



Legislative Assembly
of Ontario

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de l'Ontario

Première session, 38^e législature

**Official Report
of Debates
(Hansard)**

**Journal
des débats
(Hansard)**

Tuesday 16 December 2003

Mardi 16 décembre 2003

Speaker
Honourable Alvin Curling

Président
L'honorable Alvin Curling

Clerk
Claude L. DesRosiers

Greffier
Claude L. DesRosiers

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 16 December 2003

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mardi 16 décembre 2003

The House met at 1330.

Prayers.

The Speaker (Hon Alvin Curling): I've noticed that there was no ringing of the bells. I think somehow there is some malfunction and there was no ringing of the bells. But we're still proceeding on time.

MEMBERS' STATEMENTS

TAXATION

Mrs Julia Munro (York North): Liberals must be very proud. They now hold the record for introducing the largest tax hike in Ontario history. Not even Bob Rae introduced a tax hike as large as this government's. Their tax increase on business will cost \$2.2 billion per year. Not only will business owners and shareholders pay for this tax increase, we will all pay through higher prices.

The highest prices, however, will be paid by Ontario workers who lose their jobs because of the Liberal tax hike. Liberals don't understand that our businesses are job creators, that every tax increase on business means men and women in Ontario will lose their jobs. Liberals don't understand that it is entrepreneurs and business owners who create jobs in our society. Liberals don't understand that high taxes drive away business and investment. Investors today have many options. If they do not see Ontario as a competitive environment, they will take their money to Michigan or New York.

Conservatives do understand that tax cuts create jobs. That's why we will not only oppose raising taxes, but we were going to cut taxes even more. It's time for this government to end its attack on growth and jobs in Ontario.

JOHN FRANKEN

Mr Bob Delaney (Mississauga West): Edmund Burke once wrote that "The only thing necessary for the triumph of evil is for good men to do nothing." It is my privilege to introduce to this assembly a truly good man, who has attempted almost single-handedly for the past 50 years to do what is right. John Franken is an 81-year-old, proud Canadian citizen who, while serving in the Dutch navy in World War II, was captured by the Japanese and held as a prisoner of war for almost four years, personally tortured and subjected to years of inhumane treatment. Mr Franken was an eyewitness to a litany of war crimes

committed by Japanese military and occupying forces. Mr Franken is in the visitors' gallery. Would he please rise?

Applause.

Mr Delaney: Mr Franken was a slave labourer in Nagasaki when the atomic bomb fell on that city. He survived this explosion because he was working deep in a mine under the city. Freed by the sudden capitulation of the Japanese regime, Mr Franken has for the past 50 years attempted to obtain a formal apology from the Japanese government on behalf of himself and the known and nameless victims of Japanese war crimes. Let us hope that through Mr Franken's tireless efforts the Japanese government will at long last adopt the honourable course and issue a formal apology to the dwindling number of surviving victims of Japan's aggression and war crimes in World War II.

EVENTS IN PARRY SOUND

Mr Norm Miller (Parry Sound-Muskoka): Today I would like to recognize Christopher Jones of Parry Sound. Christopher is a violin student. In November he received the medal for excellence from Conservatory Canada for the highest mark received in Ontario for grade 4 violin. The medal for excellence is awarded to the candidate who receives the highest mark in each grade for each province for the academic year. A minimum mark of 85% is required to qualify for the award. Medals are awarded in each practical instrument area, as well as for theory and history. To be eligible, candidates must complete the examination in one sitting and also must have completed successfully all the prescribed theory and history co-requisites.

Christopher's teacher, Helen Elsaessar, has been teaching in the area for a number of years, and many of her students have been recognized with distinction by the conservatory. I would like to personally congratulate Christopher on his tremendous accomplishment.

I would also like to congratulate Parry Sound's Festival of the Sound for receiving the ninth annual Lieutenant Governor's Award for the Arts. This esteemed award recognizes an Ontario-based arts organization that maintains a high level of artistic excellence while demonstrating exceptional community and private sector support. The Festival of the Sound received \$10,000 as part of this prestigious prize. The award was presented by Lieutenant Governor James K. Bartleman to festival president Patricia Mueller and executive director Margaret Boyd. Congratulations to the Festival of the

Sound and supporters, volunteers and board members on this significant accomplishment.

BSE

Mrs Carol Mitchell (Huron-Bruce): As the member for Huron-Bruce, I know first-hand that a single incident of BSE in western Canada has brought broad economic, financial and social impacts to Ontario and has affected all sectors. Nearly \$6 billion in losses have been incurred so far. These losses can be found in sectors such as cow-calf, feeder, kill credits, dairy, breeding and meat exports across Canada. There have been negative impacts to the supply chain, from packing plants to consumers. Lost secondary industry suppliers include truckers, feed companies, veterinarians and machinery dealers.

As we lose our competitive world position, we lose our rural infrastructure and the viability of our small communities. There are growing levels of stress and despair.

That is why I stand here before you today to raise awareness of people across Ontario. I feel it's my duty to those constituents who are directly affected, particularly those in my riding of Huron-Bruce. They need to be assured that I understand the impact, as do my fellow members, while they continue to deal with the restrictions at the border.

I thank you for allowing me the opportunity to make this statement and continue to remind this Legislature that this single incident of mad cow is still causing a large impact on this industry.

1340

VOLUNTEERS

Mr John Yakabuski (Renfrew-Nipissing-Pembroke): I want to take a moment during this busy time of year to recognize the supreme efforts of the volunteers with the Renfrew county and district branch of the Canadian Red Cross Society. These volunteers have been busy knitting 1,200 pairs of mittens for disadvantaged children. This is something they have done in each of the past 10 years. Some 640 pairs have already been given to the Salvation Army this year. The remainder will be donated to a women's shelter and various schools and churches. Thank you and a Merry Christmas to these wonderful people.

And while we're on the subject of special people donating what they do best to their community, I would also like to mention the Madawaska Valley District High School student band, under the direction of Mark Robbins, and the Community Christmas Choir, under the direction of Erin Morlock. My wife, Vicky, and I attended their 15th annual Sounds of Christmas performance this past Sunday night, and listening to them was indeed a gift to behold.

Congratulations and thank you to the Renfrew county Red Cross, the Madawaska Valley District High School band, the Community Christmas Choir, and all the other

wonderful citizens of Renfrew-Nipissing-Pembroke who so generously share their time and talents at Christmastime.

HANUKKAH

Mr Mike Colle (Eglinton-Lawrence): This Friday, Jewish families will sit down together across Ontario—in fact, across the world—to celebrate Hanukkah, the festival of lights.

Hanukkah centres on the lighting of the eight candles of the menorah. One additional candle is lit on every subsequent night until eight nights have passed and all eight candles are lit. This tradition of lighting the menorah and celebrating Hanukkah goes back over 2,000 years. The story of Hanukkah started in the land of Judea, today called Israel, where the Jewish people were ruled by an oppressive king and were ordered to reject their religion. The Jewish people rose up against their oppressors, led by the valiant Judah Maccabee and his four brothers. After three years of fighting, the Maccabee army was finally successful in driving out the oppressive regime.

Their victory was symbolized by the reclamation of the holy temple in Jerusalem. However, the holy temple had been desecrated and its eternal flame had been extinguished. After restoring the temple, the Maccabees could only find enough oil to light the eternal flame for one day, but eight days were needed to make more oil to keep the eternal flame burning. The flame was lit anyway, but to everyone's joy and amazement, the flame continued to burn for eight days, enough time to replenish the oil. This was truly a miracle.

This is the miracle of Hanukkah, which is celebrated by Jewish families in every corner of the world to this day. I want to wish all the Jewish families in Eglinton-Lawrence, throughout Toronto, throughout Ontario and throughout the world a happy and holy Hanukkah for everyone.

SENIOR CITIZENS

Mr Cameron Jackson (Burlington): I rise to address the government's broken promise to remove the 4.3-cent electricity rate cap and its impact on senior citizens. With yesterday's passing of higher hydro rates, this government has once again punished seniors living on fixed incomes. Seniors, who require electricity as a necessity of life, will face up to 30% increases in their monthly hydro bills, and seniors living in apartment buildings will be forced to pay the higher rate of 5.5 cents for their hydro if their buildings do not have individual metering.

In his statement to the standing committee, the Minister of Energy said, "Consumer protection will be the hallmark of this government's electricity policy," yet the Liberals refused to listen when amendments to the bill were tabled that would have afforded more protection for our most vulnerable citizens.

This is a far cry from their position while in opposition. Before the election, McGuinty said, "We have to

maintain rate relief for consumers. I have had the terrible responsibility to raise horror stories in the Legislature, people who have been put in a desperate position because they simply can't afford to pay their hydro."

Before the election, the Minister of Energy said that Dalton McGuinty and the Liberals will protect consumers, protect average Ontarians and put the interests of average people ahead of the big corporate interests in Ontario. No protection from Hydro rate increases, no property tax credit protection and no drug plan protection; why is it that this Liberal government continues to target seniors with their punitive, punishing policies?

BIRTH CERTIFICATES

Mr Vic Dhillon (Brampton West-Mississauga): One year ago this month, Tim Hudak was warned. Norman Inkster told the former Minister of Consumer and Business Services to end same-day service for birth certificates in December 2002. Hudak was informed that the system presented a serious security risk and that thorough procedures were necessary to protect these vital documents. Advice from the retired commissioner of the RCMP is not something to be shrugged off, particularly for a former government that liked to talk up public security. But Tim Hudak turned his back on this warning and turned his back on public security.

Same-day service continued and people were able to—

Mr Cameron Jackson (Burlington): On a point of order, Speaker: I do believe the standing orders prohibit a member from impugning motive of the efforts or the motive of another member. To say that the minister planned to be punitive has been struck down by many Speakers in this House.

The Speaker (Hon Alvin Curling): Member?

Mr Dhillon: Same-day service continued and people were able to get birth certificates and documents used to obtain things like passports and driver's licences. Perhaps Tim Hudak considers showing identification for a government document to be another example of that pesky red tape he so despises, or perhaps he was just too busy organizing another pro-war rally through his riding association. We shouldn't be surprised.

This is the same former government that allowed 500 blank birth certificates to be stolen and then covered it up. The previous government was warned about a lot of things and consistently failed to act.

Unlike the previous government, the Liberal government has moved quickly to close this loophole to ensure the security of all Ontarians and make sure the government works for the people for a change. I commend the Minister of Consumer and Business Services for swift action.

PROVINCIAL DEFICIT

Mr Garfield Dunlop (Simcoe North): I rise in the House today to dispel the myths shown in the province's

projected artificial deficit. The reality is that the Liberals can actually balance the province's books before the end of this fiscal year. The choice is theirs.

I was pleased to read an article in today's National Post, written by John Williamson and Bruce Winchester from the Canadian Taxpayers Federation, that helps clarify the projected deficit number. The article is called "Ontario's Deficit Cut Down to Size." It defines the dramatic impact of the following three factors on Erik Peters's deficit projection: the province's 2002-03 public accounts, more federal tax dollars coming from Mr Martin than Mr Manley, and of course McGuinty's tax increases. I really hope that the Premier and our Minister of Finance read this article, because here's the bottom line: The revised projected deficit for 2003-04 is \$1.8 billion.

Since Dalton McGuinty maintained in opposition, and during the election, that he had a plan to deal with a \$2-billion deficit, this good news should make the job that much easier. However, we do expect the Liberals to pump up the projected deficit numbers, as they've been doing all along, to give them some spending room. After all, many special interests are waiting with hands outstretched for their paybacks from the election.

We ask Dalton McGuinty to give Ontarians the real financial picture and get on with the job he was elected to do. Ontarians deserve nothing less.

Hon George Smitherman (Minister of Health and Long-Term Care): Name a special interest—like kids?

Mr Dunlop: The Minister of Health and Long-Term Care should be more worried about Bill 8 than heckling me.

ADAMS MINE

Mr Gilles Bisson (Timmins-James Bay): This morning my colleague Marilyn Churley, the member for Toronto-Danforth, held a press conference here with the Timiskaming farmers' association. They were here yet again to ring the alarm bells on the Adams mine proposal. It's clear: Prior to the election the Liberals, like New Democrats, were supposedly in opposition to the Adams mine project. In fact, I know that the current Premier, then leader of the official opportunity—

Interjection.

Mr Bisson: That was a good one. I should have said "opposition." "Opportune" is the right word. He was on the record saying that if he was elected, the Adams mine project would not go forward. Now we have a situation where the TFA has pointed out that the proponent of the plan has applied for a permit to de-water the pit. They were here this morning to talk about the problems with that.

1350

Number one is that if there is ever an environmental assessment done and it's done with the pit drained of water, the whole science of being able to figure out what happens to groundwater is totally different. Obviously if there's water in the pit, it leaches out the side. If there's

no water in the pit, whatever leaches will go straight down and will not be caught in an environmental assessment.

We're saying to the government two things: Keep your commitment; don't break your promise. Stop the Adams mine proposal. My good friend Mr Ramsay and I are on the same side, saying stop it and stop the environmental permit that allows the water to be taken out of that pit.

MEMBERS' CONDUCT

The Speaker (Hon Alvin Curling): Let me first commend the members for using the members' statements time for recognizing individuals in the gallery. I really appreciate that, more than using it calling about points of order at the time. That's a most appropriate way to use members' statements, and I want to thank those members who have used it that way.

I also would caution some members on some of the language they're using that is a bit questionable. So be careful as you make statements that those languages you use are not in any way punitive, as one would say, toward other members.

VISITORS

Mr Dave Levac (Brant): On a point of order, Mr Speaker: In the east gallery today are two guests. Statements are now finished, and I thought maybe it would be appropriate to invite Mr Keith Koski and Mr Steve Wood to receive our recognition. They are developing processes for our environment, for our health care system and, for the environment, in particular areas of agriculture. Thank you very much for being here, gentlemen.

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Mr Robert W. Runciman (Leeds-Grenville): On a point of order, Mr Speaker: I'm rising on a point of order regarding the business of the standing committee on finance and economic affairs.

While we on this side of the House recognize the fact that the business of the standing committee has been timetabled according to government notice of motion 13, referred to as the programming motion, which was passed by this House and supported by the official opposition, I have to raise an exception with respect to yesterday's proceedings of the standing committee on finance and economic affairs. The official opposition agreed to the programming motion on the basis that two full days of committee hearings would be devoted to each of the three bills to which the programming motion applies. I want to quote from the programming motion itself as it pertains to Bill 5, currently before the finance and economic affairs committee.

From section (C), sub 3, of the motion, "The standing committee on finance and economic affairs shall meet for two days at the call of the Chair for the purpose of public hearings and clause-by-clause consideration of the bill." It was understood and agreed upon by the subcommittee that the first full day of committee would be devoted to public hearings, while the second day would be devoted to clause-by-clause consideration.

Speaker, as you know, the standing committee on finance and economic affairs is made up of 10 members—seven Liberals, two Conservatives and a single New Democrat—and quorum for the committee is half of the members as per standing order 118(a). At yesterday afternoon's meeting of the committee, the Liberal Chair adjourned the committee proceedings for the day for a lack of quorum from government Liberal members. I'm not disputing the right of the Chair to adjourn committee for want of quorum, as this is again specified in standing order 118.

Simply put, my point of order relates to the fact that the programming motion specifies that public hearings must be heard with respect to Bill 5. Further, the subcommittee of the standing committee on finance and economic affairs met and determined that the first full day of committee consideration would be devoted to public hearings. This was not the case yesterday, and indeed several public witnesses and stakeholders were stranded because Liberal government members failed to show up to allow the committee to proceed. I wouldn't suggest it was a strategy, but it's difficult to understand with a large majority government in this House.

I would ask that you consider our request to allow for one full day of public consultations before this bill is referred back to the House. This is in keeping with the intent and spirit of the programming motion.

Hon Dwight Duncan (Minister of Energy, Government House Leader): With respect to the programming motion, I should say first of all that it was government members who were absent. We were distressed by that and apologize to this House and to those individual delegations that were affected by it.

My understanding is that the committee met informally subsequent to the arrival of the government members of the committee and heard the delegations that wished to be heard. My understanding is that the hearing proceeded this morning on clause-by-clause. Our read is that section (C), subs 3 and 4, provides an opportunity for what occurred to have happened without having to go back to another day of hearings. Those delegations were met with. The government acknowledges it was its members who were not present. Again, I wish to emphasize that those delegations that were scheduled to be heard by the committee were in fact heard by the committee, as I understand it, subsequent to the committee being adjourned.

With that, I would submit that while the government was in error in not having its members present, the programming motion was upheld, both in its letter and spirit—recognizing that members have a responsibility to

be present in committee when it's duly called, when proper notice is given out and that that sort of inattentiveness reflects badly on this House and on all of us and on the government.

Mr Gilles Bisson (Timmins-James Bay): On the same point, Mr Speaker: I don't want to repeat all the points that were made, but I think an additional point needs to be added here. What we had yesterday by the government members not showing up in committee to complete what was intended by way of the programming motion was that in fact the government further time-allocated this bill, because by the members not being there, it shortened the amount of time the public had to come to the committee and therefore further time-allocated the bill.

I want to put on the record that New Democrats did not support the programming motion for the very reasons that we laid out in a point of order earlier, but I do want to point out that what they've in fact done by not showing up yesterday afternoon is to further time-allocate this, which is contrary to what the programming motion said. I would support the Conservative request on this, that additional time is needed at committee, to keep not only to what's in the spirit of the programming motion, but what the intent was, which was for two full days to deal with both committee hearings and also clause-by-clause.

It's unfortunate that the government members didn't show up. I take the government House leader at his word when he says he apologizes. I'm sure they wish they had been there, but the fact is they weren't. I would ask that in your ruling you reflect on what the effect of those members not being there yesterday was, which was to further time-allocate a bill that was already time-allocated by way of the programming motion, and would ask that we have additional time at committee to deal with this adequately.

Mr Frank Klees (Oak Ridges): Speaker, I want you as well to take into consideration the fact that albeit the committee may well have met informally, as the government House leader indicates, not having met officially with the benefit of the Hansard record really denies every other member of this House the opportunity to consider the information that was presented by those who came forward. Again, for that reason I really do believe that we all—each member of this House—have a responsibility to consider the information so that we have an opportunity to provide input into the legislative process. Not only is it right for the stakeholders but for every member of this House that we have that full day of hearings.

1400

Mr John O'Toole (Durham): Mr Speaker, as a member of the finance and economic affairs committee, I believe there were good intentions in trying to reach some expeditious resolve to the issue of the Liberal members not showing up yesterday afternoon after routine proceedings. That being said, out of respect for the deputants who did appear, their record was submitted—a written, photocopied version today. But what was missing was the important debate and interchange between

members of all three caucuses and those industry stakeholders, who, by the way, had some very valid suggestions on emissions within the legislation. So in your reflections, Mr Speaker, I'd ask you to reflect on the fact that this is a dialogue with the public that has been shortened through the lack of democratic process on the part of this government.

Hon Mr Duncan: Just one further small point, Mr Speaker: My understanding is that the written deputations were put into the record formally as part of those deliberations this morning.

Mr Toby Barrett (Haldimand-Norfolk-Brant): Point of order, Mr Speaker.

The Speaker (Hon Alvin Curling): Are you going to add something new to this?

Mr Barrett: Just to rebut. Yes, the deputations were put into the record, but as the member across the way has mentioned, there was much discussion by members of the committee around those deputations. None of that discussion and debate was captured electronically. That is lost.

The Speaker: Let me reflect on this a bit. You made some excellent points. I just want to make sure that the representatives who came before the committee were heard and that they were not denied in any way. The government House leader has reflected on that too. There seemed to be some provisions made. I will come back to you with my observations and ruling on this.

VISITORS

Mr John O'Toole (Durham): On a point of order, Mr Speaker: I rise to introduce the Dumand family from my riding of Durham.

Mr Gilles Bisson (Timmins-James Bay): On the original point of order—

Mr O'Toole: With your indulgence, I have the floor.

I'd like everyone to welcome Herve and Joanne Dumand, and their three children, Joshaua, Tessa and Sommer. I'd like everyone to welcome them and extend a Merry Christmas to them.

Mr Bisson: On the original point of order, Mr Speaker: Very quickly, I just want you to really reflect on the fact that by the members not being there, they further time-allocated this. You need to take that into—

The Speaker (Hon Alvin Curling): Order. I think I said that I'd get back to you on this. I've heard enough and I think I'll be able to make a decision on what I've heard.

REPORT, CHIEF ELECTION OFFICER

The Speaker (Hon Alvin Curling): I beg to inform the House that on December 15, 2003, a report from the chief election officer, made pursuant to section 2(4) of the Election Finances Act, was tabled.

REPORTS BY COMMITTEES

STANDING COMMITTEE ON ESTIMATES

The Speaker (Hon Alvin Curling): Standing order 62(a) provides that, "The standing committee on estimates shall present one report with respect to all of the estimates and supplementary estimates considered pursuant to standing orders 59 and 61 no later than the third Thursday in November of each calendar year."

The House not having received the report from the standing committee on estimates for certain ministries on Thursday, November 20, 2003, as required by the standing orders of this House, pursuant to standing order 62(b), the estimates before the committee of the:

Office of the Assembly;
Office of the Chief Election Officer;
Ombudsman Ontario;
Office of the Provincial Auditor;

Ministry of Health and Long-Term Care, supplementary estimates only;

Management Board Secretariat, supplementary estimates only;

are deemed to be passed by the committee and are deemed to be reported to and received by the House.

Pursuant to standing order 60, the estimates, 2003-04, of these ministries and offices not being selected for consideration are deemed to be received and concurred in.

INTRODUCTION OF BILLS

GREENBELT PROTECTION ACT, 2003

LOI DE 2003 SUR LA PROTECTION DE LA CEINTURE DE VERDURE

Mr Gerretsen moved first reading of the following bill:

Bill 27, An Act to establish a greenbelt study area and to amend the Oak Ridges Moraine Conservation Act, 2001 / Projet de loi 27, Loi établissant une zone d'étude de la ceinture de verdure et modifiant la Loi de 2001 sur la conservation de la moraine d'Oak Ridges.

The Speaker (Hon Alvin Curling): Is it the pleasure of the House that the motion carry? Carried.

Mr Gerretsen?

Hon John Gerretsen (Minister of Municipal Affairs, minister responsible for seniors): Mr Speaker, I will defer until ministerial statements.

SUPPLY ACT, 2003

LOI DE CRÉDITS DE 2003

Mr Sorbara moved first reading of the following bill:

Bill 28, An Act to authorize the expenditure of certain amounts for the fiscal year ending March 31, 2004 /

Projet de loi 28, Loi autorisant l'utilisation de certaines sommes pour l'exercice se terminant le 31 mars 2004.

The Speaker (Hon Alvin Curling): Is it the pleasure of the House that the motion carry? Carried.

Hon Greg Sorbara (Minister of Finance): Very briefly, this bill is what we commonly refer to and what is actually named the Supply Act, 2003. It is the parliamentary authorization to make expenditures in respect of the public service, investments by the public service, expenses of the Legislative Assembly and expenditures of the public service.

ELECTRONIC WASTE PRODUCER RESPONSIBILITY ACT, 2003

LOI DE 2003 SUR LA RESPONSABILITÉ DES PRODUCTEURS DE DÉCHETS ÉLECTRONIQUES

Ms Churley moved first reading of the following bill:

Bill 29, An Act to ensure that the producers of electronic equipment retain responsibility when their products become waste / Projet de loi 29, Loi visant à assurer que les producteurs de matériel électronique sont toujours responsables lorsque leurs produits deviennent des déchets.

The Speaker (Hon Alvin Curling): Is it the pleasure of the House that the motion carry? Carried.

Ms Marilyn Churley (Toronto-Danforth): The only way we're going to resolve the garbage crisis is to get more and more of the so-called garbage out of the garbage stream. This bill would go a long way to helping that situation by requiring producers of electronic equipment to implement a program for ensuring the environmentally sound collection, treatment, recovery and final disposition of discarded and obsolete electronic equipment. As you know, daily there are tonnes and tonnes of obsolete and unused electronic equipment going into our landfills. Landfilling and incineration of electronic waste would be prohibited.

1410

ONTARIO DISABILITY SUPPORT PROGRAM AMENDMENT ACT (FAIRNESS IN DISABILITY INCOME SUPPORT PAYMENTS), 2003

LOI DE 2003 MODIFIANT LA LOI SUR LE PROGRAMME ONTARIEN DE SOUTIEN AUX PERSONNES HANDICAPÉES (ÉQUITÉ DANS LES VERSEMENTS DU SOUTIEN DU REVENU)

Ms Martel moved first reading of the following bill:

Bill 30, An Act to amend the Ontario Disability Support Program Act, 1997 to require annual cost-of-living adjustments to income support payments / Projet de loi 30, Loi modifiant la Loi de 1997 sur le Programme ontarien de soutien aux personnes handicapées en vue

d'exiger des rajustements annuels relatifs au coût de la vie en ce qui concerne les versements du soutien du revenu.

The Speaker (Hon Alvin Curling): Is it the pleasure of the House that the motion carry? Carried.

Ms Shelley Martel (Nickel Belt): This is the third time that this bill has been introduced by New Democrats; the first time was in 2001. If passed, the bill would amend the Ontario Disability Support Program Act to provide for regulations to ensure annual cost-of-living adjustments to ODSP payments.

You'll know that Ontarians with disabilities have had their ODSP benefits frozen for many years now, and they deserve to see an increase in their payments.

I look forward to support from the government, since the Premier himself promised a cost-of-living increase for ODSP participants in a letter dated April 7, 2003, sent to David Lepofsky, the chair of the Ontarians with Disabilities Act Committee. I would hope that the government would do this even without my bill having to go forward.

MOTIONS

CONDUCT OF HOUSE PROCEEDINGS

Hon Dwight Duncan (Minister of Energy, Government House Leader): On a point of order, Mr Speaker: I believe we have unanimous consent to move a motion without notice respecting the third party, and ask that the question on the motion be put without debate or amendment.

The Speaker (Hon Alvin Curling): Do we have unanimous consent that this motion be put forward without any debate? Agreed.

Hon Mr Duncan: I believe I have to read the motion into the record.

Interjections.

The Speaker: One second here. I thought I got unanimous consent so that the government House leader could read the motion.

Hon Mr Duncan: I move that the House recommends that notwithstanding any standing order or prior recommendation of the House, the Speaker conduct the proceedings of the House during the 38th Parliament as follows:

The Speaker should exercise his discretion to permit questions as follows:

Official opposition—one question and two supplementary questions

Official opposition—one question and two supplementary questions

Third party—one question and one supplementary question

Third party—one question and one supplementary question

Followed by a rotation of:

Official opposition—one question and one supplementary question

Government—one question and one supplementary question

Official opposition—one question and one supplementary question

Government—one question and one supplementary question

Any one independent member—one question and one supplementary question repeated thereafter;

And that there shall be four members' statements allotted to both the government and the official opposition and one members' statement allotted to the third party, with the rotation as follows:

Official opposition; government; official opposition; government; third party; government; official opposition; government; official opposition;

And that in exercising his discretion with respect to the practice of rotation on debates pursuant to standing order 24, the Speaker adopt the following rotation:

Following the leadoff speaker for each recognized party:

The first member of the third party to speak may speak for not more than 30 minutes, then:

Government; official opposition; government; official opposition; third party, and then repeat the rotation;

And, in debate governed by this standing order any member of the third party may divide his or her time among any other member or members of the third party;

And that following ministerial statements and the comments of the official opposition a member or members of the third party may comment for up to a total of five minutes;

And that the third party shall be entitled to one of the five sessional days known as opposition days and that 15% of the time available for debate under standing order 42 shall be allocated to the third party with the time remaining apportioned equally between the recognized parties; and if the mover of a motion under this standing order is a member of the third party the time for a reply shall be included in the time allocated to the third party;

And that in any session, the third party shall be entitled, upon proper notice, to one of the three motions of want of confidence in the government and debate time on such a motion shall be apportioned in the same manner set out in this motion for opposition days;

And that with respect to the time available for debate on time allocation motions (standing order 46), concurrences (standing order 62), Supply Act (standing order 63), and interim supply (standing order 66), 15% of the time available for debate on each such matter shall be allocated to the third party with the time remaining apportioned equally between the recognized parties;

And that a member of the third party on the standing committee on estimates may speak for not more than 30 minutes on the first item of the first vote of each set of estimates and thereafter shall be apportioned an amount of time equal to that allocated to the members of recognized parties on the committee;

And that when time permits, amendments proposed to be moved to bills in any committee shall be distributed to all members of the committee;

And that for the purpose of private members' public business, a period of 18 minutes shall be allotted to each of the recognized parties in the House and nine minutes to the third party for the purpose of debate during private members' public business;

And that a member of the third party on any standing committee is entitled to be appointed to the subcommittee on committee business;

And that with respect to committee membership, members of the third party be allowed to substitute for each other, provided a notification signed by the member being substituted for or by his or her designate is filed with the clerk of the committee either before or within 30 minutes of a committee meeting being called to order;

And that with respect to compendiums of information, government notices of motion or any document required to be laid before the House, for which there is a standing order requirement that copies be provided to a representative or representatives of a recognized party, seven copies of such documents shall be provided to the table to be made available to members of the third party upon request;

And that the passage of any motion to amend the standing orders, which alters the numeration, shall not impact on any process set out in this motion.

The Speaker: Is it the wish of the House that the motion carry? Did I hear a no?

All those in favour, say "aye."

All those against, say "nay."

I think I heard the "ayes" louder than the "nays." Carried.

Before I move to statements by the ministry and responses, I just want to say with regard to this motion that has just been passed, let us be more or less cautious as we go along, as it is a new process and it's in effect immediately. We will guide you through this with the help of the Clerk, and of course we'll have a very peaceful and a very effective Parliament today.

STATEMENTS BY THE MINISTRY AND RESPONSES

LAND DEVELOPMENT

Hon John Gerretsen (Minister of Municipal Affairs, minister responsible for seniors): The region of Ontario known as the Golden Horseshoe is growing by 115,000 people every year. Within 15 years, it will be the third-largest urban region in North America after New York and Los Angeles.

This phenomenal growth has presented many tough economic, environmental and quality of life challenges for the millions of people living and working in the region.

Under the previous government, too often developments got the green light where communities did not want them, could not sustain them, and subsequently regretted them. This form of urban planning only encouraged urban sprawl and is simply not sustainable.

Our economy cannot thrive if goods and services are stuck in gridlock. Our families cannot thrive if parents are stuck on the highway or there's no green space left to enjoy. Our environment will not thrive if development is unfettered and irresponsible.

Our government is determined to enhance the quality of life for people in the Golden Horseshoe by containing sprawl and encouraging environmental protection.

This commitment includes the creation of a permanent greenbelt, which will protect hundreds of thousands of acres of environmentally sensitive land and farmland.

1420

Earlier today I took the first steps in the establishment of this greenbelt. I imposed a minister's zoning order on the greenbelt study area to provide immediate protection while the legislation is considered by the House.

Under this bill, the Greenbelt Protection Act, 2003, which I'm pleased to introduce on behalf of myself and the Minister of the Environment, the government will seek a legislated one-year moratorium on new urban development on rural and agricultural lands within the potential greenbelt area. Pending a final decision on the lands to be protected, the moratorium would mean that for up to one year there could be no new urban development on rural and agricultural land unless it had already been zoned for development.

These actions will give the government the time it needs to hold extensive public discussions to ensure a future of smart and sustainable growth for the greenbelt region. The actions are essentially first steps in the establishment of a permanent greenbelt in the Golden Horseshoe region. The health of the Golden Horseshoe lands affects the water we drink, the food we eat and the air we breathe. These are natural gifts we must leave to our children, resources that must be preserved for the physical, social and economic health of future generations of Ontarians.

Ontarians understand that a strong economy and clean environment go hand in hand, and so does this government. Today, through the Ministries of Municipal Affairs and Environment, we are acting to make real, positive change to the quality of life in the Golden Horseshoe region.

The Speaker (Hon Alvin Curling): Responses?

Mrs Julia Munro (York North): Yesterday the minister introduced amendments to the Planning Act that purport to give more powers to the municipalities to make planning decisions. In fact, in his remarks yesterday he went to great lengths to explain several times the importance that the legislation he introduced yesterday would have in building stronger communities by giving them this kind of decision-making.

Well, today we are looking at a bill that takes away that local planning power from municipalities. It

completely takes it away. The plan that has been given to us today will concentrate power over these issues in the Premier's office via the minister's stroke of the pen. The government's interest seems to be only in stopping all development around Toronto.

With an increase in the population in the whole of the greater Toronto area, we need planning. We need to understand the kinds of restrictions and the questions around transit and things like that. Instead, we're left with some very serious questions to answer. Who, in this Liberal world, will have the final say in the development of our local communities? How much will this cost? Will this cost be even more than it would have cost the Liberals to cancel the construction of the 6,600 homes in Richmond Hill? If all the land around Toronto is closed to development, where are families going to find affordable homes? How does the minister plan on protecting property rights under this bill? He refers today to a moratorium, a freeze. This is all language that belies the benign nature of a bill that will protect green spaces. If this bill protects green spaces, how will it protect viable agriculture?

I'll leave the rest of the time to the member from Erie-Lincoln to add some comments to this.

Mr Tim Hudak (Erie-Lincoln): I appreciate the time to address the issues as well. As my colleague was saying, we look forward to a full opportunity to participate in public consultations. I expect members of our party and the third party will be there side by side with the minister to hear what folks have to say.

I think there should be a healthy scepticism about your intentions: witness the breaking of the Premier's solemn promise to end development on the Oak Ridges moraine, which he quickly back-flipped on once he came into office, and the domino effect that is having on the very sensitive land in the Seaton area and the agricultural preserve in Pickering, on which we've seen backtracking by the minister already. So I hate to be sceptical—I wish I were an optimist—but you've already broken a number of promises on your greenbelt as it is.

If you're preserving areas like the tender fruit lands in Niagara, which I support—I want to see those lands continue to be in green production—my basic piece of advice is, if you're going to preserve the farm, you've got to support the farmer. The attack we've seen on Ontario farmers by the Dalton McGuinty government, with higher taxes, higher hydro rates and the hammer of red tape coming down from the Ministry of the Environment, certainly does not bode well for agriculture in Ontario under Dalton McGuinty, and the total absence of a minister for rural affairs at the cabinet table does not bode well for your intentions.

I'd advise the minister as well—I think people are nervous about the potential creation, either through the Premier's office or outside, of a super-agency over top of all of these areas. As you know, Minister, many of the areas already have legislation, like Oak Ridges, or ministerial zoning orders for the lands in Pickering, the Rouge Park area and the Niagara Escarpment Commission. I am

concerned that you're going to have a super-body that is going to duplicate existing functions on top of that, far away from the people. Not only are you taking away local decision-making from the municipal level, you're going to put it up another level altogether with duplication.

Finally, a caution about a mode effect. If your greenbelt is going to be fully contiguous, how are you going to make sure that the routes for infrastructure or highway development like the mid-peninsula corridor allow a chance for trade, tourism and safe travel to flourish?

Ms Marilyn Churley (Toronto-Danforth): I want to say to the government and the minister, I really did want to be able to compliment them today on this piece of legislation. I really did seriously want to compliment them, but I can't because I've had the opportunity to—

Hon Greg Sorbara (Minister of Finance): Well, do it, Marilyn; just do it.

Ms Churley: Listen to me: You're going to have to fix this. I've got to study it more carefully, but I've had a chance to look at it and there are some big problems.

Let's look at the background here. It could take up to three years, or I don't know how long, to draft the legislation. This is just a one-year study you're talking about here. As you know, in two or three years, Ontario could lose up to 25,000 acres to sprawl in areas such as Caledon, Seaton, Oakville and Markham. We know there are all kinds of industries and corporations buying up farmland, hoping they'll get the green light on development.

I had a chance to have a quick look at this draft legislation—thank goodness it's draft legislation—before us today. As I said, it is a study; it's not protection. It's for one year only.

I want people to turn their attention to section 8 in the regulations. Talk about another piece of important legislation with a huge loophole that you can drive a Mack truck through; once again, this is it. Look at section 8. I will read it to you:

“8(1) The Lieutenant Governor in Council may make regulations,

“(a) changing the boundaries of the greenbelt study area set out in schedule 1;

“(b) changing the areas set out in schedule 2 to which sections 4, 5 and 6 apply;

“(c) exempting any land or any use of land, or any class of uses of land, from sections 4, 5 or 6.”

And it goes on:

“Regulations by minister

“(2) The minister may make regulations....”

Folks, do you know what this means, this big loophole that you can drive a Mack truck through? Developers go to the minister's office, there are some problems, and the minister decides, “We've got to let them go ahead.” He can just walk around to a few ministers, just like the Tories used to do, and get them to sign off. That's what this section allows the minister to do. We don't need loopholes like this when we have such a tremendous problem on our hands.

The definition of urban use—another problem—can be changed by regulation as well. See section 9. The minister has the ability to change at a whim the definition of urban use.

1430

Folks, let me tell you what else is in this: The Oak Ridges moraine has been excluded from this greenbelt study today. Surprise, surprise. It's not even in there. Why would that be? What plans are coming after the failure to keep their promise to keep those over 6,000 homes from being built? Why is the Oak Ridges—

Hon Mr Sorbara: It's a conspiracy.

Ms Churley: What was that? You want the spirit of co-operation today? Conspiracy? This is not a conspiracy, it's right here in your own bill today. The minister can change any of this.

I want to remind you, as we speak, we have underway right now the north Leslie Street lands at the OMB. They're considering several proposals by developers for changes from rural to urban designations. The proposed development for the lands near north Leslie Street in Richmond Hill was exhibit A in the Liberals' commitment to protect the Oak Ridges moraine and the headwaters of the Rouge River. These are prime lands for inclusion in the greenbelt, so why are they not included in this legislation today?

I've got to say to the government that I am honestly and truly disappointed today. I was really looking forward to reading a strong piece of legislation that truly would create this promised greenbelt, and instead we get this one-year study that allows the minister, at a whim, if developers come to see him, to change definitions, to allow development anywhere he wants within this greenbelt. Believe me, there is a big problem here.

I want to say this, and I say it with sadness more than anything else today. Dalton McGuinty has created—today he's receiving a black belt in breaking promises. Dalton McGuinty, mark my word today, has broken another key promise and has gotten a black belt in broken promises in this province. I hope we can fix this at committee because as it stands it won't do a darned thing to prevent development in this greenbelt area.

ORAL QUESTIONS

PROVINCIAL DEFICIT

Mr John R. Baird (Nepean-Carleton): Today I'd like to return to the issue of another broken Liberal promise, a promise to balance Ontario's budget, so my question is for the Minister of Finance. Yesterday we showed you where you could find \$3 billion to help balance the budget. Today I want to tell you where you can find another \$1 billion. Former Finance Minister John Manley, before he departed office, confirmed that he would be flowing \$1 billion to the Ontario government for both SARS and for the CHST, to provide health

care for the people of Ontario. Will you count that \$1 billion toward Ontario's financial challenges?

Hon Greg Sorbara (Minister of Finance): I can't tell you how delighted I am with the suggestions coming from the soon-to-be candidate for leader of the official opposition. I congratulate him on his work. That's on the basis that he doesn't jump ship and try to get a seat in the other House. No, I'm wrong; that's the member from Leeds-Grenville.

My friend raises two points: The agreement we finally reached with the federal government, which the previous government couldn't reach, on SARS funding, and indeed that will form part of the revenues for this year. As far as the transfer under the Canada health and social transfer, I want to remind my friend—I don't know how many times I've said this to him, but he needs to understand that that payment remains contingent. It remains a commitment that will come to us, if all the contingencies are met, in October of next year. That is part of next year's budget and it will be part of next year's financial plan.

Mr Baird: It's not just John Baird and Ernie Eves who say you can apply this \$1 billion to Ontario's fiscal challenges this year; it's also your good friend John Manley. He was quoted recently as saying, "I believe that with our method of accounting in Ontario and Canada, it can count this year." In fact, they will count it as an expenditure this year.

Why don't you stop the blame game? Why don't you do the right thing? Why don't you put this billion dollars toward the financial pressures of the government this year? Do you want to balance the budget? Do you want to accept your responsibilities and put this billion dollars toward our financial challenges?

Hon Mr Sorbara: This is the member who as Minister of Energy told us that everything was just fine, "We've got it all under control." Well, the people of Ontario heard today the problems that we're inheriting at OPG.

But let me get to the substance of his question. I have talked with the former finance minister, and we could use a wide variety of accounting tricks.

Mr Baird: You get a cheque and you deposit it. How is that a trick?

Hon Mr Sorbara: He says, "You get a cheque and you deposit it." That is precisely what we're proposing to do. That cheque will arrive, if it arrives, next October. We're very grateful to the federal government for their consideration. We will book it when we receive it.

Mr Baird: On this issue, I certainly agree with John Manley. John Williamson and Bruce Winchester of the Canadian Taxpayers Federation also strongly disagree with you. This morning in the National Post, they wrote, "Regrettably, the McGuinty government has decided it will not record any of this ... current fiscal year" revenue, preferring instead to pump up the deficit and make the financial situation artificially worse.

When will you keep your promise that you made just a few short months ago to the people of Ontario and

balance the budget? When will you apply this money toward the budget this year, just as John Manley says you can do?

Hon Mr Sorbara: I say to you that my friend should not get me started on John Williamson, head of the Canadian Taxpayers Federation, for whom I have a great deal of respect. But when he makes suggestions that we identify another \$2.1 billion in revenue, while ignoring the fact that on the other side of the ledger there is a \$2.8-billion expenditure that would have to be brought in, I tell my friend for Nepean-Carlton, do not rely on that kind of research from John Williamson.

The Speaker (Hon Alvin Curling): New question?

Mr Baird: I say to the Minister of Finance that he was only too happy to have his mug shot with the Canadian Taxpayers Federation at election time.

During Ontario's recent election, Dalton McGuinty looked taxpayers in the eye in millions of homes across Ontario and said, "I won't raise your taxes"—another broken Liberal promise. Just six weeks into your term you announced the biggest tax increase in Ontario's history. You're breaking election promises: You're raising taxes on seniors; you're raising taxes on working families; you're raising taxes on small businesses; you're raising taxes on everyone in Ontario who pays income taxes. That will bring in more than \$4 billion in the full year. But the added benefit of that is that it will bring in \$800 million this fiscal year.

Will you stand in your place and say that you will apply each and every dollar from that tax increase to deliver Ontario a balanced budget? Will you do that?

Hon Mr Sorbara: I want to assure my friend from Nepean-Carlton that I will always look to him for sage advice when his research is sound. But in this instance, his research is just not based in reality. During the election campaign we made it very clear that the province could not afford the corporate tax cuts that that party, when it was in government, had put into legislation. We said that we would repeal those. We said that the province could not afford the private education tax credit and we repealed that measure. We said during the election campaign that the province could not afford a very ill advised and very poorly constructed credit for seniors in the area of property tax. We kept faith with every one of those commitments. I would like my friend from Nepean-Carlton to correct the record and acknowledge that that is the case.

1440

Mr Baird: Dalton McGuinty spent millions of dollars, went on TV and looked at every family in the province and said, "I won't raise your taxes." He didn't give an asterisk; he didn't give an exception. He said it millions of times, in millions of homes across this province.

You promised not to raise taxes, you promised to balance the budget, and both of these promises have been broken. The least you could do is apply this \$800 million toward the financial challenges of the government this year. We gave you \$3 billion yesterday. Earlier, I showed you where you could find another \$1 billion. We're

almost 80% on our way to a balanced budget this year. Show us that you're serious about wanting to balance the budget. Show us that you're going to accept your responsibilities and show us you're going to balance the budget this fiscal year.

Hon Mr Sorbara: I have some very bad news for the member from Nepean-Carlton. He says that he provided us \$3 billion yesterday. His cheque bounced. It bounced because of the terrible, despicable financial management of your party when you were in government.

Mr Baird: That \$3 billion came right out of your financial plan. David Hall, the man who crunched your numbers, agrees with me and not with you. David Hall agrees with me. Your man who certified and verified your numbers agrees with me and agrees with our party on that \$3 billion.

John Williamson, in today's National Post, and I'm going to say it again: "Pumping up the deficit of a defeated government had become a tiresome trend in Canada, and one that taxpayers no longer accept." Minister, one can only assume that you want to artificially raise the size of Ontario's deficit. When will you accept your responsibilities and take Ontario off this deficit Viagra? Will you do that, Minister?

Hon Mr Sorbara: I'm going to have to—

Interjections.

The Speaker (Hon Alvin Curling): Order. Minister?

Hon Mr Sorbara: I am really going to have to reflect on the "deficit Viagra" comment. I can't figure out the analogy, but I'll work on it. But I'm up to answering the question.

Mr Williamson lost a huge amount of credibility when he failed to do the arithmetic that preceded the article you're referring to. But I want to get to the heart of your question. You say, and you're right, that with the tax measures that we introduced and hopefully will pass in this Legislature, we will start to repair the damage done previously. That will bring us in as much as \$800 million—

Interjection.

Hon Mr Sorbara: Hold on a second. That will bring us in about \$800 million this year, which will be applied to this year's deficit. But the shortcomings and the additional expenditures that your party added after the budget may have some impact on the other side. I invite my friend to return to this House tomorrow, when I will discuss these matters more fully in a fall economic statement.

ONTARIO POWER GENERATION AND HYDRO ONE

Mr Howard Hampton (Kenora-Rainy River): I have two questions, and my first question is for the Acting Premier. During the election, your Premier made an ironclad commitment to keep Ontario's hydro in public hands. He promised, and I quote, "After the election, the new Ontario Liberal government will stop the sell-off of hydro." Period. End of quote.

But today, listening to your energy minister, it seems that the story has already changed. Reporters asked your energy minister today if you're going to sell off our hydro. He said, "We are not ruling anything in or anything out at this point."

Deputy Premier, I think we should have learned from the previous government that while we have problems with our hydroelectricity system, selling it off and de-regulating doesn't answer any of those problems; it makes it worse. Will you rule out selling off our hydro system, period?

Hon Greg Sorbara (Minister of Finance): I'm sure the Minister of Energy has a comment on that question.

Hon Dwight Duncan (Minister of Energy, Government House Leader): I identified today a number of significant problems associated with OPG. I also identified the steps this government is taking to address those problems. The question that you referred to I put in the context of the panel of advisors I have appointed and said that we are not handcuffing them one way or another. It will be the government's decision with respect to the future of energy in this province.

But let me say this: The last five years have been a horrible failure on the energy sector, and the people who are left to pay for it are the very people who really shouldn't have to pay for the mistakes of the previous government. As we move forward, we believe that the public sector and public ownership of our hydro assets is extremely important for the future effective operation and delivery of an adequate, reliable, stable hydro system going forward in the province of Ontario.

Mr Hampton: Then will you answer the very simple question? Let me quote again the Premier. This is what the Premier said during the election campaign: "The PC privatization experience has been a disaster. Higher prices, dirtier air and the threat of more blackouts." That's what the Premier said.

Then he promised, "We will not sell any public generating stations or the transmission grid, period.... It's the only way to get the stability we need to create jobs and grow the economy." So I ask you, following on that, one simple question: Will you rule out today—there will be no further privatization of further generation, there will be no privatization of transmission, there will be no privatization, period, of our hydro system? Will you say that?

Hon Mr Duncan: We have certainly said we will not privatize the transmission system in the province of Ontario. The government that introduced private power to Ontario was Mr Hampton's government, a government that you were part of. I remember the NUGs.

Now, with respect to private generation of power, let me read to you what the member says in his book on page 18, and allow me to publicly thank him for autographing my copy. "I am not ideologically opposed to private power, any more than I'm opposed to private restaurants, clothing stores or car dealerships."

Is the member suggesting that we not allow the two new plants in Sarnia and Windsor to come on stream,

which will increase the amount of power available to meet our day-to-day demand? Is he suggesting we do that? I think he is suggesting that. That would be a mistake, because those plants are going to provide more power at a reasonable price and help ensure that we get through the cold winter days that the previous government's plan almost caused a catastrophe with.

1450

So to the member opposite I suggest this: (1) We will not privatize the transmission system. (2) Hydro and the generation of hydro, those assets which are public at this point, in my view and in our Premier's view remain public. In terms of private generation, for the future going forward, there's certainly room in this government as there was—

The Speaker (Hon Alvin Curling): Thank you. New question.

Mr Hampton: Again to the energy minister: Today you nominated three people who have absolutely no experience with running a hydroelectric system to be a blue-chip panel to tell you about the future of our hydroelectricity system. This is reminiscent of the Conservatives bringing in Bill Farlinger from Bay Street, someone who had no experience running a hydro system, and asking him for advice on how to run the system. Minister, if you want advice on how to run a hydroelectricity system, why don't you bring in somebody who has experience at Hydro Quebec, or someone who has experience at Manitoba Hydro, or someone who has experience at BC Hydro?

The Speaker: Question?

Mr Hampton: Why are you going down the same road the Conservatives went down, bringing people in from Bay Street who will only tell you what Bay Street wants, who have no experience whatsoever in running a hydroelectricity system? Why are you making the same mistake the Conservatives made only eight years ago?

Hon Mr Duncan: The member opposite probably is a little bit confused about what we did this morning. First of all, on the board of directors of OPG I have appointed Jake Epp as the chair. Mr Epp is a former federal energy minister and provided this House and Legislature, I think, with very good advice with respect to what happened at Pickering. I appointed John Manley, the former federal finance minister, and Mr Epp and Peter Godsoe, a distinguished banker with unparalleled commitment to public enterprise in this country, not to the board of the corporation, but to give us recommendations to give to the board for moving forward.

These issues and the financial predicament that OPG is in today, I would submit to the member opposite, require the very type of expertise we've appointed to the advisory panel. I can assure the member, in the days coming you will see appointments to the board of OPG that will certainly exceed the kind of appointments your government made when it was in power. Those appointments will reflect the diversity of knowledge that's needed to effectively govern such an important public corporation.

Mr Hampton: This is just getting good. Minister, your own reference points out the lack of foundation to your argument. Mr Manley knows nothing about running a hydro utility. Mr Godsoe knows nothing about energy efficiency or energy conservation. Mr Epp, frankly, knows nothing about those things, either.

Interjections.

The Speaker: Order.

Mr Hampton: You have a hydroelectricity system that is in trouble. As far as I can see, you're simply replicating a Conservative trick. You bring somebody from Bay Street who knows nothing about affordable hydroelectricity, knows nothing about reliable hydroelectricity, knows nothing about environmental sustainability of hydroelectricity, and now you want them to give you advice on how to run the system. Let me tell you the advice you'll get.

The Speaker: Question.

Mr Hampton: You'll get advice on what Bay Street wants. They will tell you what Bay Street wants. What the people want you to acknowledge is that they want some things out of the hydro system. They want an affordable system, a reliable system, an environmentally sustainable system, and they want a public system. Will you commit to those things?

Hon Mr Duncan: I would submit that every one of those men knows a heck of a lot more than you'll ever know about hydro and policy in this province.

Let me read just a little something that happened in Ontario in 1993. I quote from Thomas Walkom's book, *Rae Days*. He says that "By early 1993, with Strong still musing about privatizing parts of Hydro, Energy Minister Brian Charlton had become less categorical in his denials. 'We're looking at everything and anything,' Charlton told the *Toronto Star*. 'If you don't consider every option, you are subject to criticism.'"

I have charged this body to look at every option. I would submit to the member opposite, as he makes jokes about a very serious matter that deals with the elements and essence of the economy of this province, that this government and this Premier are moving forward to address a problem that your government failed to address, that that government failed to address after you raised rates 40%. Rates went up 40% under your government. Hydro's debts went up to an unmanageable level.

We are the folks that were sent to fix the problem. We're changing direction. We're going to make the hydroelectric system serve the people of this province and ensure that we have an adequate and reasonably priced supply of electricity going forward into the future.

ONTARIO BUDGET

Mr Jim Flaherty (Whitby-Ajax): My question is for the Minister of Finance with respect to his obligations as Minister of Finance. In the absence of budgetary tricks, what we're looking at in budgeting balances is revenue and spending. We know the commitment by your leader, now the Premier, to a balanced budget and his commit-

ment to hold the line on taxes. We know from the auditor that as of March 31, 2003, there was a \$117-million surplus. So what we're looking at now is this fiscal year.

We now have something better than estimates too: We have the public accounts statements to the end of March 2003 and we have the provincial tax increases that you have brought in, so you must be familiar with them, including the retroactive ones that you've brought in, that you've imposed on the people of Ontario.

Would you agree now, having done your due diligence performing your obligations as Minister of Finance, that the estimated revenues for the province of Ontario now, for the year which will end March 2004, will be in excess of \$70 billion?

Hon Greg Sorbara (Minister of Finance): I would say to my friend from Whitby-Ajax that if there had been some due diligence in the management of the finances of this province, we would not be in the situation that Erik Peters described for us on October 29.

He asked me to confirm certain revenue numbers for the current fiscal year. I invite my friend to return to this House tomorrow at about 2 o'clock, when I'll be making a comprehensive statement on the state of the economy, including revenue projections. I can simply tell him at this point that the financial challenges that have been served up to us as a result of our victory in the election are substantial indeed, but they are ones we will meet. We will get this province on a strong and sound financial footing.

Mr Flaherty: On the revenue side that sounds a lot like a yes, that the revenues now are estimated at in excess of \$70 billion. Now we have to look—or the Minister of Finance should look, if he's doing his job as the Minister of Finance—on the spending side. We have several months to the end of the fiscal year. We have the commitment by his leader, now the Premier, to the people of Ontario that he would balance the budget.

We know the revenues are in excess of \$70 billion. On the spending side now, has the Premier instructed you, Minister of Finance, to exercise spending controls such that the spending of the province in the next several months will match the revenues and we will have a balanced budget in Ontario? What are those spending controls?

Hon Mr Sorbara: That approach to managing our affairs was soundly rejected by the people of Ontario. I want to tell my friend from Whitby-Ajax that we will not indulge in the slash and burn of 1996: nurses—gone; water inspectors—gone; teachers—gone; welfare recipients—cut them. That's not our style. That's the style that you implemented over the years. It didn't work and we're not going to adopt it.

1500

WELFARE REFORM

Mr Dominic Agostino (Hamilton East): My question is for the Minister of Community and Social Services. The previous Tory government brought in a punitive,

regressive lifetime ban on those convicted of welfare fraud. This policy, in part, led to the death of Kimberly Rogers of Sudbury. Experts have shown that this doesn't help reduce fraud, as the ban is exceedingly severe and punitive.

What steps are we taking to look at this policy and review its implications for welfare recipients across Ontario?

Mr Robert W. Runciman (Leeds-Grenville): On a point of order, Mr Speaker: That was a completely improper remark and the member should be asked to withdraw it.

The Speaker (Hon Alvin Curling): Order. I can hear neither those who are putting the question or answering the question, or those who have made unparliamentary comments. May I ask that we just be a bit quieter so I can hear.

Member from Hamilton East, have you completed your question? Minister.

Hon Sandra Pupatello (Minister of Community and Social Services, minister responsible for women's issues): I appreciate the question. In fact, the coroner's inquest in this very unfortunate death does indicate and does recommend that the lifetime ban for welfare fraud be eliminated. Regardless of the opposite side's opinion on the matter, the coroner did in fact recommend that that be the case.

Having said all of that, our party campaigned on the notion that this was a very punitive measure and should be withdrawn, and that is what we intend to do.

Mr Runciman: On a point of order, Mr Speaker: You indicated in your response to my point of order that you could not hear the comments. I would ask you to review Hansard and, if you determine the comments were inappropriate, ask for withdrawal from the member.

The Speaker: As I said, the noise level during question period is impossible, and it's coming from both sides. I will review the comments, and if it's unparliamentary I will make my comments then.

Supplementary.

Mr Agostino: I'm glad the minister has outlined that we're going to review the situation and hopefully change it in a positive way, where we discourage and obviously go after welfare fraud, but do not put regressive lifetime bans on people simply for cheap political opportunism, as the previous government did, and for no purpose at all to help welfare recipients.

Minister, as you're looking at this review, there are many people who are affected by this. Many constituents of mine, individuals who for one reason or another have gotten themselves into difficult situations, should be dealt with, and I understand that. Can you outline to the House a timeline for us in reviewing this policy and the possibility of us bringing forward other options?

Hon Ms Pupatello: We are required to make our report on the recommendations of the inquest early in the new year. I think they require that response from government by February, and we intend to do that.

I can tell you that I am working with my colleagues in cabinet, as well as our ministry, to develop a package to

actually improve legislation that was passed. I happened to have the pleasure of travelling while it was being developed, and didn't agree with much of Ontario Works. Those of us who travelled with that bill could see very early on where there would be many problems that don't actually help people who are on the system. What we intend to do is bring forward a package as quickly as we can to actually make the system work, allow people to live with dignity and allow people to get back to work when they can. That's what we intend to do and we're moving quickly on this.

ONTARIO BUDGET

Mr Frank Klees (Oak Ridges): My question is to the Minister of Finance. Minister, the people of Ontario are anxiously awaiting two events. The first is the arrival of Santa Claus. They know when that's going to happen. The second is for their new Liberal government in this province to get down to the business of governing. Repeatedly yesterday, I asked a specific question of the Premier, who couldn't answer. He referred it to the minister, who wouldn't answer, and that was very specifically—and it was followed up by the member from Whitby-Ajax today: "Have you been given instructions to in fact balance your budget?"

Interestingly, I read in the National Post today, "Sorbara Expected to Heed TD's Advice and Break Vow to Balance Budget ... " So now I know why you weren't able to answer the question yesterday. You were waiting for instructions from the TD Bank as to whether or not you could do that. Will you confirm for us today that in fact you were waiting for the TD Bank to give you an excuse not to balance the budget?

Hon Greg Sorbara (Minister of Finance): I should tell you, I am somewhat offended by the preamble to my friend from Oak Ridges's question. I think any reasonable, objective viewer, any reasonable, objective commentator on this Parliament will confirm that we have been the most active, the most aggressive and the most effective and the most thorough in getting down to our mandate so soon after an election. October 2, we were elected; October 23, we were sworn in. Since that time measures on auto insurance, measures on energy, measures in the Ministry of the Attorney General, measures on northern development, measures on tuition, measures on the greenbelt—he jests when he says, "Get down to work."

Now to the substance of his question. I generally reject taking advice from the National Post, notwithstanding that Conrad Black has left his proprietorship. I read with interest what I hear in the National Post and I go about my business. Our commitment to a balanced budget remains firm and strong, and it remains our intention not just to balance budgets—

The Speaker (Hon Alvin Curling): Thank you.

Mr Klees: I will be very interested to hear the commentary from the journalists who just heard you talk about how you got down to business. You did; you

quickly got down to business to give us the highest single tax rate increase in the history of the province of Ontario. You very quickly got down to work to punish average citizens, low-income earners, with retroactive tax increases. You did get down to the business of doing that. And you got down to the business—quicker than any other administration—of breaking your campaign promises. What we want to know is, when will you get down to the business of actually correcting your mistake of not getting down to business two months ago? Balance the budget and give the people of this province a true gift for Christmas; namely, one promise that you would keep.

Hon Mr Sorbara: Just on the matter of the measures in Bill 2, where we roll back the corporate tax cuts, it's not just our opinion that these measures were absolutely necessary. In fact, Jack Mintz of the C.D. Howe Institute, one of the most respected institutes in all of the nation—or perhaps North America—made it very clear, when we introduced that bill, that Ontario at this point could not afford the Tory tax cuts. You destabilized government. We've gotten down to work aggressively and with a determination that I think has been uncommon in this place, certainly over the course of the past eight years. I am very proud of the work that we've accomplished in the two months we've been here.

Mr Klees: On a point of order, Mr Speaker: This is very important. The member has just referred to Jack Mintz of the C.D. Howe Institute. Let me just remind you that I really think retroactive taxation is a very bad idea—Jack Mintz—

The Speaker: That's not a point of order.

NUTRIENT MANAGEMENT

Mr Pat Hoy (Chatham-Kent Essex): My question's to the Minister of Agriculture and Food. In my riding, farmers want to do their part to protect the water supply. They have embraced the idea of nutrient management plans, not only as a way to protect the environment, but as a tool to increase productivity in their businesses. Many farmers have expressed concern about recent changes that were made to put the Ministry of Environment in charge of enforcement under the Nutrient Management Act. Some were under the impression that the Ministry of Agriculture and Food would take the lead in education and approvals. Why has your government made this change?

1510

Hon Steve Peters (Minister of Agriculture and Food): I thank the member from Chatham-Kent for the question. Clean, safe water is our priority. Another priority that we made very clear during the election campaign was that we were going to implement all of Justice O'Connor's recommendations. When you read recommendation 11, it's very clear that the Ministry of the Environment should take the lead in dealing with looking after and protecting our water. The Ministry of the Environment is going to assume the responsibility for compliance and enforcement. The nutrient management plans are still going to be approved by the Ministry of

Agriculture and Food. The registry is going to be maintained by the Ministry of Agriculture and Food. Training and education is still going to be put forward by the Ministry of Agriculture and Food.

In the area of policy and regulation development, there's going to be joint responsibility between the Ministry of the Environment and the Ministry of Agriculture and Food.

Mr Hoy: Farmers in my riding are also concerned that the Ministry of the Environment officials will not understand common farm practices. They wonder if they will have the expertise to determine if an agricultural operation is in compliance with his or her nutrient management plan. They are also concerned that Ministry of the Environment officials will investigate with the intent to lay charges before all the facts are in. Minister, what are you doing to address these concerns?

Hon Mr Peters: I can understand that there is some apprehension out there, but the Minister of the Environment and I have had the opportunity to meet with the nutrient management advisory committee, an advisory committee that's going to play a very important role in offering advice to the respective ministries as well.

I want to point out as well that these MOE officials are going to be trained in agricultural practices. Most interesting, many of the individuals who transferred into the Ministry of Agriculture actually came from the Ministry of the Environment, so they're now going back to the Ministry of the Environment. But these are individuals who are going to be trained in agricultural practices.

We're very conscious. The Minister of the Environment and I have both made a commitment to the nutrient management advisory committee and to the Ontario Farm Environmental Coalition that we're prepared to work with them, that we're going to be watching very closely as compliance procedures are undertaken. We are going to be watching this extremely closely.

AUTISM TREATMENT

Ms Shelley Martel (Nickel Belt): I have a question for the Acting Premier. Minister, during the election, your Premier said, "I believe that the lack of government-funded IBI treatment for autistic children over age six is unfair and discriminatory." But earlier today, my colleague for Niagara Centre and I were in court listening to your lawyer defend and justify ongoing discrimination against these kids. Today's case involves 11 more families whose autistic children were recently awarded 90 additional days of IBI treatment. Your lawyer was there appealing the court decision which provided even that limited IBI treatment. Minister, your Premier promised to end this discrimination. When is he going to do it?

Hon Greg Sorbara (Minister of Finance): I know the Attorney General will want to respond to that question.

Hon Michael Bryant (Attorney General, minister responsible for native affairs, minister responsible for democratic renewal): Yes, this government understands

this is an extremely sensitive and important issue. There are two issues that the member has raised. The first is with respect to the treatment of autistic children, and I know the Minister of Children's Services will want to speak to that. The second one is the legal issue.

There are more than half a dozen injunctions and actions before the courts right now. Each one is unique and different. One case, the one that the member speaks of, involves families with children who are currently getting autistic treatment, who are in the program and want to continue in the program. There is also a case where a three-year-old autistic child is outside of the program and wants to get into the program. The court has to determine the case that's in front of the court. What this government wants to do is act in the best interests of all autistic children, not on a case-by-case basis, but all autistic children. We are taking a position in court that will preserve the government's right to do just that.

Ms Martel: You see, Minister, your Premier was very clear during the election. He also said, "The Ontario Liberals support extending autism treatment beyond the age of six." But in court today your lawyer, on your behalf, was making every argument that he could to deny these children ongoing autism treatment, treatment that they have just recently won. No Ontario family should have to go to court to get medically necessary IBI treatment. No Ontario family should face financial ruin trying to pay for care for their children. Your Premier made very specific promises to these families. When is he going to keep them?

Hon Mr Bryant: I think it would be best if the Minister of Children's Services answered that question.

Hon Marie Bountrogianni (Minister of Children's Services, Minister of Citizenship and Immigration): I thank the member opposite for the question. I know we sat over there, and I know your concern is intentionally good, and I share your concern for all special-needs kids. There are many obstacles right now for not only autistic children but for all special-needs children. One of the obstacles for autistic children is the lack of therapists, because there was a lack of planning for the training of therapists by this government. We are addressing training of therapists for all special-needs children. We are addressing the lack of therapists. We are addressing—

Interjections.

The Speaker (Hon Alvin Curling): Order. You asked me to listen carefully. I heard someone make an unparliamentary comment. Would you like to withdraw that?

Mr Ernie Hardeman (Oxford): I withdraw.

The Speaker: Thank you.

Hon Mrs Bountrogianni: I'd like to tell the member opposite that there are a number of obstacles. I appreciate the question, and I want to assure her we're doing all we can to address the needs of all special-needs children. Part of the problem is lack of therapists. I'm working very hard with the Minister of Training, Colleges and Universities to address this issue as well at that level.

PUBLIC CONSULTATION

Mr John O'Toole (Durham): My question is to the government House leader. Minister, with your indulgence, I want to read you a quote:

"We will require public hearings for all major legislation.

"The public should be given the opportunity to comment on any legislation of significance....

"Public input is essential to good government. We will ensure that you have the opportunity to offer comment on all major bills."

Every member here knows that we've had the mother of all time allocation motions—three bills rolled into one. Minister, is this just one more broken promise, and are you prepared to follow the comments from your document, on page 8, the Government That Works for You platform? Are you going to honour your promise and commitment to the people of Ontario to listen to the process and the people of Ontario?

Hon Dwight Duncan (Minister of Energy, Government House Leader): First of all, as I recall, the member opposite voted in favour of that time allocation motion. As I also recall, we're passing three bills before the end of this week under the programming motion; all have public hearings, all have clause-by-clause.

Your government constantly used time allocation without public hearings, without third reading debate. In the case of the Eves government, virtually every bill this House passed was done under time allocation with no hearings, with no clause-by-clause. So we looked at a new option: programming, which provided hearings, provided clause-by-clause. You agreed to it, and you voted for it. In fact, you moved closure—that member moved closure—barely a week ago, something that we would never want to do.

This government is more progressive. This government is offering new ideas to make the House work better. This government is offering a new direction not only for this House but for this province, and we're undoing the mess that that member helped create.

Mr O'Toole: Minister, I have to say to you that Government That Works for You is being demonstrated to the people of Ontario. Yes, in fact, for those listening, I did agree with the programming motion. But for the record, it should be understood, after endless debate, that it obviously was falling on deaf ears.

One further example: Last week, while discussing Bill 2, I moved an amendment which I know touched a nerve. This was the clause amending the section on retroactivity. I spoke passionately, as did Mr Baird. I was convinced that the seals on the other side were going to listen. What did they do? I'm certain the people of Ontario know they voted unanimously to tax retroactively. They didn't even talk against it. They were shackled, they were silenced.

We tried today in Bill 5 to move forward with motions that would bring great relief into the system of auto insurance.

I put to the minister, are you prepared to listen not just to the committee members but to the people of Ontario to make democracy a real place where we can make changes for everyone? That's our intention. What's your intention?

1520

Hon Mr Duncan: I think the member has put his finger on something here. Let me tell you, your government consistently used draconian time allocation to cut off debate with no hearings, no third reading debate and no opportunity for the public to participate, including on budget bills, 97% of the time in the last House. You didn't allow for public hearings. You didn't allow for third reading debate. And whose government was it that had the budget at Magna? Whose government was that? And what Speaker of the House and what body of public opinion said that was no way to conduct the affairs of this Legislature? We are changing direction. We are making this House work. You voted for that motion. You moved closure last week. We say shame on you, and shame on your government's record. We're changing it and making this a much better House to do the people's business in every day of the week.

MINING INDUSTRY

Mr Michael A. Brown (Algoma-Manitoulin): I have a question for the Minister of Northern Development and Mines. Many of my constituents are employed in the mining industry. As you would know, the population in northern Ontario has been declining. We have an outflow of young people. Many of my constituents are concerned with their own future. I cannot stress enough the economic importance of the mineral sector to our communities and the northern economy in general. The natural resources in the north contribute billions of dollars to Ontario's economy. The sector is an integral part of the province's economic engine. Recognizing the significant role that mining and exploration plays in our province's economy, what are you doing as a minister to make sure this sector flourishes?

Hon Rick Bartolucci (Minister of Northern Development and Mines): The member is absolutely correct: Mining does play a significant role in Ontario's economy. That's why just last week I attended the Ontario Exploration and Geoscience Symposium, where I reaffirmed our government's commitment to supporting the mineral industry in Ontario to ensure sustainable development. I will be working with my colleague the honourable David Ramsay, the Minister of Natural Resources, who also attended this symposium, to ensure that the needs, interests and concerns of the mineral industry and our other stakeholders are heard.

There are many needs to address to ensure strong growth of the mining sector. While ensuring a strong mineral industry, we must also recognize the need for sustainable development and the interests of the aboriginal communities. Mining in Ontario is a \$5.7-billion industry with 47 mines in operation across the province,

directly employing 17,900 people, with indirect jobs of 73,000. The McGuinty government is committed to ensuring that the mineral industry is given fair play by this government, and we will help it grow even more.

Mr Brown: Over the last eight years, northern Ontario has lost over 8,200 jobs and its population has decreased by 4.2%. As you know, unemployment rates in northern Ontario are double those in southern Ontario. Mining is a major employer in northern Ontario and a source of high-skilled, high-paying jobs. If we are to stem the flow of jobs and people from the north, support for mining is important to our plan. What actions have you taken to ensure the future of the mineral sector in northern Ontario?

Hon Mr Bartolucci: Just last month I was delighted to announce the creation of the Ontario Mineral Industry Cluster Council to help develop and strengthen Ontario's mineral sector.

Interjections.

Hon Mr Bartolucci: With the council's hard work, co-chaired by two world leaders, we will do a lot and so will that council. I can't believe what I heard over on the other side, when you say the world leaders will not do a lot. We will help the council ensure that we become a leading competitor in the global economy.

My ministry will also be working with the Ontario Prospectors Association on the Lake Nipigon Region Geoscience Initiative, and will continue to provide support to the Discover Abitibi Initiative, to document the bedrock geology and mineral potential of northern areas, to realize and revitalize local economies and to create jobs. The Dalton McGuinty government is committed to making sure that happens.

PROVINCIAL DEFICIT

Mr Tim Hudak (Erie-Lincoln): A question to the Minister of Finance. On November 13 you told the Globe and Mail that in the 2002-03 fiscal year the previous government ran a deficit. Your exact language was, "There is not a surplus there. There is a rather small shortfall." Mr Minister, was that a true statement?

Hon Greg Sorbara (Minister of Finance): I think I corrected the record on that. I wonder where the member for Erie-Lincoln has been. I corrected the record on that within about 36 hours of making that comment.

Mr Hudak: I appreciate the minister making it clear that he was mistaken. If it was once, I think we could understand that, but the reality is that it's hard to separate the political spin from the real numbers at the Ministry of Finance. The only deficit that really exists is a Dalton McGuinty-Greg Sorbara credibility deficit.

Let me explain. During the campaign, Dalton McGuinty said that he would balance the books. On October 29, 2003, in the Toronto Star, Dalton McGuinty contradicted himself and said that he would balance the books the next fiscal year. In today's National Post, it's reported that the Ontario Liberals may run the deficit for several years.

Mr Minister, you sit next to the Premier. You know the man. Which version of Dalton McGuinty do I believe: the September version, the October version or the December version? How many Dalton McGuinty deficits are we going to see in the province of Ontario?

Hon Mr Sorbara: I tell you, sir, the Dalton McGuinty that I believe in is the man that was elected as leader of this party over six years ago, who turned the party around, who defined a course for the province of Ontario, who brought those proposals to an election campaign and was the beneficiary of a massive amount of support from the people of Ontario.

Interjection.

Hon Mr Sorbara: I tell my friend from Erie-Lincoln, who cannot seem to stop talking while I answer, under that leadership and under those proposals, we are going to repair the severe financial damage he was a part of. He was a minister there. We are going to put this province on a strong financial footing and we are going to bring a quality of public services to Ontario that will make this province shine.

CHILD POVERTY

Mr Khalil Ramal (London-Fanshawe): My question is for the Minister of Children's Services. I recently received three letters from my constituents in London. One of them I quote: "Let us remember how much we have lost with the past government, and remember also how far we have yet to go." Another one talks about child poverty. It says, "We did little in the past to alleviate this problem." Another one talks about poverty for women. It says, "This will affect the children and also the future of this province." Recently, I received a letter from the Middlesex-London Health Unit. It's a study done by Dr Graham Pollett about the poverty in London which indicated that we have 22% of children in poverty between the ages of zero and seven. Also, we have 9,000 children between the ages of seven and 17 living in poverty. We have always been campaigning that we want to alleviate this problem in this province, and we blame the past government in these circumstances. What's your agenda? What are you willing to do to alleviate this problem?

1530

Hon Marie Bountrogianni (Minister of Children's Services, Minister of Citizenship and Immigration): I have not had a chance to review the London study. I look forward to receiving that report from you, but it seems to confirm a couple of other studies that have been done in the last few years about child poverty in the province, and in this case, specifically in London.

We have already taken some steps to alleviate poverty. For example, for the first time in eight years there will be an increase in the minimum wage. Also, pregnant women on social assistance will get the nutritional supplements they need. As well, deadbeat parents who fail to support their children will be held to accountability for the first time in years. As well, and you will hear more about this

in the near future, we will have more accessibility to affordable child care so that young families struggling with poverty can get ahead.

Mr Ramal: So far, the people of London and also across the province are still waiting for technical steps. I know that not just one ministry can alleviate the problem. Hopefully, you'll be working in conjunction with other ministries and with the government of Dalton McGuinty to alleviate this problem. What immediate steps can they see to alleviate this problem?

Hon Mrs Bountrogianni: I share the member's concern for the families in London-Fanshawe and across the province. You're quite right that this is a monumental task. Attacking child poverty isn't something that one ministry can tackle. That is why we will all be working together in the Ministry of Community and Social Services and the ministries of education and health care to ensure that children are well taken care of.

I'll give you an example in the health care ministry, which looks at and funds the physical ailments of children, not necessarily looking at the whole child. It's logical for that ministry but not logical for the families. When those specific programs come under the new children's ministry, we will look at the whole child and look at all of the needs. It is a new ministry, it will take time for it to be established, but I want to make sure your constituents know that I am committed to addressing the issues of child poverty in London-Fanshawe, as well as the rest of the province, with my colleagues in the Ministry of Community and Social Services, health care and education.

RENT REGULATION

Mr Michael Prue (Beaches-East York): My question is to the Minister of Municipal Affairs. You and your government were campaigning last September on a platform of real rent control, but with the caveat that once renters had vacancies above 3%, that may be lifted. We call that the landlord loophole, and it's made tenants really nervous. Your party can't seem to make up its mind, now that in the greater Toronto area vacancy rates are at 3.8%. On September 30, Liberals claimed that the landlord loophole would only apply if vacancy rates were abnormally high. On December 6, the spokesman for your ministry claimed that the landlord loophole would only apply if vacancy rates were over 3% for a long time.

Tenants deserve an answer. You promised them real rent control. Will tenants continue to receive that real rent control, or are you going to have them at the mercy of the landlords now that vacancy rates are at 3.8%?

Hon John Gerretsen (Minister of Municipal Affairs, minister responsible for seniors): As has been indicated in our platform commitment, as I am indicating here today, we will be starting a consultation process very soon, in the new year, which will include everyone: tenants, tenants' organizations, landlords, people clear across this province, to get a real handle on the rent control situation. We will be dealing with the problem

and we will be dealing with our commitment as set out in our platform.

The Speaker (Hon Alvin Curling): Let me just say, before members even leave, because I'd like everyone to hear this: I just want to advise the House that work has continued to find the reason for the division bells' having some malfunction in here. Until we can repair them, we will be using other means to call members to the House for any divisions that may arise. I ask members to pay really close attention to the proceedings and to consult their whips about any planned votes.

I want to thank all members. I'm not quite sure if Santa has borrowed the bells or not, but we will do our best to make the proceedings run smoothly. I just want to let you know that. We are continuing to work to fix those bells.

PETITIONS

TOBACCO TAX

Mr Ernie Hardeman (Oxford): I have a petition here signed by a number of my constituents and constituents from our neighbouring ridings.

"To the Legislative Assembly of Ontario:

"Whereas Dalton McGuinty has stated that he will increase tobacco taxes by \$10 a carton, force store owners to hide tobacco products behind a curtain and support a smoke-free Ontario; and

"Whereas history has proven that increases in tobacco taxes cause increases in the underground trade for illegal black-market tobacco whose contents are neither regulated nor inspected; and

"Whereas forcing store owners to hide their tobacco displays unduly punishes both store owners and consumers for the transition of what remains a legal product;

"We, the undersigned, respectfully petition the Parliament of Ontario as follows:

"That the government of Ontario reject tobacco tax hikes, reject a smoke-free Ontario and reject a ban on tobacco displays and protect the rights of consumers to purchase a legal, regulated product."

I sign this petition as I agree with it.

WASTE DISPOSAL

Ms Marilyn Churley (Toronto-Danforth): I have a petition which I support and will sign when I am finished reading it. It reads:

"To the Legislative Assembly of Ontario:

"Whereas the city of Toronto's new and emerging technologies committee is considering advanced thermal technology (ATT), a form of garbage incineration;

"Whereas ATT, like incineration, squanders valuable resources, pollutes the air and water, and creates toxic residues that must be land-filled;

"Whereas ATT releases toxic metals like mercury, lead and cadmium from plastics, paper and other discarded materials;

"Whereas ATT generates dioxins and furans from chlorine and plastics;

"Whereas ATT requires expensive air pollution control devices to attempt to capture some of the extremely toxic emissions;

"Whereas ATT is prohibitively expensive and does not create local jobs;

"Therefore, be it resolved that we, the undersigned, petition the Legislature of Ontario to take garbage incineration in any form off the table as an option; and

"Be it further resolved that we, the undersigned, petition the Legislature of Ontario to assist the city of Toronto in meeting its zero waste target by 2010 by providing support and promoting reduction, source separation, reusing, repairing, composting, recycling and the removal of toxins."

I'm sure you would support this petition, Mr Speaker. I will affix my signature.

PUBLIC HOUSING

Mr Lorenzo Berardinetti (Scarborough Southwest): I have signed my name to my petition. It is addressed to the Legislative Assembly of Ontario.

"Whereas the Social Housing Reform Act, 2000 was passed into law in December 2000 by the previous government; and

"Whereas this act contains many changes that affect existing tenants and new applicants who are concerned about new rules that could lead to a large number of evictions and penalties;

"We, the undersigned, petition the Legislative Assembly of Ontario to request the government to look at the Social Housing Reform Act, 2000, and make changes to it, taking into account the opinions of all stakeholders."

I submit that to the House today.

LANDFILL

Mr John O'Toole (Durham): "To the Legislative Assembly of Ontario:

"Whereas the county of Simcoe proposes to construct a landfill at site 41 in the township of Tiny; and

"Whereas the county of Simcoe has received, over a period of time, the necessary approvals from the Ministry of the Environment to design and construct a landfill at site 41; and

"Whereas, as part of the landfill planning process, peer reviews of site 41 identified over 200 recommendations for improvements to the design, most of which are related to potential groundwater contamination; and

"Whereas the Minister of the Environment has on numerous occasions stated her passion for clean and safe water and the need for water source protection; and

"Whereas the Minister of the Environment has indicated her intention to introduce legislation on water

source protection, which is a final and key recommendation to be implemented under Justice Dennis O'Connor's report on the Walkerton inquiry; and

"Whereas the Minister of the Environment has announced expert panels that will make recommendations to the minister on water source protection legislation; and

"Whereas the Ministry of the Environment will now be responsible for policing nutrient management"—heaven forbid; "and

"Whereas the citizens of Ontario will be expecting a standing committee of the Legislature to hold province-wide public hearings on water source protection legislation;

"We, the undersigned, call upon the government of Ontario and the Ministry of the Environment to immediately place a moratorium on the development of site 41 until the water source protection legislation is implemented in Ontario. We believe the legislation will definitely affect the design of site 41 and the nearby water sources."

I know how hard the member from Simcoe North has worked, so I'm supporting this petition.

1540

EDUCATION TAX CREDIT

Mr Tim Hudak (Erie-Lincoln): I'm pleased to present a petition supporting choice in education for Ontario parents. It reads as follows:

"To the Legislative Assembly of Ontario:

"Whereas the Mike Harris and Ernie Eves government respected the right of parents to send their children to independent schools; and

"Whereas the Mike Harris and Ernie Eves government passed a law providing parents with a tax credit of up to 50% of tuition to a maximum of \$3,500 when it's fully implemented; and

"Whereas the Dalton McGuinty government has now introduced a bill that will cancel this important credit that provides working-class parents with the ability to send their children to a school of their choice;

"We, the undersigned, petition the Legislative Assembly as follows:

"To protect the equity in education tax credit and stop the Liberal tax hike bill from becoming law."

In support, I ascribe my signature.

LANDFILL

Mr John Yakabuski (Renfrew-Nipissing-Pembroke): "To the Legislative Assembly of Ontario:

"Whereas the county of Simcoe proposes to construct a landfill at site 41 in the township of Tiny; and

"Whereas the county of Simcoe has received, over a period of time, the necessary approvals from the Ministry of the Environment to design and construct a landfill at site 41; and

"Whereas, as part of the landfill planning process, peer reviews of site 41 identified over 200 recommendations

for improvements to the design, most of which are related to potential groundwater contamination; and

"Whereas the Minister of the Environment has on numerous occasions stated her passion for clean and safe water and the need for water source protection; and

"Whereas the Minister of the Environment has indicated her intention to introduce legislation on water source protection, which is a final and key recommendation to be implemented under Justice Dennis O'Connor's report on the Walkerton inquiry; and

"Whereas the Minister of the Environment has announced expert panels that will make recommendations to the minister on water source protection legislation; and

"Whereas the Ministry of the Environment will now be responsible for policing nutrient management; and

"Whereas the citizens of Ontario will be expecting a standing committee of the Legislature to hold province-wide public hearings on water source protection legislation;

"We, the undersigned, call upon the government of Ontario and the Ministry of the Environment to immediately place a moratorium on the development of site 41 until the water source protection legislation is implemented in Ontario. We believe the legislation will definitely affect the design of site 41 and the nearby water sources."

I echo that the member for Simcoe North has worked very hard on this, and I support this and affix my name.

TUITION

Mr Tony Ruprecht (Davenport): Because of the skyrocketing increases in education, the Canadian Federation of Students keep sending petitions about that subject. It reads as follows:

"Whereas average tuition fees in Ontario are the second-highest in Canada; and

"Whereas average undergraduate tuition fees in Ontario have more than doubled in the past 10 years; and

"Whereas tuition fees for deregulated programs have, in certain cases, doubled and tripled; and

"Whereas Statistics Canada has documented a link between increasing tuition fees and diminishing access to post-secondary education; and

"Whereas four other provincial governments have taken a leadership role by freezing and reducing tuition fees;

"Therefore, we, the undersigned, petition the Legislative Assembly of Ontario to:

"Freeze tuition fees for all programs at their current levels; and

"Take steps to reduce the tuition fees of all graduate programs, post-diploma programs and professional programs for which tuition fees have been deregulated since 1998."

Since I agree with this petition, I'm delighted to put my signature to it.

WATERLOO-WELLINGTON
TRANSPORTATION ACTION PLAN

Mr Ted Arnott (Waterloo-Wellington): My petition is to the Legislative Assembly of Ontario and it reads as follows:

“Whereas the residents of Waterloo-Wellington need and deserve excellent roads and highways for their safe travel; and

“Whereas good transportation links are vital to the strength of our local economy, supporting job creation through the efficient delivery of our products to the North American marketplace; and

“Whereas transit services are essential to managing the future growth of our urban communities and have a relatively minimal impact on our natural environment; and

“Whereas Waterloo-Wellington MPP Ted Arnott has asked all municipalities in Waterloo-Wellington to provide him with their top transportation priorities for the next five years and beyond, all of them responded, and their recommendations form the Waterloo-Wellington transportation action plan; and

“Whereas Transportation Minister Frank Klees responded quickly to MPP Ted Arnott’s request for a meeting with the councillors and staff of Waterloo-Wellington’s municipalities, and listened to their recommendations; and

“Whereas the Waterloo-Wellington transportation action plan contains over 40 recommendations provided to MPP Ted Arnott by municipalities, and there is recurrent support for implementing the corridor study of Highway 7/8 between Kitchener and Stratford, a new four-lane Highway 7 from Kitchener to Guelph, assistance for Wellington county to rebuild Highway 24 from Guelph to Cambridge, a repaired and upgraded Highway 6 from Fergus to Mount Forest, Waterloo region’s light rail transit initiative, OSTAR funding for transportation-related projects, and other projects;

“We, the undersigned, petition the Legislative Assembly of Ontario as follows:

“That the provincial government support Ted Arnott’s Waterloo-Wellington transportation action plan, and initiate the necessary studies and/or construction of the projects in it.”

This is signed by a substantial number of my constituents, most of whom reside in Mapleton township.

LANDFILL

Mr Garfield Dunlop (Simcoe North): I appreciate this, especially with the messages being brought today from the Minister of the Environment and the Minister of Municipal Affairs.

“To the Legislative Assembly of Ontario:

“Whereas the county of Simcoe proposes to construct a landfill at site 41 in the township of Tiny; and

“Whereas the county of Simcoe has received, over a period of time, the necessary approvals from the Ministry

of the Environment to design and construct a landfill at site 41; and

“Whereas, as part of the landfill planning process, peer reviews of site 41 identified over 200 recommendations for improvements to the design, most of which are related to potential groundwater contamination; and

“Whereas the Minister of the Environment has on numerous occasions stated her passion for clean and safe water and the need for water source protection; and

“Whereas the Minister of the Environment has indicated her intention to introduce legislation on water source protection, which is a final and key recommendation to be implemented under Justice Dennis O’Connor’s report on the Walkerton inquiry; and

“Whereas the Minister of the Environment has announced expert panels that will make recommendations to the minister on water source protection legislation; and

“Whereas the Ministry of the Environment will now be responsible for policing nutrient management; and

“Whereas the citizens of Ontario will be expecting a standing committee of the Legislature to hold province-wide public hearings on water source protection legislation;

“We, the undersigned, call upon the government of Ontario and the Ministry of the Environment to immediately place a moratorium on the development of site 41 until the water source protection legislation is implemented in Ontario. We believe the legislation will definitely affect the design of site 41 and the nearby water sources.”

I’ll be pleased to give this to Katie, and I sign my name as well.

ORDERS OF THE DAY

FISCAL RESPONSIBILITY ACT, 2003

LOI DE 2003 SUR LA GESTION
RESPONSABLE DES FINANCES

Mr Bradley, on behalf of Mr Sorbara, moved third reading of the following bill:

Bill 2, An Act respecting fiscal responsibility / Projet de loi 2, Loi concernant la gestion responsable des finances.

The Speaker (Hon Alvin Curling): Minister?

Hon James J. Bradley (Minister of Tourism and Recreation): You’ve called for debate?

The Speaker: Yes.

Hon Mr Bradley: I will be sharing my time with Mr Duguid, Mr McNeely, and Ms Cansfield—I think that’s what I see here—on our leadoff time.

I’m very pleased to be able to speak to this piece of legislation, which of course does restore fiscal responsibility to the province of Ontario.

During the election campaign there was a choice that was put before the people of Ontario, and that choice was whether people would have their government proceed

with further tax cuts which would rob the people of the province and the government of Ontario acting on behalf of a revenue base that was necessary to carry out all the programs, or whether they would proceed with further tax cuts that had been announced by the previous Conservative government. This was clearly put to the people of Ontario; it was no surprise at all.

During the campaign there was an effort put forward to explain to the people of the province that we could not do, for instance, as President George Bush of the United States is doing at the present time, where he has invoked massive tax cuts. They are now running a huge, unprecedented deficit in the United States.

Many of the states within the United States did the same thing. They, of course, in a time when they felt their economies were booming, decided they were going to engage upon, ideologically speaking, massive tax cuts, and at the same time continue to make some significant expenditures to meet their obligations to their people.

1550

As a result, many of these states are in a very difficult situation today where they are unable to meet their fiscal commitments without making drastic cuts to essential programs. So even in states where purportedly the government is what you would call pro-law and order, we have people being released from prison early simply because of budgetary considerations and not the safety of the public. We don't want to see that happen in the province of Ontario.

The message was clear from people whom I talked to. There were some exceptions, and I accepted that because not everybody votes for one party or another. But it was clearly put out there. If people were looking for the tax cut or the tax credit, as the previous government described it, for private schools, then they had a choice. I'm sure that every one of those people was made aware of what that choice was, and when they went to the ballot box, they knew how they were voting. So today, if they write to us and say, "Why are you taking away this particular provision?" we, of course, know that it was very clear.

The government of the day and the Conservative Party certainly said clearly—and I want to give them their credit for being very clear on that—that they would be continuing with, and perhaps escalating over the years, the tax credit for private schools in this province. The Liberal Party in the election campaign said they would not be proceeding with that and, in fact, that they were going to rescind the tax cuts which had been promised by the government of Ontario. I think some of them were contained in that budget that you will recall yourselves was held in the training centre at Magna corporation.

For the first time, a budget was not held in the chambers or at least in the building of the province of Ontario, but instead at the instigation of—I'm sure not the member for Waterloo-Wellington or, I would suggest the member for Erie-Lincoln, but the whiz kids of the day in the Premier's office and perhaps a couple of other political operatives, who said, "Wouldn't it be clever to

hold this budgetary exercise, present this budget, at Magna corporation?"

I'm going to say, as a political observer, that that was a major turning point in politics in Ontario, that it was symbolic of something happening. Today, I'm sure many of my friends on the other side who smiled this afternoon recognized that that was a significant change in the province of Ontario, brought about by holding the budget in that particular venue instead of the Legislative Assembly of Ontario, where there would be appropriate response to it and the people would make their choice.

Mr Tim Hudak (Erie-Lincoln): I suggested a winery.

Hon Mr Bradley: The member for Erie-Lincoln suggested a winery. Now that would have been preferable to Magna, but we would still think it should be here in the Legislative Assembly.

So there were a number of tax cuts. There were corporate tax cuts, and I recall the present Premier of the province of Ontario, when he was Leader of the Opposition, going to a dinner which the political parties have for fundraising purposes, and there were among the audience some members of the corporate sector. He said on that occasion that we would be rescinding the corporate tax cuts proposed by the Conservative government of the day. So he was very clear, even to the people who would be, at least on a personal basis—I say "personal" in terms of their corporations—directly affected by it.

In addition to that, the Liberal Party said that the best way of assisting seniors in meeting the costs that they face with their property taxes was in fact the present program under the income tax form, where people who did not have a lot of income were able to have a portion of their tax that would be eligible for a tax credit for those purposes. That continues to exist in the province of Ontario. Those same individuals who are low-income regardless of age, will have that provision. That, I think, was essential.

We recognize as well that there was to be one mortgage deductibility, an American idea. What they never got through to them is that that militates toward favouring the wealthiest people in the province.

Mr Peter Kormos (Niagara Centre): It also leads to capital gains.

Hon Mr Bradley: It also leads to capital gains considerations as well, as the member for—I keep wanting to say in Welland-Thorold, but of course it's Fonthill and south St Catharines as well.

Mr Kormos: Throw in Port Colborne.

Hon Mr Bradley: And Port Colborne, he says, but of course we know that he would be premature in suggesting that, because that would be in the next election. I don't know if he's going to run in the next election or whether he may choose another vocation. I can't presume to speak for him.

I saw in the St Catharines Standard that he said I referred to him as a parliamentary terrorist. I should say, of course, that I only said that to the member himself, not to others. He wore it with a good deal of pride, I must

say. Of course, he is a highly controversial and very active member of the Ontario Legislature. Sometimes he's right and sometimes he isn't right. But we do agree on a number of issues, and I hope that he is pleased with the ultimate resolution of a matter of great contention that has taken place over the last little while. I hope he is in agreement with that and that his party—as I always called it all along, the New Democratic Party—has an opportunity to participate as they should in this House in an appropriate fashion and to have funding to carry out its responsibilities. I think it was a landmark decision that was made today, and one hopes that we will hear more and more of the interventions of the members of the New Democratic Party, previously called independents, who will be in this House, although some of the questions I heard today I wondered about.

I enjoyed his leader's speech last night, but there was a lot of revisionism in it. I must say—I don't think we're allowed to hold these up, are we? I can just make reference to them. I have a book called *Rae Days* and a book called *Giving Away a Miracle*. There's another one called *Public Power*.

Mr Kormos: What can you buy them for now?

Hon Mr Bradley: They're in the remainder bins now for less than a dollar, but they were hot properties at the time. It was interesting because I was sitting beside—and I'll get back to this bill in a second, I want the member for Niagara Centre to know—the Minister of Energy as he was answering a question. There was an answer something like, “The Premier of the day said all things are to be considered,” or somebody in the government. I wondered, where had I heard that before? “All the options were on the table.” Of course, where I'd seen it before was in the book called *Rae Days* in the chapter dealing with privatization.

There was a similar statement that was made at that time by a member of the New Democratic Party government. I know the member for Niagara Centre—and you, Mr Speaker—will want me to share this with you. It says, “By early 1993, with Strong”—the then head of Ontario Hydro, Maurice Strong—“still musing about privatizing parts of Hydro, energy minister Brian Charlton had become less categorical in his denials. ‘We're looking at everything and anything,’ Charlton told the *Toronto Star*. ‘If you don't consider every option, you are subject to criticism.’”

That was exactly the answer I heard the Premier of the day or the finance minister or the Minister of Energy say, and I thought I had heard that somewhere before, and yet the leader of the New Democratic Party was quoting things about privatization and there were questions about it. So I thought it would be useful for the public to know that in Tom Walkom's excellent book called *Rae Days: The Rise and Follies of the NDP*—which contains, by the way, many references to the member for then Welland-Thorold and his disagreements with some of the policies of the government of the day. I admire him for disagreeing with it, but I really find it difficult now when his leader gets up in the House and starts talking about

privatization because I know the member for Niagara Centre, formerly Welland-Thorold, must have been beside himself when the government decided that it was going to turn over to a private consortium the construction of Highway 407. I thought that was the first creeping step toward privatization. If I had a glass to the wall of the cabinet room at that time—and you can't do it because the walls are too thick—I'm sure I would have heard—he was out of the cabinet by then, the caucus room—

Mr Kormos: We were way out.

Hon Mr Bradley: Way out of the cabinet, he says—I would have heard him warning them against this creeping privatization.

1600

Mr Kormos: What would I have said?

Hon Mr Bradley: He would have said things that were not complimentary of those making the decision; I know that.

But I digress from this bill, which I understand deals with the rescinding of the tax cuts which the Liberal Party, during the election campaign, promised they would rescind.

There's a gentleman in the chair for whom I have a great deal of respect, the member for Waterloo-Wellington. I never put words in people's mouths, but I well recall the wise advice and counsel that he, along with Chris Stockwell, then a good friend of mine, Gary Carr and, I think, Morley Kells—the four of them, I can think of—cautioned, I will say, the Speaker in the chair will correct me if I'm wrong—about the idea of cutting taxes massively before you balance the budget. They didn't say, “Don't cut taxes”; they said, “You've got to balance the budget first.”

We're in a situation in Ontario now where the person who looked at all these expenditures, the former Provincial Auditor, just leaving office, came back and said, “You know something, folks? I've looked at the books. You've got a \$5.7-billion deficit, maybe more.” Every time we pick up a rock now, we find a financial snake that comes out to bite us. We found out, for instance, in addition to that \$5.7 billion—correct me, somebody, if I'm wrong—I think there were \$800 million in hospital beds. They just told the hospitals, “Get out the charge card and run up a deficit. We'll look after it some way after that.” Then the children's aid societies across the province apparently were told the same thing: “Run up the bills. We're not going to give you the money right now, but you can run up the bills.”

This government wants to be fiscally responsible. It's interesting. You had an interesting bill in the House the other day that, with a little change of wording, probably would have been unanimous. It didn't quite make it through the House, but I want to commend the member for bringing forward an issue that he brought forward, by the way, when he was in government and opposition—very consistent, as he is prone to be.

I want to say that it's interesting in so many jurisdictions that it's in fact the Liberals or the Democrats

who have brought a sense of fiscal responsibility to the economic setting of their jurisdictions. For instance, Bill Clinton, a Democrat, was the one who balanced the budget in the United States. They always talk about tax-and-spend Democrats. Federally, it was Paul Martin, the Minister of Finance of the day, who balanced the budget there.

Under the Mulroney government, the deficit was completely out of control. I know my friend from Nepean-Carleton—John Baird, as we know him in the Legislature—was a Mulroney staffer, I think, along with another colleague of yours, Jim Wilson. I only say “Jim Wilson” because he’s a member for one of the Simcoe ridings, and he was a Mulroney staffer. They will remember what happens when you allow expenditures to go this way and revenues to go that way. You have to bring those into balance. That’s what this legislation is designed to do. It is not, as the Conservative Party remnants tried to tell us today, a tax increase as such. It is, in fact, a rescinding of those taxes that we said we would not proceed with. I think it’s a responsible stance to take.

Are our corporate taxes now comparable to jurisdictions around? Yes, in fact they’re more favourable at that level in the province of Ontario. There are many people even in the corporate sector who say, “Look, let’s get some of our services back the way they should be. Let’s get our infrastructure restored in this province.” They’re very reasonable about that.

I was surprised that the New Democratic Party members—because I called them that all along; I never called them independents—in this House in fact voted with the government against this bill. In their heart of hearts, if it weren’t for politics, I’m sure that my good friend from Niagara Centre and his colleagues would be voting for this legislation. They were the ones who warned, as well, to give them the credit, “Watch out. You can’t afford all these tax cuts when you have to meet all these spending obligations or investment obligations.”

Mr Kormos: There was a \$5-billion deficit. That’s what Gerry Phillips said.

Hon Mr Bradley: Gerry Phillips, who was the member for Scarborough-Agincourt at the time, said there was a risk that that would have happened—a risk of that. We really thought, if we were looking at it, and I recall chatting with my colleagues, that probably it was a little over \$2 billion and could be handled by this legislation.

Then we started to pick up the rocks. Every time, as I say, we picked up a rock, out came a financial snake to bite us. As a result, we’re in a position of rescinding these taxes. This is a commitment made.

There are some political advisers to the government caucus—you wouldn’t be aware of this because you’re a neutral Speaker—sorry, to the former government caucus, the Conservative caucus; it’s a hard time when you’ve been on the other side for a long time—and they said, “Why don’t we go to the ones who like us in the media?” That’s the editorial board of the Toronto Sun,

the editorial board of the National Post. Not the reporters who are here; they’re very fair and completely objective. But they went to them and said, “Why don’t we start talking about broken promises?” So that’s all they want to talk about. To their credit, politically, they’ve had some success in the early days.

I think members of the press gallery, who are very objective in the way they view this House, have come to see over the past few weeks so many of these promises being fulfilled at this time. One of them certainly is found in this legislation, which I think makes eminent good sense. This is fiscal responsibility at its best.

The member for Niagara Centre and I have appeared at Ridley College, of all places, to speak to the students, and we’ve had a similar message—I think a more colourful message on the part of my friend from Niagara Centre, because he’s much more colourful than I. We have essentially said the same thing: that you can’t keep giving these tax cuts if you want to meet the social obligations and the infrastructure obligations that governments have. So you have to be fiscally responsible in that sense. In other schools there are going to be a few differences that we would have, but even to those students—and you will remember, Peter, when we were there—he and I both said a similar thing to students of a private school: that we believe in a strong, publicly funded, vibrant education system out there which allows for equality of opportunity for students in the province.

Does that not also mean that you have to be fair and allow people to go to private schools if they want? Certainly you do, but it is the obligation of the government of Ontario to have a strong, publicly funded system. Even some moderates in the Conservative Party, I think, believe that, because in the past I know there have been some strong supporters.

The member for Niagara Centre makes some reference to time allocation motions, and what was nice to see was that we changed that for a change. The House leader of the government went to the House leader of the official opposition and said, “How much time would you like to spend on these bills? Let’s be reasonable about this.” The official opposition House leader said, “We’d like to spend a little more time on this bill, a little less time on that bill.” So together they framed a schedule for it.

I was just wishing by this time that there had been an accommodation made between the government and the third party so they could have participated in that programming motion. Knowing how reasonable and responsible the member for Niagara Centre—formerly the House leader of the New Democratic Party, and maybe House leader again, if that’s allowed—is, I knew he would be reasonable and agree to that motion if given the chance, or a motion—let me be fair; I’ll say “a motion.”

That is my contribution to this. I understand how important this piece of legislation is and I look forward to sharing time with my colleagues I’ve mentioned previously and ultimately to hearing from the opposition parties. I may have to watch on my monitor; I might not be able to be here the whole time, but I will be either reading Hansard or watching the monitor carefully.

The Acting Speaker (Mr Ted Arnott): The Minister of Tourism and Recreation is sharing his time with some of the other members of the Liberal caucus. I'll recognize the member for Scarborough Centre.

Mr Brad Duguid (Scarborough Centre): It has been less than 60 days I guess now since we've been sworn into office, and as we're sitting here today I want to take this opportunity, for those of you who are here today—there are likely a couple of more days left in this particular sitting—to wish all of you the best for the holidays. I know it will be a well-earned break when we finally do get that break between Christmas and New Year's. As I look around, I see dark circles under a number of members' eyes, including mine. It has been a long haul. The midnight sittings have taken a lot out of us, but it hasn't reduced our passion. It hasn't reduced our desire to ensure that we do accomplish what we set out to accomplish in this term of office.

1610

Bill 2 is an important bill for us. It's an essential bill for us and it was right from the beginning, because it's a bill that frees up the resources we're going to require to move on some of the issues that were important to us that we all spoke about during the last election campaign. But given the \$5.6-billion Tory deficit that Erik Peters, the Provincial Auditor, has advised us that we face, this bill is all the more important.

One aspect of the bill that is important is getting rid of the private school tax credit. Public education is this government's priority. Promoting learning and opportunities for children should not be just for the wealthy, or those who can afford it; it has to be all people in our society, all children in our community, all children across this province. Frankly, in my riding of Scarborough Centre—and I admit there are likely children, in fact there are children, who are probably taking advantage of private education. Not all of their parents are rich. Many are well off, but not all of them are rich. Some of them probably aren't. Some of their parents are struggling to put their kids into a private school. But at the same time, they have the option of public education. At a time when our public education system is in deterioration, at a time when we have kids sitting in classrooms of 30 to 40 young people, at a time when we have music classes being jeopardized across the province, when we have outdoor education being questioned and cut back, at a time when some kids, in fact, don't even find soap in their washrooms—I remember speaking during the election at a couple of all-candidates' meetings in high schools. Frankly, they were the most fun all-candidates' meetings, because those young people really were following the issues. That was an issue that was raised time and time again—something simple but something that is really telling, the fact that our schools can't even afford to put soap in their washrooms for their students. It's a small thing but, my goodness, if you can't afford to put soap in your washrooms, what else are they missing? Textbooks for one.

Mr Kim Craitor (Niagara Falls): Old textbooks.

Mr Duguid: They're using old textbooks, if they have textbooks at all. They have to share. We can do better than that. Our education system has been better than that in the past. We can improve on it and we will, but the money to do that is not going to fall from trees. We're going to have to come forward with tough measures like the bill in front of us today, tough measures that are going to be able to free up dollars to put into public education. At a time when our education system is in that kind of condition, the last thing we can do is take money out of our public education system and put it into our private education system.

Another area in this bill that has been talked about is the seniors' property tax credit. Frankly, let's call it what it is. In my view it was an obvious attempt by the government to buy votes in the last provincial election at the expense of our kids, at the expense of our health care system. I believe, and I think many on this side of the House believe, that it was a reckless thing to do and it was an irresponsible thing to do, considering the financial condition that this province was in—and the government at the time knew about it.

Frankly, seniors never bought into that. They were never sold on this seniors' property tax credit.

Interjection: They saw right through it.

Mr Duguid: They saw right through it. They recognized it for what it was. It was an attempt to buy their votes. I'm proud of the seniors who I came across in my riding, because I came across very few seniors who complained about this property tax credit, who said—they needed it. Let's face it, the seniors need the money. They would have liked the money, but they didn't want to take it when they knew it would be at the expense of our education system and at the expense of our health care system. They knew what was really going on. They remembered that the government had reduced the standards for nursing care and they didn't like that one bit. The seniors I was talking to, if they were already in the nursing homes, were subjected to those standards. If they weren't, they knew there was a possibility that one day they might be. They were concerned about that.

They were also concerned about the attempts to raise fees for nursing homes. That was a real issue for them, because they want to make sure that nursing care will be there when they need it. The same with health care: Nobody uses the health care system more than our seniors. They rely on it very extensively. They want the security to know that when they go into hospital, whether it's emergency or if they go in for procedures, they're going to get a good quality of care, and they know that that quality of care has been reduced over the years by the previous government. Would they have liked a seniors' property tax credit? Of course. Anybody would like to see more money in their pockets, but they recognized what was being done to provide that extra money. They saw right through this as an attempt to buy their votes, and they rejected it.

I'd like to talk for a few minutes about the tobacco tax. Nobody likes to raise taxes, but raising taxes on tobacco

makes sense at this point in time. It's not an exorbitant increase. In fact, it's only getting it up very close—not even at, but close—to the national average. That's a responsible thing to do for two reasons: for social reasons, because we know we want to discourage people from using tobacco, we know it will benefit our health care system to do that and we know it will benefit the individuals who smoke less. But it's also important to make sure that we don't put the tax on tobacco up so that smuggling is increased and we ignite a black market.

This government is proceeding very responsibly, very carefully with these measures. We're not going over the top on these things; we're making sure that we're doing it right. We're making sure that we live up to the commitment we made to the people of Ontario to govern in a responsible way. This bill is an example of that.

There are other measures in this bill as well that make it essential. There are measures that are essential for us to be able to accomplish the things we set out to do. The people on this side of the House didn't set out to bust a Tory budget deficit, but we're going to have to do that. We set out to improve education. We set out to improve health care. We ran to create a new deal for municipalities across this province. We wanted to address the escalating and skyrocketing auto insurance rates. We wanted to return responsible management to the energy file, among a number of other things, but we've been stuck with this challenge of getting this deficit down.

I have to tell you, we're up to that challenge. We're going to meet that challenge because we know we have to. We know we have to provide responsible government. It's not just a fiscal deficit; there are other things as well that have been revealed, and they were revealed through the last auditor's report.

When they talked about public health, they talked about the fact that 14% of our kids were not getting vaccinations. We can't just sit blindly by and let that continue. We've got to take measures to improve that. That's going to require finances. That's going to require resources.

They talked about the fact that 27% of registered waterworks failed minimum tests for E coli. We can't let that go on. We've got to concentrate on that. That's a safety deficit. It may not be a fiscal deficit but it's a safety deficit.

In the area of children's mental health, there's an average wait of one year to help autistic children, to get assistance. We can't allow that to continue. In fact, there are more children on the waiting list than there are actually receiving services. Again, this government won't sit idly by and allow that to happen. But we've got to tackle these fiscal difficulties in order to get to these social problems, in order to try to meet some of those goals.

I talked about a safety deficit. We have the highest backlog in 10 years right now with regard to court cases across the province. There may be some criminals who will go free. They'll be let out in the streets. This is coming from a government that prided itself on being

tough on crime. They've been anything but tough on crime if they allow these criminals to go out on the streets without paying their dispensation.

Mr Jeff Leal (Peterborough): What was Runciman doing?

Mr Duguid: I guess they were sleeping at the switch when this was going on.

Mr Speaker, my time is coming to a close, so I thank you for the few minutes to respond to this very important bill. It's not easy, but it's something we're going to have to do. We're going to move forward with this with pride, because we are going to tackle this deficit.

The Acting Speaker: Further debate?

Mr Phil McNeely (Ottawa-Orléans): Bill 2 represents a foundation for change in the way we do business in Ontario. It sets the stage for bringing important changes to public education, improving our health care system, strengthening our communities and creating a more prosperous economy. It is also a significant piece of legislation and a large step toward fiscal responsibility in this province.

1620

This government is committed to a tax system that remains competitive with all the jurisdictions with which we compete around the world. The financial policies of the previous government were unsustainable. Their reckless tax reductions put at risk all of the public services that the people of Ontario expect from government. Our commitment to good stewardship is a good part of the reason this party was elected on October 2. If we're going to provide a high quality of education and make health care sustainable in Ontario, we cannot afford to lower taxes.

Bill 2 repeals the property tax credit for seniors. This legislation was part of a package designed to attract the support of groups of voters who the previous government believed would be completely motivated by self-interest. The truth is that Ontarians are very generous in their belief that we all share the responsibility for high-quality public services, including education and health care. When we all contribute, we all share in the cumulative benefits of excellence in these sectors.

Increasing tobacco taxes in a measured way, as this bill does, has clear health objectives, but also ensures that we do not incite the problem we saw 10 years ago when tobacco taxes were so high that the black market became involved. As it is, we are raising taxes to the national average. I was part of Ottawa's city council and I have to give credit to Mayor Chiarelli; the chair of health, recreation and social services, Alex Munter; and our whole team at the city of Ottawa. We brought in the no-smoking bylaw when people said we couldn't, and it certainly worked. Any measure that will reduce smoking in a measured way is taking us in the right direction in this province.

In the mid-1990s, this province started down a road of disinvestment in education, health, the environment and, worst of all, because reliable low-cost energy is one of the bulwarks of our economy, in energy. We had the

poorly planned, poorly executed upgrades to Pickering. This disinvestment has placed the people of the province in jeopardy. We have inadequate schools, long waiting times for hip and knee operations, long lineups for cancer treatment, the risk of brownouts and blackouts, Walkerton, firing of meat inspectors, tough environmental laws but nobody to do the enforcement, closing of beaches on Lake Huron, and smog days like never before.

Unfortunately, the previous government left us with a structural problem with our revenues in Ontario. That structural problem has to be dealt with, and this bill goes a long way to doing that. Irresponsible tax cuts have resulted in program spending growing faster than tax revenues. This is where the \$5.6-billion deficit comes from. We promised to deliver change in this province. We must first deal with the financial problems of this province, which were left to us, but we intend to get on with that. We intend to deal with them and we intend to make sure this province is financially stable and that we are moving in the right direction.

This province faces major infrastructure maintenance costs. Rozanski identified in his report \$2 billion of undone maintenance in our schools. If we look at what our cities are able to do about our highways, that whole lack of support started in the mid-1990s. There's \$2 billion there in lost maintenance that's going to cost us many more billions when we have to do those repairs. They should be done now. Maintenance not carried out is the same as debt. If that roof is leaking, you can't say, "Well, I've got \$3,500 more in my bank account because I don't repair it." That's a debt that you have. If you don't do it, you will live to regret that. We have that lack of investment in this province and it's time that we get on with doing it. That's what this government will do. The accumulation of repairs, investment not done or equivalent debt is in the tens of billions of dollars in this province. We will be paying for that for a long time, but the Liberal government is going to tackle the problems of this province and deliver.

Ontarians are supporting good government. They voted over 50% in my riding for change. They voted to deal with the problems of education, health, energy. My neighbour in Ottawa was in charge of the worst boondoggle ever in this province, the Pickering repairs—poorly planned, poorly executed. That's what we got. We had estimates that were surpassed four times. We're going to have to deal with that, but we will deal with that. We've started to deal with that with the energy bill.

Ontarians are supporting government addressing the deficit in this province. We will get on with the promises in education, health and environment. I was very pleased to see the initiatives of our Minister of the Environment. We have hired 33 new water inspectors. We have hired meat inspectors at the Ministry of Agriculture. We are moving ahead to make sure that we protect Ontario for the next generation. This government has already taken significant steps to put the financial affairs of this province in order, and we'll continue to work hard to do this and to move ahead with measures that the people of this province supported and which we will deliver on.

One of the issues that was very important to me was to see that we are moving ahead with the recommendations of Chief Justice O'Connor in the Walkerton report. The Minister of the Environment will now be dealing with the implementation of the Nutrient Management Act, and the water protection plans will be part of the applications under nutrient management as well. We will protect our water. We will move ahead with the promise of implementing all of the Walkerton report recommendations. I am pleased to be part of this government that is doing that.

The Acting Speaker: Further debate?

Mrs Donna H. Cansfield (Etobicoke Centre): I'm delighted to be able to speak on Bill 2, An Act respecting fiscal responsibility. It reflects the individuals in Etobicoke whom I represent in my riding, which is extraordinarily diverse, not only socio-economically, but also culturally. As an opportunity, I spoke with seniors—I think I have 26,000 in my riding—many of them, not all of them, obviously, but a significant number of them, along with the different cultural groups, to find out exactly how they feel about the state of affairs that is currently happening here in Ontario.

From the people I spoke with, it definitely came across that they are supportive of responsibility and responsible government. It's an opportunity to come back to the issue of trust. This is the second piece of legislation that this government has put forth, and it's starting to fulfill its commitments. It's starting to tackle something that is extremely important to all of us: It's called the deficit, a \$5.6-billion deficit.

This brings us back to the issue of how we deal with taxation. I think you've heard consistently that the Premier said there would be no personal tax increase.

I think it's also important for us to really look at the responsibilities, or lack of responsibilities, that occurred in the previous government in dealing with some of their issues. We could start with the Corporations Tax Act. We've maintained competitive corporate taxes. We haven't lowered them; we've sustained them. It's still lower than our neighbouring states. It still enables us to be competitive, and it ensures the government's ability to provide, ultimately, quality public services. When you look to those corporations, one of the issues they will tell you first and foremost is that they require a sound education system from which to get skilled workers; that today we're dealing with a new economy where critical thinking, working together as a team, solving problems and not creating them are the hallmarks of any corporation's wish for new employees. That's part of what we teach in our schools.

Businesses, of course, can't function unless there's a good transportation system, energy supply and waste removal. These are essential parts of what is required for good business, large or small, to operate in this province.

1630

Along with the schools and the training, there are the training centres as well, which are an important and

integral part of what's needed in a well-rounded economy.

So what we've done is we've removed the tax giveaways that actually did nothing to continue to spur corporate growth or even to keep companies in Ontario. There is absolutely no evidence that any of that did occur.

The small businesses in my riding, however, with incomes below \$400,000, still benefit from the lower small business tax, which will stay at 5.5% for the year 2004 and beyond. The entrepreneurs in my riding have been growing and flourishing because of their own initiatives and because of their willingness to tackle such issues as energy and how they too can make their businesses more productive. Now small business can depend on a government as a partner that provides solid public service to support their needs.

As I said earlier, in the personal income tax act the personal income tax rates remain in place; nothing has changed. My constituents understand the difference between the two. My constituents are really concerned about the decline in services.

When I speak to my seniors and I ask them how they wish to have their money spent, they say, "Spend it well. I want a bang for my buck. I want accountability. I don't want you to squander it." That doesn't mean that they want a tax giveback to them; what it does mean is that they want what is being prepared for the different services to be spent well on those services and, in particular, health care and education. If you look at our growing population, health care is their top priority, as we are an aging population.

So the personal tax giveaways really didn't end up in the pockets of those who needed it most, but actually those who needed it least. A good example of that is the Ontario Home Property Tax Relief for Seniors Act. The act has been repealed, and with good reason. The act was a plan to reduce the education portion of residential property taxes. What people didn't understand, of course, is that it wasn't going to happen until 2005-plus, that in fact it would be about \$8 a month, maybe \$100 a year, and that it would apply to people over 65 who already can, if it's required, receive a tax rebate of \$1,000.

What did this mean? It really meant that people such as Ted Rogers would get a break of \$23,000 on his \$5.5-million Toronto home. It meant that Ken Thomson and Peter Munk would each pay about \$22,500 less in property tax. Actually, one of our former Lieutenant Governors would be richer by \$15,000 on that particular home, which is estimated at \$3.6 million. The only one who really comes out on the light end, and the pun is intended, is a singer who in fact would only get back \$17,000.

This is money that we could use to replace our schools, to fix our health care system and to put in place much-needed public services. It also means that it could help with what my colleague spoke about before: the backlog. Interestingly enough, the previous government did, not one, but two studies on the state of repair of

schools across this province, because they didn't believe the figure out of the first study. They thought it couldn't be true. But lo and behold, the second study confirmed it, and by the way, the business officials in the schools reaffirmed with their position as well.

Aside from maintenance and repair, I'm talking capital infrastructure. It's \$1 billion in this province for schools. They are crumbling, and they desperately need to be fixed. If you're going to educate people, you must permit your workers, the teachers, the children, the caretakers and the secretaries to at least have a decent workplace and a place in which to learn. That is a critical component of a well-funded education system. It would also help the schools in terms of the backlog—little things like textbooks that have been missing for some time. So that savings of an average of \$475 would go a long way. Certainly my seniors have said they'd rather have a good education system for their grandchildren than have that money in their pocket, because they know that their grandchildren in fact are their future—their future physician, their future lawyer, their future doctor, their future entrepreneur where they can buy their services.

The retail sales tax is another part of the bill that is particularly important. This is the retail sales tax rebate on certain Energy Star-related appliances. It has been extended until March 31, 2004. This is just the beginning of the whole issue around conservation that we need to deal with again if we're going to tackle this deficit. Other measures will be brought out in the new year as we deal with conservation on the energy front. My constituents are telling me that this issue is particularly important to them; that is, how we use and conserve our energy, and the cap.

On the removal of the cap, I have not had anybody say it's been irresponsible; quite the opposite. They have said that this is finally something we needed to do to deal with the issue at hand, and that is, what we use we pay for in terms of electricity.

The tobacco sales tax on cigarettes has been increased from 8.6 cents to 9.85 cents. While everyone who knows the extraordinary cost for health care, dealing with the issue of not only first-hand but second-hand smoke, knows that this has been probably one of the better things that we've done, working with children and youth at risk and with health centres to try to reduce and eliminate the need and the dependency that people have on cigarettes is an important part of our social policy to move forward. Not only do you have a healthier community, you in fact reduce, and you have a good business case for reducing, the costs in your health care system.

I've been privileged over the years to work in my community in a number of areas. I've seen first-hand over the 31 years that I've been in Etobicoke the change in that community in terms of its needs. As you know, the hospice has been particularly important to me. I'll give you a good example of that. Today there are people who die who can't get palliative care beds, either in a respite centre or in a hospital. That didn't happen years ago. That change in our thinking has to occur so we can

provide for the end of life, so people can die with dignity. That's something that's important to all of us and, again, how we think in terms of our social conscience.

I spoke about being involved with the school boards and have seen the decline. When you take \$2 billion out of the system, trust me, it hurts. The problems we've seen now that have been exacerbated by that are our crumbling schools, the lack of textbooks, the lack of librarians—the lack, the lack, the lack; I could go on. The list is long; it's a litany.

It's time to reinvest in that education system, which is a strong component of a good economy. The interesting part, and one that used to frustrate me to no end, is that the previous government would go outside of Canada, put ads on television and say, "Come. Come and invest in this community, because it has a sound educational system." That was at the same time that system was crumbling.

I've been involved with a settlement house as a residential home for homeless families. Think about this: Homeless families just in this city alone—over a thousand homeless families. How about the number of homeless people on the streets? When was the last time you can recall, except in current years, that you heard of somebody who died because they froze to death on the streets in Toronto? What are we about if we're not about looking after those who are less fortunate than we are, to provide a safe haven and support for them? How do we allow this to happen as part of our broader social conscience? It doesn't mean that you can't spend your money well and wisely; it doesn't mean you can't have a strong fiscal commitment. But what it does mean is that you need to look at how you prioritize your dollars and where you put them.

One of the most important components for me has been the cancellation of the private school giveaway, as I call it. It's actually called an equity in education tax credit, and it's an interesting use of the word "equity." The reason I say that is because not for the last 15 years I've been involved in the school system have I seen such extraordinary changes that have been a result of lots of governments that have politicized education to the nth degree, where everybody needs to put this extraordinary stamp on what they've had to do. What they've managed is that every time you turn around, it's another curriculum, another amount of writing, another amount of testing; and yet, have things improved? I think that discussion needs to take place.

1640

In particular, with the equity in education tax credit, the fascinating thing for me is that when you actually look, first of all, you don't need to have fully qualified teachers and only five children to a school. You don't have to have fully qualified teachers. If you do, you need to check them out criminally. You do not have to have Ontario curriculum. The public school board needs the Ontario curriculum, but private schools don't. Actually, all they need, it says, is the requirement with respect to the length of the instructional program for each school

day as prescribed. So the number of minutes has to be the same; the curriculum doesn't have to be.

It doesn't have to have the same set of standards as you do in the public system. Where are the issues around the Safe Schools Act and the suspensions and expulsions of students, the quasi-judicial issues that had to be dealt with in the schools? They don't have to be tested, not with the Education Quality and Accountability Office anyway. Students in the public system do have to be tested.

Finally, probably the most important component in this bill is that they don't have to accept you if you have a disability, because it's done based on admission, whereas the public system is open and accessible to all, regardless of your ability or disability, your faith, your culture, your creed.

When people talk about an equity in education tax credit, I don't know what in the world they're talking about. There is no equity in that at all, so it was time. In a society where we're looking to bring people together, especially when you consider that over 50% of the students in the secondary just in this city alone do not have English as their first language, and 49% in the elementary do not, you would think you would want to bring people together to help them understand each others' cultures, so the word isn't "tolerate" each other; the word is "understand" each other. Certainly a bill that separates and divides is not one that is going to accomplish it for me. It was probably one of the best things that happened under this tax act.

The other is that we need to talk about how we sustain our relationship with the public as a whole. It's fascinating that that old adage is still out there that there are used-car salespeople, and then I think there are politicians. They're sort of at the bottom of the heap when people ask, "Whom do you trust?" Well, definitely not politicians. You have to ask yourself why, and why has the public become so cynical? Why isn't there faith any more in what people have to say?

They elect people to represent them here in the House, a welcome opportunity for the dialogue, and instead we banter across at each other and nothing much is accomplished, instead of that really good debate as to why people do what they do. You need to restore that faith in why we're here. I think part of that comes from the interaction and dialogue that occur not only here on the floor but also in committees, so that we can go out to people and say we've had that conversation, we've listened to the other side, we've made those amendments where we think it's important because the case has been made. To me that's what this is supposed to be all about. That's the change that I think needs to happen to restore peoples' faith in this system as well as in a lot of our public services.

We're all the brunt of a lot of jokes. I know the people I work with here work extraordinarily hard in the Ministry of Energy, and yet that particular ministry has been decimated in terms of its support services. I think we need to look at how do we retain our fiscal responsi-

bility and at the same time acknowledge and value the people who work with us who will help us make those kinds of changes.

It's time to make a beginning. It's time to start. This is the beginning of the return, I think, of trust in what we say and do. We will get our fiscal house in order first and foremost, and when that is done—and that is the first promise I made when I knocked on a door: responsible government. Don't spend money you don't have, and get your house in order. If what the previous government had done in terms of what I have identified is called fiscal responsibility, I don't want any part of it. I would rather be up front and honest with people about the challenges we face, manage it well and say to them, "Yes, I can do it," or "No, I can't, and when I can, I will." Those are important, honest words to say to people, as opposed to the nonsense.

I think that's what people are looking for in this House and definitely voted for in this government when they put 72 of us here to make that kind of difference. They want their faith restored; they want their faith renewed; they want good, strong fiscal government; they want people who are accountable; and they want people who are going to tell them the truth. The fact of the matter is, whether you like it or you don't, there's a \$5.6-billion deficit that's just been exacerbated by the OPG nonsense. The end of the line is, we have to deal with it and we have to deal with it now.

Mr John R. Baird (Nepean-Carleton): You don't believe this.

Mrs Cansfield: Actually, I do believe it.

Interjection: Yes, she does.

Mrs Cansfield: Absolutely, because I've seen it, I've walked it, and I've dealt with it for the last eight years. I can tell you that the changes that have occurred in education alone are horrific in terms of trying to find ways and means to educate young people and deal with their challenges, and we haven't been doing a very good job. As a matter of fact, we've been lying to those children to say they're going to go out to the world and do wonderful things when in fact we haven't been able to fulfill their needs. It's time to make that kind of difference, and I've spent 15 years doing that. The last eight have been particularly difficult, as there hasn't been the leadership. I tell you that the leadership is here now on this side of the House.

The Acting Speaker: Further debate?

Seeing none, questions and comments?

Mr Garfield Dunlop (Simcoe North): I'm pleased to be able to rise today and make a few comments on all the different folks from the Liberals who started the first day of debate on the Bill 2 third reading. You all made some comments, and they were the kind of comments I expected.

I listened today from one of your lob questions to the Minister of Northern Development and Mines, the Honourable Rick Bartolucci. A number of the members talked about the last six or eight years. I had to go back to an editorial I'd seen this week from the Sudbury Star and

its comments about the Minister of Northern Development and Mines. In the last four or five years since I've been here, this minister has nagged, complained and whined, and no matter what we did for Sudbury was never good enough. In fact, Highway 69 has had more construction since our government came to power in 1995, including the latest phase which is about 17 kilometres in the Pointe au Baril area, than any other government in history has moved that highway along.

Now the minister is backtracking so quickly on this, and it's actually kind of sad. His constituents already understand the dilemma he's in. He's whined and cried for all this time to get funding from our government, which we've delivered on, including a hospital, and now we need their government, the Liberal government, to come up with the money to finish Highway 69. We are expecting that. The residents of northern Ontario are expecting that, and we expect that to happen with this government very quickly in the next four years. There are only another 100 kilometres to finish.

Mr Speaker, I appreciate this opportunity and look forward to Mr Baird's comments as well.

1650

Mr Kormos: I listened, oh so carefully, to the comments of every single one of the speakers over the course of the last hour. None of them changed my mind. I know they did their best to be persuasive, and I tell you that I was as open-minded as I could be under the circumstances, wanting to hear the arguments. None of them changed my mind. I regret—because I was here and I should have been over in the committee that was dealing with the auto insurance bill, Mr Colle's bill. I dropped in there around a quarter to 4. All the committee members were sitting there waiting for the committee to start. I was very impressed, I should say to you, Mr Colle. It was a distinctively effective job you did in getting the committee members there, having them sitting there patiently waiting for the committee to start. I regret not having been over there in that committee. Instead, I found myself here. That committee's over.

I'm not going to be supporting this legislation—of course not. Look, here's a government that knew, through its own finance critic, Gerry Phillips, now Chair of Management Board—he's the one who predicted a \$5-billion deficit. I was there in the committee. He put a risk of \$5 billion—in the hole. I was there; Howard Hampton was there—\$5 billion. The government knew about it, Liberals knew about it, yet they campaigned on promise after promise as if there were no deficit, knowing full well there was a \$5-billion deficit. Now they're breaking a promise a day since their election. Heck, after Thursday, they'll give themselves a three-month vacation. That's what I expect of the auto insurance committee, to be sitting during those three months that the Liberals are giving themselves a vacation, and we can travel the province. Liberals get a three-month vacation and the consumer gets it in the neck. I guess nothing's really changed around here, has it?

Mr Mario G. Racco (Thornhill): I wanted to report to the House that a number of my constituents have been

contacting my office and writing letters in regard to the education tax credit. As you know, my constituency has spoken very strongly against removing the education tax credit. Nonetheless, the Liberal Party made the commitment clear during the last election.

But I wanted to report to the House that we certainly have received a number of people expressing concerns. I just want to put it on record. Again, it's very clear what the Liberal Party position was during the election. It's a matter of recording what I have been receiving in my office.

Mr Hudak: I'm pleased to comment on the speeches of my colleagues across the floor. The last comment is rather ironic. I don't know if I would agree that the Liberal position on taxes was clear. In fact, I remember very clearly, and I'm not the only one who was watching TV during the campaign, Dalton McGuinty looking into my TV screen and saying, night after night, "I will not raise your taxes." Now, ironically, we find ourselves today debating a bill that is the biggest tax hike in the history of the province of Ontario, the big Dalton McGuinty tax grab. What he said during the campaign and what he said when he became Premier are entirely different things on issue after issue.

In fact, I was just reading one of my favourite columns in the St Catharines Standard by Calvin Reid, called "Reporter's Notebook," where he discusses how the Liberals promised to bring ambulance dispatch down to Niagara.

Mr Kormos: They promised.

Mr Hudak: My colleague from Niagara Centre remembers. Imagine that: Niagara Centre agrees with me that they promised that. It says they were told that "a winning bid was selected late in the summer, but it got lost in the shuffle of the election." They expected it shortly after that. "With the new Liberal government now in power, we were told it only required the approval of cabinet." It was all set to go. "Now a different official from the same ministry says it is still in the process of reviewing the bids, not revealing how many bids there are to review.

"The fact of the matter is this is something that should have been settled long ago. Make an announcement, and let's hope that announcement will entail allowing the regional government to operate the dispatch centre."

They're backtracking. They're slamming the brakes on the mid-peninsula corridor; they're backtracking on a promise to bring dispatch down to Niagara; they're backtracking on a pledge to get rid of audits for doctors, another local issue the member for Niagara Centre has been involved with—three big broken promises in a matter of weeks in Niagara alone.

The Acting Speaker: Response from the Liberal Party? It has to be one of the members who spoke.

Further debate?

Mr Kormos: On a point of order, Mr Speaker: The Liberal speakers are entitled to a two-minute response. There were three of them, as I recall, who spoke. Any one of them is entitled to the two-minute response.

The Acting Speaker: Unfortunately, none of the members who spoke is currently in the chamber. I've asked two or three times to see who's going to respond.

Mr Baird: On a point of order, Mr Speaker: I'm just concerned that we went through debate. One of the things about this debate is that members give their thoughts. I'm not even on House duty; I'm here to listen to the debate. I too had questions. Two of my colleagues in the Conservative caucus had questions. These four members who just spoke—it's like a dine-and-dash. They have debated and then they have departed. Is that in order, or should they summoned back by you to answer the questions in this House?

Mr Dave Levac (Brant): It has been the tradition in this place over the many years, including those who have not been here, that people's attendance in this place is not referred to. The fact that the members may or may not have pressing situations is beyond this member, and beyond those members. I would highly recommend that we stay with the tradition of this House.

The Acting Speaker: The chief government whip is quite correct. It is inappropriate for members to refer to the absence of other members. Notwithstanding that fact, members who speak have an opportunity to respond after questions and comments and the fact is, apparently no one is here to respond.

Mr Kormos: On the same point of order, Mr Speaker: No member referred to the absence of any other members. It was the Speaker who referred to the absence of four government members.

The Acting Speaker: In response to your point of order.

Further debate?

Mr Baird: It's not a privilege for me to stand up and debate this bill. This bill is going to do a lot of damage to working families in Ontario and to employers. We termed this bill the biggest tax increase in Ontario history. That was a bit of a slogan, but we've done the research and the biggest tax increase ever will be this bill brought in by Dalton McGuinty, a \$4.13-billion tax increase.

Interjection.

Mr Baird: "There was a law against that," I think the member for Niagara Centre said.

The previous one—and two of my friends will be interested—was brought in by David Peterson, but even he would blush at this tax increase. Peterson brought in a \$2.8-billion tax grab. Bob Rae, in 1993, brought in a \$2.2-billion tax grab. This tax increase would make even Bob Rae blush.

Interjection.

Mr Baird: "Best Liberal Premier this province ever had," one of my colleagues said.

That's a tremendous concern because what Bob Rae experienced is that when you raise taxes, you bring in less revenue. When you raise taxes on companies there are less jobs here. When there are less jobs there are more people on welfare. That is a tremendous concern because we know that tax cuts create jobs. Ontario has

led the country in job creation. In the last year Ontario has had more job creation than in the entire 50 states combined—the largest number of new jobs created right here in Ontario. We've seen Ontario pull up the rest of the North American economy where it's getting to 8% economic growth, again fuelled by George Bush's tax cuts, which is good news. That's important.

We believe that—

Interjection.

Mr Baird: I know the honourable member is very happy that Saddam Hussein has been caught—one less demon for him to go after—but I am concerned about the consequence that this is going to have on seniors, the tax increase on seniors. There was a measure contained in the budget and passed by this House into law which provided a bit of tax relief to help seniors stay in their own homes. That's gone and that's too bad.

We've seen the provincial income tax reductions. What I was particularly astonished about is that this government, in the legislation, Bill 2—and we discussed this in clause-by-clause in committee—specifically goes after the lowest tax bracket of taxpayers, specifically goes after low-income earners. We said, “Why would you want to raise taxes on low- and modest-income working families in Ontario?” I think it's a disgrace.

1700

So we put forward an amendment. My friends O'Toole and Barrett put forward an amendment saying, “Let's just take the tax cut for the rich away, but let the lowest-income people, the lowest tax bracket, keep that.” They bowed their heads in shame, and that amendment was defeated. That clause passed.

Then we said, “OK, what about middle-class taxpayers? They're the ones being squeezed. They work hard. They play by the rules.” We brought forward the amendment and we said, “Let's let the middle class keep their tax cut.” Nope, no. They specifically had a chance to help, to stand up for low-income and middle-class taxpayers in Ontario and they whacked them, not once, but twice, and that's too bad.

I just think it's wrong to say to someone, when you're making \$22,000 a year, “We're going to raise taxes on you.” You had the Minister of Labour come in this House and say he was going to raise the minimum wage. The government's going to make money on that because there will be more money for the chancellor of the exchequer here in Ontario to get.

Interjection.

Mr Baird: I can appreciate the member for North Bay can't get on the speakers list, and I'm sure she's very concerned about that. That's very unfortunate that she can't get on the speakers list.

Corporate taxes: Corporations don't pay taxes; people pay taxes. What happens is, the people who own—

Mr Kormos: Paul Martin doesn't pay taxes.

Mr Baird: Paul Martin doesn't pay taxes. That's right.

Mr Kormos: His corporations don't pay taxes.

Mr Baird: That's right. His corporations don't pay taxes. The member opposite is right; I apologize to the member for Niagara Centre. Paul Martin puts up the old flag of Liberia on his ship and he gets a tax break, a 100% tax break. So Paul Martin won't be touched by this bill because Paul Martin takes all of his companies, writes “Canada Steamship Lines” on them and then drags up the Liberian flag as a—

Mr Kormos: That's not very Canadian.

Mr Baird: Not very Canadian, indeed. What about modest-income people? They can pay more taxes, but Paul Martin doesn't have to.

Mr Kormos: And he's rich, I'm told.

Mr Baird: And he's rich, as the member for Niagara Centre says. There are many, many, many ships and they put the Liberian flag to, in a way, evade income tax. Why bother with a tax cut for working families when Paul Martin doesn't pay taxes? I think that's disgraceful and I think it's wrong. Thank goodness Jack Layton is out there putting that issue to voters around the province.

Mr Richard Patten (Ottawa Centre): Paul Martin does so pay taxes.

Mr Baird: Paul Martin doesn't pay any taxes on Canada Steamship Lines. He flies the Liberian—

Interjection.

Mr Baird: “He's so stupid,” he says. Boy, the member for Ottawa Centre has a way with words. “He's so stupid,” he says. They have a way with words over there, using the word “stupid.” He's bitter.

Mr Robert W. Runciman (Leeds-Grenville): What's he bitter about?

Mr Baird: I don't know what he's bitter about, I say to the member for Leeds-Grenville. That's a stupid comment. Boy, the Liberals have a way with words. Someone get one of the Liberal staffers out there, get the claw and get that guy out of here.

Mr Patten: It's the only place you could lie.

Mr Baird: It's the only place in which you could lie. Speaker, the member for Ottawa Centre just said, “This is the only place you can lie.” I would ask you to find out if that's in order.

The Acting Speaker: Does the member for Ottawa Centre wish to withdraw any statement that he's made?

Mr Patten: Not really.

The Acting Speaker: I didn't hear any statement by him to that effect.

Mr Baird: Could you ask him if he said that?

The Acting Speaker: Did you say that, member for Ottawa Centre?

Mr Patten: Yes. I said this is only place in which people can lie like he just did about certain things that he should know.

The Acting Speaker: I'd ask the member for Ottawa Centre to withdraw that statement.

Mr Patten: I withdraw the statement.

Mr Baird: Very classy. Very, very classy, at this yuletide, festive part of the year.

So we see personal income tax and corporate taxes going up. Some corporations, like the ones that fly the

Liberian flag, don't have to pay taxes in Canada, but the rest of them do. I want those people who have shares in General Motors, who have shares in Bell Canada, like a lot of pensioners—their taxes, I guess, will go up on this and they'll have to pay taxes twice. They'll have to pay taxes inside the company and when they get their dividend cheque. I don't think you'll see any millionaire owners forgo any profit. They'll just jack up the price of their good or service to bring in more money to pay for this. We'll all have an effect on that. Whether we go to buy a new car or refrigerator or a new home, the tax cost will be applied directly to those, and I think that's too bad.

I'm also tremendously disappointed with the increase in tobacco taxes. Normally, when you bring in a tobacco tax increase, you do three things: (1) You say, "We're going to put that money toward cancer care, toward cancer treatment"; (2) you provide some assistance to tobacco farmers to help get them on to other work; and (3) you put money into smoking cessation activities. You want to raise taxes on tobacco and bring in less money, because the idea is that people quit smoking. But we know from the Minister of Finance that they're not budgeting on anyone quitting smoking. They're financially counting on just as many people smoking just as much with this tobacco tax increase, and that's too bad. If you're raising tobacco taxes, you should count on less tobacco sales, because you want people to stop; but that's not what this government wants to do. It's a money grab.

I'm glad my friend the Minister of Agriculture is here. I like the Minister of Agriculture and I say to all his other caucus members, would you back this guy up? He needs some help in there. He's fighting for farmers all by himself and he needs a bit of help. So I say to the member for Brant, help this guy out. Tobacco farmers need help. They need assistance to move on to other crops. If you're going to raise tobacco taxes, put the money directly into cancer care. Put the money directly into cancer research. Put the money into smoking cessation activities.

We should take some of the money from this tobacco increase and hire an extra security guard to keep the member for Don Valley East out of the Tory offices, from smoking. That's what we should do. That would be something that would help people at Queen's Park, if we could keep David Caplan from smoking in the Tory offices next door here. We could hire an extra security guard to ensure the health and safety of members of our staff here at Queen's Park and to protect them from the member for Don Valley East. The whip agrees with me, I know. That's why he's smiling. He agrees with me. He knows that's shameful. Anyway, I think that's unfortunate.

I do find it unfortunate that the equity in education tax credit is going. We live in a multicultural society. For many families, having their children attend a religious school is something that's pretty important to them. Religious values are important to them, and many of them get that religious education in a publicly funded school system, because the Canada of 1867, when

women couldn't vote, when property owners were the only ones who could vote, when this Constitution Act was put into force—we take that standard and apply it to the Canada of today. I don't think Canada had a large Muslim community in the 1800s. I don't think Canada had a large Jewish community in the 1800s. If they did, they certainly didn't enjoy the rights and privileges that everyone else in this country has. I think we've got to look at reality and look at how the face of Canada has changed.

I represent in my community, Nepean-Carleton, a significant Muslim community, a significant Jewish community, many of whom wanted just to have the same rights and privileges that Roman Catholics had. This was a small step toward that, and I think it's disappointing. I agree with Monte Kwinter, I agree with the Attorney General when they say that it's fair and reasonable. I applaud Monte Kwinter for having the courage of his convictions and the guts and the stamina to stand up to his party. It's not easy. I genuinely admire that. He could be an example to members of the opposition and the government, for people to stand up and fight for their constituents.

1710

I see this will have a huge effect on families in Nepean-Carleton. In my riding we have the Metcalfe Community Christian School. It's about 60 kids. The parents go in on the weekends and do the janitorial work because they can't afford to hire a janitor. When they need a new roof, they get a bunch of the parents together on a Saturday and put on the roof. There is a huge amount of community support for this. It's something that's incredibly important.

I think of the Holy Redeemer high school. I see Jim Flaherty here. Jim Flaherty came, as the Deputy Premier and Minister of Finance, and visited Holy Redeemer in Nepean, and spoke to some of the parents there, and the staff who operate the school.

Mr Jim Flaherty (Whitby-Ajax): Middle-class parents.

Mr Baird: There are middle-class parents who send their kids to Holy Redeemer. Again, they do a phenomenal job. Holy Redeemer had the highest test scores in Ottawa-Carleton. They obviously do something there that they're not doing anywhere else, and we're cutting them off at the knees.

I think of École Maimonides. It's a Jewish school run by a number of rabbis in Nepean, Rabbi Blum among them. Unfortunately, the students at that school, a lot of them in south Nepean, won't be able to get the credit.

I think of Hillel Academy, another Jewish school in Ottawa that does a phenomenal job in providing education in a parochial environment for the Jewish community. We don't have a big Jewish community in Ottawa. We have about 12,000 or 14,000 or 15,000 members of the Jewish community, but it is tremendously dynamic. The amount of funds they've been able to raise for support services for the entire community has been phenomenal. The new Jewish community centre on its

campus is a living example of what should be done by us all. They have an agency for people with developmental disabilities right on that campus. They can use the community centre; they can use the synagogue at the Jewish long-term-care centre that was opened a few years ago. They have the Hillel Academy on the campus and the students can volunteer, both at the seniors' home and the Tamir Foundation, which deals with people with developmental disabilities. Only half of them are even Jewish, and they can live in a culturally sensitive environment. There are many non-Jews who live and reside there who equally enjoy the Tamir Foundation. We're very proud of that. This is going to affect a lot of parents who send their kids to Hillel Academy.

I think the thing that is of most concern to me and to many members in this House is the retroactive nature of this cut. When they go after businesses, are they doing it retroactively? No. When they go after personal income taxpayers, are they going after them retroactively? No. But there are thousands of parents across Ontario who are depending on this tax credit this year. People say, "No one has ever received it." Many of them had gone into their place of employment and had their withdrawals changed and accounted for these extra funds. These are a lot of working families where you think, "A few hundred dollars, \$1,400, is it a big deal? Well, it's not that big a deal." But it's the last \$1,400 they have. Once they've paid their rent, once they've paid their taxes, once they've paid for food, once they've helped raise the kids, once they've given to charity, it's the last \$1,400 they have. This retroactive provision is going to give a lot of hardship to these families.

It's not just the Conservatives. It's not just Jim Flaherty or Ernie Eves or Bob Runciman or John Baird who are saying this. Let's look at what some are saying.

"Let me remind you that I really think retroactive taxation is a very bad idea on the tax system. It undermines confidence and it undermines trust, and that's something you just don't do." That's Jack Mintz, the president and CEO of the C.D. Howe Institute.

Simon Rosenblum, the director of public policy for the Canadian Jewish Congress, says, "Without prejudice to the larger issue surrounding the tax credit, to cancel it in such a retroactive manner seems to us most unfair and mean-spirited." This is a senior official with the Canadian Jewish Congress calling this government's actions mean-spirited.

I see some of the members over there with a big smile on their face, and I think that's unfortunate.

Bernie Farber, the executive director of the Canadian Jewish Congress, someone I have a tremendous amount of respect for, says, "... even though we knew that the Premier was going to remove the tax credit, it was still a slap in the face, but to do so retroactively was like a bully punching us in the stomach." I've met Mr Farber many times. He's a man who chooses his words carefully and he's obviously tremendously concerned.

I look at Toni Silberman, the chair of the League for Human Rights of B'nai Brith Canada. He calls the message "unjustifiably punitive."

Hon Mr Kwinter: She's a woman.

Mr Baird: A woman. I apologize. Thank you very much, I say to my friend Mr Kwinter. She finds it unjustifiably punitive. These are well-respected people who deal with human rights issues and make tremendous contributions in Ontario.

But it's not just the Jewish community. Muhammad Khalid, the education director of the Islamic Society of North America, said, "This is going to create mistrust of governments, and it's extremely unjust. The Premier has decided to fulfill his election promise on the backs of the parents of modest means." Again, I think it's unfortunate for the Muslim community in this province.

I look at John Vanasselt, the director of communications for the Ontario Alliance of Christian Schools: "I know for a fact that for a number of low-income, including single-parent families, the retroactivity will cause them great pain." I would think it's tremendously demoralizing. Unbelievable.

Let's look at what the principal advocate for small business is saying: "The principle of rolling back anything retroactively is worrisome. If it can happen in one area, it can happen in any area." That's Judith Andrew, the well-respected Ontario vice-president of the Canadian Federation of Independent Business.

I'm tremendously concerned and I was tremendously disappointed at the finance committee. I thought the presenters made a very powerful case on this issue. The government was going to get 99% of what it wanted. Mr Runciman worked hard to secure public hearings on this bill and we were told that they'd be real and meaningful. But at the end of the day, when we moved an amendment to just change it from a three to a four, one single number, the answer was no.

There wasn't even a single member of the committee who had the guts to stand up and speak to the issue, to say why they thought retroactivity was a good thing. That included the parliamentary assistant. No members of the committee could look me in the eye or in the eyes of Mr O'Toole, who made that amendment. I think that is a real problem; I think it's a real disgrace. It shows that these committee hearings were a sham. We saw that in another instance, when the government House leader announced in the House, before the committee had even met, "We're not accepting these amendments. No way." What a message that sends out to the Liberal backbenchers. The minister, right in the House, doesn't even care to let you listen to the amendments, let alone debate them. He announced, "It's over." No, the government would not accept amendment. What a sham these public hearings turned out to be. I think it is a tremendous mistake the government has made.

I've asked three or four questions on this issue in this House. The first time I asked a question I felt so strongly—I didn't want to be partisan—that I went and gave the Premier notice that I was going to ask him a question. I said, "Premier, I'm not trying to put you on the spot here. I'm not trying to score political points. I'm trying to stand up and protect these families"—many in

Nepean-Carlton, in the Niagara Peninsula, in eastern Ontario, in southwestern Ontario and central Ontario, people who work hard and are tremendously concerned about this retroactivity. I know my colleague Mr Runciman is going to be speaking, and Mr Hudak. I'll be splitting my time with them, so I'll be ending very soon.

Mr Runciman: Mr Flaherty.

Mr Baird: Mr Flaherty. I apologize. I'll end very soon.

I think it's regrettable, particularly in that one instance, when this House could have stood up and said, "You know what? You're going to get 99% of what you want. We listened to the public hearings." I would have applauded for it. Mr O'Toole even agreed to withdraw a series of other amendments to show some good faith. I think that's regrettable.

Again I want to quote, and then I'm going to conclude my remarks and sit down. When Bernie Farber, the executive director of the Canadian Jewish Congress, says that this policy is "like a bully punching us in the stomach," that should be cause for all of us to pause, reflect on it and reverse this regressive policy. I know New Democrats would likely agree to send this back to committee very quickly to address the dispute. Even New Democrats, who fought harder than anyone against this tax credit, said that they disagreed with the retroactivity, when Mr Prue spoke. I think that speaks volumes on this issue.

I look forward to hearing the comments of my colleagues Mr Runciman and Mr Flaherty.

1720

The Acting Speaker: I wish to remind all members of the House that when you're referring to another member, you should refer to him or her by the riding name or the ministry name.

Mr Runciman: If I haven't done so, I want to congratulate you on your elevation to that historic chair. I know you'll do a good job for every member in this assembly.

I also want to take this opportunity to congratulate my seatmate, the member for Nepean-Carleton—that's why we don't use the riding names, Mr Speaker. We stumble over them, if we can remember them at all. He's taken on a very huge file, and I think, in terms of getting up to speed in a very short period of time, has done an outstanding job. I say that not just in terms of our party dealing with the financial challenges that the government puts forward, but I think it is very important that you have effective opposition, if you're in government, that understands the implications, the pros and cons of legislation and initiatives that are being brought forward by the government of the day. I think he's doing an exceptional job. I know sometimes the government members don't appreciate the quality of the job he's doing because he is being such an effective critic, but I think at the end of the day it's to the benefit of all of us and the residents of this province. To the member for Nepean-Carleton, thank you.

I want to talk about a couple things, certainly the bill, Mr Speaker. I'll try to make certain that I'm making reference to the legislation under discussion here this evening. It's been mentioned on a number of occasions that this is the largest tax hike in Ontario's history, and I think we should never forget that when we're discussing this and discussing the implications. We've heard from across the floor, "Well, this is the reality of October 2." I understand that. I share that view to some degree with respect to the results of the election. Much of what the government is doing with respect to rollbacks is and has been part of their election platform and they're keeping those commitments. My friend has referenced the retroactive provisions that certainly were not referenced in the platform and are very painful, and we think unfortunate, to say the least, with respect to the impact on so many citizens across this province.

One of things I wanted to comment on, though, with respect to the realities of October 2 is the speedy onset of arrogance in the government benches. Certainly on this issue we've heard it on occasion after occasion. I know when my colleague was asking a question of the Ministry of Citizenship—I think it was earlier this week—with respect to her responsibilities to advocate on behalf of various minorities around the cabinet table, part of her response was, "Well the minority communities must be happy. They voted for us. We're the government." I think that reflects badly on the government, and those members who served in the previous Liberal government, from 1985 to 1990, would do well to reflect on their downfall after five short years in government. I think a good part of the reason they fell in terms of public esteem was the arrogance that was personified not just in the front benches but throughout their ranks. Here, in the very early days of this Liberal government we're already seeing signs of that sprinkled throughout their ranks. I think that's unfortunate, and it's certainly offensive to those of us on this side of the House. Eventually it's going to sink in to average Joe and Jane Citizen, who pay their taxes and in many cases voted for change, and certainly didn't expect to get change that would look down on them and on the representatives of the people of this province. Hopefully that's not what's going to happen.

Having been around this House for going on 23 years, I remember well the previous Liberal government, and relating this to the legislation and the ongoing effort of the Liberal government to demonize the former Conservative government with respect to the deficit numbers, I was looking back at some of my old papers when I was moving offices and came upon a piece from the Kingston Whig-Standard in 1990, during the election campaign. Ken Keyes was the Liberal incumbent—a good fellow, Ken—and one of his key platform planks in his efforts to get re-elected in 1990 was, "We have balanced the budget." The Liberal government finally balanced the budget in 1990, after significant economic growth.

As we all know, not only did Mr Keyes lose the election, for a variety of reasons, the government was lost,

and I've mentioned one of them, but also we found, and certainly the incoming NDP government found, that there was no such thing as a Liberal balanced budget. In fact, they were facing a deficit, claimed at the time and confirmed later, of \$3.6 billion. Regrettably, the government at that time made a decision, a very unfortunate decision, that they were going to spend their way out of an economic downturn and we know what that resulted in: some four and a half successive years of \$10-billion-plus deficits and a doubling of the provincial debt during the term they were in office.

We have to look at some comparisons because we're already seeing early signs that this government in, what is it, seven or eight weeks in office—

Interjection: More arrogance.

Mr Runciman: In terms of arrogance, but I think there are other signs in terms of what they're doing in trying to demonize the former government, but also what they're doing with respect to taxes. If you look back over the five previous years of Liberal government, they increased taxes either 32 or 33 times. I think you will remember this very well, Mr Speaker.

What they did, between the Liberals and the NDP, in increasing welfare rates during a booming economy, put our welfare rates well above the national average, and we ended up with over a million people on welfare, mushrooming welfare rolls, as a result of the programs instituted by the former Liberal government. They came very close to doubling provincial spending during five years in office, almost doubling provincial spending. Of course, they increased dramatically the staffing complement in the public service. We're already seeing those early signs that there's no willpower there to control public spending, no willpower whatsoever. We're already seeing announcement after announcement of increased staffing. We're throwing money here, increased staffing there, increased staffing over here. I do not believe there's a real plan here. It's simply throwing money, throwing money, throwing money, not trying to come to grips with the fiscal challenges of the current year, but instead demonizing the former government, portraying the current deficit challenges as something they cannot come to grips with; in fact, I think, painting a portrait for the Ontario public that is far from accurate.

I think we're already starting to see some implications of this. I hope this is not a harbinger of things to come but it could well be. With the job creation numbers for the first month of this government being in office, there were 7,000 lost jobs during the month of November. That's when we saw unemployment numbers drop across the country. At the same time, we saw a net loss of 7,000 jobs in the province of Ontario. That certainly should be a concern when we're talking about massive tax increases, a record tax increase under this legislation that we're discussing here this evening, especially the implications for small and medium-sized businesses, when you take a look at the corporate tax rollback, and you take a look at things like the minimum wage increases being proposed and being initiated by this government.

There is a whole range of issues here that should concern all of us. It's certainly not conducive to attracting investment or creating jobs. When you look at the record of the former Conservative government, which has certainly been demonized by the folks across the way, we came into government in 1995 facing a situation where the government of the day was spending \$1.1 million an hour more than it was taking in in revenues, a deficit projected to be in the neighbourhood of \$11.3 billion or \$11.5 billion, a truly crisis situation which we immediately came to grips with.

1730

We hear often from the folks across the way, "We're rolling up our sleeves and getting to work." But what are they getting to work doing? They're getting to work spending, they're getting to work hiring more and more public servants, but are they coming to grips with the fiscal challenges? There doesn't seem to be any real intent or any real desire to do that or any real plan of action with respect to how to deal with this.

Interjections.

The Acting Speaker: I apologize to the member. I'm having difficulty hearing the member and it's important that I hear him. I would ask all members to respect that.

Mr Runciman: Instead, they have opted to adopt a political plan rather than a meaningful plan to deal with the challenges, a political plan to demonize the former government. But that's only one aspect of their plan in terms of the \$5.6-billion supposed or projected deficit that Mr Peters talked about.

The other plan is a political one and we see it here day in and day out. No matter what government member gets up to speak, whether it's a minister responding to a lobbied question or a minister responding to the opposition or a minister getting up and making a statement introducing legislation, there's always the inclusion of an effort to play the blame game. For anything that they're failing to do, whether it's this litany of broken promises or whatever it might be, they're utilizing the former government as a whipping boy, as a justification for what they're doing or not doing.

We heard it today in question period when a member from the third party referenced the commitment by the Premier with respect to autistic children. There was a letter dated, I understand, 10 days before the election making some pretty significant commitments with respect to how they would deal with that situation. We heard the minister responsible for children today blaming the former government for the fact that they're not meeting that commitment. This is a letter written 10 days before the election, when the Fraser Institute had indicated the size of the deficit, when the finance and economic affairs committee had met earlier that year and the now Chair of Management Board had indicated that there was a possibility that we'd be facing a projected \$5-billion deficit. The leader of the Liberal Party had indicated that they felt there was at least a \$2-billion challenge there, yet he made those promises 10 days before the election.

Now in this House—what's the date today, December 18, 19, 20?—we have the government minister standing up and blaming the fact that they're not meeting that promise on the former government. That's the tone of the rhetoric in this House coming from the government benches. It's truly unfortunate. I think there's a Warren Kinsella behind the curtains here writing notes for everyone. This seems to be the motivation. They're not really coming to grips with the challenges. I think when people voted for change, they voted for real change, not this sort of approach that we're hearing and seeing from the current government.

There's no question, they are in a honeymoon period and it's difficult sometimes for us to get our messages through that honeymoon veil, but we're going to continue to persist. We're going to continue to make sure, as best we can, that Ontarians are aware of the strategies being utilized here and the very early failings of this government not only to meet their promises, which is certainly significant and I think demoralizing to a lot of people who care about politics, not just in Ontario, but in Canada; but more importantly, certainly in the short and long term, is there willingness to come to grips with the financial situation and find ways to balance the budget and keep their promises? We think it can be done.

I want to quote from a couple of things, and this one I think is interesting. In fact, it comes from Kitchener-Waterloo-Cambridge. It's called the Record. Mr Speaker, you will be interested in this. It's written by a gentleman by the name of Bruce Whitestone, who is an economist. I believe you know the gentleman fairly well. He ran in a previous provincial election for the Liberal Party of Ontario. Now he's submitting a column on behalf of the Record.

Interjection.

Mr Runciman: No, he ran against Mr Arnott, as a matter of fact, the man sitting in the chair. He's still here.

He's talking about an article in the Financial Post, which indicates that "for every percentage point growth in the province's GDP, the net benefit to Ontario's budget is \$620 million under the present tax regime." Talking about the Bank of Canada's revised projections for economic growth, he said, "If Ontario's economy can match the national average, that would entail an extra \$2 billion to Ontario's treasury next year, or about \$1 billion for" this fiscal year.

Talking about Mr Peters's report, Mr Peters "completely ignored the probability that the federal government would make a contribution to health funding." We've seen that increase. We've seen it in terms of the health care transfers, we've seen it in terms of SARS relief. We already know that the former government had instituted a hiring freeze, along with other savings, which is going to reap a saving in the neighbourhood of \$800 million.

We also know that Mr Peters, when he utilized the \$5.6-billion figure, added in Hydro's debt numbers. "This is a" historic "departure from past provincial governments of all stripes." This has never happened.

"Hydro accounts have always been kept separate from the provincial government's books. Hydro ratepayers have always been on the hook for Hydro debt, not taxpayers." There's no reason for Mr Peters, as experienced an auditor as he is, to include those numbers as part of that projected deficit, "except to inflate the total for obvious reasons." That's the conclusion reached by Bruce Whitestone, a former Liberal candidate.

I think there's a growing sense that there is a very deliberate effort on the part of the Liberal government to inflate these numbers, to use them not only to demonize the former government, to justify this long and growing list of broken promises, but also to give them an opportunity to spend into that number. I think we're going to hear tomorrow that the Minister of Finance is even going to inflate that number to a more significant extent. I don't think there's any doubt about it. He's going to throw everything but the kitchen sink into this, numbers and figures that have never been calculated as part of the provincial deficit. He's going to try and continue this con game, this shell game that we are at a significant deficit. Then he's going to, through their various unlimited spending patterns, spend into that number until, at the end of the day, he will indeed have reached a \$7-billion, \$8-billion or \$9-billion deficit. Who knows what number he's going to come in with tomorrow? Certainly, and regrettably, I don't believe there's any question that is going to be the strategy.

The member from Nepean-Carleton talked about the efforts of the committee on finance and economic affairs to try to bring meaningful amendments forward with respect to the tax bill, and the fact that they were rebuffed out of hand. The members of the committee had their marching orders and, in fact, from the feedback I've received from members of that committee, were effectively hanging their heads when amendments were brought forward and comments were brought forward with respect to retroactivity and the very negative, draconian measure brought forward by the Liberal government with respect to tax legislation.

1740

That's a clear indication that the rhetoric we've heard from the government, with respect to dealing with democratic reform in this place, is nothing more than rhetoric. There are going to be a number of surface changes, artificial changes. The government, the Liberal Party, will go out and toot their horn about real reform, but we know that's not going to happen.

I strongly believe in improving the operations of this House. We've tried to work with the government House leader to make that happen, but we've seen some of the results so far under this pilot, which are certainly not very encouraging: the programming motion and the failure of the government to meet quorum at the finance committee yesterday in dealing with the auto insurance legislation where people who appeared here—the Insurance Bureau of Canada was one. These are people who set time away from their busy schedules to offer meaningful input into this legislation. The government, with this huge major-

ity—it's unbelievable. What is it, 72 members? They could not have people in that committee to meet quorum so that these people could have input, involve themselves in questions and answers from the various members of the committee. That simply didn't happen. It's unheard of in the last, I think, 10 years or so. I can't recall. Maybe it never happened, where the government, especially—it may be understandable in a minority situation. You can understand it in a minority situation. But here we have a huge majority government situation. The first four weeks of the government in session, with a lot of enthusiastic members—and they fail to meet quorum. They had time to meet quorum and still failed to do so. I guess it does raise questions about whether or not this was a deliberate effort to exclude these people who spent time to come here and make a contribution to this exercise. That raises alarming prospects. I certainly hope that is not the case, but it certainly, I think, demands an answer.

We obviously got an apology here today, but I think we require more than that when we look forward with respect to conducting committee business in this House. If the government of the day adopts a strategy of refusing to provide quorum, what's going to happen? I ask the question: What's going to happen in those kinds of situations?

We're talking about democratic reform here, and I think if the government is going to do more than pay lip service to democratic reform, they have to make they meet their commitments on a regular basis. That certainly didn't happen yesterday. So I think that's a concern.

An earlier concern was the appointment of the Chair and Vice-Chair of the government agencies committee by the government. Again, this is unheard of, unprecedented in parliamentary governments that have review processes in place of government appointments. It's unheard of that a government member will be sitting as chair of a committee reviewing government appointments. It certainly raises the whole spectre of an unfair system being in place and the fact that there will not be any objective review of the quality of the individuals who are being appointed by the government and the fairness of the appointments process put in place.

That is a range of issues. I'd better sit down. My colleague wants to make a contribution to this as well, but I think it's an unfortunate situation that we find ourselves in. Our party certainly wanted to play a productive role here, and I think we made that effort through the committee process and were rebuffed at every turn. It's not a good sign of things to come, but I can tell you that this is going to be the most effective opposition that has served in this place for the past eight and a half years. We'll keep this government's toes on fire and make sure that they do the right thing for the people of this province.

The Acting Speaker: I recognize the member for Whitby-Ajax.

Mr Flaherty: Thank you, Speaker, and a fine Speaker you are. It's good to see you here.

I have a few minutes in which I'd like to speak about Bill 2. This is a tax hike bill in Ontario.

Before I get into the bill itself, if I may, I want to talk a bit about people's expectations of government, especially a new government, and this first substantive bill, this Bill 2. People's belief in the political process certainly has been challenged in the past number of years, particularly with respect to politicians who make promises. We had a Premier, Mike Harris in Ontario, with whom many disagreed on this issue or that issue, but there was no question, when he made a commitment, that the commitment would be kept. He did what he said he would do.

Now we have a Premier who, as a candidate—and this is the whopper promise from the Web site of the Liberal Party of Ontario during the election campaign; it may still be there—where the leader, now the Premier, says: "Ontario workers and their families already pay enough. We will hold the line on your taxes." That's so good. First substantive bill, Bill 2: tax hikes for small business, tax hikes for older people in this province, tax hikes for working-class and middle-class parents who choose to send their children to independent schools. There's a promise for you from the new Premier of Ontario ripped in two, destroyed right away within his first two months in office.

Then we have the Minister of Finance today in the Legislature, the minister in whose name this Bill 2 stands, this tax hike bill, who when asked, "Is the revenue prediction, the estimate for the current fiscal year 2003-04, which runs until the end of March 31, 2004, now in excess of \$70 billion?"—a good question; I asked him the question. Why ask the question? Because we now have public accounts for the last fiscal year. We know now exactly what the revenues of the province were for the past fiscal year. Mr Peters didn't have that several weeks ago when, at the request of this government of the day, he looked at the books. So now we have some accurate figures. We also have some federal government figures. We know the tax bite that this government is taking out. So he knows that revenue figure from this bill too.

The Minister of Finance did not answer that question. He knows. I was the Minister of Finance. I know what he's being told by his deputy minister, by the assistant deputy ministers, by the staff over there. I know they track the revenues. The people of the province know that. They expect that from a competent, credible Minister of Finance. They don't expect accounting tricks, they don't expect budgeting tricks; what they expect is a straight answer about what the anticipated revenues are for Ontario from now until the end of the fiscal year.

Mr Patten: You didn't do it.

Mr Flaherty: The member for Ottawa says I didn't do it. I was very pleased not only to balance the budget in the year I did the budget, but to make the largest payment ever in the history of the Ontario public debt, a reduction of our public debt by in excess of \$3 billion in one year, and that was in a year in which we had relatively modest economic growth in the province.

Here we have a Premier who starts off with a whopper promise that he breaks immediately with Bill 2, and now

a Minister of Finance who will not level with the people of Ontario about what the revenue projection is. If you're not going to level about the revenue projection, just imagine what you're going to do on the spending side. On the spending side I asked the minister today, "What spending controls are you putting in place to control spending?" You have to do that. There's a cabinet position called the Chair of Management Board, the sort of general manager of government, watching the cash flow, watching the spending. The Premier, Mr McGuinty, when he seeks office, says, "I promise you that I will balance the budget." Well, to do that he has to tell his Minister of Finance and his Chair of Management Board, "Watch the dollars." You have to know what the revenue side is, of course you do, just as we all do in our household budgets. You have to anticipate, make your best prediction about the revenues for the year, and then you have to go to the expense side—what you're spending, and what spending is more important than some other spending, because we have to prioritize, of course. There were no direct answers today from the Minister of Finance, which is a disappointment and I think reflects a developing arrogance already on the Liberal benches about being frank and straightforward with the people of Ontario.

I am concerned that, given the Minister of Finance's failure to be forthright about the revenue side and the spending side, tomorrow we will see an exercise in creative writing by the Minister of Finance which will have all kinds of expense items in it predicted and underestimations on the revenue side. I caution the minister about that, having been there, that a year from now, and two years from now, one will be able to test, when we see the public accounts, whether or not there has been frankness, whether the minister has levelled with the people of Ontario about the current estimates of revenue, which are clearly in excess of \$70 billion, if he levels with the people of Ontario about that and about spending.

1750

I get concerned about spending. They're not supposed to be spending any money. They tell us that they're so concerned. They tell the people of Ontario, "We're so concerned about deficit and spending numbers." The Minister of Education spent \$112 million last week, or the week before. Where did it go? It went to their friends, the big public sector teachers' unions at the Toronto District School Board. Why? Because those trustees there broke the Education Act. They violated the law and voted for a deficit, which is against the law, against the Education Act of Ontario. But what did the minister say? He said, "No, this is for something else. This is for English as a second language."

Interjections.

The Acting Speaker: I would ask the House to refrain from making interjections, please.

Mr Flaherty: The volume of the interjections always follows the veracity of the statement that I'm making, so I'm not surprised that they're exercised about this. You

know what you did. You knew the city of Toronto school board deficit was between \$43 million and \$48 million; you gave them \$46 million. "Let's get rid of that deficit." Worse than that, you know the message that sends to all the law-abiding school trustees across the province of Ontario: Break the law; don't be conscientious; don't do your job; don't act for those people who elect you as trustees in good faith. Are we going to see more of this tomorrow from the new Minister of Finance, more of this sleight of hand, more of this failure to be frank with the people of Ontario?

That's not whom they elected. They elected the other side here because they wanted change. That's democracy and that happens, but they expect veracity in government. I'm telling you that the Premier has failed that test with this whopper promise, and now the Minister of Finance is failing that test of frankness, that credibility test with the people of Ontario. You only lose your credibility once. The Premier already has, on that huge commitment, and here it was: "We will hold the line on your taxes"—all our taxes. But no, we have this Bill 2 that raises taxes all over.

I want to talk about this for a moment, small business in Ontario. They talk about corporations as if they are a bad thing. You know, 65% of the businesses in this province are small business. Do you want to know how small? Fewer than five employees—small family businesses, convenience stores, service businesses. These are the small, hard-working businesses in the province of Ontario. They get called corporations and they're told they shouldn't get corporate tax breaks. My goodness, these are the people who create the jobs. More than half the jobs created in Ontario in the past eight years were created by small business. They are the engine of the economy of Ontario, and Ontario in turn is the engine of the Canadian economy. Be careful what you do when you increase taxes against small people in this province. And don't go around talking about big corporations. You know whom you're talking about. If you are frank, if you are credible with the people of Ontario, you are talking about people working darn hard, day after day in their own small businesses in Ontario, trying to grow, trying to employ more people and being pretty successful at it, thank goodness, in this province.

Retroactive taxation: I only have a few minutes, but this has to be said. Retroactive taxation is abominable. It is avoided in every informed jurisdiction, except in the most dire circumstances, but here vindictively, the Liberal government retroactively takes away a tax credit to middle-class and working-class parents in the equity in education tax credit, to the parents who send their children to the Wallaceburg Christian School, which I have visited, to two of the Muslim schools in Toronto which I have visited, to the Jewish schools in Toronto and elsewhere which I have visited. We fund Catholic schools. That's well known. It's wrong to discriminate against Jewish and Christian and Muslim parents in this province. You should be ashamed of yourselves for doing it. Then, to retroactively take away a credit that they have

budgeted for all this year of 2003, from the school year 2002-03 and 2003-04—that's wrong, it's vindictive, it's mean-spirited, and then to take even more than that credit is worth and give it to whom? The Toronto District School Board public service unions, so you can pay them back and congratulate and reward those trustees at the Toronto District School Board who broke the law of the province of Ontario.

So what do we have? We have a government that's intent on big spending. The member for Leeds-Grenville described 1985-90, doubling the provincial spending. We are going to see massive provincial spending by these folks on the other side. We are going to see a lack of accountability. It's started already today, when the Minister of Finance won't be candid about either revenue or spending. We'll see more of it tomorrow, when he won't be candid about either the revenue side or the spending side. The people of Ontario won't be able to judge where we really are because of that.

We will then see a resentment to work. I don't know how else to put the whining. This government was elected October 2. What do we hear? Whining. The Chair

of Management Board today, the Minister of Finance today—my goodness, get on with it. You were elected, you got the most votes, you got the most seats. Get on with it and do your job. Balance the budget because your leader said you would. Keep your promise. Be candid with the people of Ontario; be open; be frank. Help to restore faith in our system so that the number of people that vote will go up. Don't disparage our system. Encourage people, especially young people, to have faith in our system. How do you do that? You do that by being credible, by doing what you said you would do in order to get their votes.

I urge the members opposite, in caucus and in your cabinet discussions, please get away from these broken promises, try not to have any more tax hikes and, for goodness' sake, stop whining. Get on with your job. You were elected to do the job. Be frank with the people of Ontario and get on with it.

The Acting Speaker: It being 6 o'clock, this House stands adjourned until a quarter to 7 tonight.

The House adjourned at 1800.

Evening meeting reported in volume B.

TABLE DES MATIÈRES

Mardi 16 décembre 2003

PREMIÈRE LECTURE

Loi de 2003 sur la protection de la ceinture de verdure, projet de loi 27, <i>M. Gerretsen</i> Adoptée	794
Loi de crédits de 2003, projet de loi 28, <i>M. Sorbara</i> Adoptée	794
Loi de 2003 sur la responsabilité des producteurs de déchets électroniques, projet de loi 29, <i>M^{me} Churley</i> Adoptée	794
Loi de 2003 modifiant la Loi sur le Programme ontarien de soutien aux personnes handicapées (équité dans les versements du soutien du revenu), projet de loi 30, <i>M^{me} Martel</i> Adoptée	795

TROISIÈME LECTURE

Loi de 2003 sur la gestion responsable des finances, projet de loi 2, <i>M. Sorbara</i> Débat présumé ajourné	828
--	-----

CONTENTS

Tuesday 16 December 2003

MEMBERS' STATEMENTS

Taxation	
Mrs Munro	789
John Franken	
Mr Delaney	789
Events in Parry Sound	
Mr Miller	789
BSE	
Mrs Mitchell	790
Volunteers	
Mr Yakabuski	790
Hanukkah	
Mr Colle	790
Senior citizens	
Mr Jackson	790
Birth certificates	
Mr Dhillon	791
Provincial deficit	
Mr Dunlop	791
Adams mine	
Mr Bisson	791

REPORTS BY COMMITTEES

Standing committee on estimates	
The Speaker	794
Report deemed received.....	794

FIRST READINGS

Greenbelt Protection Act, 2003,	
Bill 27, <i>Mr Gerretsen</i>	
Agreed to	794
Supply Act, 2003, Bill 28, <i>Mr Sorbara</i>	
Agreed to	794
Mr Sorbara.....	794
Electronic Waste Producer	
Responsibility Act, 2003, Bill 29,	
<i>Ms Churley</i>	
Agreed to	794
Ms Churley	794
Ontario Disability Support Program	
Amendment Act (Fairness in	
Disability Income Support	
Payments), 2003, Bill 30,	
<i>Ms Martel</i>	
Agreed to	795
Ms Martel	795

MOTIONS

Conduct of House proceedings	
Mr Duncan	795
Agreed to	796
The Speaker	796

STATEMENTS BY THE MINISTRY AND RESPONSES

Land development	
Mr Gerretsen	796
Mrs Munro	796
Mr Hudak	797
Ms Churley.....	797

ORAL QUESTIONS

Provincial deficit	
Mr Baird.....	798
Mr Sorbara	798, 805
Mr Hudak	805
Ontario Power Generation	
and Hydro One	
Mr Hampton	799
Mr Duncan	800
Ontario budget	
Mr Flaherty	801
Mr Sorbara	801, 802
Mr Klees.....	802
Welfare reform	
Mr Agostino	801
Ms Papatello.....	802
Nutrient management	
Mr Hoy.....	803
Mr Peters.....	803
Autism treatment	
Ms Martel.....	803
Mr Bryant.....	803
Mrs Bountrogianni	804
Public consultation	
Mr O'Toole	804
Mr Duncan	804
Mining industry	
Mr Brown.....	805
Mr Bartolucci	805
Child poverty	
Mr Ramal	806
Mrs Bountrogianni	806
Rent regulation	
Mr Prue	806
Mr Gerretsen	806

PETITIONS

Tobacco tax	
Mr Hardeman	807
Waste disposal	
Ms Churley.....	807
Public housing	
Mr Berardinetti.....	807

Landfill

Mr O'Toole.....	807
Mr Yakabuski	808
Mr Dunlop	809

Education tax credit

Mr Hudak.....	808
---------------	-----

Tuition

Mr Ruprecht.....	808
------------------	-----

Waterloo-Wellington

transportation action plan

Mr Arnott.....	809
----------------	-----

THIRD READINGS

Fiscal Responsibility Act, 2003, Bill 2,	
<i>Mr Sorbara</i>	
Mr Bradley.....	809
Mr Duguid	813
Mr McNeely	814
Mrs Cansfield	815
Mr Dunlop	818
Mr Kormos	818
Mr Racco	819
Mr Hudak.....	819
Mr Baird	819
Mr Runciman	823
Mr Flaherty	826
Debate deemed adjourned.....	828

OTHER BUSINESS

Members' conduct

The Speaker	792
-------------------	-----

Visitors

Mr Levac.....	792
Mr O'Toole.....	793

Standing committee on finance and economic affairs

Mr Runciman	792
Mr Duncan	792, 793
Mr Bisson	793
Mr Klees	793
Mr O'Toole.....	793
Mr Barrett	793
The Speaker	793

Report, Chief Election Officer

The Speaker	793
-------------------	-----

Continued overleaf