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(Hansard)**

**Journal
des débats
(Hansard)**

Wednesday 19 June 2002

Mercredi 19 juin 2002

Speaker
Honourable Gary Carr

Président
L'honorable Gary Carr

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LEGISLATIVE ASSEMBLY
OF ONTARIO

Wednesday 19 June 2002

ASSEMBLÉE LÉGISLATIVE
DE L'ONTARIO

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The House met at 1845.

ORDERS OF THE DAY

2002 ONTARIO BUDGET

Resuming the debate adjourned on June 18, 2002, on the amendment to the motion that this House approves in general the budgetary policy of the government.

The Acting Speaker (Mr Bert Johnson): We'll be looking, in rotation, to the New Democratic Party, I believe it's leadoff. The Chair recognizes the member for Nickel Belt.

Ms Shelley Martel (Nickel Belt): At the outset let me say that this is the leadoff for the NDP in terms of the response to the budget. Our leader is in his riding at an important event, and our finance critic is actually with a very close friend because of a death in her family. So I'm going to be doing the leadoff for the next hour on behalf of the NDP, which was quite unexpected. I discovered this at about 5 o'clock. I will do the best I can over the next hour or however long I can carry this, and hope that our finance critic and our leader will have an opportunity to also speak before this House finishes, which I gather may be next week.

Let me begin with what I thought was central in terms of the fiscal problems this government is experiencing and how that appears in this budget. If you go to page 6 of the budget document that was read by Ms Ecker, it says at the top, "Our government has pursued an aggressive tax cut plan for one very simple reason. Tax cuts work." Then you go down three paragraphs, and the government says the following: "In the meantime, because of our short-term fiscal situation, I propose to introduce legislation to delay, for one year only, the current planned reductions in personal income tax and in the general and manufacturing rates of corporate income tax, and the next step of the equity in education tax credit. We will also delay by one year planned reductions in education property tax cuts." The clear question is: if tax cuts work, why is the government pursuing this deferral? Surely this deferral would create new jobs and get them out of the short-term fiscal problem they have.

I want to make clear our party's position, which is that the government should cancel the corporate tax cut; cancel the personal income tax cut, which only benefits people at the high end of the income tax scheme in Ontario; and cancel the private school rebate, because we

are fundamentally opposed to this government using public dollars to finance private schools. Our position has long been to cancel these tax cuts, because they come at the expense of much-needed funding for programs which I believe are priorities for people in Ontario: health care, education, the environment and community services.

Frankly, the tax cuts also cost the province money, because this government has had to borrow, over the seven years that it has implemented tax cuts, in order to have the revenue to pay for them. We have pointed out that there are two significant, serious problems with the government's tax cut regime: (1) the cost to important programs to pay, because the government has to have the revenue somehow to pay for these tax cuts, and (2) the borrowing that the government has actually undertaken to finance the tax cut, which has directly led to an increase in the province's debt as a result.

So our position is: cancel them. But what I find so interesting and so amusing is that the government, in the deferral, has to admit that tax cuts do not work, because if tax cuts were working, the government would continue with its tax cut regime and that would see them through this short-term fiscal problem that they allegedly have. It's clear to me, if tax—

Interjections.

The Acting Speaker: Order. The rotation for speaking goes clockwise, so that to my right you'll have to wait till the next turn and to my left you're going to have to wait till thereafter. Other than that, you don't have the floor, so you're not allowed to speak.

Ms Martel: If tax cuts were so fabulous and tax cuts were responsible for stimulating the economy, how is it that the current government finds itself in the serious short-term fiscal situation that it does? If the government really believed that tax cuts would get them out of this problem, then the government would have come to this place and probably accelerated even further their tax cut regime or looked at new tax cuts. But what is clear is that the government has a fiscal problem and the only way the government can deal with the fiscal problem, because the tax cuts aren't going to do it for them, is to actually defer them. To ensure that the revenue that would have gone out with the tax cuts, revenue that in my opinion would have been lost as a corporate tax cut or a tax cut to the private sector, is revenue that the government now actually has to use—

The Acting Speaker: Order. I was hearing these desks rattle. I'd ask you to maybe put your hands underneath them, because I don't want to hear them. I don't

know what else to say. I think you should recognize that I don't want to hear any more of them.

1850

Ms Martel: I know it's hard for the government members to admit that tax cuts don't work. I feel very badly that they are in the position of their new Minister of Finance having to come forward and in one breath say, "Tax cuts work" and three paragraphs later say, "Well, they work so well that we have to defer them for this year because we need the money to finance the deficit that we have and we need the money that would have been lost in tax cuts to actually finance some increases in health care spending." That's the reality.

If tax cuts really did work, the government would have accelerated them even further in this budget, a step further than the former Minister of Finance tried last October when he said he was going to accelerate the income tax cut to try to stimulate the economy. Clearly that didn't work very well, because here we are with a budget in June, and whatever acceleration the government had in place or planned last October is certainly out the window. Not only is the acceleration of the tax cut gone, as promised by Minister Flaherty last October, but the government has now had to take the step to also say that they're going to have to defer for a year the tax cuts that have been promised.

What's even more interesting is that the government now has to introduce legislation to allow that to happen. The government now has to introduce legislation—probably they'll have to repeal something before this is over—to allow that to happen. This is the same government that brought in legislation and said, "We have to have a referendum if we're going to have more tax increases. And if we have a deficit, then some of our ministers are going to be personally liable."

So here we are, dealing with a government that's now going to have to bring in legislation to help them defer tax cuts that they've been trying to tell people really work and stimulate the economy. If that was the case, what are we doing here this evening dealing with the middle of page 6, which says that things are so bad in the short-term that obviously having more cuts isn't going to work to stimulate the economy? Obviously, keeping in place the tax cuts they promised, and even promised to accelerate last October, isn't going to work to stimulate the economy, so the only choice the government has to deal with its deficit position and try to have some money to spend on areas that people have identified as priorities, like health care, is to defer them for a year.

I'll say again that I think they should be cancelled outright. That is the position of our party. Cancel the corporate tax cuts, cancel the tax cuts for high-income earners, cancel the tax rebate for private sector schools, because public money should not be used to finance private or independent schools.

I was quite delighted to see that the government has had its back pushed against the wall and has had to defer the tax cuts. And I think that they, through that admission, have had to tell the people of Ontario, "Well, in

fact, tax cuts don't work that well to stimulate the economy. We've got a serious problem in the economy that wasn't resolved by our announcing last October that we were going to accelerate the corporate tax cuts. Indeed, the economy still isn't moving along the way we would like it to, and the only way we can deal with it, the only way we can have some revenue to deal with our deficit problem, is to actually cancel those planned tax cuts."

I thought that was really interesting. I was quite delighted to see the deferral. I'd be even happier if the government was forced to come forward and say they have to cancel these tax cuts altogether, because they continue to drain money from important priority programs that people in Ontario are very interested in, like health and education and the environment and community services. Frankly, by financing these tax cuts, the government has to continue to borrow, and has, in fact, increased Ontario's debt as a result. Even through good economic times, the debt of the province of Ontario has increased, and that can be related directly back to this government borrowing to finance those tax cuts.

The other thing I thought was quite interesting on the part of the government, as they try and make sure they're not in a deficit position—because if they are, there's some consequences that kick in legislatively and in terms of the personal liability of some ministers—is the significant change around the government's projections for sales and rentals. If you look at the budget papers, on page 57, under other revenue that the government believes will be generated this year, there is a line item called "Sales and Rentals." This year, the government anticipates it will bring in revenue on the order of \$2.4 billion. What is interesting is that this is about two or three times higher than in previous years, with the exception of 1999, when the government sold the 407 and, in that year, realized revenues on the order of \$2.1 billion. In that year, we all know what the government did. They sold the 407 and used some of that money in the election campaign.

What's clear the government is doing this time is looking to sell something else, something quite significant—maybe two or three things that are significant—in order to have that same kind of money. I don't know that they're going to want that money so much for an election; that may be some time off. What I think the money is going to be used for is to try to deal with the government's deficit problem. That revenue from the sale of an asset will be used against what is clearly a deficit problem that the government has had to deal with, in one sense by deferring the tax cut and, I think, in a second sense by this sale.

What is clear, because the Ministry of Finance officials told our staff in the budget lock-up on Monday, is that the government is projecting quite a significant increase in that line item, and the Ministry of Finance officials say that number is partly projected revenue from the sale of 49% of Hydro One, as well as Ontario Power Generation asset sales. This makes clear what we've been

saying all along, that the government's Bill 58 really does set the table for this government to sell off a significant chunk of Hydro One. The government should just come forward and tell that to the people of the province and be honest with them.

1900

It was very interesting when the Premier came forward with the bill and said, "We don't really know what we're doing. We might sell off a portion of it, we might develop a trust," and I guess he had some other options. "We're not clear, but we need the bill only to very clearly show we have some authority to sell if we have to." From details in the bill which relate directly to a sale of Hydro One, it is clearly the government's intention to sell off a huge portion of Hydro One. That was confirmed in the budget lock-up on Monday when Ministry of Finance officials told us that a big chunk of the revenue increase in the sales and rentals line item is projected by the government to come from the sale of 49% of Hydro One.

Our party has been consistently opposed to the sale of Hydro One, we have been consistently opposed to the deregulation of electricity in Ontario and we will continue to be opposed to those two things. But it clearly makes no sense to me that the government, in order to try to deal with a deficit, much of which has come because of their need to finance tax cuts, would turn to selling important public assets as a way to raise revenue to deal with that same deficit problem. I think it makes no sense at all to sell off an asset that frankly belongs to the public of Ontario—not the government of Ontario but the public. It is the public, through their rates, who over many years have paid for the development of the transmission lines and paid for the development of the stations that produce energy in this province, energy which frankly has been sold at cost and which has been reliable and a great asset not only to residential homeowners but to businesses, farmers, hospitals, schools and major manufacturing companies in this province.

What is clear to me is that the government saw a very serious deficit problem when the Minister of Finance was starting to develop the budget, and in order to try to deal with what certainly would have been a deficit has decided to (a) stave off the tax cuts for the moment, because they would have cost the government in terms of revenues, and (b) sell 49% of Hydro One. I think that will happen this summer, when we are away from this place and when people may be on holidays. The dirty deal will be done and 49% of Hydro One will be sold off, and that sets the table for the government to try to sell off the balance in the future.

We are very much opposed to that. We have been up front from the beginning in our opposition to the sell-off of both those sets of assets: the transmission lines and the generating stations themselves. We think that will result in higher electricity costs for the ratepayers of Ontario in the same way that Albertans and Californians experienced higher energy costs. We see no rhyme or reason to selling off an asset long paid for by the taxpayers of Ontario through hydro rates simply because the govern-

ment has a deficit problem and wants a quick sale in order to recoup some money to deal with it.

That also leads to our concern regarding what price these assets will be sold at. It's clear the government has forecast specific revenue that it hopes to raise from the sale of 49% of Hydro One and some other funding, and we're not sure of the total of that, with respect to the sale of OPG generating stations.

Because I think the government needs to raise that kind of revenue to deal with what would otherwise be a deficit situation, my concern is the government will end up selling these valuable assets at fire sale prices. It is clear, as a result of what happened in September and what has happened with respect to Enron, that there's not a huge appetite out there at the moment in the private sector in terms of buying up some of these assets. I think the government has found that to be the case, because a number of these assets have been out on the block, so to speak, for some time and haven't been sold. I'm thrilled that they haven't, but I think a big part of that has to do with what happened in September and the very serious fallout from Enron and all the court cases and everything else that will come.

So my concern, and the concern of our party, is that the government needs to raise that kind of revenue through their sales and rentals to deal with the deficit situation. If the government gets an offer, any offer, the government just might take that offer. That offer may not reflect whatsoever the value of the generating station in question.

Again, it just makes no sense to us to sell off something that has served the province of Ontario so well for so long for some quick cash to deal with the government's deficit problem. I think before we're finished we're going to see a fire sale of some of these important assets because the government is so desperate to raise the revenue to deal with what otherwise would be a deficit situation in this budget.

I think what was also interesting—and I go back to Hydro One—is that the minister certainly has tried to tell the public, and has mentioned on more than one occasion in this House, that the proceeds from the sale of Hydro One would go to pay off the stranded debt. It was interesting because the other thing we checked with Hydro officials at the budget lock-up on Monday was to determine whether or not the proceeds from Hydro One's sale and sales of OPG assets would in fact flow to the stranded debt. While the ministry officials insisted that would be the case, it's interesting that they were completely unable to show anywhere in the budget documents, in the budget papers, where that clearly takes place. So while on the one hand they told us very clearly, "Absolutely. That's where the proceeds are going to go. The revenue will go to deal with the stranded debt"—which the minister has tried to say again and again in this House is the reason for the sale of a portion of Hydro One in the first place; first, it was 100% and now it's 49%—it is true the Hydro officials were completely unable to show in the budget where that would take place,

where any of the \$2.4 billion in sales and rentals, much of which has to do with Hydro One and the generating assets, would actually show up against the stranded debt.

So I think this sale has nothing to do with dealing with the stranded debt. Again, I think it has everything to do with the government trying to raise some quick money to deal with what would be a deficit situation. We very much regret, as a political party, that the government is going down the road of selling very valuable assets to deal with a deficit situation that has primarily come about because of this government's obsession with tax cuts.

I want to look now at northern Ontario—because of course that is the part of the world I represent—and say a couple of things about what I see in the government's budget. The first thing I have to say is that it's very clear from what I see in the budget that it demonstrates a complete lack of commitment by this government to northern Ontario—a complete lack of commitment—which frankly, I would say, has now carried on with this new Premier from an old Premier, which is very regrettable, because the previous Premier was from northern Ontario and the current Premier had a seat in northern Ontario for some 20 years. You couldn't tell from previous budgets, and you certainly can't tell from this budget, that two consecutive Premiers who came from northern Ontario could care less about northern Ontario. Let me look at a couple of details.

First, we noted that the Northern Ontario Heritage Fund Corp was underspent last year by about \$44 million. That became transparent because in the budget document the government had to transfer NOHFC funds from its operating line to its capital line. It's interesting that on page 33 of the budget papers it says, "The Northern Ontario Heritage Fund Corporation operating expenditure declined by \$97 million in-year as a result of the reclassification and transfer of NOHFC expenditure from operating to capital. This reclassification was made to better reflect NOHFC's investments in northern infrastructure."

1910

When you flip over to the capital side and look at the changes, you would expect there to be an automatic transfer of \$97 million from the operating budget to the capital budget. What's interesting on page 34 is the following: "The Northern Ontario Heritage Fund Corporation capital expenditure increased by a net \$53 million in-year as a result of the reclassification and transfer of \$97 million in spending from operating to capital expenditure, partially offset by lower-than-planned NOHFC expenditures during the fiscal year."

I've represented a northern riding for almost 15 years now. My colleague Tony Martin from the Soo has represented a northern riding for over 10. I can tell you there is no lack of projects in northern Ontario that could be funded by the government through the NOHFC if the government actually chose to do so.

In fact, as I was reading this and thinking about the fact that \$44 million did not get spent last year in northern Ontario when indeed many communities have many

projects that could be funded, I thought about a particular situation in Sudbury. The government, well over a year ago—probably closer to 18 months ago—announced there would be money from SuperBuild to help the city of Sudbury redevelop its David Street water plant so it would be in compliance with this province's clean water drinking guidelines. The government made the announcement and then, for probably six months after that, essentially held the community hostage through negotiations and never got the money out the door. In fact, in a season when there could have been some work done, the city of Sudbury could not get the government to flow some of the money that had been announced for that project. They went through a ridiculous process with SuperBuild to try to deal with the proposal, have SuperBuild accept it and try to get some money out the door. The money wasn't announced until last fall. They missed a whole construction season.

As a result of knowing full well they wouldn't be able to start construction on July 1, 2001, last year the city had to write to the Ministry of the Environment and ask for an exemption from the clean drinking water guidelines because the plant was not going to be ready and was not going to meet the government's December deadline.

Here is a community that needed \$16 million in order to get that work done so it could meet this province's clean drinking water guidelines. The government wasted any number of months in ridiculous negotiations at SuperBuild that finally led to an allocation sometime last fall, after the construction season was passed. Then we have the prospect that the NOHFC doesn't spend \$44 million on projects needed in northern Ontario. There's no end of projects in northern Ontario. There's no doubt that a big part of the problem is that the guidelines for funding at the NOHFC are far too restrictive to actually allow communities to get capital projects underway. Maybe the new minister should take a serious look at that, especially in light of the fact he couldn't spend \$44 million last year.

The city of Sudbury is not the only community that found itself in that position. In the south end of my riding I have a small community called Alban, which put in an application to do some essential health and safety upgrades at its community centre. They applied through this ministry's \$300-million tourism fund—I'm not even sure what the program is called. In any event, there was such a lineup and such a long list of communities that were applying that another native community in my riding didn't get funds and this community didn't get funds until many months after they had originally applied.

Mr Garry J. Guzzo (Ottawa West-Nepean): How did they do with Bob Rae?

Ms Martel: My point is this: here is a capital fund, and \$44 million of it was not spent. I can tell the member from Ottawa, because he is here and because I was the chair of the Northern Ontario Heritage Fund Corp for the whole time I was minister, that every single year we spent every single penny that was available. I have to tell

you, Mr Guzzo, I am glad you raised that point. I am very glad you raised that point, because I can stand here and say that in every single year that I was minister, we spent every penny that was available at the Northern Ontario Heritage Fund Corp. We knew then and we know now that northern communities do have needs, capital needs. At that time, we were supporting a number of businesses which probably would have gone under, gone down the toilet, because of the recession. We supported them because it was the right thing to do.

But I'm astonished that the Conservative government could put in the budget the fact that \$44 million was not spent. I'm assuming they are going to try to say that's because there weren't the projects available. That makes no sense, no sense at all, because I come from a riding where projects that went in were not funded because there was such a waiting list. I say to the new minister, Mr Wilson, you had better take a serious look at this and you had better redo some of the criteria, because there are needs out there and those needs should be met.

I'll give one example of what the minister could do. There are a number of very small communities across northern Ontario that have to meet the province's clean drinking water guidelines. One of those communities in my riding is a village called Foleyet. It is so small that it is not even an incorporated municipality; it's run by a local service board. That local service board has to make repairs and renovations to its water and sewage plant that are in the order of well over \$200,000. This is from a community that has about 300 permanent residents.

We have an application in to OSTAR now. I have been tracking that. I hope that will be funded soon so they can actually do some construction work this summer, because they've already had a boil-water order this spring. I certainly hope the federal government will come through and provide its share of financing for this project.

That community can apply to the northern Ontario heritage fund for 10% of its local share, which is one third of the cost. This is a community that can't afford 3% toward a \$200,000 project. It's 300 people. It's so small, it's not even a municipality. That local service board will not be able to find the local share that it needs to pay for its portion, even if the Northern Ontario Heritage Fund Corp comes through and provides 10%.

My suggestion to the minister, because the community of Foleyet in my riding is like that—and probably the community of Gogama, which is also run by a local service board, will be in that position, and there are many, many others—if the government wants to look at how to spend some of that money and help northern municipalities, it should go back to that specific commitment and raise that 10% share to something higher so that those communities, because they've got to fundraise most of that money, will actually be able to fundraise their share necessary to make sure the water guidelines are met and to make sure that their plants are actually operating in a safe way and providing safe drinking water. That's one suggestion.

I look as well at two ministries that are very important in northern Ontario. One is the Ministry of Natural Resources; the other is the Ministry of Northern Development and Mines.

In this budget I see yet another cut to the Ministry of Natural Resources, this time in the order of \$20 million, which clearly will mean yet more staff cut at natural resources, the same staff who are supposed to be protecting our natural resources, be they fish and wildlife, forestry resources or aggregate resources. It is becoming impossible for the Ministry of Natural Resources to have the staff on the ground to protect those resources on all of our behalf. I just say that another \$20-million cut will seriously jeopardize the ability of MNR staff, particularly conservation officers, to do their job, to protect natural resources in this province.

1920

What was kind of ironic about this announcement was that it came on the heels of passage of Bill 135, the government's fish and wildlife bill, which is supposed to guarantee the rights of Ontario residents to hunt and fish. I've got to tell you that people who hunt and fish in this province are terribly concerned about protection of their wildlife and fish resource, about conservation, and they know that if the Ministry of Natural Resources doesn't have the staff out there to do the job, their rights are meaningless. Whatever the government passes, whatever bill—Bill 135 is the one this House dealt with—is going to be meaningless if there are not the staff on the ground to ensure protection of those resources, and conservation of them when that's necessary.

Also, on the Ministry of Northern Development and Mines, that's a \$2-million cut there. That budget is going from \$79 million down to \$77 million. There aren't many people left in the Ministry of Northern Development now to deliver the programs that need to be delivered. I think that will have a very serious impact on many of those communities experiencing serious economic difficulties. A study was released in only the last couple of months that showed that young people in northern Ontario continue to leave and never come back, and that is causing serious, serious population problems in so many of our communities. It doesn't help when this government cuts one more time the budget of the one ministry that is solely devoted to programming in northern Ontario. That's going to mean more staff gone and that's going to mean more programming gone, and that just isn't going to help the serious youth out-migration situation that has been clearly documented and most clearly articulated in a recent report released within the last two months.

As well, the government did nothing in this budget to guarantee to those of us in northern Ontario that the Ontario Northland Transportation Commission would remain in public hands. That has been a very important tool for economic development in northern Ontario, developed by a previous Conservative government, supported by New Democrats, supported by Liberals. The situation we find ourselves in is that this government is also interested in privatization of some of those assets.

Maybe that's where some of the money listed on their line item of rentals and sales is going to come from. Maybe they're going to sell the telecommunications section, which is a real money-maker for ONTC and helps them support their other services like bus and train services. Maybe they're going to be selling those, which of course might get the government a quick buck, might help them with their deficit problem, but sure isn't going to do anything positive with respect to the important transportation services that ONTC actually provides in our part of the province.

One other note: the government very briefly, on page 34, talked about its tax incentive zones and that it was going to have a consultation around that. This came from an announcement that was made in the throne speech where the government said that one of the things they were going to do to stimulate the northern economy was to create these tax incentive zones. I disagree with that. Marcel, if that was your idea, I've got to tell you I disagree with that fundamentally. I'll tell you why.

I see how northern communities compete against each other right now with respect to doctors. What northern communities do to each other trying to compete and trying to attract doctors is really godawful. Municipalities that can't afford it are trying to put up a house or offer a car or offer a job for the spouse of the physician or offer free rent in a medical building or pay for equipment or whatever. All kinds of municipalities in northern Ontario right now are so desperate for doctors that they have been caught in this kind of competition, which is completely destructive. You know what I think? I think the same thing is going to happen with respect to these tax incentive zones. I really do. I think that's just going to pit northern Ontario municipalities against other northern Ontario municipalities and there's not going to be a net gain. There aren't going to be new jobs. We're going to see one community lose jobs at the expense of another.

Frankly, there are four or five municipalities—the big ones, the major ones—in northern Ontario that would really be in a position to do something in terms of forgoing municipal revenue or municipal taxation. I'm assuming that's what this government is talking about, that it's not talking about forgoing provincial taxes. Some municipalities are going to be in a financial position to do that. Do you know what? That's not going to result in a net gain. They're going to be into the same kind of really ugly, endless competition against each other that they are now caught in with respect to trying to attract and retain doctors.

The government has a really important role with respect to economic development in northern Ontario. I wish the government would assume it. I've seen the government just continue to back away and back away and back away with respect to economic development issues in the north. This scheme, while it may be supported by some of the northern mayors—I know they do support it, and I disagree with them—I think will just be very detrimental to municipalities. It will cost many municipalities in the north that can't really afford to forgo municipal

revenue. It will just pit them against each other and will not result in a net gain of jobs or a net gain of economic development in our part of the province. I think the government should just get rid of this idea and start looking at what the government itself, as a responsible player in economic development, could do in northern Ontario.

Let me look at health, because of course this is one of my critic areas. I'll make a couple of comments. It's interesting, and important—I should point that out—that the government recognized hospital needs in the province of Ontario. It is clear that hospitals had some very serious needs that had not been met. If you look at an update that came from the OHA on May 27—this was an update to its members—it says the following: “The current hospital funding problems stem directly from the planned under-spending in the 2001 provincial budget. At that time the government was advised of the real needs of hospitals to maintain current programs, and those needs were not included in the budget.”

The consequence of that not being met in the 2001 budget was that we had over 100 of the 160 hospitals in Ontario operating in a deficit situation. We also had a situation where those same hospitals, trying to cope with operating in the red, operating on reserves, were also not clear about how they were going to maintain even their current level of services if the government didn't respond. So I am pleased to see that the government recognized the very serious mistake it made in last year's budget by consciously underfunding hospital needs, and I am pleased that the government has provided what looks to be the \$300 million that will get those 100 hospitals out of their current deficit position and the balance of the money, some \$700 million, which will maintain programs. The OHA several weeks ago said two things were needed: about \$300 million to get those hospitals out of deficit positions and about \$700 million to maintain current programming. It looks like that is what the government has done.

That begs the question—because the budget document talks about an expansion of cardiac services, an expansion of priority programs like dialysis and MRI scans—where is the money to allow that to happen? The Ontario Hospital Association and David McKinnon were pretty clear a couple of weeks ago to say that \$700 million would be needed just to maintain services that hospitals in Ontario were currently offering. He didn't say that \$700 million would allow them to maintain services and allow them to have new programs. On the contrary, that's what was required just to maintain the current level of service. So the question I have for the government is, in the funding that was announced, where is the money to actually go forward with new priority programs like cardiac services, dialysis or MRI? What has been given, in my opinion, does not allow for an expansion of those programs to happen. What has been allocated in the budget deals with the \$300-million deficit of 100 hospitals and then provides \$700 million for those hospitals to continue with current programming. I think that is a

serious issue that I haven't seen resolved in this budget, because I don't see where the additional funds are to allow hospitals to actually expand services as they need to do to meet population needs and growing health care needs.

The other concern I have in this relates directly back to my community. We have a hospital that has been forced to amalgamate as the result of a decision made by this government's Health Services Restructuring Commission. We will have one site at the former Laurentian site, and that will be called the Sudbury Regional Hospital. The Sudbury Regional Hospital provides services not only to our community of Sudbury but provides really important services across northeastern Ontario: cardiac services, cancer services, neonatal services, trauma services. Yes, we have people who live in the community who are served at that hospital, but many people come from right across northeastern Ontario—from Timmins, from the Soo, from Iroquois Falls etc—to receive services there.

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Our hospital board, for many, many months now, has maintained that this government is not recognizing the need for our hospital to operate as a regional centre and is funding it as a community, and not a regional, hospital. In fact, last year at one point they were probably \$34 million in deficit because they would not cut programs, because they knew they were so desperately needed, but they also knew that the government was not recognizing the need for them to act as a regional centre and funding accordingly.

So there has been a review, which the hospital asked the Ministry of Health to undertake, an operational review that will be completed at the beginning of July. I fully anticipate that that review will show that our hospital has been underfunded, that it has been incapable of acting as a regional centre because it is not receiving the money to allow it to do so. And I fully hope that the review, led by Jean-Paul Aubé, will recommend to the minister to increase the base funding of our hospital so it can actually undertake the mandate it has been given. But my concern through all of that is that in the money that was announced by the government there will be no mechanism for this government to provide the increased funds that I hope will be recommended to allow the Sudbury Regional Hospital to act as a regional centre. I see no room for the government to move to allow it to increase that base funding so our hospital can do that. I see no room for it to move, because it seems to me that the money that was allocated is pretty well spoken for—\$300 million for deficits of those 100 hospitals and another \$700 million for the hospitals to continue to maintain their current level of service.

If we're going to be able to actually do what we have to do in that new hospital, which I believe will be clearly shown in the review, we're going to need some more money to do that. I don't see where that is accounted for with respect to our hospital. And there may be other hospitals that are in the very same situation. I can only

speak for Sudbury, because I've been following it, but I think there are going to be a number of hospitals that go through the process that we have in Sudbury that, despite the need for increased funding in a recommendation, may just not get that. That is going to dramatically impact on patient care, not only in Sudbury but right across northeastern Ontario.

The very serious concern I had with the section on health care in the budget has to do with the number of references where the government says it's interested in new partnerships with the private sector, be it having the private sector involved in the health capital planning review or the private sector involved in diagnostic services like the MRI and the CAT scanners. I raised this question yesterday in the House and we raised it again today, and I'll make the point again tonight: we are opposed to having even further private sector involvement in health care delivery, and we are opposed because we believe that comes directly at the expense of patient care. When you are paying for-profit providers to deliver health care services, 100% of the dollars that should go into patient care does not go into patient care. A portion of those dollars is siphoned off to provide profits for that for-profit provider. That is a fact. So I see this government, through this budget, deciding that on more than one front now it is going to go down the road of expanding even further the involvement of the private sector in health care, which will mean fewer health care dollars going directly into patient care.

It was interesting. The government talked about diagnostic services like MRI and CAT scanners, and I guess the government was hoping to appeal particularly to the association of radiologists because they were the ones who were sounding the alarm in the last two weeks about the desperate need for diagnostic services and the desperate need for government to respond so that there wouldn't be ongoing waiting lists. What's funny is that the association of radiologists has responded directly to the government announcement and it hasn't been positive. I'm looking at a press release that was issued on June 17 by the association which clearly says: "Today's budget does nothing for the hundreds of thousands of Ontario patients on waiting lists for commonly required diagnostic imaging examinations due to the Ontario government's chronic underfunding of radiology services, said the Ontario Association of Radiologists."

Further down in the press release: "The funding announced in the budget only addresses a fraction of radiology services in this province. 'CT and MRI only represent about 10% of imaging services in Ontario today—the government has ignored the other 90%—and the thousands of patients who are waiting to get these services,' said Dr Tarulli. 'At the same time, this is a government that now expects to be applauded for a decision that it was advised to make over five years ago but decided instead to sit on its hands and let the situation deteriorate.'"

So the government is not getting any kudos from the association of radiologists, the same people who deal

with the diagnostic services, for the announcement that was made in the budget, an announcement that essentially says some money will be provided, and also that we are also going to look for innovative new partnership opportunities between service providers to improve accessibility to diagnostic services like MRI and CAT scan. So the people who should be happy are not.

We will continue to say to the government that it's going in the wrong direction as it goes down the road to expanding even more the role of the private sector in health care. I think the government runs completely counter to what I hope the recommendations are going to be from Mr Romanow, when he makes those later this fall. I regret very much that the government didn't even wait until those recommendations could be released publicly, because many, many people have been involved in that process and I would have thought the government could have had the decency to listen to what Mr Romanow had to say.

Second, I say again that I think this will come at the expense of patient care. More of the health care dollars that should go directly into patient care are just going to be siphoned off and taken up by providing profits to those for-profit providers that the government is interested in having involved in this process.

It was interesting that just today, the largest MRI body-scan screening chain, called Wellbeing Inc, announced that it is going to establish itself in Toronto next year. It says it's going to cater to "the healthy and wealthy in Europe, the United States and Canada who want a 3-D peek at their innards." What was so interesting about the announcement was that the president and CEO said the following: "We're looking for you to swipe your AMEX card and take preventative, proactive control of your personal health." I guess so, because the cost of the scan is going to be US\$1,000 if you want to have a preventive scan done courtesy of Wellbeing Inc.

Today, I raised with the Minister of Health my concern as to whether or not this was a company that the government is now negotiating with or talking to, especially in light of what was declared in the budget and what the minister himself said just yesterday, that he was very interested in withdrawing a provincial regulation that would ban private clinics in the province, paving the way for increased private sector involvement, and he specifically referred to MRIs and CT scans. I asked the minister today, "Is this the group you're talking to?" and he said, "They haven't put in an application, so we haven't seen anything. Some of the changes in these services are targeted for underserved areas." Well, I read the budget pretty carefully. Nowhere in the budget document does the government say that these new partnerships for more MRI or CT services are going to occur in underserved areas. I didn't find that anywhere, and I think I looked at it pretty carefully and I read through it pretty carefully. So I'm not sure what the minister was talking about today when he was saying, "I don't think we'll be dealing in a partnership with them, because they're only interested in operating in Toronto and we want some of

these services in underserved areas." That's not what the budget document says. It says nothing about these new services going to underserved areas.

I want the government to be very clear that it is not interested in a partnership with Wellbeing Inc, because my overwhelming concern, if the government went down that road, is that the government would then not be in a position to ensure that people referred by their family doctor under OHIP for a CAT scan that might be life and death would not have their spot taken over by someone who was willing to put US\$1,000 on the table to jump the queue. That's the scenario that gets set up when you decide to bring the for-profit sector into health care. That is the scenario I am very concerned about: that someone with US\$1,000 at Wellbeing will just jump the queue over someone who was referred there by a family physician for an imaging process that might mean the difference between life and death.

I think the government should say flat out, "We are not interested in any partnership here," and I think the government should look for other solutions to the waiting lists that involve the public sector to ensure that 100% of health care dollars go into patient care and not into profits for the for-profit deliverers of health care services.

I was also quite concerned that the government referenced the private sector as well in the section where they say they will commission a health capital planning review, the point of that being to make recommendations to the Minister of Finance and the Minister of Health on how to streamline the government's health capital planning. It's very clear that representatives from the health care community and the private sector will be consulted as part of their review.

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Clearly, my concern is that this will facilitate the government's desire to have the private sector involved in hospital construction. We know the government has already made two announcements with respect to Ottawa and Brampton about how the private sector will be involved in the financing of hospital construction in those two communities. The New Democrats are opposed to that.

At the end of the day it's going to cost the taxpayers of Ontario more to have hospital construction financed that way, because it's the government of Ontario that has the best borrowing rate. If we are underwriting or supporting the loan for the construction of hospitals done by the private sector, that is going to cost us more, and then the private sector is going to want a bit of that financial action as well. They're not going to do that for free, are they? At the end of the day it's going to cost us more to construct those hospitals using the private sector than it would if the government engaged itself and had hospitals engaged in some longer-term borrowing to allow them to do that. I think all you have to do is look at the examples that are coming out of Britain now, where this issue has been under extreme scrutiny, to see that it has cost that jurisdiction, and the public, far more to have the private sector involved in capital construction.

The other concern we have is that it's not going to stop at capital construction. Before you're finished, when the private sector gets its foot in the door on capital construction, the next thing is the private sector operating much of what goes on in terms of daily programming in those hospitals. The New Democrats are not interested—not interested at all—in having the private sector delivering important health care services.

There was a very good study that was recently released in a medical journal, where researchers at McMaster University studied the mortality rates at a number of American hospitals over the last 15 years. What was very clear is that those mortality rates were far higher than they were in hospitals that were operated publicly, be it by religious organizations or be it by community boards, which is the majority of the cases here in Ontario. I'm not interested in having the private sector involved in the capital construction. I am certainly not interested in the private sector running operations in our hospitals. I think that is absolutely the wrong way to go because the bottom line will be profit, the bottom line will be, "How many nurses do we not have to bring on today in order to make a bit more money?" That will not be good at all for patient care, and I think the most recent study that appeared in the medical journal was very definite proof of that.

I regret that I didn't see in the budget a couple of things; for example, a very concrete announcement with respect to nurse practitioners. The government essentially repeated the announcement it made in the throne speech that it would double the number of nurse practitioners working in Ontario—no idea of what the timeline of that is going to be, no idea of what funding is going to be attached to that and certainly no idea of the base number of nurse practitioners the government is using to actually work from to say, "We'll double it." Is it 10 nurse practitioners we're going to double, is it 30, is it 100? What is it?

I regret that the government has done nothing around this really serious issue, because it is clear that nurse practitioners do have the skills to make a very important contribution to health care in the province, specifically in underserved communities, four of which are in my own riding. We have long encouraged the government to, for example, fund nurse practitioners so that they could work with physicians in doctors' offices, so that each provides their own particular scope of practice and they promote health and illness prevention as well, not just treatment services, and that the government find a way to pay for that so that some of the really serious health care needs in the underserved areas could actually be met.

The government announced in the throne speech a demonstration project involving 20 nurse practitioners in 12 underserved communities. There's no need for a demonstration project. The scope of practice for nurse practitioners is well defined. They have been practising in the province for a number of years now. We have 268 nurse practitioners who have graduated from the MP program who are unemployed or underemployed, whose

skills we desperately need, especially in underserved areas. The government should have come in the budget and said, "Never mind the demonstration project; we recognize the valuable skills of nurse practitioners, we want them to work in the health care system, we want to respond to the need for primary care in so many of our underserved communities, and we have a mechanism that will pay for nurse practitioners to work in underserved areas, to work with physicians in doctors' offices or in community health centres." That was another announcement that the government did nothing about.

The association of community health centres has had a proposal in to this government since the fall of 2000 to create 65 new community health centres in the province and to expand the existing health centres, of which there over 53. Since the fall of 2000 that proposal has been in. Many of those community health centres are located in underserved areas and expansion of the same would really deal with many of those people who can't find access to primary health care. A number of the new centres would open up in areas where it's clear the community is underserved for any range of health care providers. The government has done absolutely nothing since that time.

I was at the annual meeting of the association of community health care centres last week with the Liberal critic for health care, Lyn McLeod, and with the Associate Minister of Health and, as well, the member for Durham. They went there and mouthed to these people about how concerned they were and how committed they were to community health centres, and then there was absolutely nothing in the budget. I think it's worth repeating that since this government has been the government, only two new community health centres have been created and some four satellites have been expanded. That was after our government did 28 new CHCs in the time that we were the government. If this government was really committed to CHCs as a true model for primary care reform, then it would fund that very important proposal and this government would actually start down the road to really reforming primary care. It's very clear that the family health networks the government is supporting are not going to get us there. They are not working to provide real primary health care reform.

In conclusion, I say again that what was most interesting about the budget was the fact that the government has had to defer its tax cuts. I call on the government not just to defer the tax cuts, cancel them. Abandon them altogether.

The Acting Speaker: As all of you are aware, there are no comments and questions on the leadoff speeches, so we'll go in rotation to further debate.

Mr AL McDonald (Nipissing): I would like to start off by thanking my partner, Wendy, who is here tonight, who I love very much and has really been a great source of support for me. I'd like to thank her for making the trip down and spending a couple of days with me here in

Toronto. I appreciate her being here for my maiden speech.

It's nice to represent what I think is the greatest riding in the province of Ontario and that's Nipissing, of course. I'm thinking of all the towns like Trout Creek, Powassan, Callander, Astorville, North Bay, Bonfield, East Ferris, where I live, Corbeil, Rutherglen, Mattawa, all those great towns and cities that makeup my riding. I'm very proud to stand here tonight and say hello, if they're watching. I'm very proud to be your representative.

Of course, we're here talking about the budget that was just introduced. I find it very interesting, this whole process of debate. If the cameras could show this important debate—and it's very important that all parties get to speak for or against the budget. Let's be very clear: it's the job of the opposition and the third party to criticize what the government has come forward with, and that's what you've heard tonight. That's their job and you can tell they're having a tough time finding bad components of this budget. They are really stretching it out. Just to show you the concern, you have the NDP and the Liberals trying to hammer the government over this budget and how terrible it is, that it's not good for the province of Ontario. They're trying to demonstrate that with their words. I don't know if the cameras can pick it up, but there are three individuals from the NDP here tonight and four from the Liberal Party. If it was so bad, you'd think they would be out here in droves speaking to it. I guess they had their chance in the one-hour question period to come out and state their opinion when all the media was here, but when you debate a bill or when you truly believe in the argument or the fight you're standing for and you don't even have the support of your colleagues, that's really something.

1950

I must say I was talking to the president of the North Bay and District Chamber of Commerce. His name is Dave Mendicino. He's a big supporter of business, a community leader in our city, and he had glowing remarks for the budget. He talked about how this government's going to continue with the tax cut for small businesses. I think we all recognize that small business drives jobs in the province of Ontario, especially in northern Ontario, where we need this job creation. Of course, this continuing tax cut for small businesses really helps them in that area.

You also have to talk about how this government has also cut the mining tax, which is really key to northern Ontario. It didn't back off. It said, "We believe in northern Ontario." I know that in my riding mining is very, very important. You think of Boart Longyear and those types of companies that employ a lot of people in our community. It's important that we support them. I think this government has taken that stance to show its commitment to the north. I believe it's very important. As we see declining population in the north, the one thing you have to look at is the fact that we have to create opportunities, job creation or opportunities for our young not only to be educated in the north, but to find jobs and stay

in the north. That's what the north truly needs. They need opportunities. I think this government has shown it has recognized the north does need some assistance and has taken steps that way. I think of individuals like Carl Crewson, who owns Plastitech, who employs 70 to 80 people and who exports most of his goods to the United States. These are key individuals in my riding who make it go, who employ people and create opportunities.

I must say, though, and I've only been here a month, I believe this party, the Conservatives, is the only party ever to have four consecutive balanced budgets. I think that's key. That just shows this government is responsible. It doesn't spend more money than it takes in. It shows that it needs to balance the books and it has made tough choices. There are groups, obviously, that aren't happy with everything this government has done, but they all state that at least this government is fiscally responsible and looks after the province. The four consecutive balanced budgets show this government is committed to governing this province the way any homeowner would run his household, the fact that you don't spend more money than you bring in because it just gets you in trouble. All hard-working families know that.

We have colleges and universities in northern Ontario. I think of the two that are in my riding, Nipissing University, whose president is Dave Marshall, and Canadore College, where the president is Barb Taylor. This government has not only put \$75 million more into post-secondary education; it has also committed another \$16 million for northern colleges and universities. I think that's very important. That shows a commitment to the institutions in the north, particularly in our riding. I was speaking with Dave Marshall and Barb Taylor. The funding is key, and I think this government has shown its commitment to that area.

One of the other things that we notice in the north, and you hear a lot of it in the news lately, is safe, clean drinking water. In my short period of time on North Bay city council, we were wrestling with the issue of water filtration, because we take our drinking water out of Trout Lake. Trout Lake is a very clean lake. It's a beautiful lake, but obviously with all the things that have happened in the province in the last couple of years, it's key that we set up protections for our citizens. I know that we wrestled with water filtration. This government is putting half a billion dollars into safe drinking water, and I think that's a great step. The city of North Bay wrestled with the costs of putting water filtration in; it was going to range anywhere from \$20 million to \$30 million. This investment by the provincial government will help cities like North Bay with this sort of situation. It can assist the city and the municipality to be able to deliver the water filtration at a cost that's more affordable for the community.

You talk about health care. It's probably the number one priority, the number one thing that is on most people's minds. In Nipissing we're building basically a \$200-million hospital, the North Bay Regional Health Centre. That's really key to any area or region and it's

key for my riding in the sense that when we talk about economic development, health care goes hand in hand with economic development. A \$200-million hospital is quite an investment. It's much needed in the north and it's much needed in my riding of Nipissing. That's quite a commitment from this government, to fund a little bit more than three quarters of that to provide first-class health care not only to the people of Nipissing, but to the people in the north.

This is the only government in 30 years that has opened a new medical school; the first time in 30 years, and they're opening it in the north. I think that's really key, the fact that we have our first medical school and it's being opened in the north. Statistics show that if you train doctors, they'll stay where they are trained. I think this is key and I applaud our government for doing this, the first time in 30 years we have a new medical school, and it's in the north. I think that shows a commitment by this government to northern Ontario.

Also, they've developed free medical school tuition for new doctors willing to practise in unserved areas. That will be key to us as well; that will be key to the north. That is a strong signal to the people of northern Ontario that this government cares about the north. It has taken steps. It recognizes there is a physician shortage all over the world. It's not just an Ontario problem. This is a worldwide problem, and at least this government is taking the steps to assist northern Ontario in that sense. It's something that we all care about and we all want to see come to fruition.

There are many volunteers and community leaders in my riding of Nipissing going out and fundraising the community portion, their share of this new hospital. I applaud them, because it's a lot of hard work but it's very important. The people of Nipissing have always come out and supported any great cause. That's the one thing I love about the north and Nipissing, that they look after their own, and that's very important. That's why I'm very proud to call Nipissing my home.

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This government also recognizes that we need a strong transportation system, and it's aggressively four-laning Highway 11 from Toronto to North Bay. If you're driving up from Toronto to the north, the only way really to go is Highway 11. It's probably the most scenic route to go, and probably the safest route. But there's still a stretch that's two-lane. This government has recognized that for, safety reasons, when you're travelling in the north—it's not only for economic development, to transport goods to market; we also have to protect our citizens when they're travelling from the north to the south or the south to the north. On a four-lane highway, obviously, you're a lot safer than when you're on a two-lane highway. It's really something to drive up there and see all this construction going on.

It's former Premier Mike Harris, and now Premier Ernie Eves, who are driving all this development and have shown a real commitment to the north. I think that's quite an accomplishment and shows that for both those

men, their word means something. They make a promise and they keep it; it's not empty words. That's the one thing I've found about this party: it goes out on a campaign or stands up in the House and says, "We're going to do this," and they keep their word. Anybody of integrity realizes that the only thing you really have, at the end of the day, is your word. If you stick to your word, people will believe you. They'll have trust in you. They'll seek you out. They see that as leadership. I look at Premier Eves and he shows that leadership, and this whole party shows its leadership by keeping its word and working hard.

We talk about opportunities for the north. One thing we always struggle with up there is that it seems to cost more to live. You know, our roads don't last quite as long and our water and sewer lines don't last quite as long. This government recognizes that fact. They recognize that there are different interests in the north, different costs of living in the north. It has come up with the great idea of tax-free opportunity bonds for municipalities to build these infrastructures, to expand the services they provide to the community, to the city, through this tax-free opportunity that will lessen the cost to municipalities to raise money to put in this infrastructure. It gives the citizens, not just of communities in the north but all communities in Ontario, the opportunity to invest in their cities and receive tax-free bonds. The Ontario portion would be tax free; the federal government always takes their share. This province is willing to say, "Listen, citizens of Ontario, you're very supportive of your cities and towns. If you invest in them, we will create these opportunity bonds where we won't tax you." We'll allow you to invest into your communities and still get a rate of return," and, in turn, the municipalities can raise the capital necessary to keep their cities going, but at a lesser cost. I think that's a great thing that this government has come up with, which will assist not just all the municipalities in the north but throughout Ontario.

I look at individuals from my riding like Mike Anthony and Peter Chirico, great councillors with the city of North Bay, and Mike Holmes and Norm Pellerin, who sell real estate—and real estate is booming in Nipissing right now. Houses aren't even hitting the market without being sold. I can see good things happening for us in the north. We just need help in different areas.

I see community leaders like Paul Lamont, Greg Briggs, John Kreig, John Richardson, David Kilgour and Vala Monastine Belter—they are individuals who really believe in the north and in Nipissing. When I talk to them, they're saying that this budget, although some of the tax cuts were delayed a year—I mean, they're business people. They understand. You don't always have great years when you can just sock away a lot of money. Some years are a little leaner than others and you have to take steps. Sometimes you might have to move your priority one year because of things that have happened. I think it's good business sense that you do that. You just don't spend money you don't have.

When you postpone by a year a major purchase in your household because something happened—you needed some money somewhere else—that just makes good business sense. You don't just go out and borrow more money and get everything for the day and run a deficit in your own household. You just put off that priority for a year to allow yourself some room to concentrate on other areas in your household that might need attention. And that's the province; the province does the same thing. Obviously, we want to create more tax cuts or move ahead with those tax cuts that we had planned. But when you hear about health care and educational needs, I think this government took the right step. It said, "You know what? Let's delay those cuts one year and invest \$1.7 billion into health care"—that's an incredible amount of money, \$1.7 billion—and half a billion for education.

Now, you'll get organizations out there in both those fields that say, "That doesn't even come close to being enough." They need to say that; that's what they do. But still, if the taxpayers of Ontario are writing a \$1.7-billion cheque to health care and writing another cheque for half a billion dollars for education and writing another cheque for half a billion for safe water, I think they recognize that that's a lot of money and is an investment in the community of Ontario. They understand, "Hey, if this government and we feel that these are priorities, we'll forgo one year of tax cuts to invest all that money in those areas we need, and next year, when the province is doing that much better, then we'll take those tax cuts and put all that money back into our pockets." The average taxpayer in Ontario, who makes \$60,000—that's two workers, with two children—has put an extra \$2,000 in their pocket since this government has come into power. That's a lot of money.

In conclusion, I believe this budget is awesome. I believe this budget is triple excellent. I think what we saw in our finance minister, Janet Ecker, and our Premier, Ernie Eves—they did a tremendous job. I'm very proud to be on their team and very proud of this party and this government.

The Acting Speaker: Comments and questions?

Mr David Caplan (Don Valley East): I certainly want to congratulate the member for Nipissing on his election victory and welcome him to the House. It was his maiden speech and I want to recognize that and congratulate him. It was a very narrow victory but well done.

I was in North Bay prior to the election campaign. A lot of people up there talked to me about what this government was doing with Hydro. He didn't touch on that. Hydro was an important part of this budget. In fact, the government—Janet Ecker—has booked \$2 billion that they expect to get from the proceeds of the sale of Ontario Hydro. When I was in North Bay, the people there were very much dead set against it, so I would ask the member opposite what he heard from his constituents about Ernie Eves and Janet Ecker and all the people he lauded. I've got to say, yes, it is the role of the opposition to criticize, to comment, to make constructive sugges-

tions. It's the role of backbench members to pat themselves on the back, and he did a very good job of that. My question to the member is, what did they say in North Bay about Hydro and the government's handling of it? It was very different from what you find in the budget here.

Another question that perhaps the member could answer—something that people in North Bay talked an awful lot about to me was Ontario Northland, this government's plans for Northland and their lack of support. There was no support for Ontario Northland in the budget, and I would be very curious about the member's comments about it. Does he support its continued operation, what is he going to do, and why is there no support for Ontario Northland in this budget?

A third comment, as the member talked about tax-exempt bonds: is he, as a former deputy mayor of North Bay, suggesting that the answer for municipalities and for municipal ratepayers is to incur more debt, to build up the debt? Is that what he is suggesting is the right way for municipalities to build and grow?

I'd be very interested in those answers.

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Mr Peter Kormos (Niagara Centre): First, I want to indicate that Tony Martin, the member from Sault Ste Marie, is anxious on behalf of his community, his region in the north of Ontario, to speak about this budget.

I can't omit making reference to the speech of the member from Nickel Belt, whose analysis in the brief hour given to her was outstanding. But I want this member who just spoke to be very cautious. He speaks of yet another balanced budget. Yes, it was just a balanced budget. However, let's understand how it got balanced. It got balanced because of the sell-off of public assets to the tune of approximately 1.8 billion bucks. What's this government going to do to balance the budget next year? Are they going to sell off the LCBO? And then the year after that they're going to sell off other assets, find more highways to sell: sell off the 406, then sell off the 400? Before you know it, there's nothing left to sell.

The interesting thing is that this government hasn't always had a preference for a balanced budget. Indeed they generated incredible amounts of debt, some \$20 billion, \$25 billion worth of debt to finance the tax cuts.

Interjections.

Mr Kormos: Wait a minute. That was on top of a substantial debt they inherited, a debt that was generated during a recession, during hard times, a debt that was generated in the early part of the 1990s that kept schools open rather than shut schools down, a debt that was generated that kept hospitals open, that kept transfer payments to municipalities, that built schools and built roads rather than shutting them down or privatizing them.

This government has increased the debt out of its passion for privatization and tax cuts. This isn't a balanced budget. This government had to sell the family silver to make the books turn out the way they did.

The Acting Speaker: Comments and questions? The Chair recognizes the member for Scarborough Centre. I'm sorry; the Chair recognizes the member for Simcoe North.

Mr Garfield Dunlop (Simcoe North): Thank you very much, Speaker. I like being above Highway 7.

It's a pleasure to be here this evening. First of all, I want to comment and thank my colleague from Nipissing for his maiden speech, and what a great job he did on it. And I want to congratulate him on a victory in Nipissing. I don't know how many people are aware of this, but for the last 60 or 70 years, any time a Premier has left his seat in the province of Ontario the party in power did not hold on to that seat. In spite of the fact that the Leader of the Opposition spent about 28 days in Nipissing doing the very, very best he could to win that seat, the deputy mayor of North Bay won the seat, and I congratulate him for that—a job well done. Yes, we all heard the issues at the door, but we won the seat—the first time in I believe 70 years. That's a testament to AL McDonald, and I congratulate him for that.

Second, I want to comment on the budget that Minister Ecker delivered the other day, our fourth balanced budget. I'm so proud of this government, of the fact that in my four years here we've delivered four balanced budgets.

It was almost hilarious to listen to the member from Welland a few minutes ago talking about adding debt. The Common Sense Revolution inherited a debt of \$11.3 billion after the New Democratic Party and the Liberal Party had accumulated something like \$60 billion in debt over a 10-year period. And he has the nerve to stand here and say we added to the provincial debt. It was part of the plan. There was no other way on God's green earth that we could have come to the position we're in now in the province of Ontario today without the Common Sense Revolution that we put in place.

Mr James J. Bradley (St Catharines): I don't know whether the member has any constituents who would have been affected by the Mater's Mortgages situation. Mater's Mortgages investors, a number of years ago, invested in a company called Falloncrest. They're right across the province of Ontario, some in the Stony Creek area, some in various parts of the province. They have been in a legal battle with successive governments of Ontario for a number of years. I've met with these people on a number of occasions. A lot of them have become quite elderly because of the years that have passed. A lot of them were people who invested their retirement savings. Their contentious issue right now is that they believe the government of Ontario's lawyers are trying to stretch out the case so long that they will not be able to collect what they feel would be their rightful compensation.

Initially and to this day what I think they would prefer to have is an out-of-court settlement, one that they felt was fair to them, that compensated them appropriately for their losses and, they would believe, their interests as well. Their great frustration is that they've been tied up in court for years and years. The members they have contacted would remember how difficult that is for them to be caught up in court. They've incurred a lot of legal costs.

I'm pleased the Attorney General is here tonight to hear this because it's difficult for him. He is unable, I know, to intervene directly in legal cases. But it is my understanding that what these people have applied for now is mediation. They are prepared to go to mediation and to accept what the mediators would want. What they are hopeful of, and I support them in this, is that the lawyers acting for the government of Ontario would also enter into mediation. So I would hope the member would be able to speak to his friend the Attorney General and to others to try to persuade them to deal with mediation as opposed to dragging out the court case.

The Acting Speaker: The member for Nipissing has two minutes to respond.

Mr McDonald: I have two minutes to respond regarding our budget. I heard the member for Don Valley East. I want to thank him for visiting the riding of Nipissing in the last month and a half. He actually came and introduced himself to me at the Davedi Club in the city of North Bay during spaghetti dinner, and I can tell you that if anybody wants a great spaghetti dinner, the Davedi Club is the place to come in the city of North Bay.

In this budget this government has invested an additional \$1.7 billion—that's "billion"—in health care, half a billion additional dollars in education, and half a billion for safe, clean drinking water. I think that's quite an investment in the province. I believe Premier Eves was listening. He said in the campaign that he would listen to Ontarians and that's exactly what he did.

It's the opposition's job to try to criticize the budget. I can tell you that the reason I think this is a triple-excellent, awesome budget was that the leader of the official opposition confirmed it in his interview. He confirmed that this budget was good for the province of Ontario. He did an interview on CKAT in the city of North Bay, and his exact words were, "This shows Premier Eves was willing to do anything to stay in power." In other words, the leader of the official opposition conceded that he did what the people of Ontario wanted him to do. I think that's a ringing endorsement from the leader of the official opposition to the Premier.

The Acting Speaker: Further debate?

Mr Caplan: I am pleased to speak on the budget. It won't be in the glowing and congratulatory terms of the last member. I have some substantive things to say about the budget.

It's important for the House to know how this plan is going to impact and, more importantly, how it doesn't improve things for the people of Don Valley East. I'm going to focus on five main areas: first, education—elementary, secondary and post-secondary, and specifically our special-needs children. I'm going to talk about health care. I'm going to talk about the plight of our elderly in community care access centres. I'm going to talk about our municipalities and the new deal for cities. Last but not least, I'm going to talk about affordable housing for tenants in Don Valley East and for all people across the province and what this budget does or does not do to address those needs.

On education, the key for parents, for educators and for students is that there's not enough money for the Toronto District School Board in my neighbourhood, and for the Toronto Catholic District School Board, to stop the major cuts that they have to make because this government has clawed almost half a billion dollars out of schools in the city of Toronto. So those cuts are going to happen, and they're going to be made to some critical programs. Let me give you a couple of different examples in Don Valley East.

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We have the international language program on Saturdays. Thousands of students participate every week. In fact, one school alone, the Mandarin school at Georges Vanier, has 1,400 students there on a Saturday. So from Mandarin to Macedonian, from Croatian to Farsi to Swedish, the list is endless of the thousands of kids who go to these programs. The Eves government is making it impossible for these programs to continue. These programs are important. They are an important way for our children to get together to share cultural activities, to learn a greater appreciation for their rich heritage and cultural background. These classes are important for our province as we try to maintain our international competitiveness. We have the ability to talk to literally anybody in the world, but the lack of support from the government has put this very much in jeopardy. We want our children and our communities to develop as multi-cultural, multilingual, cosmopolitan people and communities. So cuts to this program will make critical education and sharing impossible.

I had hundreds of parents attend a rally that I held at Georges Vanier a couple of Saturdays ago. We had 260 parents show up. They are disappointed. In fact, they have been sending reams of petitions to me telling the government that they disapprove of the actions, that the government did not provide the money that is necessary to help the boards avoid the cuts to this program.

I want to talk to you about school safety. I made a statement earlier today in the House about a survey that I did back in April in my riding. Most of the schools responded. We had a very high response rate. Their message was clear: schools are doing the best they can, given the resources they have been given. So they can communicate their safety plans to parents and students, but by no means do they have adequate staffing and resources to be able to make those plans and to be able to make our schools a safe haven where learning is going to take place.

Parents in Don Valley East were hoping to see some improvements in the budget to be able to address school safety needs. Parents at Broadlands school, Cassandra and Milne Valley wanted video surveillance in their schools. The staff at Seneca Hill, Senator O'Connor, Lescon, Brian and Donview Middle School don't have enough teachers, lunchroom supervisors, educational assistants and custodial staff to be able to provide adequate supervision at their schools. A simple request for additional lighting, same reason—they're not fulfilled

because of the inadequate education funding formula that Ernie Eves and his government have imposed across Ontario.

Instead of putting money into a constructive safe school plan that was brought forward by Dalton McGuinty and the Ontario Liberals, there was nothing. So parents, educators and students in Don Valley East are very disappointed that the government is not listening and is not willing to assist to make sure that our schools are a safe and secure environment.

We had a meeting in the post-secondary area about the double cohort. There was a real concern. I attended a meeting of over 400 students and parents at Victoria Park Secondary School arranged by Sue Lockington, the school council chair. Parents and students were concerned that the government hasn't prepared for the reality that's going to hit in a few short years. What do they see in this budget to alleviate their concerns? In a word, nothing. Sixteen million dollars to help northern and rural colleges and universities, but for students in my area and the greater Toronto area, nothing, despite the fact that most of the double cohort are students from the 416 and 905 regions. I know, Speaker, you're probably hearing these same kinds of concerns as well. There's going to be a new round of SuperBuild proposals to create some new spaces, but that's too late. I will talk a little bit about SuperBuild and what it has or hasn't done—a lot of grandiose announcements, but very little action when it's needed to make a real difference.

Parents and students know that the money in the budget is far less than what post-secondary institutions have advised the government they need. Remember, of course, that the government, when Ernie Eves was the finance minister, cut post-secondary education—his first act—by \$300 million, operating.

The college sector was calling for increased funding of \$125 million for 2003, and the universities were calling for an increase of \$151 million for 2003-04. The budget announcement of \$75 million was woefully short, woefully inadequate and will have a severe and direct impact on our kids who want to attend post-secondary, who are qualified, who are motivated, who will make a real difference. It's a real shame that they won't be able to. I know that the parents and students who attended that information session and rally at Victoria Park Secondary School are totally and wholly unimpressed.

I want to talk about special education because this is very near and dear to me, and I think all members of this House should be concerned about it. They're some of our most vulnerable kids. They need us. They need help, they need support, to reach the full potential of what they can be. The Minister of Finance disingenuously trumpeted in her speech that she's going to help assess students for special-needs funding. But what she wouldn't say is that there are thousands of students out there who are already assessed who can't get the help they need. So what's the point? We're going to assess you but we're not going to provide any support for you?

I want to quote an article that appeared in the *Globe and Mail*. It says, "I wasn't expecting much," said

Theresa McNeil of Toronto”—Theresa is, in fact, a constituent of mine in Don Valley East; her daughter, Bernadette, has Tourette’s—“whose child has a debilitating form of Tourette’s syndrome and attends a Roman Catholic school” in Don Valley East. “About 40,000 children are waiting to be classified as sufficiently disabled,” if that weren’t offensive enough, “to warrant increased government support in the form of teaching assistance and special programs.

“The \$10-million amount may seem grand, Ms McNeil said, but does nothing to improve the lives of more than 200,000 children in Ontario already assessed” for special educational needs. The article goes on to say, “Those students will be as neglected under Mr Eves as they were under his predecessor, Mike Harris....

““There’s no doubt that children with special needs are expensive.... Today’s money won’t even touch our kids.””

That’s a real shame. That’s from a parent in Don Valley East fighting for her daughter and for her daughter’s education.

I want to talk about health care and community care access centres. I have some real concerns, and residents of Don Valley East do as well, that the government has missed the boat on health care, especially as it relates to our community of Don Valley East. There are no new initiatives or visions in the budget. Instead, they simply apply a funding patchwork to bring some of our institutions up to speed for the current fiscal year while leaving others behind facing increased challenges. Hospitals that serve Don Valley East—North York General, East General, Grace Hospital and Sunnybrook—have been asking for money just to cover their deficits. New money that has been announced in the budget will barely allow them to continue to provide the same level of service this year as last.

The budget announced \$200 million for the expansion of long-term-care facilities. I mentioned in the House the other day the long-term-care facilities associated with North York General Hospital. They have been waiting and waiting to open new beds, but the government won’t provide the operating dollars—sure, capital, but no operating dollars. It means the residents are not getting the level of care they would like to be able to ensure that seniors are taken care of, because the government won’t pay for the staffing that’s needed. Facilities are losing trained staff to hospitals because they are not providing adequate resources to be competitive with what other like sectors are paying for nurses. So waiting lists get longer, terrific facilities are losing staff, and the situation is getting worse for seniors in long-term-care facilities. It’s very disappointing.

I mentioned community care access centres. I’m really concerned that there was not one mention, not one, in the throne speech about the plight of community care access centres and care for our seniors living in their homes, living in the community. We all know that year after year we’ve been concerned about the deficits that have accumulated and are piling up. In Don Valley East, as in

other ridings in North York—and I see another member here from North York—the problems are very acute. The province, on average, aged 65 and older is about 12.5%; in North York, it’s over 15%. That means we have 88,000 seniors in the North York catchment area, and the numbers are growing. Of those 88,000, of course, 36,000 are 75 years of age and older; that means increased pressure on the facilities in our neighbourhood to accept, house, care and help people live and have dignity and have a good quality of life. In North York, we have less than 3,000 long-term-care beds. It’s not enough. There are not enough beds for our aging population, and ongoing cuts to community care access centres can’t provide for them. No mention in the budget—again, a total disappointment.

2030

I want to talk about our cities as well, the plight our cities are having and the concerns they have. The government talked about its spending, but we need to look closely at what they’re saying. The budget calls for \$193 million in new capital for public transit, through what they call a transit investment plan. But I have to wonder, because a mere eight or nine months ago, in September, the then Minister of Transportation, Brad Clark, announced \$9 billion over 10 years. Is this a change in plan? Is this a change in commitment? It wouldn’t be surprising that the government says one thing and does something else and shortchanges the people of my riding and the people of Ontario, quite frankly. We’ve seen that happen before, all too frequently. So I’m very interested to know why this number is quite a bit less than what the government has committed to in the past.

Another cop-out from the province in the area of a new deal for cities: the budget says very specifically that there will be no new deal for cities unless, as a pre-condition, the federal government signs a new deal to give the province additional revenue. What a bunch of whiners you are. The finance minister comes in here with considerable new revenue in her budget and tells us, in fact, that they need more money. They could cancel some of their existing program of tax reductions; they’ve only deferred and delayed them.

So we need to be clear: there is nothing standing in the way of the provincial government to act on its own—no reason at all. As usual, we have the Conservative government of Ernie Eves trying to justify its inertia and lack of action and trying desperately to blame it on somebody else. Well, it’s not going to work.

Of course, the last speaker from Nipissing talked about something they called tax-exempt bonds. Well, these have not been very warmly welcomed by municipalities, and there’s no surprise why. Is debt really the answer? Allowing cities to go further and further into debt—that’s the plan? You’ve got to be kidding. It should be quite the opposite—making it easier for municipalities to get out of debt, to build strong infrastructure, to build a strong program, to build strong services for their residents.

I have a column here from Jack Mintz, CEO of the C.D. Howe Institute. Here's what he has to say about tax-exempt bonds: "Tax-exempt municipal bond financing is one of those policies that would be better buried than praised." That's pretty damning. "Compared to other ways of financing municipalities, tax-exempt municipal bonds are a highly inefficient means of delivering support to municipalities." He goes on to get even more brutal here: "Tax-exempt municipal bonds, to the extent they benefit municipalities, only support municipalities that borrow money to finance their costs. Tax-exempt bonds therefore encourage municipalities to mortgage their future rather than reduce expenditures or raise revenues from existing voters. Fiscal mismanagement could be a rather unpleasant result when municipal bond financing is supported above all else." That's from Jack Mintz, CEO of the C.D. Howe Institute. Government members quote the C.D. Howe Institute quite a bit.

How did this get into the budget—more debt? Well, it's been the *modus operandi* of Ernie Eves in all his budgets to incur more debt in the province of Ontario. He just wants to mortgage the future.

I went to talk about some of the spending initiatives, so-called, that were in the budget. They announced money for water and sewer. I want to remind the House that those same dollars were promised back in August 2000, over two years ago. Culture and recreation money in the budget, also promised two years ago, August 2000—never spent; just recycled money over and over in an attempt to try to fool the people of the province of Ontario that this is somehow new.

How about the money to redevelop Toronto's waterfront? Announced in August 2000, budgeted in 2000—never spent. Again, it appears in another budget. Do they really think they're fooling anybody?

Finally, how about the much-lauded SuperBuild millennium partnerships? Members in this House should be really concerned that this money is being announced over and over. We've had recycled announcements more than anything else. One billion dollars in spending announced in 2000; \$4 million spent. Not one cent spent last year. Grandiose announcements, but the emperor has no clothes.

Let me talk very quickly about housing, a real concern that the government has no real commitment to affordable housing in Ontario. The tenants in my riding are very clear. They want the provincial government to be a true partner with the federal government. The federal government has come to the table; they've put \$250 million on the table. Ontario? Next to nothing—an absolute shame. It's disgusting the meagre amount that they are putting up of their own cash. They want to use municipal dollars and charities.

Finally, I couldn't let the occasion go by to talk about, because the members from the government won't want to talk about it, the Taxpayer Protection Act. I want to express some real concerns about the fact that the government is going to abrogate its own Taxpayer Protection Act. It's clear that the Taxpayer Protection Act is not

worth the paper it's written on. The Tories have abandoned it, even though a recession never happened in the province of Ontario. They've postponed their tax cuts; I think they should cancel them. After a brief economic slowdown in 2000, a return to 3% to 4% real GDP growth is projected in 2002-03.

I want to make it very clear: I support the act and I can't believe that the government members will stand by and support another broken promise to Ontario's working families and Ontario's taxpayers. You should be ashamed of yourselves.

This budget proves what Dalton McGuinty has been saying all along. Ernie Eves will do anything, say anything, to hold on to power. But after the election, watch out. He says one thing, he will do another. After six years of relentless cuts to our schools, to hospitals and to our environmental protections, Ernie Eves now wants us to believe that he's seen the light. He cannot be trusted. The only way to ensure permanent, positive change on behalf of the working families of Ontario is to elect a McGuinty government. That's what's going to happen a year from now.

The Tories received a \$1.1-billion bonus in the budget in growth beyond what they projected. There is no need for further tax cuts. The budget shows that Ontario's corporate taxes are already competitive with major US states. Dalton McGuinty and the Ontario Liberals are the only ones with a true plan, the only ones with the courage, the conviction and the principle to say where they stand and to live by it.

The Acting Speaker: Comments and questions?

Mr Tony Martin (Sault Ste Marie): I want to commend the member for Don Valley East for his speech tonight and for pointing out what are obvious signs in this budget that things have changed rather dramatically and drastically in this province, in particular the approach of the present government where the almost religious adherence to tax breaks and the shrinking of the public purse where the delivery of services is concerned shows up in this budget.

You can juxtapose that with the speech we heard a short while ago from the member for Nipissing and also throw in the wonderful speech that we had earlier from the member for Nickel Belt and begin to see where this debate and this discussion are going.

2040

It's interesting, because if you read any of the commentary on the debate, you'll understand that this discussion isn't limited to this place here. There is tremendous discussion beginning to happen out there across the province in our newspapers and, I dare say, because I haven't been home yet, in the coffee shops and restaurants and watering holes of my own community as people begin to wonder just what it is that the government is now up to. We've seen some radical shift, yet not the kind of shift that we would like to see, certainly in the third party, that indicates that the government really understands what has happened and what the last six or seven years under their leadership has imposed on this province.

Just one quick reference to an article by Sue-Ann Levy in the Toronto Sun of yesterday, where she's indicating that even the New York Times is beginning to refer to Ontario and Toronto as a community fraying at the edges.

Hon Brad Clark (Minister of Labour): It is indeed a pleasure to have an opportunity to comment on the speech by the member from Don Valley East. I've been in this place for three years now, and now I've seen some of the most absurd arguments in my life. These guys are standing up on the other side of the House with righteous indignation that we're talking about deferring taxes and how dare we open up the Taxpayer Protection Act, when these are the same folks who asked us to defer the taxes. But no, it's not simply defer the taxes. That's not good enough. They want us to cancel the tax cuts. Well, guess what? If we did what you wanted us to do, we'd have to open up the Taxpayer Protection Act for that too. You can't have that both ways. How can you stand there and cry out with righteous indignation, in such a sanctimonious way, that we're opening up this sacrosanct act when you want to cancel the tax cuts and you'd have to do the same thing? You can't cancel the tax cuts and not open the act. We're deferring them for a year, simply deferring them for a year.

I'm stunned. I don't know what planet these people live on. I can't understand how the official opposition can't realize that the economy has changed. They've been talking about it for nine months. "The economy has changed; you've got to stop this." So we did it. Now they're saying we're wrong.

Then they turn around and say, "You're the only ones doing this. You've lost all your principles." Well, let me look at this. The budget in BC—I'll send you a copy: increases in taxes, increased insurance. Alberta: for the first time in seven years they had to raise taxes. Why? The economy has changed. Get it through your head. There's a temporary situation happening right across the country. Every single province is doing this, and that's good government. Your righteous indignation is totally flayed and phony.

Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington): I'm delighted that I have the opportunity to say a few words, make a few remarks with regard to the comments made by my colleague the member for Don Valley East. I thought he made some very salient points on issues that are very important to the people in my riding relating to education, particularly the needs of special-needs students. I'm hearing from school board representatives and from families who are saying exactly what the member from Don Valley East has just shared with you, that there is nothing in this budget that gives them any assurance that the needs of their children are going to be better met since the delivery of the budget.

I also want to make reference particularly to the tax-exempt municipal bonds that the member referred to in his remarks as well. I regularly travel around and talk with municipal representatives through Hastings-

Frontenac-Lennox and Addington, and what the municipal folks ask me is, "What grants does the government have to help us with our highways that have been downloaded and to help us with some of our capital projects? Now we are responsible for fire protection throughout a much larger area. Our fire halls need upgrading. What grants are available to help us with these significant and onerous capital expenses?"

These are municipalities that don't have large assessment bases. In some of the municipalities 70% of the land is crown, so they don't even get taxes from a significant portion. The answer this government has given them is, "We don't have grants, but we're going to make it easier for you to go into debt. Just follow our lead. That's what we've done these last six years. We've put the people in the province of Ontario in deeper debt and you can do the same. This is how you can do it."

I'm very concerned, and I know that the folks in my riding are not going to be very happy when the best thing I can say to them is, "Well, I can give you a plan on how you can go deeper into debt."

Mr Kormos: If the Minister of Transportation wants some indignation, I'll give him some indignation. Just earlier this week, we've got two of Mr Eves's cabinet ministers complaining that their pension plans aren't luxurious enough. One of them, as a cabinet minister, is talking about how he needs a salary increase. Well, that makes me darn, outright indignant, because kids like Cameron Walsh—I told you about him earlier today; six years old—was diagnosed with autism three years ago when he was three. Two years ago, his folks, the Walshes, applied to have Cameron receive autism treatment under this government's autism program. Two years later, this kid, six years old, is still waiting. Those parents are now desperate for treatment for their six-year-old Cameron. They're paying \$2,800 a month, and they, for the life of them, have no idea where they're going to find those funds. And Ernie Eves has cabinet ministers who want to gold-plate their pension plans and increase their salaries.

Curtis Moore, another youngster—same boat, on a waiting list for years for autism treatment. His parents, for the life of them, don't know what they would do without the generous support of friends.

Oh, I've written to the Minister of Community, Family and Children's Services. I wrote to her on April 22 this year on behalf of Cameron Walsh and his family. I wrote to her on June 7 this year on behalf of Curtis Moore and his family, trying to explain to this minister that she clearly hasn't got the clout or the interest at the cabinet table to ensure that there's funding for these autism treatment programs that are announced with oh, so much trumpeting and fanfare and ballyhoo. This government clearly prefers tax cuts to ensuring that children like Cameron and Curtis receive the medical treatment they deserve, that those youngsters surely have a right to. That's indignation, friend.

The Acting Speaker: The member for Don Valley East has two minutes to respond.

Mr Caplan: I want to thank the members for Sault Ste Marie, from Stoney Creek—the Minister of Labour—from Hastings-Frontenac-Lennox and Addington and from Niagara Centre for their comments.

It's clear that the government has lost its way. They don't know what they're doing. I heard this rant, this pusillanimous rant, from the member from Stoney Creek. It's really interesting.

We in the Liberal Party say we would cancel it. The Taxpayer Protection Act allows for that. If you campaign on a platform and tell the people of the province of Ontario precisely what you're going to do, the act says you can go ahead and do that. Now, if you say one thing and do something else, there's a word for that that I'm not allowed to use here in the House. But to try to sneakily get around that by amending your own act is the height of a government that has lost its way, that has no principles, that doesn't believe what it's doing.

Things have changed. Times have changed. You projected, I would say to all the members, a growth rate of 1.3%. In fact you have 3.1% growth. That's \$1.2 billion additional to the Ontario government treasury than what you were expecting to collect. So things have changed and you have to break the law to be able to account for the changes because you have more revenue than you thought you were going to get? Is that the bill of goods that this Minister of Finance, this Premier, the members opposite are trying to sell? Frankly, no one's buying what you're selling. You're out to try to sell the impossible.

Dalton McGuinty and the Ontario Liberals are the only ones who have a real plan for the province of Ontario, are the only ones with a firm commitment, with real principles and integrity.

Hon Mr Clark: On a point of order, Mr Speaker: I'm just curious—it's been used a couple of times. The opposition have been clearly stating that the government is breaking the law. We're talking about amending an act. But I'm curious about whether or not using that exact terminology would be parliamentary.

The Acting Speaker: That is not a point of order.

The Chair is looking now for further debate.

2050

Mr Ted Chudleigh (Halton): I am pleased to be involved in this momentous debate on the 2002-03 provincial budget.

Three days ago, my good friend and colleague Finance Minister Janet Ecker tabled our fourth consecutive balanced budget for Ontario—the fourth consecutive balanced budget in Ontario hasn't happened in a very, very long time—keeping this government's promise of growth and prosperity for this great province of Ontario.

When she opened her budget speech, she used a quote from Charles MacNaughton, who was the Treasurer in 1967. Charles MacNaughton said that what a budget is is the government's ability to meet the reasonable expectations of the people of Ontario for services from their government. And you have to balance—I'm always amazed at how many times balance comes into the decision-making process—the reasonable expectation for

services for the people of Ontario with the burden that is placed on the taxpayer.

When you consider that as the subject of a debate, the reasonable expectation of services and balancing it off with the burden placed on the taxpayer, it certainly makes for fine fodder for a wonderful debate, and we have that. The opposition takes one side of that debate in various areas, the government defends their decision-making process, and ultimately the people of Ontario decide whether the government has done a good job or whether the opposition have made some good points. Tonight I'm extremely comfortable in what I think the people of Ontario are going to feel about this particular budget when it's presented to them.

This year's budget was about values and choices based on the principles of everyday Ontario taxpayers. These are values that have built this province and made it strong. Those values, those principles that Ontarians hold so dear—to live within your means, to work hard, to apply yourself, to contribute to your society—have built this province into one of the greatest jurisdictions in the world.

There is no doubt about it: the recent economic downturn has hit Ontario hard. After four consecutive years of annual real growth exceeding 5%—that's 5%, Mr Speaker—Ontario's economy grew by just 1% in 2001, and that was still higher than states that surround us in the United States, like New York, Ohio and Michigan. The Conservative policies that have created the ability—

Mr Kormos: On a point of order, Mr Speaker: Is a quorum present?

The Acting Speaker: Would you like me to check and see?

Mr Kormos: Yes.

The Acting Speaker: Would you check and see if there's a quorum present, please.

Acting Clerk at the Table (Mr Douglas Arnott): Quorum is not present, Speaker.

The Acting Speaker ordered the bells rung.

Acting Clerk at the Table: Quorum is now present, Speaker.

The Acting Speaker: Thank you. The Chair now recognizes the member for Halton.

Mr Chudleigh: Thank you, Mr Speaker. I'm glad my associates have joined us. This is an interesting debate.

Yes, our economic growth in 2001, although it was just 1%, was still higher than that of states like New York, Ohio, Michigan and other states in the Great Lakes valley. Our Conservative policies have created our ability to withstand downturns in the economy.

Some reference was made early on this evening about the recession of 1991, a recession which Ontario was the first to get into and the last to get out of, a recession that lasted fully three years in Ontario, unlike the economic slowdown we have just experienced. Ontario was the last to go into it and never really entered a slowdown period, although we suffered some reduction in economic growth. We were certainly the first to come out of it,

given the economic news we have had over the past couple of weeks.

Key building blocks of our economy such as the automotive and telecommunications equipment sectors have seen sharp reductions in demand in world markets. Nevertheless, this government will not allow Ontario to leave the path of prosperity. Quite frankly, we have come too far.

Unlike our predecessors, the Liberal and NDP governments, who preferred to carve a shrinking pie into even smaller pieces, the Common Sense Revolution, led by Mike Harris and Ernie Eves, chose to make that pie bigger. We're following that path of increased growth, because a growing economy provides more and better jobs, more disposable income and more revenue for the government to invest in future programs and in those services that Ontarians have come to expect from their government. In this budget, we've focused on the priorities of the people of Ontario, with major investments in health care, education and a clean, safe environment.

Let me take a moment to talk about some of the priorities we've invested in in health care. Having a universally accessible health care system that is available to all Ontarians when and where they need it is central to our quality of life and a key reason why people choose to live, work and raise a family in Ontario.

This Conservative government's record on health care speaks for itself. In 1995-96, health care spending was \$17.6 billion. This year it will be \$25.5 billion, which represents a 7.3% increase over last year alone. It represents a 44% increase since 1995. That 44% increase represents \$100 million per month for every month this government has been in power—\$100 million in increased spending each and every month. It's an enviable record. It's one that recognizes the needs of the health care system and the needs of Ontarians.

Our increased investments have made real differences. The number of MRI machines in Ontario has increased from 12 to 43. Some 20,000 new long-term-care beds are coming on stream. Ontario set up North America's first free, universal influenza vaccination program, providing five million doses annually.

In 2002-03, the commitment continues. We're improving cancer care by increasing funding by \$50 million over three years to enhance the Ontario Cancer Research Network. An additional \$40 million will be allocated to new treatments for individuals with cancer, and \$30 million to modernize and upgrade cancer radiation equipment.

Support for hospitals will increase to \$9.4 billion, allowing for the expansion of long-term priority programs such as cardiac services, dialysis and MRI scans; over \$250 million in additional funding for diagnostic services and payments to physicians and other practitioners; and nearly \$200 million to support residents in long-term-care facilities and to continue the expansion of long-term-care beds. Further, by 2005-06, \$50 million will be allocated to support the collaborative degree program in nursing education, and \$14 million will be allo-

cated to support the expansion of undergraduate medical school enrolment.

We are also specifically addressing health care in underserved areas by moving forward with initiatives relating to physician and nursing shortages in northern Ontario and to the recruitment and retention of physicians and nurses in those areas, as well as the recruitment of nurse practitioners.

Finally, we are investing \$342 million for health capital, an increase of almost 70% over last year's budget. At the same time, we recognize that health capital dollars must be spent wisely. To that end, the government will commission a health capital planning review committee to make recommendations.

2100

Ontarians can rest assured that investments in health care will continue in the future as they have in the past. They can also rest assured that under the direction of our leader, Premier Ernie Eves, this government will continue to aggressively seek out the most effective and efficient ways of delivering these vital services.

Unfortunately, this is not enough. While Ontario and other provinces across Canada remain committed to health care, our major partner in health care funding, the federal Liberals, apparently are not committed.

Here are the facts: health care costs are rapidly increasing, as we've heard. The Ontario government's funding commitment to health care is also increasing—over \$100 million per month for every month since we've been in power. Meanwhile the federal Liberal contribution to health care costs is decreasing. It just doesn't add up. In 1994-95 the federal contribution to health care was 18% of cash transfers. Today it is down to just 14%, keeping in mind that when the Canadian Health Act started, it was 50%. This represents a shortfall of \$2 billion to Ontario in federal support for health care this year alone, and that's money the province could desperately use.

We remain willing to work with the federal government, other provinces and our health care partners to implement the needed reforms that will secure our health care system now and into the future.

Education is a major priority for the people of Ontario and our government. Through this budget we are helping students achieve better results by allocating more resources to the classroom and making major investments in post-secondary education. A quality education is fundamental to future prosperity, and excellence in education is the key to ensuring that every young person in Ontario has equal access to opportunity, no matter where he or she lives.

People are telling us that public education has to improve and we are listening. Since 1995 we have been putting in place a plan to improve student learning and achievement. The plan is working, but there's much more to do. That is why the Premier announced in the spring an additional \$65 million for school boards to purchase new textbooks and learning materials for students. That is why we also provided a \$25-million investment for

2002-03 to expand the highly successful early reading strategy from grades 3 to 6, and to introduce an early math strategy from junior kindergarten to grade 3. That is why funding for special education has increased by 17% since 1998-99 to \$1.4 billion, a record for this province. That is why, for the 2002-03 school year, available funds for the public education system through direct transfers from the province and educational property tax revenues will rise to a record \$14.3 billion. This is an increase of nearly \$400 million over last year.

Other initiatives in this budget that focus on school improvements and higher education achievements include a \$20-million student achievement fund to provide \$5,000 to elementary schools that meet or exceed their student performance improvement targets; one-time funding of \$10 million to develop further professional learning resources for teachers and principals; a further \$5 million to expand the early math strategy to grade 6 and enhance the teaching skills of elementary school math teachers; an additional \$10 million to enhance access to intensive support amount assessments.

It's important as well that students have a safe place in which to learn. For that reason our budget also proposes a number of initiatives to upgrade and repair school facilities, making them safe and secure for our most precious resource, our children and our leaders of the future.

Competing in a global, knowledge-based economy means post-secondary education is central to our future prosperity. In anticipation of increasing post-secondary participation and the arrival of the so-called double cohort, we invested over \$1 billion to create over 73,000 new student spaces in our colleges and universities through the SuperBuild program.

This is the largest infusion of capital dollars since the Robarts and Davis governments created Ontario's modern post-secondary education system. This government remains committed to ensuring that every willing and qualified Ontario student will have a place in the post-secondary education system.

In support of this commitment, the 2002 Ontario budget proposes to increase last year's multi-year funding for colleges and universities by \$75 million, raising the additional funding to \$368 million by 2003-04 to support greater than anticipated enrolment. We also will provide \$10 million annually in additional operating funds to northern and rural colleges. Also, we will support Ontario's northern universities with an additional \$6 million annually, which includes the two new medical colleges in Thunder Bay and Sudbury.

A new college equipment and renewal fund is being established that over the next five years will provide \$50 million to colleges to acquire state-of-the-art equipment and learning resources.

We will be consulting on the design of the second phase of the Ontario student opportunity trust fund so that it can assist 400,000 students attending colleges and universities over the next decade. These will be the leaders of our industry and businesses in Ontario—really, the leaders of our future.

This budget supports apprenticeship through a further investment of \$5 million this year, rising to \$25 million by 2005-06.

These are just some of the important investments in our education system that this government believes are essential to our future prosperity.

Finally, I'd like to address our other top priority: a clean, safe and healthy environment. This government is committed to ensuring that Ontario has the toughest policies in the world for safe, clean drinking water, and we will dedicate whatever resources are required to accomplish this goal. Following the tragic events at Walkerton, the government took immediate steps to improve water safety, including \$18 million for Operation Clean Water.

On Monday, Finance Minister Janet Ecker announced a commitment of over half a billion dollars in the next two years to clean and safe drinking water for the people of Ontario to meet that promise of the cleanest drinking water anywhere in the world.

In 2002-03 we will invest a further \$245 million in initiatives, such as help for municipalities to upgrade their water systems to meet the tough new standards and improve their waste water systems. We are providing funding to more than double the number of municipal water system inspectors. We are establishing the \$50-million Clean Water Legacy Trust and the Clean Water Centre of Excellence in Walkerton. Groundwater studies and new environmental and water monitoring equipment are also part of that program.

We are also committed to clean air. This budget proposes incentives for using innovative technologies and renewable forms of fuel. We propose to extend the sales tax rebate for hybrid-electric automobiles to cover sport utility vehicles and light trucks equipped with this technology. We are also proposing an exemption from the 14.3 cents per litre fuel tax for bio-diesel fuels. The Drive Clean program will also be expanded in July to cover all of southern Ontario's smog zone.

Another initiative to improve air quality in urban areas is the government's \$193-million transit investment plan. To further ensure Ontarians high quality of life, public transit will be expanded and enhanced with the renewal of municipal bus fleets.

The challenges we successfully faced over the past year would have been much worse without the early growth resulting from this government's plan and our focus on what matters most to the people of Ontario.

By choosing to focus on priorities, this government has been able to build a strong economic foundation that encourages growth and prosperity for all of Ontario, just as we promised we would.

In 1995 we brought fiscal responsibility to the province of Ontario and we have continued with that fiscal responsibility in every budget we have introduced since, including this one. Prudent fiscal management has brought job growth to Ontario, over 800,000 new jobs—the fastest job growth in Ontario history. Whether it's a specific number of jobs or whether it's a percentage, it's the fastest job growth in Ontario history.

2110

Those jobs have been created out of new businesses, out of expanded businesses, out of businesses that have grown at unprecedented rates. That growth has created further revenues for the province of Ontario, allowing us to reinvest those revenues in areas the people of Ontario expect to have services from. We've reinvested in health care—as I mentioned before, over \$100 million a month for each and every month we've been in government. We've reinvested in education to ensure that our children in the future are educated at a global standard with the ever-expanding need in the world for education.

It's a wonderful budget, and I'm proud to be part of a government that would bring this down.

The Acting Speaker: Comments and questions?

Mr Bradley: I just got off the telephone with an individual who has a problem, and I wonder if the member is aware of anything in the budget that might address this.

This individual and his wife are over 50 years of age and have a disabled son whom they look after; they keep their disabled son at home. What they've had announced is that of the 12 hours of home care they can receive for him, four hours have been cut back, so they're now down to eight hours of home care for that individual. I'm wondering if the member, when he was going through the budget or perhaps through some briefing he's received, could help us out by letting us know if there is anything that will address this problem.

There are individuals in our communities who look after people in their families. In this case, the people aren't elderly. They're over the age of 50, but they aren't elderly. There are many people now who are in their 70s and 80s who are looking after disabled people—they may be physically disabled or developmentally disabled—and they are taking on an obligation to look after them.

We recognize that if these people were institutionalized—in other words, put outside the home setting and into a home—it would probably cost \$75,000 a year to address their needs. Instead, they've willingly taken on the obligation to look after their own children and unfortunately have had a cutback announced in the number of hours. Those hours are essential, because it is extremely stressful for parents, particularly as they get older, to look after these people who are disabled and have many, many personal challenges they must meet. Virtually everything has to be done for some of these individuals—through no fault of their own, quite obviously—and the parents have taken on this obligation. If they don't have that relief, if they don't have that home care, it's very difficult for them to continue, and it's heartbreaking when somebody has to be put in a home, both for the person who goes into the home and for the parents. So I'm wondering if the member is perhaps aware of something in the budget I haven't seen that would address this problem.

Mr Kormos: That's an interesting tack by the member from St Catharines. Indeed, I put to the Minister of Community, Family and Children's Services, who is here, if she would stand during the course of this budget

debate and explain where the modest amount of funding is for Curtis Moore, the child I talked about earlier who has autism and who has been diagnosed and deemed eligible for the treatment program. But, you see, there's no funding left for the treatment program down in Niagara. So here's a youngster who has to wait years to access this government's much-touted and fanfared autism treatment program.

I wrote to the minister about that on June 7, 2002. Granted, it wasn't in time for her to make a contribution to the budget process, but here is the case of Cameron Walsh, a 6-year-old diagnosed with autism when he was three and on a waiting list for two years, whose parents in desperation—and they haven't got the slightest idea where they're going to get the money—have commenced private treatment to the tune of \$2,800 a month.

So where, Minister of Community, Family and Children's Services, if you ever did care about these kids, is the money in the budget to ensure that these two children, along with scores of others in Niagara region alone, get the treatment for their autism that they deserve? Just how hard did you fight? You can't even show any enthusiasm now while I'm speaking about them. Surely you, Minister of Community, Family and Children's Services, showed no enthusiasm about them when it came to making your contribution to the budget, because there's not a penny for those kids.

Mr Marcel Beaubien (Lambton-Kent-Middlesex): It's a pleasure for me to respond to some of the comments made by my colleague from Halton. I too agree with him that it is a reasonable and prudent budget for the taxpayers and the constituents of Ontario; however, there's no doubt that I, as a member representing a certain riding in southwestern Ontario, am somewhat disappointed. I do fundamentally believe that the tax credit for independent schools and Christian schools—the credit was delayed for one year—is an issue I'm going to continue fighting for, because I strongly believe—

Mr Kormos: Where's the money for kids with autism?

The Acting Speaker: The member for Niagara Centre, come to order.

Mr Beaubien: However, I would like to respond specifically to the member from St Catharines and the member from Niagara Centre. If those two members were to read the budget, I would strongly suggest—

Mr Kormos: Where's the money for kids with autism?

The Acting Speaker: The member for Niagara Centre, come to order.

Mr Kormos: Where's the money for kids with autism?

Mr Beaubien: —if you just give me a minute, here's \$25 million, and I quote right from the—

The Acting Speaker: Member for Niagara Centre, you've had your turn. It's somebody else's turn.

The Chair recognizes the member for Lambton-Kent-Middlesex.

Mr Beaubien: On page 29, it says \$27 million—

Mr Kormos: Where's the money for kids with autism?

The Acting Speaker: Order. I'll not warn the member for Niagara Centre again.

The Chair recognizes the member for Lambton-Kent-Middlesex.

Mr Beaubien: Thank you, Speaker. On page 29 of the budget—

Mr Kormos: Where's the money for kids with autism?

The Acting Speaker: Order. I'm naming the member for Niagara Centre, Peter Kormos.

Mr Kormos: Where's the money for kids with autism?

Mr Kormos was escorted from the chamber.

The Acting Speaker: The member for Lambton-Kent-Middlesex has about a minute, and I'll keep track of it.

Mr Beaubien: I go back to the budget speech. On page 29 it stipulates "\$27 million annually to provide specialized programs and services to help children with a combination of physical, developmental, behavioural and psychiatric disabilities whose complex needs are not being fully met within their communities." Furthermore, to reply directly to the member from St Catharines, there's "\$114 million this year to provide respite care for families caring for high-needs children and for parents caring for adult sons and daughters with developmental disabilities."

It's nice for the opposition to say, "Where is the money?" I would strongly suggest that if these members had read the speech and if they had read the budget, the answer is right in front of them.

Mr Caplan: The member from Halton didn't touch on the most important point, and that's, where does Ernie Eves stand? What does he stand for? This budget is a total contradiction of the actions over the last six years. It's clear that Mr Eves and his government have no conviction, no principle, no integrity. You can't trust Ernie Eves.

The Acting Speaker: The member for Halton has two minutes to respond.

Mr Chudleigh: Health care in this province has been and continues to be a priority. When you invest over \$100 million per month for every month that we've been governing this province, for a \$7.9-billion increase, that speaks volumes as to our commitment. Our commitment to health care in this province is second to none.

The member for St Catharines, the member for Niagara, the member for Don Valley and the member for—

Mr Beaubien: Lambton-Kent-Middlesex.

Mr Chudleigh: —Lambton-Kent-Middlesex and a whole bunch of other places—Petrolia; that's the member from Petrolia—

Mr Beaubien: Capital of the world.

Mr Chudleigh: —capital of the world—all spoke about needs in health care. As was pointed out, there's \$27 million in new care and \$114 million for respite care.

These are areas of the health care system that are needed in any caring society, and we're meeting those needs in this budget. We're making the investments that are necessary. We're recognizing that Ontarians are committed to their families, to their children, to the people in need in their communities. This budget has recognized that. It's a fiscally responsible but caring budget that balances very nicely, I believe, the burden it places on the taxpayer with the expectations Ontarians have come to expect from a fiscally responsible government.

2120

The Acting Speaker: Further debate?

Mr Sean G. Conway (Renfrew-Nipissing-Pembroke): I'm pleased to have an opportunity to join the budget debate 2002. Recognizing the lateness of the hour, I will begin my remarks tonight and conclude them next time.

I was struck when the minister began her speech the other day with her emphasis on values—the values of hard work and enterprise, the importance of public service—and her emphasis on the importance of small business. As the member for the Ottawa Valley, I thought I would take a few minutes tonight and, against the backdrop of Minister Ecker's understandable emphasis on those values, pay tribute to an extremely important and successful small business in my county, in my constituency, that tomorrow will celebrate its 100th anniversary.

It was on June 20, 1902, that the first edition of the Eganville Leader was published in the heart of the Ottawa Valley. One hundred years later, it remains a vibrant, remarkable, highly respected, indeed authoritative journal of public opinion in our part of eastern Ontario. Over those 100 years, the Eganville Leader has had but two owners. In the beginning, from 1902 to 1944, it was owned by Mr Patrick McHugh. In 1944, Mr McHugh sold his paper to Ambrose and Sylvester Tracey of Eganville. Today, the paper is owned and operated by the two sons of Ambrose Tracey: Mr Ronald and Mr Gerald Tracey.

I just simply want to, in this budget speech, pay tribute to Ron and Gerald Tracey and their excellent and dedicated staff who produce, I can say quite honestly, one of the very best newspapers not just in the province of Ontario but in the Dominion of Canada. It is truly a family-owned newspaper that is obviously and deeply rooted in the community of the Ottawa Valley.

I want to take a moment tonight and just for the record reflect on what Mr McHugh and the Eganville Leader set out to do when that first edition was published on Friday, June 20, 1902. Let me quote from that first edition:

"Today, the Eganville Leader makes its initial bow to the public, and seeking its favours and goodwill, takes its place in the ranks of journalism. The Leader enters the field as the result of a demand of a large and influential portion of the public—not confined to local boundaries—for a journal that is 'bold enough to be honest and honest enough to be bold'; a paper that shall ever endeavour to conserve the rights of its constituents and be ready and prepared to champion any cause in keeping with their aims and aspirations."

Mr McHugh makes plain in that first edition that he was not going to be one of those independent voices in terms of the political question. Reading from that first editorial published June 20, 1902, let me continue:

“In the realm of politics the Leader takes its stand on the side of independent Liberalism. The course pursued by those journals which do not espouse any party or cause, but sit complacently on the fence, reaching out to either side for any passing favours, has never appeared to us as consistent with the true functions of the press. We believe in exercising the right of expressing an honest opinion on those questions which from time to time engage the attention of the public mind.”

As a local member and long-time subscriber of this wonderful newspaper, let me just reflect on what, in that first edition, 100 years ago tomorrow, Mr McHugh imagined for the future. He says:

“We feel sanguine that the future shall see this latest addition to the ranks develop and grow, and as the years roll by the sphere of its influence shall extend far and wide until the goal of its ambition is reached—a Leader in the ranks and a living force in the promotion of good and the suppression of evil.”

In eastern Ontario today, and in much of the country, we're having quite a debate about the role of the press. If you live in my part of the province these days, you cannot avoid what's going on with the *Ottawa Citizen*—a great, understandable controversy about the role and ownership of a supposedly free press in a living and breathing democracy. I think we ought to be concerned about what's happening with many of our print media these days—not just print, I suppose, but electronic as well.

I want to say tonight, in the spirit of Ms Ecker's values, which she said undergird her budget and with which she grew up in her part of Huron county, it is hard for me to imagine a more truly representative and successful representation of all that is really good about Ontario than the *Eganville Leader*, which tomorrow will celebrate its centennial.

This budget talks about September 11 and what impact it had on the budgetary and fiscal policy of this province in this past year. I wish I had in my hands the edition of the *Eganville Leader* that was published the week of September 11. It was a remarkable effort for a small-town weekly newspaper—extraordinary. It's just symptomatic of the tremendous work that Ron and Gerald Tracey and their excellent staff do, not just in terms of editorial and news gathering but in photography, that is first-class—a tremendous credit to the Ottawa Valley, to Ontario and to powerful and positive journalism at that level.

As the member for Renfrew-Nipissing-Pembroke, I want to say to the *Eganville Leader*, to Ron and Gerald, to the late Patrick McHugh and certainly to Ambrose and Sylvester Tracey as well, you have done what you set out to do in a very splendid and successful way. May the next 100 years bring you an equal measure of success and progress.

On budgetary matters, as the hour draws quite late, let me make some other observations. I was pleased to see Ms Ecker's two parliamentary assistants, named Beaubien and Chudleigh, stand tonight and say they approve of the budget that their boss presented here two days ago. I am very pleased to know that the members from Halton and Lambton, parliamentary secretaries to the Minister of Finance, approve in general of the budgetary policy of their boss, our friend the member from Pickering.

It is an interesting budget. I have been struck by many of the comments made, and tonight in my remaining time I want to talk about three things: highways, hydro and municipalities.

But I want to ask my colleagues, if they have a copy of the budget papers, to turn to pages 62 and 63, because I'm struck by that 10-year chart. One just has to look at the revenue chart of this provincial government of ours to see that we really are a robust and powerful economy. According to this budget plan, this year we will have revenues of somewhat in excess of \$66.5 billion, and we plan to spend \$65.5 billion of that. We have been really growing revenues at a very substantial rate.

Mr Chudleigh just a moment ago was talking about how pleased he was with the rate at which his Conservative government is spending that money, and we certainly have been spending it. Program spending in this province over the last seven years has risen from about \$46 billion in fiscal year 1995-96 to something in the range of \$55 billion in this current fiscal year. Much of that spending has been made possible by very powerful growth. That's a good thing and I'm not here to complain about it.

What is interesting about the last 12 months is that one sees what happens when growth goes from the super-charged level, as Mr Chudleigh rightly observed, of in excess of 5% in real terms down to around 1%. I'm not at all surprised we've got the Minister of Finance saying, “We'll have to delay those tax cuts,” because I'm going to tell you, the kind of tax-cutting that has been going on here of late has been made possible largely by an above-average annual rate of growth. And I will say, as a member of a government that was once in office when we too had very robust annual growth, much better than we expected, those are really happy times.

Fiscal 2001-02 brought us a different reality. Happily, we have quickly emerged from that and we're headed back into 3% and 4% growth, apparently, over the next year or two. But I'll tell you, these fiscal plans, with all the tax-cutting contained therein, which tacitly assume annual growth rates in real terms of 4%, 5% and 6%, are very, very optimistic. I suppose the good news for the current government is that they're probably going to get through the next election cycle with above-average, as opposed to below-average, rates of growth.

With that, Mr Speaker, I will adjourn the debate.

The Acting Speaker: It being 9:30 of the clock, this House stands adjourned until 10 o'clock tomorrow morning.

The House adjourned at 2130.

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Mississauga West / -Ouest	Snobelen, John (PC)	Simcoe North / -Nord	Dunlop, Garfield (PC)
Nepean-Carleton	Baird, Hon / L'hon John R. (PC) Associate Minister of Francophone Affairs, chief government whip, deputy House leader / ministre associé des Affaires francophones, whip en chef du gouvernement, leader parlementaire adjoint	Simcoe-Grey	Wilson, Hon / L'hon Jim (PC) Minister of Northern Development and Mines / ministre du Développement du Nord et des Mines
Niagara Centre / -Centre	Kormos, Peter (ND)	St Catharines	Bradley, James J. (L)
Niagara Falls	Maves, Bart (PC)	St Paul's	Bryant, Michael (L)
Nickel Belt	Martel, Shelley (ND)	Stoney Creek	Clark, Hon / L'hon Brad (PC) Minister of Labour / ministre du Travail
Nipissing	McDonald, AL (PC)	Stormont-Dundas- Charlottenburgh	Cleary, John C. (L)
Northumberland	Galt, Doug (PC)	Sudbury	Bartolucci, Rick (L)
Oak Ridges	Klees, Frank (PC)	Thornhill	Molinari, Hon / L'hon Tina R. (PC) Associate Minister of Municipal Affairs and Housing / ministre associée des Affaires municipales et du Logement
Oakville	Carr, Hon / L'hon Gary (PC) Speaker / Président	Thunder Bay-Atikokan	McLeod, Lyn (L)
Oshawa	Ouellette, Hon / L'hon Jerry J. (PC) Minister of Natural Resources / ministre des Richesses naturelles	Thunder Bay- Superior North / -Nord	Gravelle, Michael (L)
Ottawa Centre / -Centre	Patten, Richard (L)	Timiskaming-Cochrane	Ramsay, David (L)
Ottawa-Orléans	Coburn, Hon / L'hon Brian (PC) Associate Minister of Municipal Affairs and Housing / ministre associé des Affaires municipales et du Logement	Timmins-James Bay / Timmins-Baie James	Bisson, Gilles (ND)
Ottawa South / -Sud	McGuinty, Dalton (L) Leader of the Opposition / chef de l'opposition	Toronto Centre-Rosedale / Toronto-Centre-Rosedale	Smitherman, George (L)
Ottawa West-Nepean / Ottawa-Ouest-Nepean	Guzzo, Garry J. (PC)	Toronto-Danforth	Churley, Marilyn (ND)
Ottawa-Vanier	Boyer, Claudette (Ind)	Trinity-Spadina	Marchese, Rosario (ND)
Oxford	Hardeman, Ernie (PC)	Vaughan-King-Aurora	Sorbara, Greg (L)
Parkdale-High Park	Kennedy, Gerard (L)	Waterloo-Wellington	Arnott, Ted (PC)
Parry Sound-Muskoka	Miller, Norm (PC)	Whitby-Ajax	Flaherty, Hon / L'hon Jim (PC) Minister of Enterprise, Opportunity and Innovation / ministre de l'Entreprise, des Débouchés et de l'Innovation
Perth-Middlesex	Johnson, Bert (PC)	Willowdale	Young, Hon / L'hon David (PC) Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones
Peterborough	Stewart, R. Gary (PC)	Windsor West / -Ouest	Pupatello, Sandra (L)
Pickering-Ajax-Uxbridge	Ecker, Hon / L'hon Janet (PC) Minister of Finance / ministre des Finances	Windsor-St Clair	Duncan, Dwight (L)
Prince Edward-Hastings	Parsons, Ernie (L)	York Centre / -Centre	Kwinter, Monte (L)
Renfrew-Nipissing- Pembroke	Conway, Sean G. (L)	York North / -Nord	Munro, Julia (PC)
Sarnia-Lambton	Di Cocco, Caroline (L)	York South-Weston /	Cordiano, Joseph (L)
Sault Ste Marie	Martin, Tony (ND)	York-Sud-Weston	
Scarborough Centre / -Centre	Mushinski, Marilyn (PC)	York West / -Ouest	Sergio, Mario (L)
Scarborough East / -Est	Gilchrist, Steve (PC)		

A list arranged by members' surnames and including all responsibilities of each member appears in the first and last issues of each session and on the first Monday of each month.

Une liste alphabétique des noms des députés, comprenant toutes les responsabilités de chaque député, figure dans les premier et dernier numéros de chaque session et le premier lundi de chaque mois.

CONTENTS

Wednesday 19 June 2002

GOVERNMENT MOTIONS

2002 Ontario budget, government

notice of motion number 13

Mrs Ecker

Ms Martel	1115
Mr McDonald.....	1123, 1127
Mr Caplan	1126, 1127, 1132, 1136
Mr Kormos.....	1126, 1131, 1135
Mr Dunlop.....	1127
Mr Bradley	1127, 1135
Mr Martin.....	1130
Mr Clark.....	1131
Mrs Dombrowsky.....	1131
Mr Chudleigh	1132, 1136
Mr Beaubien.....	1135
Mr Conway	1136
Debate adjourned	1137