liabilities as part of our total debt picture. It is this Government that took measures to address those challenges. Of course, taking those steps has had immediate rewards for taking this long-term approach. By taking the step to pay down the debt and the pensions we have managed to reduce our debt costs significantly since we came into office.

This year's savings are \$32.5 million over last year's and we have raised our credit rating. I am not sure why the members opposite would not congratulate us for improving that credit rating. They have been silent on that one. That is an important issue to be able to have the kind of credit rating that will allow you to control your costs on the financing. Again, I commend the Minister of Finance (Mr. Selinger). Since taking office, he has made tremendous steps there.

Mr. Deputy Speaker, infrastructure is important to people in the city of Winnipeg, in Brandon, Dauphin and all rural communities. On top of the five-year \$600-million commitment announced three years ago, this Budget adds an additional \$10 million for construction this year, and there will be an additional \$10 million in the following year. This added funding will allow for a number of projects critical to highway safety and transportation needs to move forward and be accelerated.

There is the twinning of the No. 1 highway at Virden; there are the plans to improve and twin the Perimeter Highway and complete that piece of road that has been a very serious issue. I was very pleased to see a police officer in the paper commenting on how important it was that we move forward and fix this piece of the Perimeter Highway where there have been several deaths, Mr. Deputy Speaker. *[interjection]* You know, the member says that is 2009. Can you imagine? The member seems to

imply, the Opposition said, "Oh, you are not going to fix that until 2009." Just like they could not read the Budget today on health care, they seem not to understand planning infrastructure.

You cannot announce in a budget that you are going to improve a road and the next day put equipment out there. They should understand, and I am sure they do, that there is a process of engineering that has to take place. Yes, that is the length of time that it takes to put the plan in place, but work will begin this year.

* (15:40)

The members opposite will see activity this year. That road will be completed by 2009. I think the members are feeling a little bit envious that it is we who moved forward, just like we moved forward on making a plan for the floodway and just like we moved forward on the plan for the Brandon Hospital that was announced, I believe, four times. Four times, was it not, they announced the Brandon Hospital? Every election they would announce it but never do anything. I am also very pleased that we are moving forward with the Swan River Hospital.

You know, the Swan River Hospital was torn down. The members opposite said that they were going to do something. We were shocked when we came into office and looked at the books. There was no Swan River Hospital in their 10-year plan. They did not put it in. I can remember that one meeting that I went to—[interjection] Members opposite said they did not know where Swan River was. Well, they knew how to come out and make the announcement that they were going to tear down the hospital, and they made a few other promises at that time that were never delivered on, but they never put in the capital plan the money to build the Swan River Hospital. We put it in and we are building it. It is in construction as we speak. If you came to Swan River you would see that the elevators are up already and construction is well under way. I know we would not be at this stage if there was a Conservative government. It was their intention to keep the temporary hospital in place for many, many more years.

The members opposite have ranted and raved about this Budget, about how terrible it is. I just want to share a few thoughts that were made right after the Budget. The day after the Budget, a University of

Manitoba economist, Norm Cameron, said that our Government had been a good fiscal manager.

He went on to say, and I quote, "I think that Manitoba's government over the past 15 to 20 years has been the best in Canada." When the announcer asked about this Government, he said, "Yes, this current government," "oh, especially this crowd," "yes." So he recognized the work that this Government was doing.

All four of this Government's budgets have balanced under the balanced budget legislation that was put in place under the previous administration. The Auditor General stated in his news release in January 2004, "I acknowledge that the Government has continued to comply with balanced budget legislation." That is what the Auditor General said.

Certainly, we have to recognize that forest fires and BSE were something that was not predictable. It was something that was beyond what was budgeted. Certainly, the balanced budget legislation allows for those kinds of emergencies to be paid for.

The Opposition is critical of us for using balanced budget legislation there. They say that they did not use it for the flood of 1997. The reason they did not use it was that 70 percent of the flood costs were picked up by the federal government. Ottawa has not provided any compensation for the extreme costs of the forest fires. They have put money in place for BSE, but that does not offset dollars for the BSE, that is addition to, and, certainly, it took a long time for those dollars to be put in place.

Mr. Deputy Speaker, when you talk about emergency expenses clause, balanced budget law, that was put in place by the Tories, the then Finance Minister, Mr. Stefanson, defended it in the House and he said: "The proposed legislation . . . is a carefully balanced package which will guide fiscal policy in this province for many years to come. It sets out a very rigorous requirement for annual balance between the spending and revenue, but it recognizes the vagaries of government finances by providing for the contingencies of the Fiscal Stabilization Fund and by permitting the balanced budget requirement to be overridden in . . . emergency circumstances." Their Finance Minister recognized the importance of having the ability to deal with emergencies, and this year we have had to.

But, Mr. Deputy Speaker, I want to also talk about another quote. We balanced the Budget, but I can tell you that the opposition members advised us to run a deficit and I remember the day when the member opposite talked about the BSE crisis, that we should get some money into the farmers' hands. At that time, the critic for my department said, "The NDP should use the rainy day fund for BSE, and if there is not enough money, should consider cuts in government spending. Mr. Doer should be willing to make a judgment to run a deficit." So they try to have it both ways. We should run a deficit to address crises, but we should not use the clauses that are available in the balanced budget legislation.

Mr. Deputy Speaker, I want to speak briefly about our record. The member from Arthur-Virden was talking about the True North Centre, what is now the MTS Centre, and that is one of the deals that we have been part of. We were the ones that negotiated that deal.

Simplot, the \$110-million processing plant in Portage la Prairie. The past member from Interlake said, "Oh, that is never going to happen. We are not in power. We will never see a Simplot plant." Mr. Deputy Speaker, the Simplot plant is operating, creating many jobs, creating opportunities for our producers to diversify into other crops. Certainly, there is some pressure now with the change in diets of people, and the amount of potatoes that are going to be consumed, but that is one of our successes.

The Red River Floodway agreement, which government secured the financial support for the first stage of a \$660-million project, \$240-million shared funds for the initial phase? Mr. Deputy Speaker, it is this Government that has recognized the importance of those.

The federal-provincial immigration agreement, which has certainly raised our population in this province, Mr. Deputy Speaker, and I certainly want to commend the previous Minister of Immigration and the present Minister of Immigration (Ms. Allan) for the work that they have done in that area. This new deal signed in June 2003, supporting target for 10 000 immigrants per year, has reached, last year, 6500 people coming into this province, including a record 3000 people under the Provincial Nominee Program.

Mr. Deputy Speaker, on issues that are important to rural Manitoba, the APF is an important program

for our producers, and it is one that I believe gives a lot more protection by covering a portion of the negative margin. We have had a 16.7% increase in the funding to bring our total commitment to over \$50 million in the upcoming year. The members opposite talk about our commitment to that program. If they would read the Budget, they would see that money for the CAIS program, the Canadian Agriculture Income program, is in place.

With respect to BSE, we know, we have all learned that since this crisis we have to do a lot more to increase slaughter capacity in this province. If you look at the numbers under the previous administration, during their time the slaughter capacity in this province declined dramatically. There was no effort made to increase or try to get that industry back to this province. Producers now realize that they cannot be so dependent on an export market and are working very hard to get Rancher's Choice up and running. Our Government is there with them. We have made a commitment to make an investment in the facility.

*(15:50)

Along with that, Mr. Deputy Speaker, we have to continue to work very hard to get the border open. We also have to continue to look at new market opportunities and work at developing market strategies when these new products from the Rancher's Choice facility become available.

Another important tool for the agriculture industry is crop insurance, and we work very closely with the producers in this province. That is why we have expanded the Pasture Insurance Program, and that was a program that producers were really looking for last year when there was a serious drought in this province.

A new crop in Manitoba is the western hard white wheat, which was not insurable previously as a separate class. We have been able to do that as well.

I am very proud of our record. Despite the challenges that we are facing, we have been working steadily to maintain our plan for growth and our vision for the future. Our commitment to the priorities of health care education to our children and youth of this province are reflected in the Budget.

Mr. Deputy Speaker, one other area that I want to take a moment to talk about is the new

Department of Water Stewardship. I heard the member from Emerson talking about how terrible this was, and the pressures we were putting on farmers by looking at new legislation for water stewardship, new legislation in The Planning Act and manure application, or livestock operations, I should say, and telling municipalities that they are going to have to do more planning.

The member opposite was very critical of us. But I can tell you I was at Rural Forum, where Keystone Agriculture, along with a waterfowl group, put on a session on ALUS which is the Alternate Land Use Strategy that people are looking at. People recognize that there are things that we have to improve on. They recognize that there is marginal land that is being cultivated that probably should not be cultivated. They said at this meeting at Brandon at Rural Forum that all of the water from Manitoba drains into Lake Winnipeg. All of us, right across the province, have a responsibility to do things better so that the condition of that lake improves, because it is important to all of our futures.

So, even though the member from Emerson is critical of what we are doing on the water stewardship and the steps we are taking, I want him to know, and I want other people in this House to know, that producers and people in rural Manitoba are looking at different options.

The program that I talk about is a set-aside program, a program that puts money into producers' hands for better practices. It is a pilot program in Ontario, I believe. I think Prince Edward Island has a similar program, Mr. Deputy Speaker. We are looking at ways we could do some of these things, but the point in raising this program is to just point out that, although the member opposite, my critic, the member from Emerson, does not think that we should be taking steps to address those soil and water issues, the producers of Manitoba are ahead of him. They recognize that we have to work on this together.

Mr. Deputy Speaker, we have heard the members opposite being critical of what we have done in Pharmacare, critical of what we are doing in health care. When you look at Pharmacare and the increases that we have made to funding Pharmacare, the increases that we have made to the number of drugs that are available, we have improved and we are continuing to make investment in health care. In

fact, we have increased the budget for Pharmacare by some \$5 million. We have to look at these issues. Certainly Pharmacare is a very important issue to all of us. We have to look at ways that we can save the program and to continue to add drugs in that need to be added if there are new ones. Certainly we have expanded it. I said the investment was \$5 million. I made a mistake. The investment is \$5.6 million in Pharmacare.

We have to recognize too that in the past five years spending on Pharmacare has more than doubled. In order to sustain it, Mr. Deputy Speaker, deductions will increase as they have in the past. New deductibles are being set for higher-income families.

I have talked to people on this issue. People have said that they want us to save the Pharmacare system. We are listening to people. I can remember having this discussion when the minister was out on his pre-budget consultations. People recognize this is a very important program, but they also recognize that we cannot continue at the level that we are at, and we have to make some changes. When you think that there are over a thousand new drugs now on the Pharmacare list that is very, very significant.

I am also pleased that we have been able to work with doctors in rural Manitoba. We now have the highest number of doctors working in Manitoba in a decade. As well, almost 900 more nurses are working in Manitoba.

Cancer and other serious diseases are challenges for many families. Waiting lists are very difficult to deal with. Cancer treatment waiting lists have been cut in half. We are recognized across the nation as having the shortest waiting. Yes, it is difficult to wait, but none of the services that we have in health care can be delivered immediately unless they are an emergency situation. It is much easier for families when we have been able to reduce the waiting lists we have.

Mr. Deputy Speaker, the members opposite talk about being representatives for rural Manitoba, but where were they when it came to CAT scans, cancer, MRIs? They did not make those investments in rural Manitoba.

We are the Government that has brought health care closer to people. CAT scans are now located in

rural and northern hospitals, hospitals like Steinbach, Selkirk, The Pas, places that the Opposition never really thought about. Almost triple the number of MRIs are performed, double the number of CAT scans. Services are being brought closer to people than they have been in the past.

One of the services that I find very interesting is the work that we have done with telemedicine. I remember being at the Swan River Hospital, and this new equipment was put in for telemedicine. I was not very sure about how it was going to work, how people would appreciate it, but it affected my own family. For us it is a five-hour drive to Winnipeg. When you have young children, driving five hours, spending the night, driving back home can be significant pressure on families, particularly if young children are in school. Well, one of my grandchildren has a skin condition, and my daughter was able to take him to the telehealth centre, and they had their consultation with the skin specialist via the telehealth.

We recognize that there is need for the kind of technology that is available in urban centres to be available for Manitobans. Our Government has recognized that. When you think about that impact, you know, we have the Opposition asking about obstetrics and the Victoria Hospital. The members opposite have many rural members there. I do not see the rural members talking about that. We in rural Manitoba have to travel a lot farther for obstetric services. We have to go because there are not enough babies being born to keep doctors there. The same thing happens. As births go down, it is very difficult to get doctors to practise in that field.

* (16:00)

Anytime you can improve the technology and bring more services or reduce the travelling time for people, then people appreciate that. I can tell you that people in my constituency appreciate the investments that we are making in the hospital. People in my constituency are appreciating the investments that we are making in TeleHealth and the fact that we are reducing their waiting lists.

Mr. Deputy Speaker, I just want to take a moment to talk about a few things, some highlights. Jim Carr, CEO of the Business Council of Manitoba, said recently in the *Free Press*, as recently as last March, about Manitoba, that our job creation is

getting stronger and our unemployment figures are going down. We were overall the lowest, in Manitoba, in the last year, tied only with Alberta with a 5% unemployment rate. Over the last four years Manitoba has created an average of 6500 jobs each year, more than double the annual job creation from 1998 to 1999. In March 112 full-time jobs were created in Manitoba, giving Manitobans 464 100 full-time jobs, the most in our history in this province.

We are paying back the debt. Our population is growing. We are planning for the future. I am very proud of this Budget. I hope the Opposition will recognize the work we are doing for the people of Manitoba.

Mr. Kevin Lamoureux (Inkster): Mr. Deputy Speaker, it is always a pleasure to be able to share some thoughts with members of the Chamber in terms of where I am going in regard to the Budget. Obviously, as in the past, I will be voting against the Budget, but in favour of the amendment that has been put forward.

I would like to start off, in terms of there is a genuine lack of democratic principles or a democratic deficit in the Province of Manitoba, currently. I know, as a professor, Mr. Deputy Speaker, you are someone who is always intrigued in terms of being able to talk about democracy and how well it can work if it is dealt with fairly. This particular administration has really done a disservice to democracy in our province. I wanted to highlight two particular points to be able to sustain that.

The first one, Mr. Deputy Speaker, is every day I have been introducing a petition about the number of days, I have said 37 days in 2003, and the excuses that the Government gives, in particular the excuses that the Premier gives. One day he says, "Well, you know what? It is not that bad. We save money by only sitting 37 days. After all, it costs us \$10,000." It is a sad day when we acknowledge that it is just too expensive for us to be able to sit inside this Chamber. Democracy costs money. Spending money in order to ensure that we are sitting, I would argue and I believe Manitobans would argue, is a good way of spending tax dollars. It is a way in which we are enabled better to hold the Government accountable. So, when the Premier says that we save money, that argument is absolute, there just is no merit for it. But

it talks about how important democracy is for this particular Premier.

We can talk in terms of the election year. He says, "Well, you know what? Last year was an election year, so we just did not have the time to sit." Well, in Saskatchewan there was an election too. They still sat something like 70 days. You will find even under the Filmon government they sat more than 80 days when there was an election year.

Again, what we have, Mr. Deputy Speaker, is a premier, a government not really being able to justify sitting only 37 days. So they kind of dig at straws, which is really unfortunate because as I say, it is one of the pillars of democracy, being able to hold government accountable. The number of days sitting is really important. But another fundamental principle to democracy, and this is one of the reasons why I actually got back into provincial politics, I was asked by the Leader of the Manitoba Liberal Party at the time to come back and see if I could come up with some recommendations as to what I believed the future of the provincial Liberal Party was going to be.

The reason why, Mr. Deputy Speaker, was because this Government, this Premier (Mr. Doer) and the New Democratic Party brought in legislation that really changed the way in which political parties were going to be able to raise money. And you know something? On the surface, one would look at it and say, "yeah, you know, it makes sense. We do not want corporations and big unions and so forth controlling political parties by largesse contributions." I can appreciate what it is that the Government was trying to say there.

But, Mr. Deputy Speaker, we need to be aware that, that recommendation or the legislation that this Legislature passed was not recommended by Elections Manitoba. It was not recommended for good reason. Quite frankly, it was a strategic move from this Government in an attempt to cripple its opposition parties in terms of crippling the opposition parties to the political advantage of the New Democratic Party.

I do not make that accusation lightly. I believe it can be clearly substantiated. Take a look at what happened. Which political party spent money in the last election? This Government knew full well how it was compromising the opposition parties when it

brought in legislation of that nature. There are other things that could have been done to ensure that all political parties would have been put on a level playing field.

You know what, Mr. Deputy Speaker? The sad thing is that most of the New Democratic MLAs do not see that as a problem. Most New Democratic MLAs do not have a problem with what was done. They do not realize how the Government intentionally tried to give a strategic advantage, monetary advantage to one party inside this Chamber. They should not be proud of the way in which they denied Manitobans the opportunity to have fair democracy in the last provincial election. They should be shameful of themselves. That is the reality of it. So, when you look at, and I will sit down with any New Democratic MLA and go through the details of it. There is not going to be one of them that can justify the actions that they have taken in order to get a strategic, political advantage over opposition parties.

Mr. Deputy Speaker, that continues today in the negotiations; perhaps you do not want to give us anything. You would not believe the efforts we have to go through in order to get something. One has always got to be careful when you shake a finger. I am very much aware of some of the negotiations that are underway. But what I am talking about is democracy and fairness, and there is an obligation on this Government to ensure that there is at least somewhat of a level playing field.

We do not see that. We do not see that and that is so sad. I remember Jay Cowan walking up and down this back row here, talking at great length of the importance of democracy. I suspect that there are a number of New Democrats that feel that democracy is an important aspect to what is here in the province, that should feel a little bit embarrassed over this or, at the very least, raise the issue at the local level. There are some things that can be done. I would encourage the government of the day to allow opposition parties the opportunity to be able to do the things that are important, not only for their own political party but for all Manitobans. That is what democracy is supposed to be all about.

When we talk about the Budget, Mr. Deputy Speaker, you know, it was interesting. There is one thing. I do not want to run out of time. There is a

chance that I might so maybe what I should do is just give one good compliment for the Budget. It was encouraging to see that the Minister of Immigration (Ms. Allan) and the Premier (Mr. Doer) have followed through on putting in some more resources to ensure that they were going to be able to process application fees. I think that is wonderful. It was a great initiative back in 1998 when it was established. That would have been the Chrétien and Filmon governments that ultimately came up with the program, but the New Democrats would appear to be following through and enhancing the program, and that is what I like about the Budget. Having said that with respect to my mother who always says, "Say something nice." I have done just that.

* (16:10)

I want to get back to the Budget itself in terms of the size of Cabinet. I have a wonderful article. You have to go to the archives for this one, Mr. Deputy Speaker.

It was dated March 24, 1995. Mr. Deputy Speaker, '95 will ring a bell for a lot of people inside the Chamber because that is the year of an election. What did the Premier say about the size of Cabinet? He says, and I quote, "A further \$2-million saving is calculated by reducing the number of Cabinet ministers to 15 and cutting the number of government departments." This was what the Premier said back in 1995-15. He gave Manitobans the impression that 15 was a good number to be able to manage the affairs of government.

How many ministers do we have today? We have 18 ministers, and last September I raised the issue with the Premier about the ministers. I said, "You know, you are going to increase the size of ministers, are you not? I just get that feeling" was what I implied to the Premier, and you know what? I kind of gave fair notice. I said, "You know, if you increase the size of the Cabinet, the real reason why you are doing that is to appease the New Democratic MLAs within your caucus." It has nothing to do with management. It has nothing to do with taxpayers. It has everything to do with the selfish government that believes in feeding money into bureaucracy. A government, a premier who does not have the courage to live up to his words when he said that 15 ministers was good enough. But the caucus, yes, did grow. I will tell you something. Even though the caucus grew, it does not necessarily justify the

Premier going back on a word of saying that 15 was good enough back then. The truth be known, the reason why it was increased, always do, was because our Premier (Mr. Doer) did not have the courage to protect the interests of our taxpayers and sided with the NDP caucus by saying it is easier to bring in more Cabinet ministers. Well, so much for the taxpayers.

The Deputy Premier (Ms. Wowchuk) was talking about the deficit and she was quoting the provincial auditor, and what I found interesting, Mr. Deputy Speaker, is what the provincial auditor is saying is that if this Government practised normal accounting procedures, if it could actually practise normal accounting procedures, what you would find is not only do they have a debt this year, but they have had a debt in previous years. In fact, this year what did this Government do? This Government, in its desire to accumulate additional revenues, what it has done is it has created or it has used a loophole within the balanced budget legislation in order to justify taking out millions. Truth again be known, what should be happening is that each and every one of these ministers should be taking a cut in pay, a cut by 20 percent, because that is what is in the provincial balanced budget legislation.

You know what? Manitobans recognize the principle, Mr. Deputy Speaker, the morals within the balanced budget legislation, and they realize that this Government is wrong. They recognize that the provincial auditor is right. There is a deficit. If this Government had any integrity in wanting to deal with this issue, what it should be doing, according to the third-quarter report, is what the legislation says. If there is a deficit, they should be taking a 20% decrease.

Some might suggest give it to the backbenchers—conflict of interest. I see I have significant support from the backbenchers when I make that suggestion. You know, maybe I look to my leader. Maybe we should have included that as part of our amendment. We might have had their support for it.

But you know what? I think it is important to recognize that fact, that they are, in fact, using a loophole that this Government did have and does have a deficit. This Government should have done the right thing in taking the 20 percent rebate.

The Deputy Premier was talking about this robust economy and talking about the numbers and

how wonderful things are. Late last year we came out with some of our own numbers. I like to think these numbers are kind of like bottom lines. I had taken some university courses where you talked about stats and you can pluck and choose and come up with all sorts of wonderful numbers.

Members opposite often like to talk about fudge. The Leader of the Liberal Party was right on when he brought up the issue of fudge, quite frankly, because that is what this Government has been all about. You fudge the numbers. You got to start looking at reality.

Let us talk about some of these numbers, two in particular that I want to comment on. One is the population. At the end of the day how has Manitoba's population actually fared out? Well, if you take a look at it, if Manitoba had kept up with the rest of Canada's population growth, Manitoba would have had 34 819 more people in the time in which this Government in a few years was put into office. That is a lot of people.

In terms of employment, if Manitoba had kept up with the rest of Canada's job growth rate, we would have had more than 25 000 jobs than what we currently have. In certain areas, yes, there have been some significant improvements, but when the economy is doing relatively well, one would expect economic growth. There has been economic growth. I do not quite understand how this Government can assume all of the credit. I would suggest to you that at the very least what they could be doing or should be doing is sharing it with other levels of government, whether it is the municipal government and the federal government.

What we know with this Government is that if there is anything bad that occurs in the province of Manitoba, do not look at them, because they are not to be blamed. They will go to Ottawa, they will go to the municipalities, they will reach for examples out in Nova Scotia. They go all over the place in order to try to say that anything bad that occurs in this province is not as a direct result of them. I find that actually very disappointing, because they will take the credit for anything that happens that is positive and then they will dis the other levels of governments whenever there is something that is negative. At the end of the day, even though Manitoba has done relatively well in comparison to the balance of

Canada, we are still way down on people. We are still way down on jobs.

Mr. Deputy Speaker, there are a few other issues that I was wanting to talk about. Health care is a critically important issue. The New Democrats like to think that they own that issue, that morally that is their issue and no other political party has any ownership of it. I could go back to the origins of it and I can tell you that it was not necessarily, as being portrayed, strictly an NDP idea.

* (16:20)

In the past years, I have commented on that. The bottom line is all Canadians want to see a public health care system that is based on our five principles of health care, and we do have a resolution to add a sixth component in which, I am sure, we will get opportunity to expand on into the future. We value that, all Canadians value it, and what we need to try to do, is to try to depoliticize it as much as possible.

The Government likes to refer to the Roy Romanow report and constantly criticizes the feds for not throwing enough money. I thought there was an interesting article that was first, I believe, in one of our national papers and then the *Free Press* commented on it, and it goes as such: "Former Saskatchewan Premier Roy Romanow said yesterday the provinces have to come up with a plan to reform their health care systems before demanding more money." It goes, later on, to say in the article: "In order to add \$2 billion to the base permanently, without figuring out how the reform is to take place"—then there is a little bit more that goes on and then it continues—"it would probably be unwise."

Well, I think that what we need to do is this Government needs to approach the summer with the first ministers' conference on health care and start talking positively about the needs of health care. When I think of that, I truly believe that if we wanted to we could spend \$2 billion more in health care this year, if we really wanted to.

You know what? A year and a half from now we are still going to have problems in health care. Money is not necessarily the answer to every need that needs to be addressed within health care. It is a question of administration. The way in which we are going to protect our health care into the future is to come to grips with the need to be able to address the

issue of administration, not necessarily money. Governments of all levels recognize the value of ensuring that the money is going to be there, but we have got to go and look beyond just the money.

I trust and hope that the first ministerial meeting that will be coming up over the summer, that we will see a provincial government that will take a proactive approach at supporting the need to enhance our public health care system.

I want to comment in terms of the community health care facilities or community health hospitals. You know, it is an issue in which I brought up today inside Question Period. I look to members like the member from St. Norbert and Seine River. It was not that long ago, 1983, when Seven Oaks lost their obstetrics, when the Concordia lost their obstetrics.

One of the reasons why we have community hospitals is to ensure that there are services being delivered to those smaller communities. If you look at some of the original debates back in 1980, you will find the government of the day back then would have been talking about the benefits of that community, or having babies within communities.

There is a valid argument, I believe, to be made of the importance of providing community obstetrics in our facilities. We look to government members to join us on this side in recognizing the value of that. It causes concern when we do not see the government members supporting the need for that sort of community service.

You know there are other areas of health care. I remember the day I had asked the question of the Minister of Health in regard to the sandwiches, and the approach which this Government had in dealing with the whole issue of private partnership in sandwiches, and how someone was kind of tossed to the side. I had asked if we could be provided information that justifies the action. I had a very good discussion with the individual in question, as opposed to trying to say this is a political hot potato and we just cannot talk about it, because if you talk positively about a private business providing a service of that nature, you are for the privatization of health care. That is just bizarre.

An Honourable Member: Fearmongering.

Mr. Lamoureux: And it is fearmongering. It is meant to try to say that we do not support public health care, and nothing could be further from the truth.

I recall introducing I believe it was bill, it might have been a resolution, years back where I thought that we should be incorporating into provincial law the five fundamental principles of the health care act that were in Ottawa. I find that it is very difficult for government to try to imply that I would even think of supporting the privatization of public health. But I do approach the issue with an open mind.

If you take a look at the issue of labour, again you know I found a wonderful quote. And this time I even had to go further back. I believe this is back in 1990. The reason why I remember this, and I give credit to Garth Hilderman, who is my assistant. I said to him that I can recall the Premier saying back in the '90 provincial election that he was going to increase minimum wage. I could not tell him the date. All I said is that he made a commitment to increase minimum wage. Can you see what you can do? Amazingly, he was able to come up with the quote. This was, I take it, in the *Free Press* on August 16, 1990. Mind you, this is when they felt they did not have a chance to form government. I should qualify it. Here is what the New Democrats said back then: "A New Democratic Party government would raise the minimum wage in Manitoba to about \$7 an hour by 1993, a party official predicted yesterday. Our leader"—our current Premier (Mr. Doer)—"promised yesterday that as premier he would immediately increase minimum wage from \$4.70 to \$5.40."

Actions, Mr. Deputy Speaker, and you know what the ironic thing is it was on April Fools' Day, April 1, that the Government actually did bring it up to \$7 an hour. That is 14 years later.

An Honourable Member: Symbolic, not ironic.

Mr. Lamoureux: Symbolic, I should say, yes. It is interesting. In time, I suspect that any governing party would have allowed it to get up to \$7 an hour. But back in 1990 this Government promised to do that.

We can talk about the floodway. Mr. Deputy Speaker, every individual inside this Chamber supports the floodway and wants to see the floodway, supports the floodway. Where we differ, I believe

primarily, where we primarily differ is the way in which the Government is using this in order to pay off, possibly, pay off an interest that they believe that they are politically obligated to do. I do not understand why or how the government of the day can justify saying that, look, we do not care in 1997 if you came to the table and helped us fight the flood of the century, but you did not belong to a union. That is great; we appreciated your help back then, but because you are not unionized, you are not going to be able to work on this project. I just believe that that is unfair.

An Honourable Member: That is very fair.

Mr. Lamoureux: That is fair? You know what? A lot of the backbenchers and I would even suggest some of the ministers do not even understand how they have been dubbed by the Government on this issue.

An Honourable Member: Duped.

* (16:30)

Mr. Lamoureux: Duped? Duped, I should have used the word "duped," Mr. Deputy Speaker, you know. They were, because the bottom line is that if the Opposition did not raise this issue, if you did not have a union card, you would not be able to participate in that giant mega-project.

Mr. Deputy Speaker, I can tell you because I have many friends that are not union members, they do not support the action that this Government is taking in regard to the floodway with respect of forcing them to have to be a union member in order to be able to do work.

Hopefully, the Government will revisit that issue, Mr. Deputy Speaker, and talk to some of its backbenchers. I suspect there are a number of backbenchers that are quite nervous about that particular policy also.

You know, there were other things that I was wanting to talk about, but I see I only have about another minute to go. Mr. Deputy Speaker, I am concerned about legal aid in this province and the way in which this Government seems to want to ignore the needs of legal aid.

I am not too sure if they realize the repercussions of their policies in regard to legal aid because at the

end of the day, our taxpayers could be paying a whole lot more than what we are currently paying if, in fact, this Government continues to move in the direction that it is going.

When you have a million dollars plus that you are allocating out for gang crime, you have got to be concerned in terms of if that money is coming out of legal aid resources because it is about the tares. How much are the lawyers actually receiving? We need to hear from the Minister of Justice (Mr. Mackintosh) in terms of what it is that he is doing on this issue.

As in the past, there is never really enough time. The Government provides so much ample things on which one could actually comment. I did not get the chance to talk about how they are, how Mr. Doer is putting some tax dollars—*[interjection]*—our Premier, I am sorry, is putting some tax dollars back in one pocket, but the Minister of Finance (Mr. Selinger) is not only taking that money out, but he is taking more money, Mr. Deputy Speaker, out of our back pocket, but he does it through our back pocket while the Premier takes and puts it in the front pocket.

With those few words, I appreciate the opportunity to share my thoughts. Thank you.

Mr. Cris Aglugub (The Maples): It is always a pleasure to speak and participate with the debate on the Budget, and certainly it is an opportunity to put forward a few comments as a member of this Legislative Assembly.

Before I do that, let me just say a few words to pay tribute to our Finance Minister, who has laboured to put forward a budget we can live with at a time when there is economic difficulty brought upon by unforeseen circumstances.

Mr. Deputy Speaker, I give credit to him for bringing in a budget that is balanced. It is balanced under the terms of the balanced budget legislation passed by the previous government, and it is balanced between the important goals of investing in our citizens today, that is, continuing our progress and affordability in public finances, and building for the future.

When it comes to the balanced budget law, this Budget represents a first. It is the first Manitoba Budget since the law was introduced that does three

things at once. It balances operating expenditures, pays down debts and makes no draw on the Fiscal Stabilization Fund.

This Budget also shows how solid planning can meet the challenges of a difficult year. Mr. Deputy Speaker, 2003 was indeed a year of challenges. BSE hit rural Manitoba, which has impacted farm families and related businesses that rippled throughout our entire economy. In the North, we experienced the second-worst forest fire season on record. Manitoba Hydro's ability to generate power was seriously reduced because of low water levels, and all of our export industries were challenged by the rapid increase in the Canadian dollar.

Despite a national slowdown in economic growth, Manitoba's economy actually performed better than the national average. We went into 2003 with a projection of 3% growth, reflecting the level we have enjoyed since 1999, but ended up with a growth rate of 1.9 percent.

This Budget does not mean to say that the sky is falling as portrayed by the Opposition. If there is an economic slowdown, I am sure that economic prosperity is just ahead. We just have to be a little more optimistic. If you compare this to a household budget, I am sure that each one of us has to sacrifice a few of our luxuries to ride out the slowdown.

Manitobans have risen to meet these challenges as individuals and communities. They have stuck to their long-term plans, found savings where they could, but kept their priorities in focus.

Budget 2004 maintains investment in health, education and families. The majority of government departments have been directed to reduce spending or hold the line in order to focus on the investment that supports future growth and opportunity. It maintains our commitment to fund schools at the rate of growth of the economy and to keep post-secondary education affordable to students who qualify. These are the policies that have expanded college and university enrolments over the past five years, and are paving the way for future economic growth.

Budget 2004 maintains our commitment of affordability. Mr. Deputy Speaker, we set out a sustainable program for tax reductions for individual Manitobans and businesses. I would invite members

to compare Manitoba's situation with those of other provinces, which have been forced to roll back promised tax reductions and make serious reductions in vital services.

We are facing some of the same challenges here in Manitoba, but we have worked to maintain our long-term plan for investment and affordability. Mr. Deputy Speaker, this is why Budget 2004 directs that 400 government positions be eliminated through attrition and retirement to avoid layoff. Consistent with past measures, essential services to citizens are still maintained.

The good news about Budget 2004 is the fact that, once again, we will allocate \$96 million to pay down our debt and pension liabilities. It is worth remembering that it was this Government that started to properly account for the public pension liability as part of our total debt picture and take measures to address it. The immediate reward for taking that kind of long-term approach is that we have managed to reduce our debt costs significantly since the NDP came into office.

This year's saving is \$32.5 million over last year. Add to that, we earned two provincial credit ratings upgrades.

The largest increase in the Budget is in health services. This reflects the priority we place on maintaining and improving public health care in Manitoba. There is no task more important at present than the well-being of our citizens and for the future we are building.

When this Government came into office in 1999, health care in this province was in crisis. Hospital improvements had been promised over and over again without being delivered. Nursing education had been cut back, even as we were confronted with a serious shortage of nurses. We have made good on the health capital promises of the previous government, and it is making a difference across Manitoba. We have expanded nursing education to the point where we will be graduating three times as many nurses as when we came into office. We have invested in new diagnostic equipment. MRIs, CT scanners have significantly increased the number of tasks performed.

These investments are paying off. We also recognize there is more to do. We need to keep

working to improve wait times and ensure that citizens in all parts of the province get the quality care they need when they need it.

We also need to support the growing trend for our citizens to make healthy choices in their own lives and for their children. This Budget will continue our efforts to provide meaningful support to families and to children in their early years. The National Child Benefit is fully restored this year returning \$14 million into the hands of low-income families. Increases to child care continue, helping to fund the increase of 3500 spaces since the Government came into office.

* (16:40)

Mr. Deputy Speaker, budgets are about setting priorities and about sticking to a plan even in challenging times. We know what priorities were set by members opposite during the 1990s. We know about the cuts to public schools, the years of minus two and zeros. We remember the cuts to nurses, to nursing education and home care, the cancelled promises on health capital projects. We remember the cuts to friendship centres and core funding for Aboriginal organizations, the cuts to northern infrastructure, the cuts in the property tax credit and the increased portioning for farm land.

The past year was a tough year for all of us but we are all well-positioned to resume the pattern of steady growth that was interrupted last year. Our unemployment rate is the lowest in the land. Investment is strong. We are attracting more people to Manitoba in record numbers. Growth in real wage and housing values over the year against a backdrop of low inflation has kept consumer confidence high. In 2003, 7584 moved to Manitoba, the highest population growth since 1986. We have doubled immigration levels since 1998 thanks largely to the work of the Manitoba Provincial Nominee Program that is working very hard to attract highly skilled and highly trained immigrants to this province.

In the past year, we continued to experience the lowest unemployment rate, a new support for a strategy to help Manitoba reach a target of 10 000 immigrants annually. An immigration council act was introduced to establish an advisory council to help Manitoba develop and maintain an ambitious immigration. This is a positive approach to attract skilled immigrants to fill demands from growing

industries, thereby stimulating a vigorous economic activity in our province.

Mr. Deputy Speaker, it is also worth mentioning that support for ethnocultural centres has increased: a \$2.6-million contribution from the Canada-Manitoba Infrastructure Program in Winnipeg to help the Sikh, the Hindu, Greek and Islamic communities build their own cultural centres.

With the growing diversity of immigrants in our province and with all the problems we have experienced dealing with BSE, we should look at expanding and increasing our trade with other countries. While the U.S. remains our large trading partner, Mr. Deputy Speaker, there is also enormous opportunity to increase it with other countries. We have the capacity to fill the need, whether it is in the form of information technology or hardware technology.

We have also opened up opportunities across a range of sectors that will pay dividends into the future in such fields as aerospace, biotech and bus manufacturing. Manitoba is positioned to take huge strides in the coming years. In the energy field, we are seizing new opportunities that will see increasing investment in northern Manitoba for hydro development and in rural Manitoba for wind and ethanol development.

Budget 2004 sticks to the growth plan that was set in place five years ago. Our affordability advantage is preserved in this Budget by ensuring that tax changes are neutral. Key supports for economic growth, such as accessible education, are kept within reach of our citizens. Economic partnerships that provide the base for future growth between businesses, educators, workers, First Nations' leaders and all Manitoba citizens are honoured and enhanced.

Mr. Deputy Speaker, I am proud to stand in support of this Budget. I look forward to receiving the support of all members opposite, some of whom have supported our Government's Budget in the past, and some of whom, I am sure, would like to give their vote for the priorities that are reflected in Budget 2004.

Thank you, Mr. Deputy Speaker.

Mr. Jack Reimer (Southdale): I would like to begin by saying that I know that we are not allowed to

bring props into this Chamber. I know that there have been rulings and there have been reprimands by the Speaker about bringing props in, and I certainly do not want to offend this House, but my colleagues in behind me were munching on peanuts.

It seems to be symbolic of this Government and this Finance Minister and his lack of recognition that there should be tax cuts for the people of Manitoba. The people of Manitoba are getting peanuts, Mr. Finance Minister, peanuts from you from that brief report. I will not start to eat them, because I will not be able to speak, and I am sure that everybody wants to hear my words once I start.

I do want to start off by saying that I have had the opportunity to speak to a few budgets in the last while. I have had the opportunity to speak to the Budget when we were in government and, now, I am speaking to the Budget when we are in opposition. I think that a lot of the times you have to bring in comparisons of which way the Government is going in their directive of trying to help Manitoba grow to be a great province, which we all believe it is.

I think all governments try to believe that they can work the best to make this a better place for Manitobans to work, to raise a family and to expand their capabilities. I think that you have to create an environment that people feel that their efforts and their contributions and their overall work ethic is being rewarded by what they can take home in their pockets and what they have for their final paycheque, if you want to call it.

The one thing that comes out right off the top, when the Minister of Finance introduced his Budget—and I had an opportunity to look through it a few times. The summary of the Estimates and the revenue is very, very noticeable. Actually, it is the third page. You open up the book and here it is on the third page. It is the summary of the Estimates of Revenue. The thing that pops right out is the line on taxation where the taxation is going up 8 percent here in this province; 8 percent, the amount of taxation that is going to be accumulated and brought into the provincial treasury. That is only because of a spending appetite that this Government has. We have seen it. We have talked about it. We have heard about it. We relate back to the days when the former Premier of the province, Mr. Howard Pawley, was the Premier and the label of a tax-and-spend

government was brought into play with that government.

When the present government was first elected back in 1999, there was a bit of a honeymoon, if you want to call it, because this Government inherited a very well-managed and a very well-stocked pantry, if you want to call it, of monies that were available, the accumulation of a solid position in the economy. The borrowing rates were very, very strong; they maintained that way too.

But, as the budgets have come down over the years, we have seen what has happened, and it has come now to what you might call the crunch time, where all the IOUs and all the promises that were outstanding for expenditures are starting to come through.

Mr. Speaker in the Chair

This is why we see such a tremendous increase in the line of taxation revenues that this Government is projecting. They are projecting an 8% tax increase in the Government, into their coffers, which represents almost a 7% increase in retail spending in 2004.

Mr. Speaker, I do not know when Manitoba has experienced a 7% increase in spending in one year. Now, maybe the Finance Minister has privy to figures and projections from previous years or past times, but I cannot remember Manitoba's economy growing, or the retail growing, in the province by about 7 percent.

* (16:50)

So I think that possibly this Government, this Premier (Mr. Doer) and the Finance Minister may have been just a little bit too optimistic in looking at their numbers. But, then, you can always move your numbers to suit the situation that you want to sell. You can always say that, wow, the revenues are going to be higher than we are looking at and we are going to get more money, possibly from the federal government because of transfer payments. You build all those things into your Budget and then that way you can be able to satisfy everybody that comes into the equation of where the money is going to go.

So I would be very leery of the fact that we are going to be looking at that type of growth in

Manitoba. I would love to see it. Do not get me wrong. I mean, if Manitoba has that type of growth, that is good for Manitoba. If Manitoba can grow at that rate, this will be great. We will outperform the other parts of Canada.

The Conference Board of Canada, though, and the Retail Council of Canada are predicting a 3.5% increase. So that is half. I would think that that is half what this Premier and the Finance Minister are projecting. If they can double it, somehow, that is great.

That expansion of the retail sales tax is something that is going to affect a lot of people here in Manitoba. It is going to affect the city of Winnipeg. I mentioned it the other day. When you look at the increase in retail tax, it is expanded to professional services like accountants and architects and planners and things like that. When the City of Winnipeg is doing their business, they outsource, if you want to call it, approximately \$20 million a year. At 7 percent, that is a lot of money, Mr. Speaker. That is a lot of money that the City now has to transfer over back to the Province for this additional 7% sales tax.

That means, somewhere along the line, the City of Winnipeg has to budget for that money. Mr. Speaker, the City of Winnipeg gets its revenues from taxes on property, mainly from taxes on property. That means that, possibly, Winnipeg taxpayers, property taxpayers are going to look at an additional rate increase in their taxes, only because the provincial government cannot balance its books. They cannot be accountable in the sense of being good fiscal managers. So they pass it down the line, and the City of Winnipeg has to pay it.

The City of Winnipeg has to pay additional 0.6 cents per litre for diesel fuel. One of the highest consumers of diesel fuel for the City of Winnipeg is transit. It is estimated that is going to cost upwards of \$95,000 extra a year just in Winnipeg. If you look right across Manitoba, I mean Brandon, Brandon uses a lot of diesel in its buses. That is going to cost them more money, Mr. Speaker. Brandon outsources its service agreements with lawyers and auditors and accountants and planners. That is going to cost them more money.

Even the small towns throughout rural Manitoba, somewhere along the line this ripple effect has to come down to their budget, so they are going to have

to pay. Your taxpayers in Melita or Hamiota or Dauphin or The Pas, they have to pay more money and it is only because this Government cannot balance its own books and it cannot operate within the system.

I have listened very intently to speeches from members in government, and they all refer back to the balanced budget legislation, that this Budget is working within that framework.

I recall sitting in this House when the then-Minister of Finance, Eric Stefanson, brought in the balanced budget legislation and the debate that ensued about that. I remember, the Member for Lord Roberts at that time, I believe it is still Lord Roberts, he is now the present Minister of Energy (Mr. Sale), saying it was folly, it is a foolish thing to have balanced budget legislation, just foolish.

Their whole party voted against it. They did not think this was a good idea. In fact, the Premier (Mr. Doer) tried to ridicule the balanced budget legislation and everything that it would not work; it is nothing that we should be passing. They, in block, voted against it.

Then, lo and behold, when the Budget was brought in, in 1999, they voted for it. They voted for the Budget. Then, all of a sudden, they are great converts to this balanced budget legislation.

However, they also went to work looking for the loopholes. They went to work looking for the loopholes, how they could still theoretically live within the balanced budget legislation but at the same time run deficits.

It was not very long before the Auditor General of Manitoba saw these frivolities that the present government is doing with the balanced budget legislation. He has come out and stated publicly that over the last four years this Government has run a deficit, a deficit of hundreds of millions of dollars in overpayments.

The members across the way say, "Well, we are paying down the debt. We are paying down the debt."

Mr. Speaker, it is incredible how they could keep referring to paying down the debt when the debt

is actually going up. The personal debt that people are accumulating—

An Honourable Member: NDP economics.

Mr. Reimer: NDP economics. The public debt is going up. I believe it is in the thousands of dollars per head. We are looking at the overall debt since 1999, the provincial debt at that time, which was very, very big, almost \$17 billion, \$16.8 billion. In 2004-05, which is the Budget just brought down, it is now over \$19 billion. Mr. Speaker, the total debt under the present government, under this Premier, Manitoba's total debt, has increased \$2.43 billion or 15 percent since they came to government.

They stand up here and they say, "Oh, we are paying down the debt. We are paying down the debt." That is like me taking my Visa card and paying off my Mastercard, saying, "Well, my Visa account is going down, so I am paying off my debt."

Mr. Speaker, that is not logical thinking. You are a man of wisdom there. You know that is not right. You should be telling the Government they are not saying the right things, but I will tell them. I appreciate your position.

As a result, each Manitoban now is responsible for \$16,594 of provincial debt. Every man, woman and child in Manitoba, their debt has gone up over 15 percent under this administration, an increase of \$2.43 billion.

Now you could say that, well, they must have really spent a lot of money. They did get a lot of money. They spent a lot of money and they continue to spend a lot of money.

This is one of the examples where they say, "Well, we are paying down the debt." They glorify this fact that, "Well, we are paying \$96 million toward the unfunded liability of the pension." That is good. That is fine, but at the same time they are borrowing money to pay off debt. It does not really make sense. It does not make sense that that is the way you do things.

What you have to look at is efficiencies. You look at the government departments, the government structures that they have set up. Mr. Speaker, they are increasing Crown corporations. They are adding more Crown corporations into the mix. These are all

administrative costs. These are all costs that have to be passed down.

The one thing that they forget to mention is that personal bankruptcies are going up in this province. Personal bankruptcies are up over 7 percent over last year. Something has to be telling this Government that there is a spending habit here and that it is affecting the people, and it is affecting the people that are paying the taxes. They cannot afford to be paying any more taxes. Mr. Speaker, they are leaving this province. They are moving out of the province.

I had an e-mail from an accountant who lives in my constituency. Actually, the e-mail was sent to the Premier (Mr. Doer) with a copy to myself, where he stated that people are now going to be doing their accounting outside the province of Manitoba, because they do not want to pay that extra 7 percent. Well, you could say, "Well, 7 percent is not a big amount. You know, they should be able to pass that on to the consumer." It does not happen that way. It is like the straw on the camel's back. It comes to a point where the people say, "I am not going to take it anymore. I am going to leave this province, or I am going to close up my business and move somewhere else." So, when you look at the statistics from the Budget, and this was from the Finance Minister's Budget, you look at personal bankruptcies; they are up 7.1 percent over last year, personal bankruptcies. That means that people cannot just cope with the added burden that they are being faced with in this Government.

* (17:00)

I know that there was conversation and talk today about the Government's priorities in looking at where the spending is. We talked a little bit about education, and they have said that education is a big priority for them, that they have increased spending every year for education. But, in the overall structure, Mr. Speaker, their percentage of funding to education is actually down, and it is the lowest it has been for all time. It is the lowest all-time percentage of contribution to education in this province. So let it not be said that they are the great funders of education in this province.

But, then, I do stand corrected. Mr. Speaker, they have increased funding in a lot of other areas in education. In fact, if you look again in their own book under Education, Citizenship and Youth,

Summary of Programs, and I will look at Administration and Finance. Big bucks there, big bucks. Up, up 9.9 percent, almost 10 percent. That is from their book, their figures. This is not me speaking. This is not pie-in-the-sky. This is the Minister of Finance's (Mr. Selinger) figures, Education, Citizenship and Youth, Administration and Finance, up 9.9 percent. Wow, what is going on here.

School Programs, next line. Very important programs. Very important for school. Very important for education in this province. Very important for the youth of this province. School Programs, now what do we see here? It is down 4.1 percent. That is their commitment, Administration and Finance. We will fund education to a higher level, Administration and Finance. That is where this is going. It is not going into the school programs. It is not going into the addition of school expansions or new schools. It is not going into the places where there is growth and people are looking for better schooling.

I represent an area that is growing, Mr. Speaker. I represent an area in southeast Winnipeg. The riding is Southdale. I have an awful lot of new growth in my constituency: new homes, new development, new families, a lot of young children. There is a lot of pressure being put on the social infrastructure that should go into new housing developments. The biggest part of it is education and schools. I have a new area called Royalwood, which is expecting to grow by at least 700 new homes in the next two years. That is good. It is healthy; it shows there is a demand. There is an area that people want to move to and they are willing to move there.

In fact, Mr. Speaker, the area is being developed in joint partnership with the provincial government under MHRC when there was property purchased years ago. It is finally coming to be developed and it is being developed with a developer in co-operation with the Province. It is a good partnership because the Province of Manitoba is realizing back a return on its investment of the property they bought years and years ago. No criticism of that. I think it is good that the Province is getting back some of its investment in that land.

The problem, Mr. Speaker, is that this Province is willing to make that type of agreement in one department, but short-change the Department of Education in not providing schools or the social infrastructure for schools in that area. The people in

that area are moving in there. This Government will not support them with funding for additions in their schools.

The schools are busting out of their seams. You have a school in Island Lakes that was built and it was to capacity, believe it or not, before it was opened. The people, myself personally, have lobbied for additional space in that school, even temporary portables. This Government says, "No, no way." The emphasis is on other areas of the city of Winnipeg.

Mr. Speaker, we have a new area there, like I say, Royalwood, which is going to have an extra 700 homes; 700 homes, that is a lot of people, a lot of families, a lot of young children, because it is a growing area. Where do they have to go to school? They do not know.

The school division is in a quandary as to how to look after all these young people. The Government, it is one thing for them to get involved with a housing development, but if they do not follow-up on the social development and the schools, the community development and things like that, they are lacking in their commitment to the community. I criticize them for that and I will continue to criticize them for that, because they do not recognize which path they are going down. They only recognize certain areas and that is where the emphasis goes.

Mr. Speaker, I am very concerned about that area in my constituency. I share these concerns, and I do not think I am saying it out of line, with the Member for Seine River (Ms. Oswald). She is faced with the same situation I am because of the new homes going in there and the schools that are being overburdened with enrolment. We have to do something about it. The provincial government has to step in and help these areas, because if they do not there are going to be a lot of people who are going to be very, very disappointed in how it is going to be handled.

The quality of education, which is the most important thing, is the one that is going to be hurt. The quality of education that the teachers cannot provide because of the crowded classrooms, the crowded schools, the fact that the children are being bussed out of the areas, the disruption in families, where you have one child going to one school and another one being bussed to another, all these things are something that has to be looked at.

The school division in the area, the Louis Riel School Division, is trying to work at it, but they do need the help of the provincial government. The Minister of Education (Mr. Bjornson) does not seem to feel that it is a priority and keeps saying that, well, the Public Schools Finance Board is the one that should look after this. That is not government, that is not leadership and that is not what we expect from the Minister of Education. The leadership of looking after the community comes from the department. The buck stops at the minister's office. Do not slough it off to the PSFM. The buck stops here.

I believe there is someone on the second floor here in this building who said that at one time. That was the Premier (Mr. Doer). The buck stops here. Now whether it does or not, I do not know. I think there are a lot of other areas that slip by that office that he is not aware of.

Mr. Speaker, there is just so much to talk about on this Budget. I know the Member for Elmwood (Mr. Maloway), I could hear him talking about the graffiti in the area that he is very, very concerned about in his constituency, and I agree with him. The Member for Elmwood is a very conscientious constituency person. He is concerned about the appearance of the graffiti and the vandalism in his constituency, and I agree with him. There should be more pressure put on the Minister of Justice (Mr. Mackintosh), just like he, I am sure, is advocating for, to clean up his constituency, to clean up all the constituencies, not only here in Winnipeg but throughout Manitoba, that have a problem with graffiti, vandalism and gang activity. Those are the things I think all people in Manitoba look for.

I concur with the Member for Elmwood that, just like he is lobbying with the Minister of Justice, so are we, to get these things changed so that we can get these things out of the way. The member is correct in saying that a lot of things still have to be done. Instead of just putting out press releases, which the Minister of Justice is very adept at, he can do those pretty well, but there should be some sort of action behind a lot of these things.

We talk about, a little bit, I mentioned briefly about the increases in user fees. One of the things that it is going to hurt a lot of people in Manitoba is the increase in deductible for Pharmacare. It really is something that is going to hit the vulnerable, the people that are sick. A lot of seniors are going to be

hit by this. It is going to put an added burden on how they budget their fixed income. I really do not think the Minister of Health (Mr. Chomiak) was thinking when he did this. I know that he was under pressure from the Minister of Finance (Mr. Selinger) to balance his department. The most vulnerable have been the ones who are being victimized by this.

* (17:10)

I think, Mr. Speaker, that there has to be some sort of reckoning. This is not a good decision. Seniors, the vulnerable and the sick are the ones who are going to have to pay for this additional deduction on their Pharmacare, and I think that it is going to hurt the people.

When you look at the amount of money that the Government is spending on sandwich factories and for laundry facilities of \$20 million, I think that it makes it very, very recognizable where the priorities are for this Government. They are not with trying to help the seniors and the elderly and the people who are on fixed incomes that have to try to satisfy their prescriptions and not have the funding available when they look at the amount of money that goes into a sandwich factory or a laundry facility for \$20 million. I think that that is a lot of things.

Mr. Speaker, you look at the administration costs in the WRHA, the Winnipeg Regional Health Authority. The estimates of the additional costs in that, for administration, are up to, I believe, almost \$18 million. That is phenomenal. That is a phenomenal amount of money that goes through the Health Department's budget, but it does not go to the system to correct the system.

We have heard the Premier say, when he first ran in 1999, that one of their pillars of running was the fact that they were going to correct health care.

An Honourable Member: In six months and \$15 million.

Mr. Reimer: I have still got—oh, my light is still on. I am sorry, I was temporarily distracted. It is a quandary, Mr. Speaker, as we talk about the amount of money that is spent on these sandwich factories and that.

As I mentioned, the WRHA, their budget, I believe, is up \$18 million over what was originally

utilized for the administration of this department. So a lot of people are looking at this, recognizing that the Government is on the wrong track. They look back to when the Government talked about fixing health care for \$15 million and, in six months, they would end hallway medicine, get it all corrected. They remember the lines that the Finance Minister has come out with: "My position stands that we did not get elected to raise taxes." He said that on September 24, 2003. He also, a couple of months later, in November of 2003, said, "We did not get elected to raise taxes." Remember that quote? I like this quote the best.

One of the other quotes that the Premier said is, and I quote, "My quote was that I was old-fashioned because I believe a promise made should be a promise kept." Yet what have we got?

We have new taxes; we have user fees; we pay more for our registration on our car. The seniors are paying more. Bus fares may be going up because of it. Property tax may be going up because of it. I revert back to the line that the Premier said, "We did not get elected to raise taxes."

Mr. Speaker, I will not be voting for this Budget. Thank you very much.

Mr. Jim Maloway (Elmwood): Before I begin dealing with the Liberal subamendment to the Budget, I would like to take about 30 seconds to deal with my missing private member's statement from earlier today, Mr. Speaker. We thought it was a reasonable way to deal with it, just to read it into the record at the beginning of the budget speech.

What I wanted to say was the River East Access Centre will provide a one-stop source of information to area residents, and staff will work closely with organizations in other sectors to support community activity and contribute to the development of robust, healthy neighbourhoods.

Now, to deal with the matter at hand here, Mr. Speaker, I wanted to begin by recognizing the Member for Turtle Mountain (Mr. Tweed), because it is my understanding that he has won a nomination and may likely succeed in ensuing elections. So he may not be with us here in the House much longer than a couple of weeks from now. He will be out having to work really hard knocking on doors and chasing Liberals around the constituency and

whoever else he might find out there. I did want to wish him well and hopefully see him in Ottawa at some point in the future on a future visit. Certainly I have always had a very good experience with that particular member.

Now, before I came up to the Chamber a while back, the Member for Inkster (Mr. Lamoureux) was delivering his speech, and, you know, the windows were rattling in my office. I thought, I better get up here quick before he destroys the place, but the member, of course, is getting ready for the federal election as well, I can imagine, and no doubt just a little bit concerned about where he is headed in this one. Two or three months ago things were looking good for the Liberals right across the country. They were running at 50 percent-plus and they had a coronation for their new leader and it looked like nothing could stop them, and here, two months later, they will be lucky perhaps to even get a majority government, probably a minority government.

I did note that our federal leader, Jack Layton, had made some suggestion that if we are in a minority situation, he might support the Liberals. I wanted to get out quick here and suggest that maybe that is not such a good idea, because if Jack Layton takes some time to consider how we ran our affairs here in Manitoba in the last 20 years and, in fact, the NDP in Ontario, we were in a situation back in 1988 where two or three of us, and wrongly so, I might add, were in favour of dumping the Filmon government right off the hop and installing the Liberals. Well, we lost that battle.

As it turned out, of course, I think the caucus decision was the correct one, that we supported the Conservatives and worked at the Liberals from both sides, which is the way to do it. We took them out one at a time from the left and they took out a few from the right, and, you know, working together worked out quite well.

So I would suggest that the federal party should pay some attention to this, that if the NDP federally is in a position where it has a choice between supporting basically a corrupt, tired, old government and moving on with something new, they should look at moving on with something new, negotiating maybe a two-year deal and moderating whatever form the new government would take and then over those next two years could proceed to eat up more of that Liberal vote.

To support them as we did in 1972 to 1974, we got some concessions from them federally, but it worked to our detriment, because all they were able to do was stay in power for two more years and restructure themselves. They came back with the same old leader, but, you know, they managed to take us back.

So, once again, I am just a little concerned that we might want to get caught up here in supporting a long-standing government, that the public would punish us for supporting at the end of the day.

Now, Mr. Speaker, I think the Opposition finally is coming alive here in the Legislature. They have been kind of without traction for the last couple of years, sort of lost, not really knowing where they are at. The former Member for Lac du Bonnet was one of their stars. He was trying to get things going here for a while, but things could not—*[interjection]* Yes, there were some entertaining moments when he was here. There were two or three of them that were working together. The Member for Fort Whyte (Mr. Loewen) would get fired up about something, but then he would make a mistake and get fired from his position, criticize Crocus, so they just could not shoot straight for a while.

* (17:20)

Now they have tried almost everything in the book. You know that playbook is pretty well worn. The coach has been trying new plays and they have been running into the sidelines and not getting anywhere, fumbling the ball a lot. Anyways, now they are trying a different tactic, but at the end of the day the Opposition are using scare tactics to try to win back that 10 percent or 20 percent they need to get back in the game. I mean, we all know that 20 percent of the public support us, right or wrong, 20 percent support the Conservatives, right or wrong. The Liberals have some support in there as well. It is that 10 percent to 20 percent that we all chase to try to gain seats and gain the government.

So we see members of the Opposition standing up day after day, asking for more roads. I mean, they even read the numbers of the roads into the record. They have got a petition where they want this road paved, they want that road paved. They turn around two or three minutes later, and they want the taxes reduced. Mr. Speaker, they want the Budget balanced. Do they think this through? I mean, at least

our leader in past elections, and certainly in preparation for the elections, used to insist, used to demand that all proposals were costed. But we have never seen that from this Opposition. I do not think they even tell the leader where they are going. The Member for Fort Whyte comes up with a big plan, and he just goes out and does it. I mean, the Attorney General knows this. The leader is driving around in his car and he hears the Member for Fort Whyte announcing some new position on Crocus and finance and so on. I mean, how can you run a party on that?

The members over there who were here back in 1986 know that sometimes telling that big tale over and over again actually works. I remember the big story about the bridge to nowhere, and nobody on our side believed that you could possibly get away with such a thing. They even had a picture of this bridge. It was the Selkirk bridge, and they kind of clipped off the edge. They handed out leaflets, and it showed this bridge appeared to be going to nowhere. They handed it out and just kept repeating it often enough that I think people actually started to believe it. That is one of the sad, sad commentaries on life in this House that you can actually take a story like that and make an issue out of a bridge, just a lonely old bridge out there in Selkirk, and call it a bridge to nowhere and start selling this and get people believing you. You know, people believe it if it says "new," or if it says "as seen on TV," or if an elected official is saying it; 20 percent of the people are going to believe it. All they have to do is convince another 20 percent and they are home free.

So, Mr. Speaker, this is where I think they are at right now. They are grasping at straws. They are trying to scare people. They are trying to convince people that they should somehow have a right to govern. The public did not believe them when they came up with their \$1-billion plan in 1999.

They were doing not so bad, right? I mean, here we were sitting in our campaign office with no phones because they called it right after the Pan Am Games in the middle of summer in the middle of a telephone strike, knowing that the opposition, who we were at the time, could not even communicate with our people. We were sitting there with no phones. At least we had electricity. What happened was they did themselves in. They shot themselves in the foot. They announced this billion-dollar spending

plan and tax reduction scheme and people did not believe them. There was a credibility gap.

The fact of the matter is the members were spending a lot of money. If you take any addition of debt, look back to the years when Howard Pawley's government was in and take the equivalent number of years the Filmon government was in power, the debt of the province increased almost an equal amount. We lost that argument by just a sliver. We increased the debt just slightly more than they did, but they have no monopoly on sound financial management.

Mr. Speaker, while we are dealing with the Liberal subamendment. The Liberal subamendment talks about the Government's failing to set priorities well and manage fiscal resources well. This is coming from a party that cannot explain \$100 million in Ottawa.

This is just the beginning. We have not got to the bottom of this scandal yet. As a matter of fact they are talking about having an election quick so that we can get this over with. I can just imagine what is possibly going to come out after the election. If they think this is the best time to go for an election, these are the best conditions, what could possibly be at the other end of the rainbow here?

The members talking about managing fiscal resources, well, let us look at the federal debt. We talk about the Manitoba debt and the member previous was talking about \$16,000 in debt for every person in the province. Well, that pales in comparison to the federal debt. Where do you think this federal debt came from? It came from Pierre Trudeau and his reign. Then Mulroney came in power and the debt just kept rising and rising. These are from the fiscal Conservatives over there, the smart business managers, the guys who know how to run the economy.

They have all the answers on the economic side. What do they do? They drive the debt right up through the roof, where we have no choice in the matter, where we had to do something about reducing the debt.

Paul Martin did not have a choice, just like Roy Romanow did not have a choice in Saskatchewan when he balanced the budget. The Tory government

of Gary Filmon was not the first provincial government to bring in balanced budget legislation and balance the budget. It started in Saskatchewan with Roy Romanow and, by the way, not because he wanted to do it, I am sure, but because he had no choice. He had no choice.

The Filmon government proceeded to balance the Manitoba Budget after the Saskatchewan government. Once again, he did not have a lot of choice, because if you do not take steps to reduce the debt, if you do not take steps to balance the Budget, the bond raters get you at the end.

The fact that we have got two improvements from bond-rating agencies in our credit rating should be testimony enough that this Government is doing the right thing, that this Government is headed in the right direction. That is the way a provincial government or any government should operate.

You will spend to the detriment of the province if you end up being downgraded by Moody and the other bond raters in the financial markets.

That is what the governments of 10 years ago were faced with. They could not possibly increase the debt anymore than they had because their interest costs would increase and their services would be decreased, so a number of governments starting with Romanow, with Filmon, with Paul Martin, got the deficit under control. What they did was they just stopped running deficits, but it did not mean that they were making any meaningful changes in the total debt. They just were not increasing the debt any. You can do that and you can be successful until the economy turns negative, and then you are going to be even in worse shape. So you have to start paying down the debt.

Where were previous governments in that whole issue? They did not recognize that here in Manitoba. This Government was the first government that recognized that we had an unfunded pension liability and that the debt had to be paid down. As a result, we are paying \$96 million a year over the next 30 years to pay down the debt and to take care of our unfunded pension liabilities.

We also introduced a measure to make certain that, with newly hired people in the Government, their pension liabilities were taken care of on a go-forward basis.

So we took care of all the new hires through the budgeting process, and we are taking care of the unfunded liability by amortizing it over 30 years. That was not being done, Mr. Speaker, by the previous government.

Mr. Speaker, how could you possibly show any sort of sensible financial management by allowing an

unfunded pension liability to keep increasing year after year after year?

Mr. Speaker: Order. When this matter is again before the House, the honourable member will have 14 minutes remaining.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 26, 2004

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