

No. 147A



N° 147A

ISSN 1180-2987

Legislative Assembly
of Ontario
Second Session, 38th Parliament

Assemblée législative
de l'Ontario
Deuxième session, 38^e législature

**Official Report
of Debates
(Hansard)**

**Journal
des débats
(Hansard)**

Tuesday 27 March 2007

Mardi 27 mars 2007

Speaker
Honourable Michael A. Brown

Président
L'honorable Michael A. Brown

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Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday 27 March 2007

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Mardi 27 mars 2007

*The House met at 1330.
Prayers.*

MEMBERS' STATEMENTS

GOVERNMENT'S RECORD

Mr. Ernie Hardeman (Oxford): Today I rise to ask who is running the province of Ontario. Over and over we have seen Dalton McGuinty asleep on the job, denying problems exist until the Ombudsman catches him with his hand in the cookie jar. Then he is suddenly shocked that a problem exists and promises he will implement all the recommendations.

Despite the calls from homeowners, Dalton McGuinty did nothing about property tax assessment until the Ombudsman released his report.

Despite complaints from victims, Dalton McGuinty did nothing about the Criminal Injuries Compensation Board until the Ombudsman released his report.

Despite questions in this House, the Fifth Estate and articles in every paper in Ontario, Dalton McGuinty denied there was a problem at the OLG. The Minister of Public Infrastructure Renewal promised that everything was fine. The people of Ontario went on spending their hard-earned money on lottery tickets, believing that everything was fair.

Once again, the Ombudsman seems to care more about the people of Ontario than this government does. He investigated. He found the problem. He came up with recommendations. And suddenly, now that he got caught, the minister recognizes that there is a problem at the OLG. He is trying to blame it on everyone else, but the truth is that he is the minister, he is the one responsible, he is the one who got caught covering up the problem. He is the one who should take the blame, and this time an apology isn't enough.

SOUTHSIDE SHUFFLE

Mr. Tim Peterson (Mississauga South): I rise today to give credit to festivals that add so much to the fabric of our communities. I wish to speak about the Southside Shuffle in Mississauga South. It occurs every weekend after Labour Day. We bring in some of the best blues and jazz talent from all over North America. People travel from all over the United States to come to Port Credit, in the heart of south Mississauga, to listen to fantastic blues and jazz.

Three years ago, we formed a special gala committee to raise money for local charities, and last year we were able to donate \$40,000 to five local charities in Mississauga South as a great contribution to our community.

The Southside Shuffle was founded by Chuck Jackson of the Downchild Blues Band and is now in its eighth season of great prosperity and great economic development in the town of Port Credit in the heart of Mississauga South.

ONTARIO LOTTERY AND GAMING CORP.

Mr. Joseph N. Tascona (Barrie-Simcoe-Bradford): Lottery is a game of trust which has been broken as the McGuinty government stood by while the lotteries were fixed. This \$100-million-plus taxpayer rip-off was ignored by the OLG, according to the Ombudsman's March 2007 report.

The McGuinty government was not only asleep at the switch but used its government majority on the standing committee on government agencies on November 29, 2006, to defeat my motion to recall the OLG to appear before the committee to answer to issues reported on the CBC on matters of public trust in the OLG's operation.

I wrote the dissenting opinion for the official opposition party to the OLG report, which was a whitewash report by the government. The McGuinty Liberals, by shutting down the government agencies committee review of the OLG, not only endorsed the scratch-and-lose rip-off of hard-working, law-abiding Ontarians, but by their actions have undermined the public trust in lotteries and condoned the theft of millions of dollars that could have been used to provide better health care and improve our communities through Trillium grants.

We Ontarians deserve better and more ethical government.

YOUTH BOCCE CANADA TOURNAMENT

Mr. Paul Ferreira (York South-Weston): This past Friday I had the distinct privilege of attending the 14th annual Youth Bocce Canada tournament for athletes with disabilities. The tournament took place in my riding and featured 24 teams of five athletes each who demonstrated the true meaning of good sportsmanship.

At the end of the tournament, eight of the teams were presented with championship trophies. However, it was

very clear that all of the athletes were champions. I was delighted to be called upon to hand out one of the trophies and present participation medals to a number of the athletes, who were accompanied by proud parents and teachers.

In addition to the competition, the tournament featured the crowning of a very special young woman named Angelia Nolis as Miss Youth Bocce Canada.

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The growing success of Youth Bocce Canada can be attributed to the tireless effort and dedication of its many volunteers, especially the president, Lee Prioriello. Lee founded the organization in 1994, and has seen his passion grow to the point where it now supports more than 350 athletes across the GTA. Youth Bocce Canada is an associate partner of Special Olympics Ontario. Its athletes have competed internationally at the highest levels of the Special Olympics movement. I ask all members of this House to join me in saluting Youth Bocce Canada for the invaluable contribution it is making in enriching the lives of young people with disabilities.

GTA POOLING

Mr. Bob Delaney (Mississauga West): Goodbye, GTA pooling. Mississauga won't miss you. Greater Toronto area pooling was a Mike Harris Tory creation to offset the costs of amalgamating the city of Toronto. By 2006, Peel region had paid approximately \$544 million into GTA pooling and got nothing. In the 2006 fiscal year alone, Peel region sent \$62 million to the pooling fund, some \$40 million of that from the pockets of Mississauga taxpayers. To cover some of this lost revenue and maintain Mississauga's historically balanced budget, Mississauga taxpayers had to raise their property tax rates higher than Toronto's, whose property taxes are subsidized from our GTA pooling money.

Last week's Ontario budget will put an end to this regressive Conservative tax, and it enables revenues generated in the 905 region to address 905 region needs. For 2007, GTA pooling contributions will be rolled back to 2004 levels. For each of the next six years, pooling costs will be reduced by one sixth of the 2004 levels until the program is fully eliminated in 2013. Mississauga's labour shortage results in some 60,000 more people per day commuting into our city than commuting out. The \$40 million recovered annually from this Mike Harris Tory legacy tax will address our big-city issues and build the city of Mississauga.

ONTARIO LOTTERY AND GAMING CORP.

Mr. Jim Wilson (Simcoe-Grey): Today Premier McGuinty is visiting Peterborough and Cobourg to talk about his latest budget. Instead of bragging about yet another document filled with promises to be broken, perhaps he should be explaining to the good people of Peterborough and Cobourg why he left a mess at the

Ontario Lottery and Gaming Corp. before getting out of Dodge. Perhaps the Premier during his travels today will meet some hard-working, tax-paying people who purchased lottery tickets. I sincerely hope he'll be able to look them straight in the eye and tell them why he could not show the leadership expected from a Premier to help restore faith in Ontario's failed lottery system.

The Premier says the opposition is being partisan with this issue. Premier, tell that to the people of Peterborough and Cobourg who could have been cheated out of their lottery winnings because of your lack of leadership and your sweeping-under-the-carpet tactics. The Premier is no doubt hoping that David Caplan, the minister responsible for OLG, will clean up the mess. We know that the minister had months to fix the problem but waited to get his marching orders from the Ombudsman rather than from his real boss, Dalton McGuinty. Ontarians should ask themselves, "If the Ombudsman had not intervened, for how long would David Caplan allow the litany of problems to continue?"

I say to the minister that you can run, but you can't hide from taking the blame for the OLG. The Premier has left you here at Queen's Park today to fend for yourself and put your head on the chopping block.

ONTARIO BUDGET

Mr. Phil McNeely (Ottawa-Orléans): I would like to congratulate the Premier and Minister Sorbara for delivering a successful budget last week, one that continues to prioritize children, education, health care and infrastructure. I would also like to thank them for including another important priority in the budget, and that priority is Ontario's environment. For example, this budget allocates more than \$200 million over the next three years to fund climate change initiatives. This announcement is very important to me, as I have introduced a private member's bill to create an annual Climate Change Awareness Day. This day would help encourage Ontarians to take their own climate change initiatives to complement the work of our government.

There are many other environmental initiatives addressed in the budget as well, including \$125 million for immediate initiatives to establish a greener economy. That includes a \$150 rebate for homeowners who get the home energy audits, replacing a federal program that was cut but much needed; \$2 million to fund tree planting to remove carbon dioxide from the air; and \$1.5 million to distribute 500,000 energy-efficient light bulbs to Ontario homes this year. These light bulbs will save enough energy to power 5,200 homes a year. We're also setting targets to double the installed capacity of renewable energy generation by 2025. We are supporting the production of ethanol fuel in Ontario through the \$520-million Ontario ethanol growth fund.

Our government also remains committed to phasing out the use of coal-fired electricity plants, which will reduce greenhouse emissions by 30 million tonnes. We are taking action to reduce gridlock and greenhouse gas

emissions by providing alternatives to driving, with a \$352 million investment in the Move Ontario program—

The Speaker (Hon. Michael A. Brown): Thank you. The member for Huron–Bruce.

Mrs. Carol Mitchell (Huron–Bruce): More good news for the riding of Huron–Bruce: I rise today to speak about an exciting announcement from the recently tabled 2007 budget and the great things that it will do for the riding of Huron–Bruce.

The 2007 budget was very good news to the riding. I want to share the great news with the members, especially across the way: the announcement of \$600 million to construct a 500-kilovolt line from Bruce to Milton on a widened existing transmission corridor.

This new transmission agreement, which was chosen by the Ontario Power Authority as their preferred route for Ontario's newest clean energy corridor, will facilitate the transmission of clean energy from the Bruce Power site and the many wind energy sites in the Huron–Bruce area. By moving forward with this project, which will handle approximately 3,000 megawatts of new energy, this government is taking a major step in addressing the orange zone constraints that have been affecting renewable standard offer contract projects in the area. This new line will be completed by 2011.

This announcement from the budget once again solidifies the fact that the McGuinty government is working for the people of Ontario and that this government is fully committed to supporting clean, renewable energy and a clean baseload power—

The Speaker: Thank you. The member for Perth–Middlesex.

Mr. John Wilkinson (Perth–Middlesex): I rise in the House today to speak about how this government's recent budget will take the better path and improve the economy and, in turn, expand opportunity for all Ontarians.

First of all, we balanced the budget and, if we do not require the reserve next year, we are on track for five consecutive balanced budgets. After inheriting a \$5.5-billion deficit from the previous Conservative government, we've restored investors' faith in a fiscally responsible Ontario and are now ushering in a new era of balanced budgets.

Our Liberal budget will cut high business education tax rates, benefiting over 500,000 businesses. The experts agree: Len Crispino, president and CEO of the Ontario Chamber of Commerce, raved about our budget, saying, "The reduction in the BET rates ... will lead to increased productivity, job creation and output. Over 300 communities across this province will benefit from reduced industrial and commercial tax rates totalling \$540 million."

Incredibly, the Conservatives say they'll vote against this. The Leader of the Opposition says our budget is simply more Liberal spending. Yes, we are spending, but on programs that matter to Ontarians, and we're doing it in a fiscally responsible manner, unlike the Tories, who cut spending on important programs and still managed to add \$48 billion to the debt. We already know that John

Tory wants to take \$2.6 billion out of the health care system while cutting taxes and increasing spending. This is the kind of back-of-an-envelope policy-making that created the \$5.5-billion deficit that we inherited and that destroyed public services. We intend to take the better path.

MOTIONS

COMMITTEE MEMBERSHIP

Hon. James J. Bradley (Minister of Tourism, minister responsible for seniors, Government House Leader): I ask for unanimous consent to put forth a motion without notice regarding the membership of certain committees.

The Speaker (Hon. Michael A. Brown): Agreed? Agreed.

Hon. Mr. Bradley: I move that the following change, effective immediately, be made to the membership of the following committee: On the standing committee on public accounts, Mr. Lalonde replaces Mr. Arthurs.

The Speaker: Is it the pleasure of the House the motion carry? Carried.

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STATEMENTS BY THE MINISTRY AND RESPONSES

CHILD POVERTY

Hon. Mary Anne V. Chambers (Minister of Children and Youth Services): It gives me great pleasure to speak about the Ontario child benefit, which Finance Minister Greg Sorbara unveiled last Thursday. We know the future depends on the type of start that we give our children in life. The \$2.1-billion Ontario child benefit is a historic investment that will help to give our vulnerable children the opportunity they deserve. It's at the heart of our government's 2007 budget because our government believes that Ontario's future depends on giving our children the best possible start in life.

Unfortunately, many children come from families who are struggling to make ends meet. If only they had some of the opportunities that so many of us have been fortunate to have been afforded, they could move beyond the poverty they struggle against. Our society pays a heavy price when our children grow up in poverty. That heavy price is the cost of failed opportunities, lost hopes and forgotten dreams.

Let me share with you a sampling of statements on poverty from grade 4 and 5 children in North Bay, taken from excerpts from *Our Neighbours' Voices: Will We Listen?*

"Poverty is being afraid to tell your mom you need new gym shoes."

“Poverty is feeling ashamed when my dad can’t get a job.”

“Poverty is not getting a hot dog on hot dog day.”

“Poverty is pretending that you forgot your lunch.”

“Poverty is hiding your feet so the teacher won’t get cross when you don’t have boots.”

“Poverty is not buying books at the book fair.”

“Poverty is not getting to go on school trips.”

“Poverty is being teased for the way you are dressed.”

What is perhaps even more discouraging is to hear from members of the Ontario English Catholic Teachers’ Association, who say, “Poverty in my classroom is students who have no hope for the future because the future costs money.”

An Ontario where children and youth have no hope for the future is not the kind of Ontario that our government wishes for its children and youth. Our government has been tackling the issue of poverty from many angles, and we are determined to do more. That is why we are championing strong, progressive initiatives that will make a difference in the lives of 1.3 million Ontario children in 600,000 lower-income families.

The Ontario child benefit is about opportunity. It is about making that opportunity available to everyone. Our government has taken a giant leap forward to expand opportunities for all Ontario’s children and families so no one is left behind because of a lack of opportunity.

We cannot separate social and economic priorities if we want to have an inclusive society. So we went one step further than just simply ending the clawback of the national child benefit supplement. We are providing assistance to every lower-income family in Ontario. The Ontario child benefit is about increasing opportunity to help people get out of poverty and get on with building a better future for their children.

The Ontario child benefit is also about giving parents the opportunity to move off social assistance without worrying about losing support for their children. It is about enabling families to make real choices for the betterment of their children and, more importantly, to see the realization of the hopes and dreams they have for their children.

The Ontario child benefit will fundamentally change how our children receive the benefits they need, benefits that our government believes children deserve.

Most income support is provided through social assistance, and that excludes the majority of low-income working families. The Ontario child benefit provides help to all children in lower income families. In the first five years, these families will receive an additional \$2.1 billion. Ontario children and their families will be better off.

The experts agree that our government has made the right investment for the right reasons. Gail Nyberg, executive director of the Daily Bread Food Bank, says, “It’s been a long time since poverty reduction measures were at the forefront of a provincial budget in Ontario. We congratulate the government for having the courage to take on this significant issue, and we expect to see a

reduction in food bank use in the coming years as a result.... The Ontario child benefit will reduce barriers faced by families with children who are trying to leave welfare for work.”

Finally, an editorial from the *Globe and Mail* last Friday said the McGuinty government has “devised an Ontario child benefit that, when fully implemented in ... 2011, would be on the cutting edge of 21st-century social policy reform.”

Our budget clearly demonstrates that Ontario is well-positioned to take on the challenges of the 21st century. But in order to ensure our province’s prosperity, we will need every person in Ontario to achieve his or her individual potential. The Ontario child benefit will help to make this a reality. Helping children in lower income families to succeed is the right thing to do, and it is the smart thing to do for our society—a society that enables all children a real chance at success in life.

I ask all members of this Legislature to join me in supporting the Ontario child benefit. We owe it to the 1.3 million children of Ontario who will benefit; we owe it to the 600,000 families who will benefit. This is an investment in our children, an investment in Ontario families and an investment in the future.

The Speaker (Hon. Michael A. Brown): Responses?

Ms. Lisa MacLeod (Nepean–Carleton): I’m pleased to respond, on behalf of John Tory and the Progressive-Conservative caucus, to the Minister of Children and Youth Services. At first blush, this child benefit program is very supportable. The problem with it is that the child benefit program was not designed with children’s poverty in mind; it was designed with votes in mind. The cynicism is that sometime this summer, right before Ontario families go to the polls, they will be receiving \$250 per child as a cheque under this new Ontario child benefit law.

Interjections.

Ms. MacLeod: They can applaud all they like, but as my leader John Tory said yesterday in this Legislature, “It’s interesting to me that when it moves the government, as a result of the electoral timetable, to have a down payment available of this child benefit on July 1, undoubtedly with some flowing letter from the minister or the Premier taking personal credit for this use of the taxpayers’ dollars.”

Sadly, Dalton McGuinty has had four years to provide some much-needed help to Ontario’s children, but he has refused. Only now at the 11th hour, after three and a half years of dithering and delaying, has Dalton McGuinty decided to get serious about child poverty, and he is only doing so because it is an election year.

As Randall Denley, an Ottawa Citizen columnist, pointed out this past week, “A new program to help families on welfare and the working poor is the centrepiece of the budget. It’s the kind of thing that will be applauded by the NDP voters the Liberals are trolling for, but the government can’t even afford a modest new monthly payment this fiscal year, settling for a \$250 handout in July instead. The real cost of this \$2.1-billion

program is only \$190 million this fiscal year. By moving the big increases out several years," he says, "the government gets maximum political torque for minimum dollar spending. The poor get a pittance."

Randall Denley adds that the poor will only get their full payment by 2011.

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So here we are today, celebrating a vote-buying down payment, when it will take another four to five years before Ontario's most vulnerable families will even derive any benefit from the plan. They need this help today.

As Lorrie Goldstein, a Sun chain columnist says of this cynical program, "Worse, McGuinty's budget attempts to guilt-trip middle-class Ontarians into silence. How? By earmarking billions of their tax dollars to be paid out, eventually, to poor families and children now living on welfare, through his so-called Ontario child benefit."

Laughter.

Ms. MacLeod: I hear the ministers laughing, so guess what? Just for them, I'm going to throw in a little bit of rabble.ca, because of course they're thinking that we're a little too right-leaning over here. Michelle Langlois writes:

"People on social assistance will continue to have the federal benefit clawed back from their welfare cheques. The new provincial benefit will not be clawed back...."

"Seems like a pretty clear and easy-to-understand policy, right?"

"Then why is the McGuinty government trying to confuse people by claiming that the new Ontario child benefit will 'effectively end the current clawback of up to \$122 per child per month from the national child benefit supplement' according to ... the Toronto Star on Friday?"

"The answer is simple. The Liberal government promised during the 2003 election campaign to end the child tax benefit clawback from the families who need it most desperately: social assistance recipients. As with many of their ... promises, they did not follow through." Their words—rabble's words—not mine.

The word "poverty" never, ever appeared in any other McGuinty budget until last week. So I have to ask: Why the focus now? Why not the full benefit now? Why implement a half-baked scheme right before a provincial election?

This plan will not address the real needs of families in poverty. As always, the McGuinty Liberals will fall far short of offering real results. To take a phrase from the minister, "Poverty is not being addressed today."

Interjections.

The Speaker: Order. Member for Simcoe North and the Minister of Health, you can have this conversation outside much more productively.

The member for Hamilton East.

Ms. Andrea Horwath (Hamilton East): I have to start by saying how ironic I found it that the amount a low-income family is going to receive under the Ontario child benefit is less than the amount the finance minister

spent on his new shoes for budget day. Sales tax included, the finance minister's new shoes, size 7 Ecco lace-ups, cost \$256.50, more than the \$250 Ontario families are going to receive over one year. That is a reflection of the seriousness that this government doesn't have in terms of ending child poverty in this province. In fact, I've actually taken the opportunity to rename this budget myself. I consider it the McGuinty government's "inaction plan to deal with child poverty."

Was the purpose of the minister's new shoes to throw the boots at hard-working families in Ontario? It certainly seems that way, because that's what the McGuinty Liberals are doing by continuing to claw back the national child benefit supplement. And, yes, they are continuing to claw back the national child benefit supplement here in Ontario.

Dalton McGuinty first promised to end the clawback in the 2003 election. Now he says that he needs to get elected again to get that done. Ontario's most hard-pressed families have had to wait five more years before seeing an end to the clawback. Premier Dalton McGuinty promised to end the clawback of the national child benefit supplement, and he still has not kept that promise. In fact, he expects people to believe that eventually, if they give him another chance, he might actually get it done in another five years. I don't know. I don't think the people of Ontario are prepared to fall for that once again.

Do you know what? They're not ending the clawback for lack of impetus to get that done. In fact, New Democrats have asked them to do that many, many times in this House. We've been demanding over and over again—177 times on 52 separate occasions did we try to convince the government that the right thing to do was just to fulfill their very own promise to end the national child benefit clawback, and they still refused to do it. Finally, when the McGuinty government does act, it's a program of half measures that shows they are completely out of touch with the poverty that has rocked communities across this province, including my own city of Hamilton. The Ontario child benefit amounts to about \$190 million this year, which is less—less—than the cost of actually ending the clawback, at about \$220 million. They're not ending the clawback today, not this year, not next year, not the year after that. They're phasing in their child benefit over five years, a long, long time in the life of a child.

Dalton McGuinty promised to end it, saying, "The clawback is wrong and we will end it." But instead, now he's pushed the end of the clawback of the federal benefit back yet another five years. Families can't afford to wait that long, Mr. Finance Minister, Madam Minister, Mr. Premier. They cannot wait that long. Another five years is simply unacceptable.

I know that the families in Hamilton can't wait, and that's why Hamilton council took the opportunity not too long ago to try to end the clawback on their own with their very own very tight municipal budget. We know what that budget looks like; at least, anybody from Hamilton should know what that budget looks like. But

they tried to do the right thing—not like you. They tried to do the right thing and take your responsibility because they see the pain and the suffering that occurs in neighbourhood after neighbourhood in the city of Hamilton.

And the minister can talk a nice talk, she can say how much she feels their pain, but I can tell you, they don't think that you feel their pain, because they don't see any results in this budget that are going to end that pain. That's the bottom line.

Children who were born when McGuinty promised to end the clawback will be eight years old when their families finally see the value of the national child benefit returned to them. Those who were 10 are going to miss out altogether because they're going to be too old to even receive it. Meanwhile, children living in poverty are still waiting for action on other Dalton McGuinty promises, and I'm going to take an opportunity to list some of those as well.

ODSP and OW rates are barely keeping pace with inflation, and people living on them are still worse off in real terms than they were under the Mike Harris government. Dalton McGuinty promised to invest \$300 million in new provincial child care money, but instead he's pocketed over \$140 million of federal money that was supposed to be spent on child care. Child care is another key example of the McGuinty Liberals' complete falling down on their promises to kids. A government that claims to want to help today's working families should be investing in a comprehensive, made-in-Ontario program of affordable, accessible not-for-profit child care. Just yesterday Dr. Fraser Mustard, the leading authority on children's early learning and care, said the McGuinty government's Best Start program of child care is a disaster. The budget delivers very, very little in terms of child care, and the budget delivers very, very little in terms of child poverty, and this government should be ashamed, not proud.

ORAL QUESTIONS

ONTARIO LOTTERY AND GAMING CORP.

Mr. John Tory (Leader of the Opposition): My question is for the Minister of Public Infrastructure Renewal, responsible for the lottery corporation. Yesterday, during a press conference, the minister claimed that he was not made aware of potential game-fixing rip-offs running rampant through the lottery corporation until 10 days before the CBC aired its program called Luck of the Draw. Does this McGuinty minister stand by that statement made yesterday?

Hon. David Caplan (Minister of Public Infrastructure Renewal, Deputy Government House Leader): I had an opportunity to see the Ombudsman's report and respond to it. I did comment yesterday that the transcript of the CBC program was shared with me approximately

10 days or two weeks prior to its airing and that's when I first became aware of these matters. I would also want the House to know that as soon as that did happen, we ordered a third-party investigation, as was raised in this House, KPMG.

Of course, we had an independent officer of this Legislature investigate, and that was the Ombudsman's report. I had the Ontario Lottery and Gaming Corp. fully co-operate with that investigation. The Ombudsman conducted his review, the concerns were raised, and yesterday he issued his report. Yesterday he made some additional allegations in his comments. I have instructed that all of the material that was reviewed by the Ombudsman be forwarded to the Ontario Provincial Police for their review, and they will determine what the next appropriate steps are.

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Mr. Tory: The first we've heard of this qualification of now the transcript of the television program being brought to your attention is this very minute in the House, and of course the only reason half the stuff happened in the fall of 2006 was because of the television program and because it was brought to your attention.

But the fact of the matter is that in the Globe and Mail this morning, we read of an e-mail that was sent to two senior officials in your ministry and to Mr. Wilson Lee, who was at the time your communications director, now your chief of staff. That was on April 11, 2006. This e-mail talked about exactly what the CBC was already beginning in April to investigate and asked for the advice of your staff on what should be done relative to that investigation. So why would you say that you knew nothing about this until October 2006, when in fact senior members of your staff were engaged in e-mail correspondence with the lottery corporation about this very same subject, the subject matter of the TV program, in April? Why do you say it was October, when your office knew in April? Do you expect us to believe your staff didn't brief you on it?

The Speaker (Hon. Michael A. Brown): The question has been asked. Minister?

Hon. Mr. Caplan: The member is incorrect in the information that he is providing. What happened in April was, as the standard protocol set up by both previous governments, that an FOI request was made. It was simply a heads-up to our office that it had been made, and the advice to Ontario Lottery and Gaming was that they comply with the statutory requirements, that all ministries and agencies are to forward the information as requested under freedom of information. That information is to be used by the parties who request it in whatever way they wish.

Of course, what subsequently ensued was that the Fifth Estate did in fact interview staff at the Ontario Lottery and Gaming Corp. That transcript was shared with me about two weeks prior to the program airing.

Mr. Tory: You are trying to have us believe, then, that this really was just treated by your staff and by you—because you implied that they had in fact told you

it was a routine request for freedom of information. When the subject matter of that is about members of the public who are buying tickets from the lottery corporation being ripped off, you just treated this as another routine, run-of-the-mill freedom of information request? The very fact that you would expect any of us to believe that your senior advisers would not tell you in detail and you wouldn't ask any questions about an e-mail that concerned money being stolen from innocent Ontarians, or allegations in that regard, calls into question your fitness for office.

Come clean. Admit now that in April you knew that the CBC was investigating allegations of money being stolen from innocent Ontarians, people who bought their tickets in good faith. Come clean and tell us at least that you knew that in April. Come on, now.

Hon. Mr. Caplan: I'm happy to correct the member in the comments that he makes. He's got it completely wrong.

As the standard protocol set up by previous governments, when an FOI is made, there is an alert, and that is it. In fact, the protocol states that we are not supposed to know who has made the request; you know the nature of the request and what members are going to do with it. I know that the member and members of the other party know full well, having served in government during their time, that this is a standard protocol to provide information, whether it's to opposition parties, to the media or to any member of the general public who requests it. That is in fact the transparency that I and this government adhere to.

I would indicate to the member opposite that we've had an independent officer of this Legislature, whose investigation we welcomed. We brought in KPMG. We've had a standing committee of this Legislature go over and look at the Ontario Lottery and Gaming Corp. That is in stark contrast to the record of this member and his government when they were in office, who prevented the standing committee on government agencies from reviewing—

Interjections.

The Speaker: Thank you, Minister. New question.

Mr. Tory: My question again is to the Minister of Public Infrastructure Renewal and responsible for the lottery corporation. I don't know what turnip truck you think people in this Legislature or in the public fell off of that you would think they would believe that you would receive an alert about freedom of information about people in this province being ripped off of their money by the lottery corporation and that you wouldn't ask any questions. That's an indictment of you in and of itself, that you wouldn't ask any questions about that.

This McGuinty minister is trying to keep up the fiction in this House that he was somehow kept in the dark. You should drop the joke that you were kept in the dark and take some responsibility for the six-month period that passed during which time there was a \$100-million scandal involving the theft of money from innocent people across the province.

Either you knew and you were wilfully negligent in not acting on it, or you didn't even bother to ask when someone came in and said there were inquiries being made by the CBC. Either way, you are part of the problem. Either way, you should resign so people can be reassured that this place is actually operating with any sense of integrity at all.

Interjection: What did Hudak know?

Hon. Mr. Caplan: My colleague says, "What did Hudak know?" Mr. Hudak in fact was the minister responsible at the time of the Edmonds case, which was the subject of the FOI request, and I think that's a reasonable question. Why does Mr. Tory prevent Mr. Hudak and Mr. Sterling, two ministers under a previous government responsible for this corporation, from coming forward and sharing what they knew, what they did, what actions they took?

Unfortunately, it speaks volumes that this government has taken great pains to provide transparency and clarity and co-operation with legislative officers, legislative committees, with outside parties like KPMG, in contrast to the previous government, which obstructed, allegedly, legislative officers, which never allowed standing committees on government agencies to meet, which unfortunately presided over these cases and stood by and did nothing—

The Speaker: Supplementary?

Mr. Tory: Only this McGuinty minister would try to blame anybody else he possibly can for the fact that he sat on his derrière for six months while people in this province were ripped off. He knew it was going on, he knew people were asking, and he did absolutely nothing. The ticket-buyers have been ripped off, they have lost confidence in the lottery corporation, and this minister, this McGuinty minister, is part of the problem. We now know he stood by while these lottery games were fixed.

You are also responsible for the LCBO, for billions of dollars' worth of other projects. When someone is under a cloud like this, they can't continue in this job. Why don't you do the honourable thing and step aside pending a full and complete investigation of this matter?

Interjections.

The Speaker: Order.

Minister?

Hon. Mr. Caplan: I know that all members understand the partisan nature of this. That's why I place my faith and trust in an independent, unbiased, non-partisan observer—the independent officer of the Legislature, the Ombudsman. He says, "I commend the minister and the government for its openness and responsiveness to my report and recommendations and for their immediate and resolute commitment to ensuring change."

Taking responsibility means rolling up your sleeves and fixing the problem that we, unfortunately, inherited from previous governments, and that's what I and this government are doing. This government is implementing all of the Ombudsman's recommendations. I've directed the OLG to implement all of the Ombudsman's recommendations and all of the KPMG recommendations.

I am pleased to report to this House that 17 of the 60 recommendations have already been put in place, 25 more will be in place by the end of June, and the other 18 are on track to get implemented. I have also directed that all files be made available to the—

The Speaker: Final supplementary.

Mr. Tory: The one question the Ombudsman was not asked to opine on is what he would have thought of the fact that you, for six months, sat on your can when you knew this rip-off was going on and did absolutely nothing about it, absolutely nothing. I can guarantee that had the Ombudsman been asked to comment on that, he would have said it was a disgraceful abdication of responsibility for you to know about this and do nothing until you were caught. You did nothing until you were caught.

You can't possibly believe yourself that you did everything you could when you knew about this in April. You can't possibly believe it. Millions of dollars potentially being stolen from innocent people, and you did absolutely nothing from April until October, when you were exposed and you had to act, and now you're standing taking credit for it. You knew or you ought to have known, and in either case you should resign because you have demonstrated yourself unfit to hold this office and to have these responsibilities. Will you do the right thing and resign?

Hon. Mr. Caplan: I have had communication from the Ombudsman, and he says in a letter to me, "I am satisfied with the positive commitment made by the corporation and by the Ministry of Public Infrastructure Renewal to implement my recommendations."

1420

The Ombudsman has confidence in the work that this government and I as minister have undertaken. That's the kind of leadership we have. Unfortunately, in the past, we've covered these matters up; we've looked the other way. The problem was born in a previous government and nurtured by yours. Unfortunately, members opposite did not take this seriously, but I and this government take this responsibility, this allegation and the recommendations extremely seriously.

We will implement them all. We will make sure that public trust and confidence are upheld and restored. I welcome the OPP and all the work they are going to do to get to the bottom of the matters that were raised by the Ombudsman.

The Speaker: New question. The leader of the third party.

Mr. Howard Hampton (Kenora–Rainy River): A question to the minister responsible for lotteries about Dalton McGuinty's \$100-million insider lottery scandal, about innocent people being cheated out of millions of dollars, about a Premier who has gone AWOL and about a cabinet minister who needs to be straight with the people of Ontario.

Minister, yesterday you claimed that you were completely in the dark. You heard nothing, you saw nothing and you knew nothing until October 2006, when the CBC

got ready to play their show. Do you stand by your tale today, or are you ready to correct your own record?

Hon. Mr. Caplan: As I had a chance to review the chronology earlier with the Leader of the Opposition, those are the facts that I have laid out publicly; that is the truth. I have taken very directed action. In fact, the Ombudsman has commented on what I as minister have done and what this government has done. The Ombudsman says in his report—and I know the member has a copy—"I am happy to see that both the government and OLG appear to be headed in the right direction." He goes further: "I commend the minister and the government for its openness and responsiveness to my report and recommendations and for their immediate and resolute commitment to ensuring" the changes.

I will not shirk my responsibility, which is to instill the public's trust and confidence in the public's corporation. That is a responsibility that I take extremely seriously, and I will continue to do that. I certainly welcome the questions from the member opposite. He would be well advised to know that the Ontario Provincial Police have directed toward them—

The Speaker: Thank you. Supplementary?

Mr. Hampton: After the Ombudsman hits you over the head with the evidence and wakes you up, you suddenly want to say, "Oh, I'm the hero around here." But it's very clear on the record that six months before, three officials in your office in the ministry were informed by the lottery corporation. They weren't informed about any run-of-the-mill details; they were informed about an 82-year-old man being ripped off—cheated—of \$250,000 that he had won.

Are you trying to tell the innocent people of Ontario that your staff wouldn't tell you that this was about an innocent man who was cheated out of \$250,000, that they wouldn't share those details with you and that, those details being shared with you, you wouldn't ask, "What's going on here?"

Hon. Mr. Caplan: The facts of the matter are, as I've stated here in this House, I have had occasion to be asked about the case of Mr. Edmonds by both the opposition parties. I have apologized to him—that is recorded in Hansard—as have the president and CEO, formerly, of Ontario Lottery and Gaming.

I believe that Mr. Edmonds was treated disrespectfully, improperly, especially from a corporation where I would expect much better to be done. Of course, the gentleman seated two seats to your right was the minister responsible at the time when Mr. Edmonds's case arose in 2001. I would hope that all members, honourable as they are, would come forward with any information they have—what they knew, when they knew it and what they did at that time. I certainly can't answer on behalf of other members, but perhaps the member from Erie–Lincoln could provide some insight into what was done in the case of Bob Edmonds: What was ordered, what was not, what role he or others played in the treatment that Mr. Edmonds ultimately—

The Speaker: Final supplementary.

Mr. Hampton: Minister, before this is done, we may get to other people, but you see, you were the minister in charge. You were the minister who was supposed to be protecting the innocent people in Ontario when the story of rip-offs unfolded. You were the minister who was happy to sit in your chair like a bump on a log and pretend that you saw nothing, heard nothing and knew nothing while all around you your own staff knew what was going on. For example, Mike McRae, a senior policy advisor in your ministry, corresponded with the OLG by e-mail about reporters' questions and about the case of Bob Edmonds, the 82-year-old man who was ripped off to the tune of \$250,000. This is what they said. On May 11, 2006, McRae wrote that he had no issues with the lottery and gaming corporation's communication plan but he asked, "Do you have a status update on these that I can provide to those interested?"

Minister, you're the one in charge. Are you trying to tell us that you wouldn't be interested?

Hon. Mr. Caplan: Of course the advice that I would expect to be provided to Ontario Lottery and Gaming is to comply with freedom of information, a statute of long standing and a protocol which has been in place in this province through governments of all stripes. I certainly believe that the public interest is paramount and that we need transparency and access to this kind of information, whether it's opposition members, the media or the public in general. That's why I have taken the steps that I have to ensure that this matter comes to light.

Unfortunately, that has not always been the case. The folks in previous governments locked doors or made sure that information was not provided to have these things come out, but that's not the approach that I and this government take. We want to reveal what the problems are and we also want to make sure that the problems are fixed, that Ontarians are not treated in this manner again and that the public corporations are in fact upholding—

The Speaker: Thank you. New question, leader of the third party.

Mr. Hampton: To the minister responsible for lotteries: Minister, here's what is unbelievably incomprehensible on your part. You see, these weren't e-mails out of the blue. These weren't e-mails that were totally disconnected. You had the court case, where Mr. Edmonds took the lottery corporation to court and said that they had defrauded him. He won the court case. That received media attention. The OLG was forced to pay him \$200,000; that received some attention. These are things that any minister with any reasonable intelligence should have known about.

Then there was the police investigation—a criminal investigation. Then your staff get e-mails from staff at the lottery corporation telling you that there is reporters' interest in this. Now, any reasonable cabinet minister with even a margin of intelligence would have thought, "Gee, maybe I'd better ask some questions here." Didn't you think at any time when all of this was unfolding that maybe you should ask some questions and find out what's going on?

Hon. Mr. Caplan: I understand, all members in this House understand, the partisan nature of the different sides of the House. That's why I have considerable faith in the Ombudsman, an unbiased, non-partisan legislative officer. When he writes to me and says, "I am satisfied with the positive commitments made by the corporation and by the Ministry of Public Infrastructure Renewal to implement my recommendations," I take that to heart and I take that seriously. But the Ombudsman goes further and says, "I commend the minister and the government for its openness and responsiveness to my report and recommendations and for their immediate and resolute commitment to ensuring change."

The Ombudsman understands that this government takes a back seat to no one when it comes to revealing what the problems are and then fixing a mess that is inherited from others. The Ombudsman has confidence in me and the Ombudsman has confidence in this government. The Ombudsman has provided us with an appropriate roadmap in an unbiased and non-partisan way and we understand the—

The Speaker: Thank you. Supplementary.

1430

Mr. Hampton: Minister, Wilson Lee was your communications director, your personal communications director. He wasn't ministry staff. He was your political staff. He was also informed that the CBC was interested in this story about the 82-year-old man who had been cheated out of \$250,000. You must know Wilson Lee. He is now your chief of staff. He is your right-hand person. Are you telling us that Wilson Lee didn't tell you that the CBC was doing research about this 82-year-old man who had been cheated out of \$250,000 in the lottery scandal, that he didn't tell you about that six months before you say you knew?

Hon. Mr. Caplan: I know that the member for Kenora—Rainy River, a former member of the executive council, is quite familiar with the protocols under freedom of information. He knows quite well that a heads-up is given, but no details are provided, and that it would not be the usual course of business to pursue that and inquire with that further.

He also knows in the case of Bob Edmonds the actions that I have taken as minister and the apology that I have given. He also knows that the member for Erie—Lincoln was the minister at the time when Mr. Edmonds had his unfortunate run-in with Ontario Lottery and Gaming. I cannot answer for what happened in 2001 and 2002, and subsequently, I cannot provide any insight to this House for what actions were taken or not taken, what conversations were had or not had, who made the decision to drag Bob Edmonds through court and to treat him so disrespectfully. I cannot provide those kinds of answers. I hope that members of this Legislative Assembly, honourable all, will step forward with any information that they have. The police are now reviewing the matters that the Ombudsman has—

The Speaker: Thank you, Minister. Final supplementary.

Mr. Hampton: This is about the events that transpired, after you became minister, in the spring of 2005. This is about the Ontario lottery corporation spending \$200,000 to silence Mr. Edmonds, after you became minister. This is about all of that chain of events. Surely Mr. Lee would have said to you, "Minister, here's the chain of events. This is what this is about." In fact, let me put it to you in another way. If Mr. Lee, as your communications director, didn't tell you about the repercussions, about the fact that this man had been cheated out of \$250,000, that it was possible that other people were also being cheated out of money—if Mr. Lee didn't tell you that, wouldn't you say Mr. Lee should resign for being complicit in a cover-up of corruption?

Hon. Mr. Caplan: It's very interesting to hear the member opposite. The Ontario Provincial Police will soon be in receipt of all of the files that the Ombudsman reviewed. They'll soon be in receipt of all of the information in order to make a determination and review what has happened and what the next appropriate step should be.

The Ombudsman in fact has rendered an opinion about the seriousness and the level of commitment of this government and of myself as minister. I will read for the member again the Ombudsman's comments in this regard, where he says on page 68 of his report, "I commend the minister and the government for its openness and responsiveness to my report and recommendations and for their immediate and resolute commitment in ensuring change."

Unfortunately, past governments have chosen to look the other way. Unfortunately, they nurtured this culture, this OLG environment that the Ombudsman talks about that needs to be changed. That is not good enough for this government and for me as minister. I am committed to making and ensuring that the changes are made so that the public interest will be protected. That is my responsibility. That is my job. And that is my commitment to this House, that that work will be done.

The Speaker: New Question. Leader of the Opposition.

Mr. Tory: A question for the minister in charge of the lottery corporation: The fact is that you keep telling the House and the people of Ontario over and over again how the Ombudsman makes these comments about you. He is not commenting at all on the period of time before you got caught. He's not commenting on anything you did before you got caught. You only did anything after you got caught. He specifically is not commenting, and you know it, on the period between April and October when you stood by and saw millions of dollars stolen from people on your watch.

Let's be clear as to exactly what you're saying. Aside from the FOI alert—and you're implying that it was like a sentence that somebody read to you in a note, or just told you that there was an FOI request—you are telling this House and the people of Ontario that there was no discussion at all with anyone as to any money being ripped off from anybody and no discussion at all with

your staff or anybody else, no discussion at all about any allegations concerning lottery money being stolen. If that's so, if you expect us to believe that, why didn't you ask some questions about it? Why didn't you say, "Well, gee, I don't know what the FOI request is about, but is there something going on at the lottery corporation"? Did you feel no responsibility at all to the people whose money was being stolen?

Hon. Mr. Caplan: The Ombudsman comments about a very long period of time of the Ontario Lottery and Gaming Corp., going back a long way and up to the present day. So I don't think the member really is very accurate in his comments portraying the Ombudsman's report.

I would also say that the Ombudsman and KPMG have identified some 60 recommendations for implementation: 17 have already been implemented, another 25 will be implemented by the end of June, and the other 18 are a work in progress and have begun. That is why the Ombudsman has in fact said that he commends me as minister and commends this government for taking the necessary and decisive action in order to instill public trust and confidence in their corporation.

Even beyond that, the Ombudsman has made some very serious allegations, and that is why I have directed that the files be forwarded to the Ontario Provincial Police. I understand the leader of the official opposition does not believe that the police should be reviewing the matter. I can't for the life of me understand why, but I think, given the nature of the allegations—

The Speaker: Thank you. Supplementary?

Mr. Tory: Just like every answer he's given, he just stands there and makes up these answers. He stands there and makes up things I say, but unfortunately, he makes up everything else in his answers too.

Now, you can carry on with this non-answering and weaving and dodging all you want, but I just want to make sure that this is perfectly clear on the record in this House, speaking to the Legislature and the people of Ontario. You are telling us that you had no briefings, no discussions with your staff, no discussions with Mr. Brown, no discussions with anybody else from the lottery corporation, and no discussions with anybody else from the board ever before October 2006 on this matter. That is what you are telling us; that is what you just said. That is what you've repeated over and over again today. You've been dodging and weaving. Get up and confirm once and for all that there were no discussions with any of those people any time—you never asked a question and you never got an answer because you didn't care about people's money being ripped off by these people on your watch. Get up and confirm: no discussions, no briefing with anybody from April to October or any time before October.

Hon. Mr. Caplan: I think it's disappointing that the member opposite, a member of a party that swept these matters under the rug and that nurtured this kind of environment, now doesn't feel that quick and decisive action to deal with problems that he and his government

unfortunately left and ignored for many, many years—that he has some difficulty with that. I don't understand why the member opposite would not have the confidence in the Ontario Provincial Police to get to the bottom of the very significant matter that the Ombudsman has raised.

I have stated, now in the eighth reply to questions in this House, that I'm happy to answer all day to the very best of my ability. I can tell you that I believe leadership means rolling up your sleeves and fixing problems that have been left and that others, unfortunately, have swept aside, have ignored and have not had the gumption to deal with.

I want this member, all members of this Legislature and all the people of Ontario to know that these are serious matters, and I will not rest until public trust and confidence is restored in the corporation. That's my undertaking.

Interjections.

The Speaker: Order. New question.

1440

Mr. Hampton: Again to the minister responsible for lotteries: Minister, you keep trying to insist that you were kept in the dark in April 2006. You see, the e-mail that came from the lotteries corporation to Wilson Lee, your director of communications, asked for his input on what information should be released to the CBC. Are you trying to tell these innocent people across Ontario who have been ripped off millions of dollars that a communication would come from the lottery corporation to your director of communications, now your chief of staff, now your right-hand person, asking for input on what information should be released, and your director of communications wouldn't say to you, "This is what it's about, Minister"? Do you honestly expect the innocent people across Ontario who have been cheated out of millions of dollars to believe that kind of story?

Hon. Mr. Caplan: I expect the people of Ontario to believe the Ombudsman. I expect them to believe the Ontario Provincial Police. I expect them to believe the truth, that the freedom-of-information protocol, which all governments of all stripes have adhered to, was strictly adhered to here, and any advice to the Ontario Lottery and Gaming Corp. would be to comply with the freedom-of-information statute as passed by this Legislature to ensure that—be it a media source, be it an opposition party or any member of the public—they had full access to the information that they had requested. That was the case under the New Democrats, it was the case under the Conservatives and it is the case under this government as well. Those are the facts of the matter. The facts of the matter are also that this government and myself as minister have taken decisive action to restore the public trust and confidence as outlined by the Ombudsman.

I would highlight the accomplishments. To date, 17 recommendations have already been implemented, 25 more by the end of June, and the remaining 18 recommendations as contained in the two reports have begun and will be—

The Speaker: Thank you, Minister. Supplementary?

Mr. Hampton: Minister, after hundreds, if not thousands, of innocent Ontarians have been ripped off under your watch, after the Ombudsman hits you on the side of the head with a report that talks about a culture of corruption in the lotteries corporation on your watch—but those aren't the questions here. The question is this. Your staff would have at least given you an elementary briefing on this so that you wouldn't be making decisions completely in the dark. They would have at least said, "Bob Edmonds is an 82-year-old man. He's been cheated out of \$250,000." My question is, when you got that kind of elementary briefing, didn't you at some point think to start asking questions about what is going on in the lotteries corporation such that an 82-year-old man can be cheated out of \$250,000?

Hon. Mr. Caplan: It's unfortunate that I have to correct the member on the factual comments. Mr. Edmonds's case began in the year 2001. That is a matter of public record. Mr. Edmonds can tell you that himself. The minister at the time was a member from Erie-Lincoln, Mr. Hudak. I would encourage Mr. Hudak to provide answers to the leader of the third party's questions. In fact, I saw earlier that he was conferring with the leader of the official opposition. Perhaps Mr. Tory would be good enough to have Mr. Hudak or—I see Mr. Sterling, who was also the minister responsible between 2002 and 2003, and I would ask that they please cooperate with the Ontario Provincial Police. I don't know whether they did or did not confer with the Ombudsman.

I can tell you that the commitment to transparency and accountability of this minister and of this government are noted by the Ombudsman, where he provides his commendation for the minister and for the government for its openness and responsiveness.

CHILD POVERTY

Ms. Monique M. Smith (Nipissing): My question is for the Minister of Children and Youth Services. Earlier today in your statement, you quoted from a study prepared in my riding about grade 4 students as they talked about how it felt to live in poverty. In our 2007 budget, we are making a historic investment to assist children living in lower-income families. The introduction of an Ontario child benefit will give lower-income families across Ontario greater opportunities to help their children reach their full potential. Lana Mitchell, an amazing social advocate in my riding and the executive director of Low Income People Involvement, or LIPI, stated that she was pleased to see the introduction of an Ontario child benefit. Minister, could you please share with us when these families will receive the benefit?

Hon. Mary Anne V. Chambers (Minister of Children and Youth Services): I'd like to thank the member from Nipissing for her question and for her advocacy on behalf of her constituents.

The Ontario child benefit will, in fact, start to make a difference in the lives of kids this year. By the end July 2007, the first payment of up to \$250 per child will be

received. Each year, the payments will increase, and at full maturity of this initiative in 2011, children can expect to receive up to \$1,100 of the Ontario child benefit. Families with a net family income of up to \$20,000 per year will be eligible for the full benefit. I should also mention that approximately 95% of families who will receive the Ontario child benefit will be families with net incomes of up to \$45,000 per year.

Ms. Smith: This is tremendous support for families in my community and for families across Ontario, who are doing their very best to provide their children with every opportunity possible.

I know that in addition to this financial support, lower-income families in my community also need services for their children, and along with Lana Mitchell, we have some amazing service providers in my riding. Minister, can you share with us the types of other supports that our government provides these families and how our most recent budget improves upon these?

Hon. Mrs. Chambers: Many lower-income families need child care. They say that they need child care, for example, to help them secure good jobs. I'm very pleased that last year, working in partnership with our municipalities, we were able to create almost 15,000 new child care spaces. And starting in January of this year, we have simplified the model used for determining eligibility for child care subsidies. So in fact, a family with net income of up to \$20,000 per year should be able to qualify for a full child care subsidy at an average cost of \$43 a day. That's a lot of support.

I'm also very pleased—you know, several people in my riding had talked to me about family literacy and parenting centres, which are particularly helpful, as it turns out, to lower-income families. In this budget, we have announced that we're not just going to secure and sustain those centres, we're also going to double the funding for such centres. There is a lot of good news in this budget for—

The Speaker (Hon. Michael A. Brown): New question? The Leader of the Opposition.

ONTARIO LOTTERY AND GAMING CORP.

Mr. John Tory (Leader of the Opposition): A question for the minister responsible for lotteries: While the minister is having documentation sent over to the police, perhaps he could have them send over his emails back and forth between his office and the lottery corporation, and they can investigate the briefings that might have slipped the minister's mind.

He's very fond of quoting from the Ombudsman's report. Let me read him this quote from the Ombudsman's report: "I am not convinced, however, that the public can rely on the corporation alone to ensure that real reform takes place. The danger is too great that the OLG will continue to fall back into its old habits of coddling retailers and dismissing consumers' legitimate complaints."

1450

The fact that you would expect anyone here, or anywhere else for that matter, to believe that you had no briefings, no discussions, no meetings with anybody from the lottery corporation, from the board, with your staff, to do with this matter at all, including the Edmonds settlement, which I believe happened as well on your watch, means that you too are part of the problem, and you can't possibly stand here in this place and assure people that you are going to comfort them that more of their millions are not going to be stolen when you are there and you are still part of the problem, not the solution. Why don't you step aside so—

The Speaker (Hon. Michael A. Brown): The question has been asked. Minister?

Hon. David Caplan (Minister of Public Infrastructure Renewal, Deputy Government House Leader): The member opposite reads a passage from the Ombudsman's report, and that's precisely why the Minister of Government Services is engaged with me and, I can tell you, has met with the Ombudsman, in setting up the proper regulatory environment under the Alcohol and Gaming Commission of Ontario.

Would that, when we had set up lotteries and casinos and other gaming activities, we had had the proper oversight then as opposed to today—the culture of an organization, which the Ombudsman I think quite rightly points out, is a significant problem and does need to be addressed or rectified. Would that have happened, we may not have been in the situation where we are today. But given that that's how it was set up, it was nurtured under previous governments, and it takes this minister and this government with the wherewithal to clean up a mess which it has inherited.

Those are the facts of the matter. The Ombudsman has accepted and commended me and the government for the speed, for the responsiveness and for the commitment to acting to ensure that the public trust and confidence—

The Speaker: Thank you. Supplementary?

Mr. Tory: Minister, your credibility in this matter is very much in suspicion here. Your credibility is a big, big issue, and that goes to the very heart of whether or not you have the credibility in fact to oversee the various things that are going on with the Ombudsman, with the Alcohol and Gaming Commission and with all the others involved. And beyond that, it calls into question, frankly, your ability to carry on with the rest of your job. If there is a cloud of suspicion over you with respect to what you did not do between April and October, what you covered up, the fact that you turned your back on the fact and stood by while these games were being fixed and millions of dollars were being stolen from people, then it really calls into question your ability to be part of the solution and your ability to do the rest of your job, whether it's the LCBO or anything else.

Why don't you do the honourable thing and step down and convince the Premier that he should have an independent investigation of all of this, including your role

and what you didn't do, so that we can all be assured, most of all the ticket-buying public—

The Speaker: Thank you. Minister?

Hon. Mr. Caplan: We've had an all-party committee of this Legislature, chaired by a member of your own caucus. We've had a non-partisan, unbiased, independent officer of this Legislature, in the Ombudsman, do a sweeping and broad and excellent job in investigating this matter and coming up with solid recommendations, which are being implemented.

We've had one of Canada's leading audit firms, KPMG—I believe when the leader of the official opposition was in business, they were your auditors; I believe they are currently the auditors for the Progressive Conservative Party of Ontario—also provide insight and be able to make recommendations how it can be improved.

I'm sure that after we've put the regulatory framework in place, Mr. Tory will be up on his feet commenting, complaining that it's just more red tape and more government waste, as he likes to do. I don't agree with that kind of settlement. I believe that this is important to ensure the public trust and the confidence that the public has—

The Speaker: New question. The leader of the third party.

Mr. Howard Hampton (Kenora–Rainy River): My question is to the minister responsible for lotteries. Minister, yesterday you tried to make a big deal out of your words that the lottery corporation should turn over their records to the police. But, as the Ombudsman said in his report, there aren't many records, there's a dearth of records, and there's a reason for that. Scam artists and fraudsters don't usually leave records around.

But the question is this, Minister: When are you going to turn over your briefing notes, your records and your e-mails pertaining to the lottery rip-off so that people can see what you knew and why you didn't act?

Hon. Mr. Caplan: The Ombudsman does comment and commends me as minister and the government for our openness, for our transparency. He does commend us for our responsiveness to the report and the recommendations, and he does acknowledge that we have an immediate and resolute commitment to ensuring the changes that are necessary, he says, in order to ensure the public trust and confidence.

I would encourage all members—the member from Erie–Lincoln, the member from Lanark–Carleton, the member from Kenora–Rainy River or anyone else—who might have information to share with the Ontario Provincial Police. I would hope that the member would co-operate. I know that I certainly have in the past and will in the future co-operate in any way that I can. I've instructed Ontario Lottery and Gaming to do the same. I believe it is important that Ontarians have an understanding that I will be relentless in making sure that public trust and confidence—

Interjections.

The Speaker: Thank you. Supplementary.

Mr. Hampton: You see, Minister, your words of yesterday were empty in another sense, because we know that the police, as part of a criminal investigation, could walk into the lottery corporation and get the records in their own right any time.

But the question is this, Minister: You were the minister in charge of a \$6.5-billion operation. We know from the media reports, from the court cases and from police investigations that people were being cheated. Your own staff knew that people were being cheated. The question that innocent people out there want to know is, where are your briefing notes? Where are your records? Where are your e-mails pertaining to what happened from the time you became minister in June 2005 up until the release of the Ombudsman's report? If the OLG should release their records, when is the McGuinty cabinet minister who was supposed to be protecting the public going to release—

The Speaker: The question has been asked. Minister?

Hon. Mr. Caplan: I want this member to know that I will take all steps that are necessary, as I undertook to this House back in October of last year, to make sure that the public interest is protected, to make sure that we have transparency, openness and accountability at Ontario Lottery and Gaming in the Ministry of Public Infrastructure Renewal. In fact, that is the commitment of a Premier who holds those values and ensures that we shine the light, whether it's through our independent officers like the Ombudsman or the Auditor General or whether it's through our police and proper legal authorities taking the appropriate actions to make sure the public trust and confidence is upheld.

The Ombudsman in fact has commented on the role that I have played and the government has played as far as what we've done. He says, "I commend the minister and the government for its openness and responsiveness to my report and recommendations and for their immediate and resolute commitment to ensuring change." That's the Ombudsman—not a partisan member opposite but a non-partisan, unbiased, independent officer of this Legislature.

PROPERTY TAXATION

Mr. Kevin Daniel Flynn (Oakville): I've got a question for the Minister of Finance today. As MPP for my community, I want to ensure that homeowners in Oakville will benefit from a property tax system that's fair, transparent and predictable. The previous government, and definitely the one before, introduced our current property tax system, and they simply failed to fix it.

Our government has made significant improvements to the system but, despite those improvements, I was still hearing from constituents that annual reassessments were causing sudden and very unpredictable changes, especially in areas like Oakville that have a strong real estate market.

In last week's budget, you proposed a new system that will strengthen the current property tax system in On-

tario. Can you please tell us more about that new system and what exactly it's going to mean to the constituents both of my riding and throughout Ontario?

Hon. Greg Sorbara (Minister of Finance, Chair of the Management Board of Cabinet): I want to say to my friend from Oakville and to all property owners in Ontario that what this new system will deliver is a more reliable, fairer and more predictable property tax assessment system.

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What we were trying to do when we cancelled assessments for 2007 and 2008 was give ourselves time to re-examine the system, and particularly to take the volatility out of the system. The four-year cycle will provide a much less volatile system, particularly for homeowners like those in Oakville, who might see increases in value. If those increases in value are identified, they will be smoothed in over the course of four years. The other thing to point out is it that if there is a decrease in value, the homeowner will be able to take advantage of that decrease right away.

It's going to be more predictable, less volatile, fairer and more transparent, and we're very proud of it.

Mr. Flynn: Previous attempts at that reform by previous governments were a complete disaster; certainly in Oakville they were. The people in Oakville and Ontario want a property tax system that's going to ensure predictability and stability for all homeowners and for the hard-working taxpayers of our communities.

Minister, I'd like to ask just how you came to the decision to go with this particular system. As you know, some groups and other political parties have called for a 5% cap on assessment increases. Could you please tell us why you chose the option you did, how other proposals, such as capping, would impact the average taxpayer, and whether the capping proposal that is being put forward by other groups and other parties in this House today would truly benefit the majority of taxpayers or perhaps only an affluent few?

Hon. Mr. Sorbara: Let's put our cards right on the table. My dear friend the Conservative member from Erie-Lincoln likes a capping system—a 5% cap—and he sold it to his friend the Leader of the Opposition. We did a very careful analysis of it. Had it been a good system, we would have adopted it. But we analyzed it in detail. The fact is that a capping system tends to shift the property tax burden from those who are more affluent, those who have more money and those who have better houses, to those who are relatively less affluent and who have less capacity to pay taxes. That may be a good principle for the Progressive Conservative Party, but it is not a good principle for this government and the vast majority of the taxpayers in this province.

ONTARIO LOTTERY
AND GAMING CORP.

Mr. Jim Wilson (Simcoe-Grey): To the minister responsible for lotteries: The minister is expecting us to

take him at his word that where once he was blind, now he sees. The problem is that he should have seen a long time ago, and when he saw, he should have acted. But he didn't. He wants us to believe he didn't see because he doesn't talk to his chief of staff. Well, that's just wrong and incredibly unbelievable to anyone in this House and anyone in Ontario.

We believe that he did see, and his failure to act is a simple, wilful act of negligence. For that, he should resign. Minister, will you do the honourable thing and step aside until this matter is totally cleared up?

Hon. David Caplan (Minister of Public Infrastructure Renewal, Deputy Government House Leader): I find it interesting: The member could turn to his left and ask the gentleman seated beside him, the member from Lanark-Carleton, who was in fact the minister between 2002 and 2003 when the Ombudsman identified a litany of problems. He could ask his colleague from Erie-Lincoln, Mr. Hudak, who was the minister for this corporation from 2000 to 2001, why they nurtured this culture of an organization—what actions they took or didn't take. The Ombudsman is incredibly critical during those years, and many others, of the actions which have ensued.

By contrast, the Ombudsman is quite complimentary—and I want to the member to know, because I'm sure he has not yet had a chance to read the Ombudsman's report. He says, "I commend the minister and the government for its openness and responsiveness to my report and recommendations and for their immediate and resolute commitment to ensuring change."

There is a marked contrast between this member, his colleagues and the way they have treated these matters in the past, and myself, my colleagues in this government and the openness, transparency and action that we have taken.

Mr. Wilson: There certainly is a stark contrast. When ministers were under any type of suspicion on this side of the House, we did the honourable thing under the Mike Harris and Ernie Eves government and we stepped aside. Every single one of us—and I was the first one to step aside as Minister of Health—did the honourable thing, went to the penalty box until things were cleared up. All of us were found to be not guilty of anything at all. It was your rat pack and you horrible Liberals, who have two standards in this House, who absolutely insisted that we step aside. So we respected parliamentary tradition, and we did so.

Now you've been caught by the Ombudsman; you've done nothing in your portfolio. The people of Ontario expect you to know what's going on, especially when millions and millions of dollars are at stake. You've done nothing. Will you at least do the honourable thing and step aside and resign your portfolio? Because obviously you have no honour in you.

Interjections.

The Speaker: Order, Attorney General. Member for Renfrew, order.

The Minister of Public Infrastructure Renewal.

Hon. Mr. Caplan: The “rat pack,” “horrible Liberals”—I understood that the leader of the official opposition was going to bring a new civility back to this House. Clearly, it is not in evidence here today.

I think we all understand the partisan nature of the member from Simcoe–Grey and the comments that he makes. Listen, I understand that; I am as partisan as the next member here, but the Ombudsman is not. The Ombudsman is unbiased. The Ombudsman is an independent officer of this Legislature, appointed by us all to render opinions and to make recommendations. In fact, he does not share the opinion of the member from Simcoe–Grey. He has quite a different outlook and understanding. He commends the actions of myself, the minister, and of the government in accepting and embracing his report. He commends us for the action which has ensued, for the “immediate and resolute commitment to ensuring change.”

I know that the people of Ontario will see the comments that the member opposite makes for what they are—

The Speaker: Thank you. New question.

Mr. Peter Kormos (Niagara Centre): A question to the minister responsible for lottery and gaming: Sir, you were responsible for, amongst other things, Ontario lottery and gaming. And under your watch, the Ontario Lottery and Gaming Corp. suffers cultural decay, it engages in massive rip-offs to the tune of millions of dollars of innocent Ontarians. Under your watch, what are we to believe—that it was a matter of wilful blindness on your part, mere laziness, or outright incompetence, Minister?

Hon. Mr. Caplan: I understand the partisan nature of comments here, and I understand that the member from Niagara left of centre would never see things my way, but I do know that the member has a great deal of respect for André Marin, the Ombudsman of this Legislature. I do know that the member would want to reflect the comments of the Ombudsman, as delivered in his report yesterday. I know that the member opposite would want to be fair in his assessment. The Ombudsman says in a letter to me, “I am satisfied with the positive commitments made by the corporation and by the Ministry of Public Infrastructure Renewal to implement my recommendations,” but Mr. Marin went further. He said, “I commend the minister and the government for its openness and responsiveness to my report and recommendations and for their immediate and resolute commitment to ensuring change.” I know that member from Niagara Centre would want to reflect that.

NOTICE OF DISSATISFACTION

The Speaker (Hon. Michael A. Brown): Pursuant to standing order 37(a), the member for Barrie–Simcoe–Bradford has given notice of his dissatisfaction with the answer given by the Minister of Government Services last Thursday to his question concerning slots and horse racing. This matter will be debated at 6 p.m. today.

1510

PETITIONS

SMITHS FALLS ECONOMY

Mr. Norman W. Sterling (Lanark–Carleton): This is a petition with regard to the Hershey chocolate plant closing in Smiths Falls and putting 500 people out of work. It recognizes that, as well, the McGuinty government has accelerated the closing of the Rideau Regional Centre, putting another 800 people out of work. These job losses total about 1,300.

The petitioners, some of the 6,000 people who have signed this petition, ask the Legislature this:

They want the government to continue with work with Hershey to reverse the decision;

They want the government to immediately fund infrastructure projects in Smiths Falls in order to attract new investment;

They want the government to complete the four-laning of Highway 7 and the reconstruction of Highway 15 at an accelerated pace;

They want the government to postpone the closure of Rideau Regional Centre at least until it has replaced the 800 jobs with an equal number of public sector jobs; and

They want the government of Ontario to create an equivalent to the northern Ontario heritage fund for eastern Ontario, which is suffering depopulation and economic hard times.

I have signed that petition.

LONG-TERM CARE

Ms. Cheri DiNovo (Parkdale–High Park): I am pleased to present this petition to the Legislative Assembly of Ontario. It reads as follows:

“To the Legislative Assembly of Ontario:

“Whereas Ontario will not meet the needs of its aging population and ensure access to hospital services unless long-term-care homes can provide the care and services that residents need; and

“Whereas staff are now run off their feet trying to keep up and homes are unable to provide the full range of care and programs that residents need or the menu choices that meet their expectations; and

“Whereas dietary, housekeeping and other services that residents and their families value are being put at risk by increasing operating costs; and

“Whereas some 35,000 residents still live in older homes, many with three- and four-bed ward rooms and wheelchair-inaccessible washrooms; and

“Whereas, on November 23, 2006, this Legislature unanimously passed a private member’s motion asking the government to introduce a capital renewal program for B and C homes; and

“Whereas such a program is required to support the limited-term licensing provisions in the proposed new Long-Term Care Homes Act;

“We, the undersigned, petition the Legislative Assembly of Ontario to increase long-term-care operating funding by \$390 million in 2007 and \$214 million in 2008 to provide an additional 30 minutes of resident care, enhance programs and meal menus and address other operating cost pressures, and introduce a capital renewal and retrofit program for all B and C homes, beginning with committing to provide \$9.5 million this year to renew the first 2,500 beds.”

I agree with this petition and affix my signature hereto.

GTA POOLING

Mr. Bob Delaney (Mississauga West): I have a petition appropriately entitled “End GTA Pooling: Pass Ontario Budget.” It reads as follows:

“Whereas the city of Mississauga faces a long-term labour shortage, resulting in some 60,000 more people commuting into the city of Mississauga than leave Mississauga to earn their living and support their families each and every day; and

“Whereas 10 years ago the Ontario government of that day introduced the concept of GTA pooling, whereby funds are taken from the municipalities surrounding the city of Toronto and channelled into the city of Toronto without benefit or accountability to the taxpayers of those fast-growing cities, which face big-city needs and issues of their own; and

“Whereas GTA pooling places an additional tax burden on the municipal property tax bases of some \$40 million each and every year to the city of Mississauga; and

“Whereas the government of Ontario in its 2007-08 budget proposes to completely eliminate GTA pooling during a seven-year span beginning in fiscal year 2007-08, and that as pooling is phased out, Ontario will take responsibility for social assistance and social housing costs currently funded by GTA pooling;

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

“That all parties within the government of Ontario support the swift passage of the 2007-08 Ontario budget and ensure that its provisions ending GTA pooling are implemented.”

I’m pleased to affix my signature to this petition and ask page Alex to carry it for me.

LONG-TERM CARE

Mr. Norm Miller (Parry Sound–Muskoka): I have a petition to do with Muskoka Algonquin Healthcare, and it reads:

“To the Legislative Assembly of Ontario:

“Whereas demand for health services is expected to continue to rise with the growing retirement population in Muskoka-East Parry Sound; and

“Whereas studies indicate that overcrowded emergency rooms result in higher mortality rates; and

“Whereas growing demand and lack of availability of long-term-care beds place increased pressure on acute care beds; and

“Whereas the operating budget for Muskoka Algonquin Healthcare must reflect the growing demand for service in the communities of Muskoka-East Parry Sound;

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

“That the McGuinty government and the Minister of Health provide adequate increases in the operating budget of Muskoka Algonquin Healthcare to maintain current health services for the people of Muskoka-East Parry Sound and allocate more long-term-care beds for Muskoka-East Parry Sound.”

I support this petition.

LAKERIDGE HEALTH

Mr. Michael Prue (Beaches–East York): I have a petition, a very short one. It reads as follows:

“Whereas we, the undersigned, believe that Lakeridge Health should have full funding and not be facing an \$8-million shortfall;

“Whereas this would affect many programs, including the mental health program at Lakeridge Health;

“Therefore, be it resolved that we, the undersigned, respectfully petition the Legislative Assembly of Ontario to fully fund the \$8-million shortfall for Lakeridge Health.”

It is signed by a number of people, including the originator, Paul Taylor. I am in agreement with this and would sign my name thereto.

LONG-TERM CARE

Mr. Jean-Marc Lalonde (Glengarry–Prescott–Russell): I have two petitions here that are identical to the one read by the member for Parkdale–High Park. They come from Chateau Gardens in Lancaster and Foyer St. Jacques in Embrun. I don’t have to read it again, so I will give it to Emma to take to the Clerk.

STEVENSON MEMORIAL HOSPITAL

Mr. Jim Wilson (Simcoe–Grey): “To the Legislative Assembly of Ontario:

“Whereas Stevenson Memorial Hospital needs \$1.4 million in new funding over the next three years to get its birthing unit reopened and to ensure that they can recruit enough obstetricians and health care providers to supply a stable and ongoing service for expectant mothers in our area; and

“Whereas forcing expectant mothers to drive to Newmarket, Barrie or Orangeville to give birth is not only unacceptable, it is a potential safety hazard; and

“Whereas Stevenson Memorial Hospital cannot reopen the unit under its current budget and the McGuinty government has been unresponsive to repeated requests for new funding;

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

“That the McGuinty Liberal government immediately provide the required \$1.4 million in new funding to Stevenson Memorial Hospital so that the local birthing unit can reopen and so that mothers can give birth in Alliston.”

Of course, I agree with that petition and I’ve signed it.

LAKERIDGE HEALTH

Ms. Andrea Horwath (Hamilton East): I have a petition to the Legislative Assembly of Ontario. It reads:

“Whereas we, the undersigned, believe that Lakeridge Health should have full funding and not be facing an \$8-million shortfall;

“Whereas this would affect many programs, including the mental health program at Lakeridge Health;

“Therefore, be it resolved that we, the undersigned, respectfully petition the Legislative Assembly of Ontario to fully fund the \$8-million shortfall for Lakeridge Health.”

I’ll sign this and send it down to the Clerk’s table by way of page Carolyn.

GRAVESITES OF FORMER PREMIERS

Mr. Jim Brownell (Stormont–Dundas–Charlottenburgh): I have a petition here from members of the Elementary Teachers’ Federation of Ontario, and it reads as follows:

“To the Legislative Assembly of Ontario:

“Whereas the Premiers of Ontario have made enormous contributions over the years in shaping the Ontario of today; and

“Whereas, as a result, the final resting places of the 18 deceased Premiers are among the most historically significant sites in the province, but have yet to be officially recognized; and

“Whereas, were these gravesites to be properly maintained and marked with an historical plaque and a flag of Ontario, these locations would be a source of pride to the communities where these former Premiers lie buried, and provide potential points of interest for visitors;

“Now therefore, we, the undersigned, petition the Legislature Assembly of Ontario as follows:

“Enact Bill 25, an act that will preserve the gravesites of the former Premiers of Ontario.”

As I agree with this petition, I shall affix my name and send it to the Clerk’s table.

LAKERIDGE HEALTH

Mr. Jerry J. Ouellette (Oshawa): I have a petition that reads:

“To the Legislative Assembly of Ontario:

“Whereas we, the undersigned, believe that Lakeridge Health should have full funding and not be facing an \$8-million shortfall;

“Whereas this would affect many programs, including the mental health program at Lakeridge Health;

“Therefore, be it resolved that we, the undersigned, respectfully petition the Legislative Assembly of Ontario to fully fund the \$8-million shortfall for Lakeridge Health.”

I affix my name and invite all to the meeting tonight to deal with this issue at Lakeridge.

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Ms. Shelley Martel (Nickel Belt): I also have a petition regarding Lakeridge Health that reads as follows:

“To the Legislative Assembly of Ontario:

“Whereas we, the undersigned, believe that Lakeridge Health should have full funding and not be facing an \$8-million shortfall;

“Whereas this would affect many programs, including the mental health program at Lakeridge Health;

“Therefore, be it resolved that we, the undersigned, respectfully petition the Legislative Assembly of Ontario to fully fund the \$8-million shortfall for Lakeridge Health.”

I agree with the petitioners and I’ve affixed my signature to this.

IDENTITY THEFT

Mr. Tony Ruprecht (Davenport): I keep getting petitions from the Consumer Federation of Canada to the Parliament of Ontario and the Minister of Government Services that read as follows:

“Whereas identity theft is the fastest-growing crime in North America;

“Whereas confidential and private information is being stolen on a regular basis, affecting literally thousands of people;

“Whereas the cost of this crime exceeds billions of dollars;

“Whereas countless hours are wasted to restore one’s good credit rating;

“We, the undersigned, demand that Bill 38, which passed the second reading unanimously in the Ontario Legislature, be brought before committee and that the following issues be included for consideration and debate:

“(1) All consumer reports should be provided in a truncated (masked-out) form, protecting our vital private information such as SIN and credit card numbers.

“(2) Should a credit bureau discover that there has been a breach of consumer information, the agency should immediately inform the victimized consumer.

“(3) Credit bureaus should only report inquiries resulting out of actual applications for credit and for no other reasons.

“(4) Credit bureaus should investigate any complaints within 30 days and correct or automatically delete any information found unconfirmed or inaccurate.”

Since I agree, I’m delighted to sign my name to this petition.

LABORATORY SERVICES

Mr. Norm Miller (Parry Sound–Muskoka): I have a petition to do with lab services. It reads:

“To the Legislative Assembly of Ontario:

“Whereas the residents of the communities served by Muskoka Algonquin Healthcare (MAHC) wish to maintain current community lab services; and

“Whereas maintaining community lab services promotes physician retention and benefits family health teams; and

“Whereas the funding for community lab services is currently a strain on the operating budget of MAHC; and

“Whereas demand for health services is expected to continue to rise with the growing retirement population in Muskoka-East Parry Sound; and

“Whereas the operating budget for MAHC needs to reflect the growing demand for services in the communities of Muskoka-East Parry Sound;

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

“That the McGuinty government and the Minister of Health increase the operating budget of Muskoka Algonquin Healthcare to permit continued operation of community laboratory services.”

I support this petition.

LAKERIDGE HEALTH

Ms. Cheri DiNovo (Parkdale–High Park): I have a petition to present.

“To the Legislative Assembly of Ontario:

“Whereas we, the undersigned, believe that Lakeridge Health should have full funding and not be facing an \$8-million shortfall;

“Whereas this would affect many programs, including the mental health program at Lakeridge Health;

“Therefore, be it resolved that we, the undersigned, respectfully petition the Legislative Assembly of Ontario to fully fund the \$8-million shortfall for Lakeridge Health.”

I agree with this petition and do affix my signature hereto.

GTA POOLING

Mr. Kevin Daniel Flynn (Oakville): I have a petition here entitled “End Greater Toronto Area Pooling: Pass Ontario Budget.” It reads as follows:

“Whereas the city of Mississauga faces a long-term labour shortage, resulting in some 60,000 more people commuting into the city of Mississauga than leave Mississauga to earn their living and support their families each and every day; and

“Whereas 10 years ago, the Ontario government of that day introduced the concept of” greater Toronto area pooling “whereby, funds are taken from the municipalities surrounding the city of Toronto and channelled into the city of Toronto without benefit or accountability to the taxpayers of those fast-growing cities, which face big-city needs and issues of their own; and

“Whereas” greater Toronto area “pooling places an additional tax burden on the municipal property tax bases of some \$40 million each and every year to the city of Mississauga; and

“Whereas the government of Ontario in its 2007-08 budget proposes to completely eliminate GTA pooling during a seven-year span beginning in the fiscal year 2007-08, and that as pooling is phased out Ontario will take responsibility for social assistance and social housing costs currently funded by greater Toronto area pooling.

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

“That all parties within the government of Ontario support the swift passage of the 2007-08 Ontario budget and ensure that its provisions ending” greater Toronto area pooling “are implemented.”

ORDERS OF THE DAY

2007 ONTARIO BUDGET

BUDGET DE L’ONTARIO DE 2007

Resuming the debate adjourned on March 26, 2007, on the amendment to the motion that this House approves in general the budgetary policy of the government.

Mr. Howard Hampton (Kenora–Rainy River): I’m pleased to be able to speak to the budget on behalf of New Democrats because New Democrats have much to say about this latest McGuinty government “Don’t believe it” budget, a budget which has or ought to have a stamp on it, “Best before October 11,” a budget which many of us know will no longer have any validity after the next election because, what is this? After four years of Dalton McGuinty’s breaking promise after promise after promise, what do we see in this budget? Dalton McGuinty once again making promise after promise after promise. But I suspect that people across Ontario know that Mr. McGuinty cannot be trusted to keep his promises, that this budget is essentially post-dated promises from a chronic promise breaker and that the promises that are there should be taken with huge dollops of salt.

C’est le grand budget incroyable de Dalton McGuinty. Après quatre années de promesses brisées par M. McGuinty, qu’est-ce qu’on voit aujourd’hui? On voit

encore plus de promesses, mais maintenant les Ontariens et Ontariennes savent qu'ils ne devraient pas croire les promesses de M. McGuinty.

Even as these promises are made, it is very clear that they fail the majority of working families across this province. It's interesting that Tom Parkinson gets \$5 million in punishment money from the McGuinty government for ripping off the customers of Hydro One. Dalton McGuinty gets an immediate \$40,000 pay raise. We just saw Duncan Brown get almost a million dollars in quiet money from the McGuinty government for his ill-gotten activities at the lottery corporation. But what are working people across Ontario told? They're told, "You wait. You wait three years. You wait four years. You wait five years." In fact, Premier McGuinty is telling today's working families—women, young people, new Canadians—"If you want fairness, if you want to see some action under the McGuinty government, you'll have to wait another three or five years." Who got the swift action? The Premier got a \$40,000 pay increase in a special extended session of the Legislature just before Christmas.

Before addressing the specifics of the budget, I'd like to take a moment to reflect a bit on what this budget says about the current political situation here in Ontario in the spring of 2007. On the one hand, today we have the McGuinty Liberals who are completely out of touch with ordinary working families, a government that breaks promises time and time again to ordinary folks who, by and large, are working longer and harder than ever and, at the end of the month when they add up the bills, often find themselves under more pressure.

1530

This is the history of this government, breaking promise after promise to hard-working people.

The promise to freeze hydro rates: Instead, you go across this province and most people will tell you that their hydro bill has doubled.

The promise to end the clawback, to stop taking \$1,500 a year away from the poorest kids in this province: Here we are, four years later, and the McGuinty government is still taking \$1,500 a year away from the poorest kids in the province, and next year, the McGuinty government will continue to take money away from those kids. And the year after that, the McGuinty government will continue to take money away from those, the poorest kids, and the year after that and the year after that. As I said, this is a government that is very out of touch with the economic reality that so many people are struggling with in Ontario today.

New Democrats know this is wrong. I know, having been from one end of Ontario to the other, how difficult life has become under the McGuinty government for ordinary working families. I also know the values of fairness, decency and, most importantly, people's sense that a fair day's work deserves a fair day's pay. I know from talking to people how much they want to see policies, strategies implemented which address those values and those needs.

Over the past few days, I've read and reread the budget and listened to quite a few of the budget-related remarks of the Minister of Finance and the Premier. When you read the headlines of this budget, it is again oh, so clear that the McGuinty government's budget fails working families and that its promises fail working families.

As I said, the McGuinty government gives a \$5-million payment to Tom Parkinson at Hydro One after he takes advantage of Hydro One consumers. It gives almost a \$1-million payment to Duncan Brown at the lottery corporation after he presides over fraudulent activities, where innocent people are cheated out of millions of dollars in winnings. The Premier himself gives himself a \$40,000 pay increase, but working families are told that they should wait and they should wait. As I say, this is not a budget that reflects the everyday concerns of Ontario's hard-working families, and it is certainly not a budget that New Democrats can support.

I want to talk now about some specifics: minimum wage. You see, here is the irony, the contrast: The Premier gives himself a \$40,000-a-year instant pay increase, but says to the 1.2 million working people across this province who work for under \$10 an hour, "You wait three years for a \$10 minimum wage." What's going to happen in those three years? Well, I can tell you. The hydro bill is going to go up again. The natural gas bill is going to go up. The rent bill is going to go up. Transit fees are going to go up. Property taxes are going to go up. Tuition fees are going to go up. People who are struggling now on \$8, \$9 or \$9.50 an hour are going to find themselves even more behind the eight ball. They're going to find themselves struggling more than ever. The McGuinty government that wants to keep the lowest-paid workers in poverty now is going to ensure that three years from now, they're still living in poverty, but instant action for the Premier, an instant \$5 million for the Premier's friend Tom Parkinson, and Duncan Brown, who presided over fraud after fraud after fraud at the Ontario lottery corporation under the McGuinty government, an instant millionaire.

Let me be clear. The 1.2 million people who work for under \$10 an hour now can't wait three years to pay their hydro bill. Nobody says to them, "Oh, we're going to wait three years before you pay your hydro bill." They can't wait three years before they pay their heating bill. They can't wait three years before they pay their rent. They can't wait three years before they pay the dental bill for their kids. They can't wait three years before they pay the tuition fee bill. They can't do any of those things. They can't go to the grocery store and purchase groceries and say, "I'll be back to pay you when the McGuinty government raises the minimum wage to \$10 an hour three years from now." They have to live today. They have to struggle today. They have to try to make ends meet today. Many of these families are working one job during the day, one job during the evening, and another job on the weekend trying to make ends meet. And you know what the McGuinty government says? The Mc-

Guilty government says, "You wait three years before we have anything approaching a decent minimum wage in the province of Ontario."

The McGuinty government wants to go out and cheer about this. The McGuinty government wants people to believe that forcing the lowest-paid workers in this province, 1.2 million of them, to wait three years before there's anything approaching a decent minimum wage. They want people to think that somehow the McGuinty government has given them a great gift.

Forcing people to continue to struggle in poverty when they get up every day and go to work and make their contribution to society—they work hard, not just once a day but in many cases, as I say, at three different jobs. Forcing them to continue to live in poverty, as the McGuinty government is doing, is disgraceful—disgraceful.

The fact of the matter is that many of these parents have to support kids. They're trying to, as I say, put food on the table, pay the rent and put clothing on their children. In fact, there are many other parents across this province who struggle. Some of them may have to rely on Ontario Works part of the time, or they rely on part-time jobs—minimum wage in combination with Ontario Works. For the last four years, the McGuinty government has been taking \$1,500 a year per child away from those. It's \$1,500 that the federal government, under the national child benefit supplement, provides to those kids. The federal government recognizes that there's a problem with child poverty. They recognize that there are literally tens of thousands of kids in this province growing up in poverty, so the federal government says, "Here is the national child benefit supplement," \$1,500 a year per child to help these kids and their families rise above poverty. And what has the McGuinty government been doing? They've been clawing that money back. Imagine, clawing back—and it amounts to \$250 million. This government has been taking \$250 million a year for the last four years away from the poorest kids in the province. It amounts to \$1,500 a year.

Now, what was the big announcement in the budget that the McGuinty government is applauding themselves on the shoulder for? The big announcement in the budget is that next year, instead of taking \$1,500 dollars a year away from these kids, they're only going to take \$1,250 a year away from these kids. It's like an extortionist. It's like Tony Soprano taking your money one day and then the next week he comes and takes a little less and says, "You should thank me. I'm your best friend. I'm only stealing this amount of money from you now instead of the full amount."

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That is the travesty here. The McGuinty government wants to be applauded, because instead of taking \$1,500 a year away from the poorest kids, they said, "Hey, we're going to be nice to you. We're only going to take \$1,250 a year away from you, the poorest kids in the province."

And under the McGuinty government this passes for good social policy? The McGuinty government wants you to believe that this is progressive, positive, forward-

looking social policy, that it is somehow going to alleviate poverty when the McGuinty government takes \$1,250 a year away from the poorest kids? Disgraceful. I think any reasonable person would look at this and say, "Disgraceful." People would say, "Why is the McGuinty government, which can afford to shower the chief executive officer of Hydro One with \$5 million after he ripped off Hydro One customers, which gives the head of the Ontario lottery corporation almost \$1 million after he presided over millions of dollars of fraud, applauding itself because now it is only going to take \$1,250 a year away from the poorest kids in the province?" I think any rational, reasonable person would look at this and say, "This is deplorable. When so many kids are living in poverty, this is deplorable."

I want to also talk about some of the things that are happening to our municipalities. One of the promises Dalton McGuinty made was that he was going to stop the downloading, that the McGuinty government was going to reverse the downloading, that municipalities would not be forced to use what is, we all admit, a negative and regressive tax, the property tax, to cover provincial responsibilities like health care, social assistance, seniors' housing and social housing. Dalton McGuinty said he was going to end that downloading to municipalities.

Well, what did we see on the day of the budget? We saw the mayor of Toronto, David Miller, not alone but with many other mayors in the province, saying, "The province is a delinquent debtor. The province isn't paying for their responsibilities. The province isn't paying for Ontario disability support. The province isn't paying for Ontario Works. The province is forcing municipalities to pay."

Here's what I think is the really nasty part of this: These are people who are forced to rely upon Ontario disability support benefits, people who cannot work. They are people who cannot work. They are forced to live on a benefit that is far below the poverty line, and similarly with Ontario Works. Go to any community in Ontario and talk with one of the social workers who works in the Ontario Works system or the Ontario disability support plan, and they will tell you, "Here's what an apartment costs to rent. Here's what it costs for food. Here's what it costs to pay the hydro bill. Here's what it costs to pay the heating bill. There is no way that someone can survive on Ontario disability support plan benefits or Ontario Works benefits." But what does the McGuinty government do? Besides enforcing benefits that are so meagre, that fall far below the poverty line, they don't even pay the bill themselves. They force municipalities to pay the bill.

That will continue under this budget. In fact, under this budget, that will continue not just this year but years into the future.

I also want to talk about the issue of jobs—work—because wherever I go across Ontario, the vast majority of people say, "I want to work." Even people who cannot work, if you engage them in a conversation, they'll say, "I'd like to be able to work." People want to be able to

work. People want to be able to find a job so they can sustain themselves, sustain their family and make a contribution to their community. But what has happened over the last three years under the McGuinty government? What we've seen is the destruction of 140,000 good-paying jobs in the manufacturing sector and in the forest sector.

I'll tell you, no part of the province has been hit harder than northern Ontario. It's not as if forest sector communities in northern Ontario suddenly don't have a product the world is interested in. We're going to continue, as far as I can tell, to use lumber to build homes. In fact, we continue to have a chronic housing shortage in much of North America. We're going to continue to use paper. There are more books being printed than ever before. If you consider there are 1.4 billion people living in China and 1.1 billion in India, and their literacy rates are getting higher and higher, more people are going to read books, newspapers and magazines. Forest sector jobs in northern Ontario aren't being lost because somehow the world stopped using wood or paper; no. Forest sector jobs are being destroyed there because the McGuinty government has decided to drive the industrial hydro rate through the roof.

What is really sad about this is that the forest sector came here to Queen's Park almost three years ago during the Bill 100 hearings and they said to the McGuinty government, "We have looked at your Bill 100 proposal and we have looked at what it means. We can tell you that it's going to drive the industrial hydro rate through the roof. We can tell you that if you do this, you are going to close literally dozens of paper mills, pulp mills, derivative saw mills, OSB mills and plywood mills, and you're going to destroy tens of thousands of jobs." They laid it out. They actually said, "This is what will go first; this is what will be destroyed second; this is what will be destroyed third," and they said that in the end, it will be tens of thousands of jobs. They were pleading with the McGuinty government, "Don't do this at a time when we face other kinds of cost pressures. Don't do this, because it will destroy tens of thousands of jobs." Did the McGuinty government listen? Did the McGuinty government pay any attention? Did the McGuinty government show any sensitivity to these workers, to these communities? No. The McGuinty government, as part of policy, drove the industrial hydro rate through the roof.

Do you know what the real travesty is? Many of these mills are located on rivers in northern Ontario where there's a hydro dam that produces some of the lowest-cost electricity—not just the lowest-cost electricity in Ontario, not just the lowest-cost electricity in Canada, not just the lowest-cost electricity in North America, but some of these mills are located on rivers immediately adjacent to hydro dams where they produce some of the lowest-cost electricity in the world. Some of these mills are located directly beside hydro dams that produce electricity for about one cent a kilowatt hour. But the McGuinty government forces these mills to pay in the range of seven cents a kilowatt hour for that electricity.

Meanwhile, mills that are located in Quebec, Manitoba, British Columbia or now even in the Carolinas pay three, three and a half or four cents a kilowatt hour. So companies are saying, "We're going to close our operation in Ontario and we're going to move the production to Quebec. We'll move it to British Columbia, we'll move it to Manitoba, we'll move it to Minnesota, or we'll move it to North Carolina or South Carolina." That is how tens of thousands of jobs are being destroyed.

Here's just one example from my constituency. Kenora was a newsprint mill that had a dedicated market. The Minneapolis Star Tribune said, "We want to purchase this newsprint." They had experienced workers, very knowledgeable workers. They're located in the middle of the forest that they use to produce the paper, so their timber, their wood fibre, was economical: a good workforce, a good market that they can rely on.

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You know what else? The Kenora mill was surrounded by no less than five hydro dams—five of them. The Kenora mill was literally drowning in the lowest-cost electricity in the world. But do you know what the McGuinty government said? They said, "If you want that electricity," which can be produced for one cent a kilowatt hour, "you have to pay seven cents a kilowatt hour." Do you know what the company that owned the mill said? They said, "We're out of here." They closed the mill—over 400 jobs gone. Four hundred jobs gone as a result of wrong-headed policy on the part of the McGuinty government.

Mr. Michael Gravelle (Thunder Bay–Superior North): Tell the whole story, Howard.

Mr. Hampton: I notice that one of the members for Thunder Bay has a lot to say here. Maybe he can go back to Thunder Bay and tell the workers at Cascades why they're out of work, tell the workers at Abitibi why they're out of work, tell the workers in Red Rock why they're out of work, and tell the workers in Longlac why they're out of work, instead of apologizing for the McGuinty government. Maybe you can tell the thousands of workers in your riding why you're defending the McGuinty government policy of driving hydro rates through the roof and destroying thousands of forest sector jobs in your own riding.

While you're at it, maybe you can tell those workers what they should do now when their homes are worth a fraction of what they used to be worth. These are workers who paid their taxes. Some of them have worked 25 or 30 years. They've made solid contributions to the community. They know that the reason they are losing their jobs is because there's a McGuinty government at Queen's Park here that frankly doesn't care about them and that should have known from the representations of the forest sector three years ago that driving industrial hydro rates through the roof was going to kill thousands of jobs.

I want you to know what New Democrats think. New Democrats believe that if you're located immediately beside a hydro dam that produces electricity for some of

the lowest costs in the world, that's a natural advantage that you should be able to take advantage of. That's something nature has given your part of Ontario, and you should be able to take advantage of it to sustain jobs and sustain communities. But that's just beyond the grasp of the McGuinty government, far beyond the grasp of the McGuinty government, that a paper mill that is located right beside a hydro dam that produces some of the lowest-cost electricity in the world should be able to take advantage of that natural condition in order to sustain jobs.

I know you know what I'm speaking about, Speaker, because Espanola is in your riding, and Nairn Centre, which has lost a sawmill, part of the derivative loss, is in your riding, and sawmills in Chapleau. So you know from your own constituency exactly what I'm speaking about.

But it's not just the forest sector; it's also the manufacturing sector. We have watched as literally tens of thousands of jobs are being destroyed in the auto parts sector, and the response of the McGuinty government is to say, "Well, maybe in 2009 or 2010, some of these jobs are going to be replaced." It's the old McGuinty promise again: "Sorry you lost your job today. I feel bad that you lost your job today. I feel your pain that you lost your job today. But maybe in 2009 or 2010 there will be some jobs to replace it."

I ask, on behalf of those workers, how are they supposed to pay the bills in 2007? How are they supposed to put their kids through college or university in 2008? How are they supposed to survive through 2009? You know what? There is no answer from the McGuinty government other than, "I feel your pain." I think we deserve to get something more than "I feel your pain" from a government. I can purchase a card at one of these card stores for \$1.50 that says, "I feel your pain." Surely we deserve something more from the McGuinty government than simply a Premier who trots around the province saying, "I feel your pain. I feel your pain. I feel your pain." What did we get in this budget? We got nothing for the forest sector. We got nothing for the tens of thousands of people and dozens of communities that are losing their jobs in the forest sector. What did the McGuinty government do in terms of the tens of thousands of workers who have lost their jobs in the auto sector? Well, there is something called the Ontario Manufacturing Council. Do you know what I suspect this is going to do? I suspect that several members of the McGuinty government are all going to get together and say, "I feel your pain. I feel your pain. I feel your pain." But workers who have lost their jobs, hard-working families who are looking at the loss of their livelihood, got nothing, nada from this budget from the McGuinty government.

I want to talk just a bit about what is happening in the agricultural sector. In farm after farm across this province, what we know is this: More and more farm families are being pushed to the edge of the cliff. But it's not just farm families. Now it's the farm supplier, the person who sells implements to the farm—all those people who make

up so many of the rural towns and villages in this province. They are also being pushed further and further to the edge. Was there anything that addresses their struggle in this budget? Sad to say, there was next to nothing.

What is remarkable is that I look across to the province of Quebec. The province of Quebec, on its own, has implemented a risk management strategy so that farmers do not have to carry the risk of currency change; they don't have to carry the risk of gasoline or fuel prices going higher; they don't have to carry the risk of the Canadian dollar versus the American dollar; they don't have to carry the risk of weather or climate change. They don't have to carry all those risks on their own backs by themselves. There is a recognition in Quebec that Quebec, as a society, should help farmers address some of those risks, that there is a social responsibility to help farmers address some of those risks. If you go into rural Quebec, what you find is a very vibrant place. Rural Quebec is quite vibrant. I wish I could say the same today for Ontario. As I have visited communities in rural Ontario, what I increasingly find is a sense of desperation.

But Quebec is not alone. Alberta has done the same thing. They have implemented a risk management strategy that says that Alberta, as a society, has a responsibility to ensure that farmers are not left out there on their own, that there is a provincial responsibility to help sustain rural Alberta. Do you find anything like that in Ontario today? No. In fact, what you find is a McGuinty government that is busy cutting school funding to rural school boards and northern school boards.

That was one of other revelations in the budget. The McGuinty government says, "We're going to put some money into schools." So I got on the phone to school boards across northern Ontario. Are they going to see any additional money? No. They're actually going to see less. They're actually going to be forced to close schools. They're actually going to be forced to eat up what little financial reserves they have.

The attitude of the McGuinty government seems to be that people who live in rural Ontario and northern Ontario should move to Toronto. That seems to be the approach of the McGuinty government. In fact, the Minister of Natural Resources actually got caught in that just a few months ago. When confronted with yet another paper mill closure, do you know what his response was? His response was that maybe people who work in the northern Ontario forest sector should just give up. I can tell you how that remark was greeted in northern Ontario, because one of the realities is that people who live in rural and northern Ontario—they don't all want to live in Toronto; they don't all want to live in Mississauga; they don't all want to live in Richmond Hill. They want to live in rural Ontario and northern Ontario. But what they wish they had is a government that cared about economic conditions in rural Ontario and northern Ontario. I can tell you that there is absolutely no indication in this budget that the McGuinty government cares for one second about northern Ontario and rural Ontario.

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Oh, I know, I know—I hear the announcements and the re-announcements: the forest sector, again. The McGuinty government says, “We have invested \$1 billion in the forest sector.” Well, \$250 million of that is supposed to be loan guarantees—loan guarantees to which company after company has said, “No thanks, no thanks.” Another \$500 million is supposed to be a reinvestment strategy. I go across northern Ontario and I talk to this paper mill, that paper mill, this community leader, and I say, “Have you seen any of this money?” “No—haven’t seen any of it.”

So yes, the McGuinty government is very good at making announcements and re-announcements as paper mill after paper mill, pulp mill after pulp mill, sawmill after sawmill, plywood mill after plywood mill, OSB mill after OSB mill closes—meaningless announcements that make no difference. That is what people saw and will continue to see in this budget.

I also want to point out to people what was in the budget in respect to the environment, because I remember a year ago that the Premier said the reason he wasn’t closing that big coal-fired plant at Nanticoke—the biggest polluter in Ontario—was because he hadn’t received the \$573 million from the federal government to address climate change, and he made a big thing of it. He said over and over again, “Well, if I had that \$573 million from the federal government, we’d be closing this coal plant like Nanticoke.” That was his excuse for breaking his coal promise for the third time.

What happened this spring? What happened is this: The federal government turned over the \$573 million of federal money to deal with climate change which the Premier said was there to be used to close down Nanticoke. Did we see an announcement in the budget that Nanticoke—the biggest generator of greenhouse gas in Ontario, the biggest air polluter in Ontario—was going to close? Not at all; not at all. Oh, we saw some meagre announcements about, “Well, there might be \$2 million to plant more trees.”

Let me put that in context. Today, the forest renewal trust fund generates over \$100 million to plant trees, and the forestry futures fund generates over \$10 million to plant trees. That’s a total of \$110 million a year. And the McGuinty government says, “Oh, we’ve put \$2 million towards planting trees. We’ve done something huge for the environment.” What is that—about 2%? This is the McGuinty government contribution to the environment: 1% here and 2% here. That is the McGuinty government contribution to the environment in this budget.

I do want to note one of the tax changes, because this is really interesting in the context of the budget. We all know that north of the 51st parallel in northern Ontario probably has some of the best undeveloped mineral resources yet remaining on the planet. If you look at the gold that’s come out of the ground in places like Red Lake and Pickle Lake, the gold that has come out of the ground in Kirkland Lake, the gold that has come out of the ground in the neighbourhood of Wawa, the nickel and

copper that have come out of the ground in Sudbury and the minerals that have come out of the ground in places like Timmins and Cobalt, there is literally a belt that goes across northern Ontario that has generated tens of billions of dollars of wealth.

But we know that there is much more wealth above that. Who are the people who live north of the 51st parallel? They’re virtually all aboriginal people. You might find the odd non-native pilot flying around if you go to a First Nations community, you might find one or two non-native teachers and you might find one or two non-native nurses, but 99% of the people who live north of the 51st parallel are aboriginal people.

Two years ago they came to the McGuinty government and said, “We see that you want to proceed with mining development north of the 51st parallel. We have some issues we would like to discuss on that, but we would like to see some revenue sharing.” They pointed out, “You know, we are amongst the poorest of the poor in terms of income in Ontario.” Some of these communities have unemployment rates of 80%, 85%. Many other people survive on very minimal incomes. So what they said to the McGuinty government is, “If you are going to proceed with mining development north of the 51st parallel, we think there should be some revenue sharing with First Nations. Yes, the federal government will get your taxes, the provincial government will get your taxes and royalties, but as a matter of decency, as a matter of social and economic justice, our people, who are amongst the poorest in Canada, the poorest in Ontario, think they deserve to share in some of the revenue that is going to be generated.” Do you know what the McGuinty government said? Again, these are some of the poorest people in Canada. The McGuinty government literally slammed the door and said, “No, we are not doing that. We can’t afford to do that.”

Here is the irony in this budget. As you will know, De Beers is proceeding in Attawapiskat with the Victor project, which is a diamond mine. It’s been under development for many years now. The royalty rate north of the 50th parallel is 5%, so De Beers said that the royalty rate on these diamonds will be 5%. First Nations were told, “No, no, there’s no money for you in this. There’s no revenue sharing for you.” But do you know what the McGuinty government did in this budget, after telling First Nations, the poorest people in Ontario, “There’s no money for you”? They went to De Beers and said, “The royalty rate is now being increased from 5% to 13%, none for the First Nations.” None. The McGuinty government wants it all for its own pockets. After all, you know, the McGuinty government has to pay \$5 million to the Premier’s friend Tom Parkinson, and it has to pay \$1 million to the now-disgraced chief executive officer at the Ontario lotteries corporation. Gee, if you’re going to be paying out money like that to the government’s friends, maybe you need to drive the royalty rate up from 5% to 13%.

But don’t you think that those aboriginal people who live there, who live within a few kilometres of that mine,

who are the only people who live there, deserve a share of that revenue as well? According to the McGuinty government that wants to pat itself on the back and say that it has at last heard the voices of people who are living in poverty, those aboriginal people are not supposed to receive anything.

Do you know the even bigger travesty? And this is what I think sticks in the craw of the mining company: The royalty increase only applies to the diamond mine. Somebody could build a gold mine right beside the diamond mine and the royalty rate would still be only 5%. So the people who have invested now hundreds of millions of dollars in developing the diamond mine are saying, "Well, isn't this a bit unfair? Why should somebody else be able to come along and take advantage of the road infrastructure that we've built and everything that we've put into this and the work we've done with the First Nation, and they would only pay a 5% royalty rate?"

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These are questions that I hope the McGuinty government, at some point, has the courage to answer. I especially want to hear the answer for First Nations. I especially want to hear the answer for those First Nations communities who are amongst the lowest income in the province, who just months ago were told by the McGuinty government, "If mining development proceeds in the north, there is no revenue sharing for you," but the McGuinty government in this budget just reaches in and takes a further 8% for itself. I don't think there's any social or economic justice there. I don't think there's any fairness there. This is, plain and simple, the McGuinty government looking after itself and First Nations getting the back of the hand.

These are issues that I think need to be raised in this budget. These are issues that needed to be addressed, but unfortunately, they're not going to be addressed.

What does this budget mean at the end of the day for hard-working people across the province? Is it going to reduce tuition fees at colleges and universities? No. Is it going to do something to address the hydro bill that increases? No. Is it going to do something for those people who are working hard on the minimum wage? Well, maybe it might do something three years from now, but in the meantime it's going to force those people to work longer and harder for incomes that are simply not adequate. Is it going to do something for those people who need access to regulated child care? No, it's not going to do much there either. In fact, once again the McGuinty government is sitting on about \$140 million of federal money for child care and there's no sign of it being used for child care in this budget.

So I would say this: For the average working person across this province who gets up every day, puts in a fair day's work and all they expect is a fair day's pay, who pays their taxes, looks after their family and makes a contribution to the community, is there much in this budget for them? No. There's not much this week, there's not going to be much six months from now, and there's

not going to be anything a year from now. That's why I say that this is a budget that fails working families across this province. And as is so typical of the McGuinty government, it is heavy on media spin, it is very heavy on promises, but we already see that it fails to deliver.

For that reason, New Democrats will not be supporting this budget. New Democrats cannot, will not support a budget that fails working families across this province.

Mr. Peter Kormos (Niagara Centre): On a point of order, Mr. Speaker: I believe you would want to know that we have in our members' gallery four long-time, lifelong social justice activists: Vince Baldo, Ann Blair, Ron Boyer and Helen Santek.

The Speaker (Hon. Michael A. Brown): Thank you. Further debate?

Mr. Wayne Arthurs (Pickering–Ajax–Uxbridge): I look forward to joining in the debate on our 2007-08 budget. I've had the opportunity over the past two days to listen intently to both the leader of the official opposition and the leader of the third party. I just want to begin, though, with a little bit of a compare and contrast, a quick look back in history, because a lot of discussion is around, "Well, you said you were going to do this and you haven't accomplished that, and you haven't spent enough there and it's taking too long to spend here."

I recall from my municipal days, from the time the third party was in government—I can't recall them promising a social contract and tearing up all the contracts across the province of Ontario in the public sector. I can't remember them promising they were going to reduce people's salaries by about 5% or 6% in the public sector clear across the province. I don't remember that as a campaign promise that they made to the people of Ontario. And I can't recall, when the Conservative government was in power some eight years ago, during that period of time, that they said that—I think it was a pinky swear.

Interjections.

The Deputy Speaker (Mr. Bruce Crozier): Order out there.

Mr. Arthurs: I think it was a pinky swear that the municipal-provincial review swap of services would be revenue-neutral. I think that was a pinky swear, if I recall. That one sort of stuck. Some things kind of stick with you during periods of time. I don't think that municipalities asking for an upload of services resulted at that time in that exchange being revenue-neutral, or I don't think they would be calling for those uploads of services.

I want to look at where we are now and maybe where we were then. Our first budget focused on health care in the province of Ontario as a part of a theme over a four-year plan. You know, it's not hard not to have a wait time if you go to a hospital that's been closed; there are no wait times at closed hospitals. Just ask. Drive to Whitby. You can drive to Whitby now and go to a hospital that used to be there under the former government, and you've got no wait times because there's nobody there. There's no hospital; a closed hospital. There are no wait times at a closed hospital.

So we invested heavily in health care, and we continue to do that. I only need look to my own riding to see the approvals on the much needed and long-awaited redevelopment of the Ajax-Pickering site of the Rouge Valley Health System.

In our second budget, we concentrated on education and a Reaching Higher program. I recall in the municipal elections of 1997—right in the dead of the campaign during a province-wide teacher work stoppage—I recall that work stoppage was caused, in part, by a minister of the day who said he would create a crisis in education and was successful in doing that.

Mr. Jeff Leal (Peterborough): That was the Oklahoma cowboy.

Mr. Arthurs: The Oklahoma cowboy. We're putting that, and have been putting that, back together. The success we've been achieving in that was recognized in the colleges and universities across the province. Their biggest challenge right now, with our support, is meeting the needs and the demands and desire of young people to have the opportunity to attend to post-secondary opportunities.

In our third budget, we concentrated to a large extent on infrastructure. We supported our municipal partners in beginning to put back together the roads and the bridges and the water and sewer system that's been so sorely neglected over a number of years. Over the entire time, we've been investing in public transit, something the provincial government moved away from steadily from the late 1980s or early 1990s onward.

We made a commitment to invest in public transit and during the first three years moved to that point where they're receiving two cents per litre of gas tax in addition to monies that, in part, both the former and current federal government have supported, and have moved that money through to them, as well as additional funding that has gone to the municipalities to re-engage in the business of public transit, because we recognized how important it is.

In this budget, we're concentrating on bringing some social justice to the province. Now, we can't do everything, obviously—no government can—for everyone in the way that anyone would like. The Ontario child benefit, over the course of the next four years, as it's fully implemented, will put some \$2.1 billion into the hands of families in Ontario, both those who are working—probably at the lower end of the economic scale of the workforce—and those who find themselves not in a position to be able to work. So both the children of those who are working and those children of families who are unable to work will benefit from an Ontario child benefit.

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This is a seismic shift, a paradigm shift, in how we deal with children, how we build them up and how we support them in families to lift them from where they are and have them have the opportunity to experience exactly the same things as children in middle income families, the same opportunities to learn and ultimately move on to

post-secondary education, and have the success in the workplace that their parents may not have experienced.

I come from a family that moved here from the East Coast when my mother was in her early 20s. My grandparents and great-grandparents were coal miners in Springhill, Nova Scotia. My mother and her brothers and sisters, one at a time, she leading, moved to Ontario, where there was opportunity. The family followed, particularly with the mine disasters that occurred in the late '50s. But, being here from a family that didn't come with very much, I have had the opportunity, because of the opportunities they created, to gain a secondary and post-secondary education, and to teach and be engaged in public service. I would like to think that every young person in this province, regardless of the income of their parents, would have those kinds of opportunities presented to them. The Ontario child benefit will help to achieve that.

We are investing, in this budget, in those in our society who find themselves unable to work as a result of injury. On January 1 next year, WSIB payments will increase by 2.5%; in July of next year, a further 2.5%; and in the following July a further 2.5%. We recognize that in a socially just community, you have to take care of those who can't take care of themselves, and that includes injured workers. Would we all like to be able to do more for those who find themselves unable to work in other circumstances, whether through Ontario Works or through ODSP? There is probably not a member of the House who wouldn't like to do more. The fact of the matter is that over the course of the past three years, over the mandate, we put a further 7% in total into those payments, spread out in three components of, if I recall, 3%, 2% and 2%.

We're recognizing those in our community who find themselves vulnerable and need our support. I had our local legal aid community in to see me just a few weeks ago, prior to the budget, requesting that in this budget we recognize the needs of legal aid. We recognize that those who find themselves, again, in a financial situation where they can't afford to achieve legal assistance, those who need to be able to get support from a parent when one parent is taking care of the children and the other has left the home—and that system needed our support. Over the next three years, we'll be investing some \$51 million to ensure that those who are more marginalized and somewhat less able to seek out and have the support of the legal system—those monies will be available to them.

We've committed, over four years, some \$200 million to the developmental services sector. I can think of no part of our community that is more vulnerable than those who have the challenges that come with developmental disabilities, particularly those in their adult years, those who have aging parents. Those parents say to us, "What is going to happen to my adult child when I'm not here or not able to take care of them? Will society be there to support them? Will the resources be there to support them? Will we have ensured that they will have a dignity of life that we try to provide as parents?" We recognize

that in investing some \$200 million over four years to build on that system.

So the budget is full of initiatives. It's focusing on the needs of the people of Ontario. The needs of those who are vulnerable in Ontario are only one small piece of the entire budget. I hope, as the debate goes on over the next days, that members will have a chance to focus on the budget that speaks to the people of Ontario.

In the few minutes that I've taken here this afternoon, I wanted principally to talk about those in our community who are vulnerable, about the need for governments to have a responsiveness, to have some social justice in what they do. That includes those children who find themselves somewhat marginalized, those who don't have the advantages that you or I may or may not have had, those who find themselves in developmental challenges and are unable to take care of themselves, those who find themselves injured in the workplace and need our continued support, those who are unable to work, for whatever reasons, and need our support and those who are disabled for other reasons and continue to need our support.

This is one step as part of a program. It is the fourth of four budgets in a four-year plan that has dealt with health, education and future opportunities and now is dealing with the need for social justice here in Ontario. I'm proud to be a member of this government and pleased to have been a part of the development of the budget as a parliamentary assistant to the Minister of Finance and look forward to debate and look forward, I hope, with the support of this House, to seeing these measures implemented for the benefit of the people of Ontario.

The Acting Speaker (Mr. Ted Arnott): Questions and comments?

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke): It is my pleasure to speak to the budget bill debate. I heard the leader of the third party and also the member for Pickering–Ajax–Uxbridge. They have two different views on the budget and I'm certainly going to add a third. I can tell you about the absolute total disappointment of people in rural Ontario with this budget. If I were a Liberal member representing rural Ontario, I'd be very concerned. I'd be very concerned that my Premier has decided that those seats are expendable in order to win the big prize that he's hoping for in October. There is simply nothing in that budget for the people in rural Ontario.

For example, communities have been asking for initiatives from this government. The federal government does more for rural communities than this government does. The gas tax revenue that is shared with rural communities from the federal government goes to all rural communities to assist them in their infrastructure projects. But what do rural communities get from the provincial government? Absolutely nothing; no share whatsoever of the gas tax revenue. That is one major issue that they've been campaigning for for a number of years. In fact, I introduced a private member's bill to that effect to this House

and it is yet to be brought forward by the government. But we had some hope that they would actually do something on that front in this budget. The unified chorus on the part of rural communities that they should be getting a share of that gas tax has been very resounding towards this government, and I hope they would start to listen.

Ms. Shelley Martel (Nickel Belt): It's a pleasure to respond to the comments that were made by the member from Pickering–Ajax–Uxbridge. I heard him use terms like "social justice" and the government being worried about children on the margin. Where has the government been for the last three and a half years when we were looking at the rates of poverty in this province, which have been growing under the Liberals, not declining?

Do you know when the government started thinking about poverty? It was about one week before the election in York South–Weston that it became so painfully clear to the spin doctors in the Premier's office that the \$10 minimum wage now had lots of resonance with voters in that riding because it is one of the poorest ridings in the province of Ontario. All of a sudden you see a headline and you hear the finance minister say, "This budget is going to be about poverty." The headline lasted about as long as that day because, when you get to this budget, what do you see? Well, the promise that the Premier made in 2003 to end the clawback, the one he still hasn't lived up to—well, he won't live up to that for another five full years. A child born in the year that Mr. McGuinty made the promise that he would end the clawback is going to be eight years old before they see the full benefit.

1630

This government alleges—pretends—that it's concerned about poverty when it steals \$225 million from the poorest kids in the province of Ontario every year? You've got the gall to stand up here and say you're worried about poverty? You're worried about polls; you're worried about the result in York South–Weston. You don't care about kids; you're just trying to salvage some votes, because for—

Interjections.

The Acting Speaker: Would the House please come to order.

Interjections.

The Acting Speaker: The member for Nickel Belt, please come to order. The member for Essex, please come to order. The member for Ottawa Centre, please come to order.

Interjection.

The Acting Speaker: Will the member for Nickel Belt please come to order.

Questions and comments?

Mr. Bob Delaney (Mississauga West): It's a pleasure to follow the member for Pickering–Ajax–Uxbridge, whose informed comments are always interesting to listen to. I'd like to talk about some of the things that he referred to which the leader of the NDP raised. In fact, the leader of the NDP called this an election budget. But from where I sit, we have actually had four election bud-

gets. The one in 2004 was all about health care and fulfilled the government's commitment in health care. In 2005, higher education: That fulfilled the government's commitments to Ontario and higher education. In 2006, it was transportation and infrastructure. Certainly coming from Mississauga, that was a godsend to us. And this year, we have, finally, a balanced budget and a budget that addresses the needs of Ontario's truly needy.

The leader of the NDP, by clearly implying that he would not enact the measures in this budget, is probably telling Ontarians that he wouldn't, if given another chance, balance the budget as our government is doing. The party that added more than \$45 billion of public debt in just five seemingly endless years of government has a leader who is promising Ontarians more of the same—\$45 billion.

The leader of the NDP just can't learn. Ontarians want a government that does well what government ought to do. That's what the 2007-08 budget delivers. It is the second consecutive balanced budget. Without using Ontario's reserves, Ontario should now move into an era of sustainable surpluses, a far cry from the NDP era, when Ontarians today are still paying taxes to clean up the mess that the leader of the NDP left.

Mr. Norm Miller (Parry Sound–Muskoka): It is my pleasure to add comments to the speech from the member from Pickering–Ajax–Uxbridge on the budget. I believe that the people of Ontario should be asking themselves what they are getting for the \$22 billion a year in additional spending that this government is involved with in this \$91-billion budget.

I would like to point out that the debt has grown some \$13 billion under the watch of this government, so that now the total debt is some \$157.1 billion. The interest on that debt has grown to some \$9.1 billion a year. That money, that \$9.1 billion a year, is being spent servicing the debt—the mortgage for the province, if you will. That's money that's spent on interest instead of being used for programs.

Yet rural Ontario was somehow forgotten in this budget. Ministries like the Ministry of Natural Resources, when you look at last year's interim spending versus this year's budget, their interim spending went down some \$36 million. Tourism spending is down. Agriculture, even if the ministry matches the federal government's recent announcement, will be down some \$100 million. So rural Ontario seems to have been forgotten.

Long-term care: The government still hasn't kept its promise of \$6,000 per resident in funding. In fact, the budget announced some 50 cents per resident, which will add a minute to the time that people will receive in terms of care in long-term-care homes. The government still hasn't kept that broken promise of \$6,000 per resident of long-term-care homes.

So this budget has been quite a disappointment for rural Ontario.

The Acting Speaker: That concludes the time for questions and comments. I'll return to the member for Pickering–Ajax–Uxbridge, who has two minutes to reply.

Mr. Arthurs: I want to thank the members from Renfrew–Nipissing–Pembroke, Nickel Belt, Mississauga West and Parry Sound–Muskoka for their comments. Time not allowing, there may be an opportunity later in other comments to respond to each of those more fully.

I do want to talk just briefly about where we find ourselves fiscally. We took an approach, when coming into office and finding ourselves with a rather significant deficit, in spite of a promise of a balanced budget—we made a commitment to be prudent and responsible in our fiscal management. We didn't want to overstate the fiscal state of the province during these three or four years. When we presented the budget in 2005-06, it was showing a deficit position. By the time we got our final books together in the spring of 2006, we found the province had a modest \$263-million surplus or thereabouts. This year, we're projecting, as an interim position, a surplus of \$310 million. On a go-forward basis, we're finding that we will have a balanced position, and as we go into the final two years of the four-year go-forward position, we will have a surplus position, even if we don't need the reserves. We're on track, in effect, to have five years in sequence in which there will be a surplus position.

These surpluses aren't federal surpluses. They're not \$13 billion, but they're above the watermark. They provide confidence to the business community. They allow a little bit of room in the event that things change a bit. They allow a little bit of room for investment in other priorities as they arise. They allow a little bit of room maybe to invest more in some of the priorities that we've set out here in a given year. But the strategy and the objective is to ensure that not only do we have a balanced budget today but that we have a balanced budget on a go-forward basis, even if we need our surpluses, so that the economy stays strong and the business community has confidence in this province, something it hadn't had in some number of years before we took office.

The Acting Speaker: Further debate?

Mr. Tim Hudak (Erie–Lincoln): I'm pleased to rise to debate the budget motion this evening. There are a number of facts that I'm going to set out on the table to start with and then talk about some of the challenges in the budget and how it fails to meet those significant issues in the province.

First of all, 120,000 well-paying manufacturing jobs—

Mr. Yakabuski: Gone.

Mr. Hudak: —as my colleague from Renfrew says, are gone. They have fled the province of Ontario under the Dalton McGuinty government, with no sign of them returning. In fact, there is great concern that that cycle is going to become worse.

Unbelievably, in 2006, Ontario was dead last in terms of economic growth in all of Canada—dead last. This is not the Ontario that I grew up in. It's not the Ontario the members here grew up in. It's not the Ontario that folks have immigrated to to try to find work and prosperity. It's certainly not the Ontario that my grandparents came to from then Czechoslovakia in the 1930s to find work, to raise their family, to afford a better future for their chil-

dren and grandchildren. It was then an engine of growth, as it was for most of the 20th century, until bang, Dalton McGuinty's Ontario, in 2006—dead last in economic growth. In fact, projections for 2007 by many of the banks of Ontario: once again, dead last in economic growth.

Unbelievably, in Dalton McGuinty's Ontario we're a net exporter of talent to other provinces—young, well-trained, talented individuals, entrepreneurs packing up and leaving to go to other provinces in Dalton McGuinty's Ontario.

1640

I'm not just talking about Alberta. We're well aware of the boom in Alberta, which by the way has been well served by some 30 consecutive years of Progressive Conservative government. It's not only the province of Alberta, but I believe—if I remember the figures—some seven other provinces and territories are taking more Ontarians than they are sending here. If it wasn't for immigration, Ontario's population would be shrinking in Dalton McGuinty's Ontario. This is unprecedented. This is not the Ontario we've always known. It is not the Ontario my grandparents came to. It's not the Ontario we all grew up in or moved to. People are actually leaving our province in Dalton McGuinty's Ontario. No wonder. As I said, 120,000 well-paying manufacturing jobs are now gone.

I got in the mail the other day, in one of my daily newspapers, a flyer put together by the provinces of Alberta, Saskatchewan and British Columbia, I believe, calling Ontarians to visit and move to their provinces. Their job opportunities are far greater. They have examples of people from Ontario—Niagara Falls was one I remember very clearly—who said they left Ontario to find better economic opportunity out west, part of those many tens of thousands who have left the province of Ontario under Dalton McGuinty's watch in the last year alone. That's been a trend in the last couple of years under Dalton McGuinty but at odds with what our history has been in the province of Ontario.

The last number I'll throw out—we had 120,000 well-paying manufacturing jobs leave the province, and we are now a net exporter of talented Ontarians to other provinces and territories. You'll remember that \$22 billion represents the increase in government spending under Dalton McGuinty's watch. This is absolutely staggering. I think that's nearly a 34% increase in government spending—\$22 billion.

Let me put this in perspective. It took from Confederation—John Sandfield Macdonald, our first Premier—till 2003 to get government spending to \$68 billion. Today in Dalton McGuinty's Ontario, \$91 billion in increased spending for the budget, and then more beyond that. It is absolutely phenomenal. It will take your breath away to imagine the staggering increase in government spending under Dalton McGuinty.

Ask the average hard-working taxpayer in the city of Toronto where we are today, in Renfrew county, Wellington county and Peterborough: Are they better off

with that \$23 billion in spending? They're going to say, resoundingly, "No." What I heard—and I think people in these ridings—

Interjections.

Mr. Hudak: My Liberal colleagues are obviously upset because they heard the same thing: Hard-working, average, middle-class taxpayers, when they saw Dalton McGuinty's next big-spender budget, were outraged, because there's nothing in it for them. They work hard, play by the rules and pay their taxes fair and square. They invest in our province and they get nothing—bupkes—from Dalton McGuinty in his big-spending budget. I remind you, Mr. Speaker, that we're spending some \$4,500 per household in this fantastic, incredible increase in government spending, without results.

I'm telling you that a band of pirates on shore leave would show more restraint than Dalton McGuinty in his budgets, and would probably be less destructive than Dalton McGuinty's policies have been to the economy of Ontario when you see that 120,000 manufacturing jobs have left this province.

We made some predictions—by the way, if you want to keep a close eye on how Dalton McGuinty is treating the finances, check out McGuintyWatch.ca. If you go to McGuintyWatch.ca, you'll see that the Progressive Conservative caucus estimated that Dalton McGuinty would have an end-of-year slush fund of approximately \$3 billion. By "end-of-year slush fund" I mean from the third quarter finances until the end of fiscal year, March 31. In the last two or three months of the year, he had about \$3 billion, which really means we were in a significant surplus position.

We all know that if you don't spend that money by the end of the fiscal year, March 31, 2007, it goes toward paying down the debt, which would have been nice, because we've seen the debt increase substantially under Dalton McGuinty's watch. But instead of managing finances prudently, instead of putting that money down toward the debt, he went once more on a last-minute spending spree extraordinaire.

We had predicted \$3 billion, which was made up of two contingency funds: one under the Ministry of Finance and one under public infrastructure renewal. It's a fancy name for slush funds. They had set those aside. They had about a \$1-billion reserve. These guys are about as accurate with their budget forecast as they are with keeping their campaign platform. They had, we estimated, an additional \$400 million in revenue, about \$400 million from overestimating their interest costs. It's a game they play every year and I think my colleague from Ottawa Centre knows that, that they exaggerate their interest costs to try to inflate their expenditures.

That sounds like a phenomenal number: \$3 billion in an end-of-year slush fund. Do you know what it turned out to be at the end of the year? It's \$4.6 billion in an end-of-year slush fund. They had \$2.1 billion more in revenue than they claimed they had coming in as recently as the third quarter financial statements, which came out and were published in January. So I guess we're led to

believe that in the last three months of the year, suddenly \$2.1 billion appeared magically out of the air.

Mr. Yakabuski: Maybe they won the lottery. Everybody else seems to have won.

Mr. Hudak: Maybe those lotteries that weren't being won were actually going into the finance minister's vault there at the Frost.

So \$2.1 billion in higher revenues than they said that they had in the third quarter finances: In reality, I think they were cooking the books. It was probably very difficult to even see things over there at the Frost centre because of all the smoke floating around as the books were being fried up on the propane barbecue. Some \$2.1 billion in higher revenues, \$360 million in lower debt costs, the \$1.2 billion in contingency funds we mentioned, and a \$1-billion reserve: \$4.6 billion. Picture this: one big sack of money with one giant "S" on it and Dalton McGuinty's lying—laughing face on the other side. I almost had a Freudian slip there, Mr. Speaker. I meant to say "laughing face" as opposed to the other L word.

They say, "Well, what about the health tax?" That's almost twice the amount of the health tax. The health tax brought in about \$2.6 billion. They had \$4.1 billion more in revenue than they said that they needed, so far more than the so-called health tax, which we all know doesn't even flow to health care; it just goes to the consolidated revenue fund.

Again, instead of investing those funds in balancing the books, lowering the debt and reducing taxes for hard-working taxpayers in the province of Ontario, they went on a last-minute, end-of-year spending spree, which has been criticized by the Auditor General, I think, each and every year of the McGuinty budgets. Because when you do these end-of-year spending initiatives, there are no strings attached. You may say, "Oh, it's for roads." You may say that it's for a research centre for Magna or something like that—which was, incidentally, left out of the budget papers. You may claim that, but the reality is that there are no strings attached whatsoever. So they could basically spend it on whatever they determined was appropriate to the transfer partners. The Auditor General has repeatedly and strongly criticized the McGuinty government for this approach.

Some \$22 billion in new revenues: Let me also point out that from the time the 2006-07 budget was announced—about this time last year—and the time the interim actuals came in as part of the 2007-08 budget, do you know what revenues were on a comparative basis? They actually ended up, at the end of the day, with about \$4 billion more in revenues and reduced interest costs than they said that they were going to get at the beginning of the year—so \$4 billion in additional funds coming in.

Mr. Yakabuski: How can they be off so much?

Mr. Hudak: Well, they were off—

Interjection.

Mr. Hudak: I think my colleague is right, probably on both accounts. But with the \$4 billion in additional

revenue that's come in, how can they make the case that they need the so-called health tax—which is just an income tax increase; in fact, a very regressive income tax increase—when \$4 billion in additional revenue room came in this year. Last year was similar, by the way, where the additional revenue that came in over the budget projections exceeded the value of the health tax.

1650

I imagine there have been some changes in the Minister of Finance's office. Maybe he has given this particular staff member to the new Minister of Revenue. I welcome the new Minister of Revenue, in the first Ministry of Revenue we've had since Bob Rae got rid of it in 1993 as a redundant ministry.

Mr. Leal: He's a great minister, a great guy.

Mr. Hudak: He's the best Minister of Revenue we've had in 14, 15 years. I'm not sure about the one in 1993, actually.

There have got to be changes in the Minister of Finance's office. I'll tell you why. It's typical for the Minister of Finance to do some sort of pre-budget dog and pony show to try to get some publicity on what the budget is about. Last year, remember, the then-finance minister, Dwight Duncan, went to an animation studio and had a cartoon drawn up about how he single-handedly has turned everything around in the province of Ontario. It featured Dwight, actually, not the Premier or cabinet or his colleagues. It featured the minister himself—I thought that was interesting; nobody else—lugging this huge burden on his shoulders. But that's a side point.

So this year Minister Sorbara went to a facility to help out women who face various challenges, particularly, I think, on the financial side, moving up the ladder. So it's a suitable photo op for some of the themes in the budget, although I'll argue that they fall well short of promises. But strangely the minister, you might remember, started reading *The Little Engine That Could*. So I guess he was in this photo op demonstrating that Ontario was the little engine that could, that thinks it can, thinks it can, and we're all full of hope that this little engine can probably do something. My God, we used to be the big engine that did. We used to be the big engine that pulled the rest of the provinces behind us, the first one out of recession, and pulled screaming and kicking into recession. Ontario has always been the big engine that could. He sees us—Dalton McGuinty sees us—as a little engine.

Interjection.

Mr. Hudak: "Small wonder," my colleague from London says. "Come on; small wonder." I think she listened to the first part of my remarks: last in growth in all of Canada. We're losing 120,000 well-paying jobs, with very few projections for a turnaround in the future.

I've got to think that the staff member in the Minister of Finance's office who chose that particular book and that analogy has been shuffled out of that position, because it was just a strange analogy to bring forward but—do you know what?—apropos, I guess, to what Dalton McGuinty's government has done to Ontario's formerly booming economy.

I'll talk about it. I have only about five minutes left so I'll get into a few other remarks and hopefully have a chance to speak a bit more later on during debate.

Of course, we always want to bring up some issues that are important to us in our local ridings. I know that the city of Hamilton, for example, and Niagara region were very disappointed in many respects about omissions from the budget.

Hamilton: I think we had some discussion in the Legislature about how they were ripped off, scammed by the McGuinty government, by the lack of funds that flow to the city of Hamilton, expecting significantly more. We'll see, I guess, with some of these seats in jeopardy in the Hamilton area under this government, if they back-pedal and kick in some more funds, but I know that in the city of Hamilton, councillors from all parts of the city were highly critical of the cuts in funding from the province in this budget to that area.

The Niagara region: Sadly, we have seen the mid-peninsula corridor which, when constructed, will be a major artery for investment in trade and tourism in southern and western Niagara, and parts of the Hamilton area as well, has been thrown into reverse by the Dalton McGuinty government. Honest to goodness, it's going to be like we'll be the Jetsons some day, flying over where the highway could have been by the time things get happening under the McGuinty government's slow pace. The mid-peninsula corridor, as you'll see in the budget, has been relegated to a vaguely defined term: "future projects"—no dates for completion, no dates for completion of the environmental assessment, no funding attached whatsoever, so this government will have gone through an entire mandate and advanced that project not a single centimetre. In fact, I'd argue it's taking it backwards in wasting hundreds of thousands, if not millions, of taxpayer dollars that have gone into previous studies and previous work on that.

I say to my colleague the Minister of Natural Resources that it would have been nice to see, and maybe he will find it in his budget, although the natural resources budget was unfortunately—

Mr. Yakabuski: Cut \$36 million.

Mr. Hudak:—cut \$36 million, my colleague says. So it's going to be more difficult for him, and I'll encourage him to do so, to help the township of West Lincoln with their gypsy moth eradication program. I've written to the minister. I know it's going to be even more difficult, now that Dalton McGuinty has cut the funding to the ministry, but I will call upon him again to assist because it's a small amount of money in the grand scheme of things.

The agriculture budget, as my colleague for Renfrew–Nipissing–Pembroke had indicated earlier, was cut—

Mr. Yakabuski: Slashed.

Mr. Hudak:—under the Dalton McGuinty government. You could call it slashed. I know when I was in my riding this past weekend and Friday, that was one of the lowlights of the budget that people in my riding of Erie–Lincoln mentioned to me—

Mr. Yakabuski: What have they got against farmers?

Mr. Hudak:—asking what they have against farmers, as my colleague says. I do understand it strategically. Dalton McGuinty has written off rural Ontario. He has circled some of the members' seats, some of whom are in the House tonight, and said he can win the next election without catering to those seats. I understand that's his strategy. I think it's unfortunate, and certainly farmers in my riding of Erie–Lincoln have caught that and are very upset with the backhand they have received from Dalton McGuinty.

One of the projects we had hoped would see some advancement in this budget was a replant program which would have helped the grape growers, tender fruit growers and apple growers in this province. We certainly had heard or were given indications that this was happening, and once again Dalton McGuinty has run against expectations. He has led people to believe one thing and delivered the opposite. So it's unfortunate that the replant program did not find purchase in this budget. But you know what? Not surprisingly, because as I said, it looks like Dalton McGuinty has written off rural Ontario for funding when it comes to the next election.

I'll return to this topic later on, but the Dalton McGuinty plan for property assessment is a strange mix of smoke and mirrors and exaggerations. Basically, instead of people being gouged year in and year out by skyrocketing property assessments, Dalton McGuinty is going to gouge them for four years running.

Interjection.

Mr. Hudak: I know my colleague from Peterborough voted for the Homestead Act, which he knows would cap assessment increases at 5% a year. Dalton McGuinty's policy will do no such thing, and certainly if we see the types of trends continue in Peterborough, Essex, Niagara and Hamilton that we have seen the last number of years, people will still be facing double-digit assessment increases under Dalton McGuinty's plan.

I know my colleague for Parry Sound–Muskoka has sent me a number of letters from residents in his riding who have seen assessment increases of over 100% in two years. If you average that in, that is 50% a year, and a far cry from the 5% cap that John Tory and the Ontario PCs will bring in for real protection for Ontario homeowners.

I will conclude my remarks at this point in time. I hope my colleagues from the government side will be able to give me some assurance that the 120,000 lost manufacturing jobs, the Ontarians fleeing to other provinces and the runaway spending without results will reverse, but after four years it's time for a change.

The Acting Speaker: Questions and comments?

Ms. Martel: I appreciate the comments made by the member for Erie–Lincoln. I specifically want to focus on the comments he made with respect to the loss of good manufacturing jobs in the province of Ontario, and I know he would want me to put on the record here this afternoon just a snapshot of what that loss has been like in my part of the world in northern Ontario. So let me just give you some idea about some of the communities in northern Ontario where forestry jobs have been lost:

Chapleau, 100 jobs lost; Smooth Rock Falls, 400, in tire mills shut down; Dryden, 525 jobs lost between the paper mill and the saw mill; Kenora, 400 jobs lost; Thunder Bay—well, Thunder Bay has taken it right in the back of the head—over 1,200 jobs lost among a number of plants to date and still counting; Longlac, 300 jobs lost; Ignace, 75 jobs lost; Opasatika, 100 jobs lost; Timmins, 150 jobs lost; the entire Woodlands operation at the Nairn Centre sawmill; and the Nairn Centre sawmill also down 150 jobs; the Espanola pulp and paper mill, 150 jobs. Now you've got St. Mary's Paper and Sault Ste. Marie on the verge of collapse, and who knows how many hundreds of workers will lose their jobs there.

That's just a snapshot of what's happening across northern Ontario because this government refuses to do anything about its job-killing, high hydro rates. I would have thought that this close to an election, the government in northern Ontario would have recognized that what it needed to do was to put in a regional pricing plan so that where there is power generation beside those sawmills where power is produced at one and two cents a kilowatt hour, they could actually pay one and two cents per kilowatt hour instead of seven. The government didn't do that; there are thousands more jobs that are going to be lost.

1700

Mr. Bruce Crozier (Essex): When we get lessons in economics from the Tories, I find it humorous. I have a research paper on the province of Ontario, key financial statistics. It goes from 1996 through 2006.

From 1976 to 1985, the good old Bill Davis years, the government ran a deficit every year that ran from \$1.1 billion to \$3.2 billion. The NDP, we know, in their five years, when economic times were rough, ran up the debt with deficits every year to the tune of \$47 billion. But now here come the Tories, the Mike Harris Tories. Can you remember when he borrowed \$20 billion to give us a tax cut? I remember that. And you know what? From 1995, the first year, to 2003, good old Mikey Harris ran up the debt \$37 billion: a deficit every year from 1995 to 2003.

Now, I will give him credit—

Interjections.

Mr. Hudak: It's not true.

Mr. Crozier: Legislative research; I'll give you a copy.

I will give him credit: There were three years when there was not a deficit—amounted to \$3 billion. So net deficit under the Tories: \$34 billion. And they're giving us their advice? I think they should give themselves a break, and I would keep quiet about what they did.

Mr. Toby Barrett (Haldimand-Norfolk-Brant): The member for Erie-Lincoln does a good job as our finance critic, he does a good job at crunching the numbers, and I think he'd do an excellent job as a finance minister in the near future.

The member for Erie-Lincoln made mention of the mid-Pen corridor, as he is wont to do, and I've had the chance to work with Tim Hudak on the mid-Pen corridor.

Both of us know the benefits it would have for a community like Dunnville, for example, that by some measure has a modicum of isolation where it is located. The northern part of Haldimand county and Brant county would benefit from a corridor that would take the pressure off the Niagara Escarpment.

The member from Erie-Lincoln would know that this budget had no money for our tobacco farmers.

There was no additional compensation for homeowners who are affected by the Caledonia situation.

He mentioned the gypsy moth, and I think most people in northern and rural Ontario realize the disastrous funding of the Ministry of Natural Resources.

He mentioned cuts to agriculture. This budget is \$191 million less than it was last year.

The financial shortfall with respect to the Ontario municipal partnership fund: This is a problem in Norfolk county. They are concerned about funding policing and social services, and very concerned about the lack of money for sewage capacity down in the Port Rowan area.

Haldimand county had their railway bridge burn down about a year ago. Funding for that Sterling Street bridge was announced last summer, and then the same money was reannounced again, and again the question is, do we want to build a bridge to nowhere?

There is an awful lot of confusion with respect to the funding decisions coming out of this particular government.

Mr. Leal: It's a pleasure to make comments on the speech that was just delivered by my good friend from Erie-Lincoln.

But I'd like to make reference to table 25, page 166 in the budget. When it comes to the operating budget for agriculture, food and rural affairs, it has grown from some \$843 million in 2003-04 to \$876 million, the plan for 2007-08. Now, I come from the south end of Peterborough. I went to school at St. John the Baptist and Kenner Collegiate, and with the great training I got from those teachers, it would suggest to me that any budget that goes from \$843 million to \$876 million is an increase in the operational budget.

Further to that, under contingency operations for the Ministry of Agriculture, Food and Rural Affairs, we have provided \$1 billion over the last four years to meet the crisis that was experienced by Ontario's agricultural community. We were there when the farmers of Ontario needed help.

Let me tell you, a good friend of the member from Erie-Lincoln, Jim Flaherty—I know they always go to the Albany Club for lunch every other week. Here's what Jim Flaherty said in June in the *Globe and Mail*: He said that for those people in Ontario that are losing their jobs in manufacturing, they are able to find "other comparable, well-paying employment if they lose their job in the manufacturing sector." That's from Jim Flaherty, a good friend of the member from Erie-Lincoln. I know they play golf together at the Rosedale golf and country club and have lunch every other day at the Albany Club. So Jim, if you're watching tonight, give the facts to your

friend from Erie–Lincoln so he understands finances in Ontario.

The Acting Speaker: That concludes the time available for questions and comments. I'll return to the member for Erie–Lincoln for his reply.

Mr. Hudak: I think my friend from Peterborough protests a little too much. I think he has seen a shadow over his shoulder in our nominated candidate, Mr. Fitzpatrick, because I've not seen the member from Peterborough go to that extent before.

I say to him, he didn't give all of the facts when he referred to page 166, table 25, because further down, as my colleague from Haldimand had noted, you'll see the other agricultural expenses. In 2006-07—interim and actuals—the spending was \$1,087,000,000, so almost \$1.1 billion. The spending projected for 2007-08? Some \$896 million, a significant cut in the Ministry of Agriculture. I had hoped that the member from Peterborough would have looked down a bit further.

I'll put on the floor now a couple of things I didn't get to in my remarks to see if my colleagues want to respond to them. I was absolutely shocked when Dalton McGuinty brought in yet another tax, this time to hammer a new project, the De Beers diamond mine just outside of Attawapiskat, which I hope will employ a lot of aboriginals in the area and bring some economic benefits to that area. Then, under the cover of darkness, without even discussing it with the proponents or the locals, he hammers them with a new tax, an extraordinary new tax on royalties in the diamond sector. We saw those comments in the business section recently. So Dalton McGuinty just can't help himself. Even in his last budget, he's sneaking his hand into the pockets of working families and seniors in the province of Ontario.

Their recent conversion on the minimum wage increase was a bit laughable too. The NDP, to their credit, have been consistent on this. I don't agree with the increase that they advocate, but they've been consistent. Dalton McGuinty comes up and says, "Well, we're going to up the ante to 25 cents," even after he was arguing. That is simply not believable.

The Acting Speaker: Further debate?

Ms. Martel: It's a pleasure for me to participate in this debate. I want to begin by saying that last week there were two Conservative budgets delivered: one in Ottawa and one here in Ontario. I emphasize Conservative budgets, because it's really clear that in both cases, neither government acknowledged or did anything to address the growing income gap that we are experiencing both across Canada and here in Ontario. There have been in the last couple of months at least three reports that have been done to show how that gap is growing. I want to reference some of that today in the remarks that I'm going to make.

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First of all, from Stats-Can, their recent report said the following:

"The wealth gap between Canada's richest families and everybody else widened between 1984, 1990 and

2005. When all families are considered medium wealth, the wealthiest 20% of families amounted to about 551,000 in 2005 compared with 465,000 in 1999 and 336,000 in 1984. In contrast, medium wealth in the bottom 20% of the distribution has stagnated over the past two decades. It was essentially zero in 1984, negative about 1,000 in both 1999 and 2005. Between 1984 and 2005, families in the top 10% increased their share of total wealth. The top 10% of Canadian families held 58% of household wealth in 2005. That's up from 56% in 1999 and 52% in 1984. The top 20% of Canadian families held 75% of total household wealth in 2005. That's up from 73% in 1999 and 69% in 1984. Compare that to families in the middle 20% who saw their wealth share tumble from 9.1% in 1984 to 7.7% in 1999 and to 6.9% in 2005." It's clear the gap is growing, and it's much worse for those at the bottom level.

Here's some information from the Canadian Centre for Policy Alternatives which also shows how big the gap is growing. "By noon on New Year's Day, as many Canadians recovered from New Year's Eve, the average top 100 Canadian CEOs had pocketed as much as a minimum wage worker will earn all year. By 9:46 a.m. on January 2, that same CEO had exceeded the average Canadian's annual earnings for all of 2007. By 6 p.m. that evening, January 2, the average CEO had earned \$70,000." My, oh my, what people trying to live on the minimum wage in Ontario must think of that.

Let me deal with the third report that's been released recently, this from the Toronto Campaign 2000 report card on child poverty, focusing specifically on child poverty in Toronto:

"One in three children in Toronto still lives in poverty. The incidence of child poverty (33.5%) is higher than in 1995. The number of poor children (174,050) has increased by 21,800 since 1995.

"The poor got poorer. The medium income of poor lone-parent families fell in real dollars from \$14,670 in 1995 to \$13,100 by 2000 in Toronto. For poor two-parent families it fell from \$16,540 to \$14,040."

What's interesting is that at the same time "economic growth has been strong. By the year 2000 employment income in Toronto ... is up by 16.4% since 1990, and by 27% since 1995.

"The Toronto CMA has the largest gap in Canada between those at the top and" those at "the bottom of the income ladder. The top 10% of families have average incomes that are 27 times greater than the lowest 10%."

I could go on, because Campaign 2000 gives a number of other very important statistics, but I think the point has been made. In the face of growing inequality, in the face of a growing gap between the richest and the poorest in this province and in this country, we see no measures, either from the federal government or from the provincial government, to do anything concrete to reduce that gap in the near future.

There are a number of things the government could do. These were put forward by Campaign 2000. I want to

focus on them because they could have made their way in a significant way into the budget and they did not.

Number one, Campaign 2000 says this government could finally end the clawback of the national child benefit. Of course, it was only in 2003, before the last election, that Mr. McGuinty made this promise in an election questionnaire to Campaign Against Child Poverty that said, "Will your party make it a priority to end the clawback of the national child benefit supplement from families on social assistance?" And Dalton McGuinty said, "We will end the clawback of the national child benefit supplement. The clawback is wrong and we will end it. The Harris-Eves government has reinforced the cycle of poverty, not broken it." All this government has done is given the inflationary increase for the clawback back to those families. They haven't fully ended the clawback. Every single year, this government continues to steal back \$225 million from the poorest families in this province. It's not even your money; this is federal money targeted for the poorest families, not just in Ontario but right across the country. And your government, despite the promise made by your Premier four years ago, still continues to claw it back. How shameful. How utterly shameful.

What was even worse was that when you looked in the budget to see what this government had to say this time about the clawback, it is clear that the clawback will not end for another five years. It will take another five years for this government to stop stealing from the poorest families in Ontario. What is wrong with this picture? What is wrong with this government that it would take this money from the poorest families in Ontario? And you talk about a commitment to poverty when that's what you do to the poorest families, when these families are going to have to wait another five years before the clawback will finally end.

I've said it before and I'll say it again in this debate: A child who was born in the same year that Dalton McGuinty made this promise in 2003 is going to be six years old before they see a benefit from the national child benefit. That same child, if they were 10 years old when the promise was made, will never see any benefit from it. And this isn't provincial money; it's federal money that's supposed to go to the poorest Ontarians, and instead this government just steals it back year after year after year from the poorest families.

I wonder what the government is going to say this time when the election questionnaire comes from Campaign Against Child Poverty, when they ask this time, "Is the government going to end the clawback of the national child benefit?" I wonder what McGuinty is going to say this time. "Oh, yes, it's so unfair and it's so unfortunate. It increases poverty, and maybe we'll end it in another five years because we didn't keep our promise the last time." That's what the budget proposes, that the clawback will not end for another five years. That is unacceptable, especially when the Minister of Finance tried to get up and claim that this would be a budget that will deal with poverty in Ontario.

What else could the government be doing? Well, of course, the government could be providing good-quality child care. That's another recommendation that Campaign 2000 made when they released their report. And what do we see in the last election? What did Dalton McGuinty promise in the last election? Well, here is the same election questionnaire from Campaign Against Child Poverty. The question was this: "How will your party increase access to high-quality, licensed child care services?" And Dalton McGuinty responded, "The Harris-Eves government has not put a penny into licensed child care. We are proposing an infusion of \$300 million." You know what? The McGuinty Liberal government has not put a penny of its own money into child care since 2003—not \$100 million, not \$200 million, not \$300 million; not a single penny of provincial money has been put into child care in the province of Ontario. The only money that has been spent on child care has been federal money flowed through to the province. So never mind Harris-Eves; what about the McGuinty Liberals and their promise in 2003?

Do you know what's also interesting? Right now, the province is sitting on about \$138.5 million of unspent federal money for child care. And how much does this government propose to spend on quality child care in this budget? Twenty-five million. They're sitting on \$138.5 million and they're only going to spend \$25 million this year. Where is the rest of the money going? Do you honestly think there are families out there who don't need high-quality child care? Of course there are. Toronto itself has probably got a list for subsidized child care of about 15,000, and many other communities have hundreds and hundreds of kids on a waiting list, needing subsidized, high-quality child care. This government, sitting on \$138.5 million of federal money for child care, is only going to spend \$25 million this year.

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I wonder what Premier McGuinty is going to say to Campaign Against Child Poverty in the questionnaire that's going to come out this year, 2007, about the McGuinty government's commitment to increasing access to high-quality child care. Maybe they should ask the McGuinty government, after the last election promise that was broken, if maybe this time around they are actually going to spend provincial money that they promised to spend.

What else could the government do? Of course, according to Campaign 2000, the government could increase social assistance rates in the province so as to actually provide a living income in the province of Ontario. The reality is that, as a result of a 22% cut in social assistance by the Conservatives and the freeze, those on social assistance now are about 38% behind the eight ball. That's how much they've lost because the cost of living has certainly gone up, the cost of rent, the cost of food, the cost of hydro and the cost of clothes for the kids. You name it; that's all gone up. But their rates haven't increased anywhere near that to make up for the gap. In fact, this government promised they were going

to increase social assistance rates by the cost of living every year that they were in government, and this government has failed to do that. They have not increased social assistance rates by the cost of living every year.

The reality is that, today, families trying to live on OW are worse off financially under the McGuinty Liberals than they were under the Harris Conservatives. What do we see in the budget with respect to some of the poorest families in the province? A 2% increase—and, by the way, we're still going to claw back the national child benefit from those same families. The 2% increase is certainly not going to get those families very far, is certainly not going to close the gap they've experienced over the last 10 years and is certainly not going to bring them out of poverty.

What else could the government do? Campaign 2000 recommended, "Build new, affordable housing." After all, in the last election, Premier McGuinty promised 20,000 new, affordable housing units. The Liberals, if elected, were going to build 20,000 new, affordable housing units. Do you know how many have been built? A little over 2,000. We've got six months to go before the next campaign, and the best this government has done is to build a little over 2,000 affordable housing units. Do they not have the money to do it? Hardly, because they received \$392 million from the federal government, and that's been sitting on ice for a long, long time as the government was trying to negotiate for some more money. They got \$392 million from Paul Martin and it still hasn't gotten out the door, still hasn't been spent. What does the government say in this budget about how much of that money it's going to spend? It's only going to spend \$127 million out of that \$392 million of federal money you've been sitting on.

Don't you think there's a need for affordable housing out there? There sure is, in this city and every other. Don't you think that building affordable housing would do something to alleviate the income gap between those at the top and those at the bottom? It sure would. Don't you think spending some of that money might actually allow you to keep your election promise? That would too, but it seems you're not too interested in doing that. You're never going to close the gap between the 2,000-plus affordable housing units that have been built and the 20,000 that you promised. The shame of it is that the government had the money to do it, has been sitting on the money to do it and will not get those units out the door in the face of desperate need for affordable housing in this city and so many others.

What else did Campaign 2000 say? It said that the government could raise the minimum wage now, because right now it is a fact that people who are working long and hard, working 40 hours a week, to make ends meet for their families are still living below the poverty level in the province of Ontario. No reasonable person should accept that. Who are some of these workers? Two hundred thousand, mainly immigrants and women, make up those who are on minimum wage now: 61% are adults; 64% are women; 48% have some post-secondary edu-

cation. Despite all that, despite working 40 hours a week on minimum wage, they are using food banks and clothing banks and they are barely making the rent from one month to the next. There are 1.2 million Ontarians who are making less than \$10 an hour right now. I don't know how they are doing it, I don't know how they are making ends meet, and the government comes forward with a proposal not to raise the minimum wage now to \$10 an hour to get those families out of poverty, as we should be doing now. No, we're going to tell them that they can live in poverty for another three years, and in 2010 they'll get an increase to \$10.25. But by that time, as costs rise, as rents rise, as the cost of food rises, as the cost of clothes rises and the cost of natural gas rises, they are still going to be living in poverty, at \$10.25 an hour three years from now. Those families, working longer and harder than ever, deserve decent pay for the work they are doing, and they deserve it now. No family in Ontario working long, working hard, working 40 hours a week should still be living in poverty at the end of the day, and that is the reality we are facing in this province.

Did the government respond to that critical issue of so many people living in poverty while working full-time? No, they did not. This government condemned those same families to continue to live in poverty for another three years, and probably longer after that, and that is shameful. This was a key election issue in York South-Weston, one of the poorest ridings in this province, and it's going to be a key election issue in October 2007, because reasonable people—and there are lots of them out there—know that a family that is working 40 hours a week on minimum wage should not have to continue to live in poverty—not now and not three years from now. We need an increase in the minimum wage to \$10 an hour and we need it now.

I contrast all of what could have been done by this government in this budget and all that wasn't done with the one change that the finance minister made with respect to the capital tax. This finance minister proudly got up in his place and said, "We're going to accelerate again, for the second time, the elimination of the capital tax. By this time in 2010 it will be eliminated." My goodness, don't the banks and the financial institutions need that? Haven't they made enough profit in Ontario and across Canada? That was what the finance minister was going to accelerate—not accelerate a \$10 minimum wage now, not accelerate provincial money for new child care, not accelerate getting the money out the door for affordable housing, not increase social assistance rates to a living wage, not accelerating the clawback by actually ending it now instead of five years from now. No, no, the finance minister, who wanted to make this a poverty budget, couldn't do any of that for some of the lowest-income families in the province. He could help out the banks and the financial institutions but he had nothing to say and nothing concrete to offer to those poorest families in the province.

Do you know what's interesting? The benefit that this government is going to bring forward is actually going to

be less for families, in terms of income going into their pockets, than it would be if the government just ended the clawback now. If the government ended the clawback now, they would get \$1,500 a month in their pocket, and they're going to get \$1,100 a month in their pocket five years from now. That is a crying shame in a province that is doing as well as we are, at a time when we should have been using this budget to really end that gap between the richest and the poorest.

The Acting Speaker: Questions and comments?

1730

Mr. Mario G. Racco (Thornhill): It's a pleasure for me to speak in favour of the budget. Let me tell you that my riding of Thornhill and the regions of York, Peel and Halton in particular are very happy because this government will finally remove the social transfer from those regions to Toronto, a transfer of \$200 million a year that the Conservatives imposed on those three regions. It was a travesty when that happened. The region of York alone transferred \$740 million over that time, and of course those were monies that local taxpayers paid to support the social assistance that belonged to the province. So we are very happy with that change. That change was asked for by the three regions—by the chairs, by the local council, by the regional council—and the Liberals delivered.

In addition to that, we certainly have made a major improvement to the lives of workers in Ontario. The NDP left the minimum wage at \$6.85. The PCs for nine years did nothing. We increased the minimum wage over four years from \$6.85 to \$8, and now with this budget we are going to move it up to \$10.25—more than what the NDP has been talking about after our position taken. So we have done much for working people in Ontario. In addition to that, we have also increased the annual increase to injured workers by 2.5% every year for the next three years.

Major achievements for working people; major achievements for the 905 people.

Of course, the other important factor in the budget is that the assessment on property will be done over four years instead of an annual increase in value.

Mr. Bill Murdoch (Bruce-Grey-Owen Sound): First, I want to commend the member from Nickel Belt on her well-prepared summation of the budget today. She's right on in pretty nearly everything. There might be the odd thing I might disagree with but, boy, she knows her stuff, and if the Liberals would only even listen to half of what she says, they might get a half-decent budget. But, of course, we know they're not going to listen, we know that they really don't care, and they still want to blame the other governments. They haven't figured out after four years that they're the government. I can't believe you guys. How slow are you over there, when you've been around for four years? This is your budget. Wear it, folks. You should be proud of it, but every time you get up, you've got to blame either the NDP or the Conservatives: "Oh, it's their fault." You guys have been around for four years, and it's shameful

you'd come in like this and spend \$20 billion more than when you came in and you still haven't solved a lot of the problems.

Look at our homes for the aged. You give them one minute when they require 30 more minutes. That's shameful. That is so shameful for our most vulnerable people who live in homes for aged, that you people would just forget about them, just forget about them totally in this budget. That is so shameful.

I know you have some new members over there, and they must be wondering, "What is going on with this government? Why would I ever run for the Liberals? They don't care. And when they get cornered, oh, it's the other fellow's fault; it's the other people's fault. It's not our fault. We have no responsibility. We just sit here day after day and do what we're told and do nothing about what's going on in this province."

Rural Ontario again was left out. I heard one of the members go on, but that's unfortunate. He likes to twist the numbers around. Actually, over \$100 million was taken out of the budget. It's unfortunate he can't count, but that's the way it goes with the Liberals. And then you'll probably blame us for it. It will be our fault, the more than \$100 million.

And you've spent over \$20 billion more. Shame. Shame on you people.

Mr. Khalil Ramal (London-Fanshawe): I wanted to have the chance to comment on the member from Nickel Belt when she was talking about the budget. I guess the member shouldn't talk about the budget as a whole, as a strategy to transform the social structure in the province of Ontario.

It's a very important budget to tackle all the issues. I know the need is great to increase the minimum wage to probably \$20. We have to build 100,000 units. Many different requests come to us as a government, but we have to manage the budget very well. We have to tackle all the issues, from health care to education to infrastructure. Also, at the same time, we have to look after the working poor among us.

She was talking about the clawback, and it's a very important question. The clawback was done by Mr. Harris back then, not to go to the government coffers, to reinvest in different programs. What's easy for us: if we went and cancelled and finished the clawback, which we did. But we want a very important strategy to tackle poverty as a whole by creating a different strategy to work and to support the hard-working poor, who are working on a daily basis: supporting them with \$100 for housing, \$250 for every child this year, and next year \$600, and the year after it will be \$1,100. People making between \$20,000 and \$30,000 will still benefit from this strategy because we believe it's very important that the hard-working poor among us should walk with us. We should give them a lift, and that's our responsibility as a government. We have to elevate people to be able to produce, to feel they are a part of this great province. That's why we're working. It's very simple to go for \$250, cancel the clawback, but our investment was

greater than this: \$2.1 billion. This is not an issue about the money. It's an issue about putting a strategy to include all the people of Ontario. Working poor, people on social assistance, everyone should be entitled to support and help.

Mr. Miller: It was a pleasure to listen to the member from Nickel Belt for the last 20 minutes, and certainly it's very clear that the NDP has been pushing for a higher minimum wage, a \$10 minimum wage. The government, on the other hand, in this recent budget has suddenly become a convert to this idea. I think probably the politics of it is that, you know, we've had some recent by-elections happen where the NDP have won some seats, and now all of a sudden the government not only is a convert but is going 25 cents better than the NDP in raising the minimum wage to \$10.25, although of course it's going to be after the next election, so who really knows what will be happening with that?

But I would like to ask what happened to that promise of \$6,000 per long-term-care resident. It was a very clear promise made in the last election. I mean, you're spending \$22 billion a year more than you were when you came into power in 2003, and yet you haven't kept the promise to fund long-term-care residents to \$6,000 per resident. That was your promise and that is one you haven't kept. In fact, in this budget, what do we hear? There was 50 cents per resident of long-term-care homes in this budget—50 cents. That buys exactly one minute of extra care for residents of long-term care.

So my question is, what are Ontario residents getting for this \$22 billion in extra money that is being spent when this very clear promise was not kept, and many others? I note that the Ministry of Natural Resources seems very much to be struggling, as are tourism and agriculture and other priority areas for rural Ontario.

The Acting Speaker: That concludes the time for questions and comments. The member for Nickel Belt has two minutes to reply.

Ms. Martel: I want to thank the members from Thornhill, Bruce-Grey-Owen Sound, London-Fanshawe and Parry Sound-Muskoka for their contributions and say this: I focused on those measures that I think could have alleviated poverty and that weren't in the budget. After all, it was the Minister of Finance who several weeks ago said that this budget was going to focus on poverty and was going to deal with those who were living in poverty.

Well, I named five measures that could have been taken and that should have been taken in this budget if the Minister of Finance and the Dalton McGuinty government were actually serious about what they said. I can only assume that they weren't, because the fact of the matter is, and I say this to the member from London-Fanshawe, you haven't ended the clawback. You will not end the clawback for another five years, and that is absolutely shameful. You haven't done anything to deal with those people on social assistance who are under greater financial risk now than they were under the Harris Conservatives.

With respect to new affordable housing, you are so far short of what you promised in what you have built that

you will never make up that gap in the next six months, even though you had federal money for months and months and months that would have allowed you to do that.

With respect to child care, you've broken the promise that you made in the last election to spend 300 million new dollars on child care. Not only that, but this government's got about \$138 million from the feds that they are still sitting on for child care and this year are only going to spend \$25 million, at a time when there is a desperate need for high-quality, non-profit child care in this province.

And finally, with respect to the minimum wage, I'll say it again: I think it's a disgrace that in Ontario today people can work 40 hours a week and still live below the poverty level, and the measures announced by the government will mean they will still live in poverty for the next three years and beyond.

1740

The Acting Speaker: Further debate?

Mr. Leal: It is a pleasure for me today to make some comment on budget 2007 that was delivered to this House on March 22.

I had the opportunity this morning to be with the Premier in the riding of Peterborough to talk about an investment we're going to make of some \$1.3 million in the Five Counties Children's Centre. Let me talk about the Five Counties Children's Centre. It's part of a network of 21 child treatment centres in the province of Ontario. I take great pride. The Minister of Children and Youth Services in the province of Ontario has, on at least two occasions, had the opportunity to visit the Five Counties Children's Centre in Peterborough to see the outstanding work led by CEO Diane Pick and her very professional and competent staff, who treat children with a wide variety of difficulties. Whether it's speech therapy or physiotherapy, they have a record second to none of helping kids out. That investment—for the longest time, they've had portables that are at the back of the existing facility. They've had a capital plan for at least a decade. Previous governments looked at that investment and decided, no, they weren't going to do it. This morning, this government stepped forward with an infusion of \$1.3 million for them to address their capital plan to get rid of those portables that are at the back of the facility today, have a construction project, extend that facility and integrate those services that are currently in the portables to have them part of the main structure of Peterborough to provide that fine professional service they deliver to so many kids in the five counties region and, with the help of the Minister of Children and Youth Services, to reduce those waiting lists that were sitting around for eight long years, that were never addressed. This minister came to Peterborough on two occasions to make sure that those waiting lists have been reduced significantly. The investment this morning will go a long way for the capital project so they can continue in the fine tradition of the five counties to deliver that service.

My good friends from the NDP talk about poverty. You know, it's interesting—I was a city councillor in

1993 in Peterborough and I remember the day that they announced they were going to freeze ODSP rates, which they did in 1993. When you couple their freeze in 1993 with the eight long Tory years where there was no increase—in fact, ODSP rates were reduced—that was the foundation, the start of having the poverty crisis in the province of Ontario. Then, during their watch, they also took away the grants for low-income families in the province of Ontario. That's their record and they've never apologized for doing that to the low-income people in the province of Ontario.

So what has this budget started? It has started the Ontario child benefit, which gets rid of the clawback in the province of Ontario, something that has been recognized by none other than Charles Pascal. I know Charles reasonably well—a former president of Fleming College in Peterborough. Today, he is the executive director of the Atkinson Foundation, which is the charitable arm of the Toronto Star group, and has been active very active on the poverty front. In fact, I also want to point out this about Charles Pascal: He was the Deputy Minister of Community and Social Services during the NDP government. Yesterday, in the Toronto Star he had an opinion piece which he wrote, to talk about the benefits of the Ontario child benefit. He talked about this as being an amazing step forward in reducing child poverty in the province of Ontario as we move from \$250 dollars per child this July to, when it's fully implemented, \$1,100 per child in 2011. He talked about this as being one of the most significant social policy initiatives in the history of the province of Ontario. In fact, this initiative has been endorsed by three former Premiers: William Davis, Bob Rae and David Peterson. Those are three individuals who were Premiers in the province of Ontario. They have looked at this child benefit and they decided this is one of the most positive things to occur in Ontario, and I concur with their observations.

The member from Nickel Belt referenced Campaign 2000. I'm going to quote from Jacquie Maund, who is the Ontario coordinator of Campaign 2000. This is what she said about the Ontario budget that was released on March 22. "There are a number of steps forward taken in this budget that are key areas that we've been calling for: improved child benefit, increased minimum wage and investments in affordable housing and child care." I think it's time that the NDP looked at their briefing notes when they make comments from individuals who are involved with the Ontario coordinator of Campaign 2000.

Michael Mendelson, a senior scholar for the Caledon Institute of Social Policy, a think tank in Ontario which has a very distinguished reputation, quoting on some of the measures in the budget, says: "It lays some foundations for an adequate income security system by introducing an Ontario child benefit. Now there is a basis in terms of a program structure for the continued development of an income security system for low-income people. It's a great day and it's a great change." That was from Michael Mendelson, the senior scholar from the Caledon Institute of Social Policy.

I've talked to my good friend Councillor Doug Peacock. I served with Doug. He is the current of social services for the city of Peterborough. He talked about a great day on March 22, that we're introducing the Ontario child benefit. He said it was a great positive step forward to assist low-income families in the great riding of Peterborough.

Just yesterday, I had the opportunity, on behalf of my good friend the Minister of Municipal Affairs and Housing, for a grant of \$3.75 million for a program to invest in new housing and rehabilitate existing housing in the riding of Peterborough. All the housing advocates were applauding that investment as something that is significant for the housing community and housing providers within the great riding of Peterborough.

Also, as a government, in 2003, we got back into the housing business. I remember those eight long, miserable Tory years when the only investment they made in housing was to provide communities and municipalities with a rebate of the provincial sales tax. How cheap could you be, giving a small rebate of the PST for housing providers for those eight long, tough, miserable Tory years? One of the things we decided in 2003 was that we would get back into the housing business on a dollar-for-dollar basis with federal housing programs. In fact, when you look around the riding of Peterborough, we invested—

Mr. Yakabuski: Have you visited them?

Mr. Leal: I've toured all of them, I tell my friend from Renfrew–Nipissing–Pembroke. I've had the opportunity to see those new housing units in the riding of Peterborough. We have the Woollen Mill project on McDonnell Street; many new units, partnering with the federal government. We have that old Central school in the downtown core of Peterborough that's being turned into new affordable housing. We have the River Ridge project, which was the result of investments after the flood of July 15, 2004.

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Let me tell you a story about that flood. Peterborough had two 100-year floods in two years: We had one in 2002 and one in 2004. For the one we had in 2002, the government of the day didn't provide help for Peterborough for six months after the flood. The Premier of the day didn't even have the courtesy to come to see the damage in Peterborough after the flood of 2002.

Let's contrast that with the flood of July 15, 2004. Because Emergency Measures Ontario comes under the jurisdiction of the Minister of Community Safety and Correctional Services, he toured the flood-stricken area the day of the flood in the afternoon. The following day, the Premier of Ontario arrived at 2 p.m. to go and take a look at the flood damage. He was in basements full of sewer water so he could see the experience that people were suffering after that flood of July 15, 2004. Within a matter of months, the Ontario cabinet acted quickly for \$40 million in relief to the city of Peterborough so that we could get back on our feet—not that shameful response that we had in 2002; absolutely shameful. Within days of the flood in 2004, we were there with the dollars

to get Peterborough back on its feet. I salute the Premier and the cabinet of Ontario for that quick action back then in 2004.

Let me turn my attention to the business side of this budget. My friends in the Greater Peterborough Chamber of Commerce have been talking for years about lifting the business education tax off the businesses of Peterborough to make them more competitive. I'm pleased that in Peterborough's case we'll be lifting almost \$10 million of business education tax off the backs of business and bringing it back to the province where it belongs to make us more competitive.

I want to put on the record a quote from Len Crispino, the president and CEO of the Ontario Chamber of Commerce. He said, after the budget introduction on March 22:

"The reduction in BET rates is a major win for businesses in Ontario and will lead to increased productivity, job creation and output. Over 300 communities across this province will benefit from reduced industrial and commercial tax rates totalling \$540 million, including such places"—great communities—"as Sault Ste. Marie, Windsor and Northumberland county. This is a big win for the Ontario Chamber of Commerce."

I remember that the chamber asked the Harris/Eves government to look at that when they were doing what I call the Houdini act: the Who Does What shuffle of services and costs going back and forth. Of course, they also brought in CVA, current value assessment, and they brought in MPAC, which had to be funded 90% by municipalities of Ontario—one of the great off-loading schemes of all time. One of the things that we've been doing over the last four years is uploading some of those costs—uploading land ambulance. Bob Sweet, the warden from Mr. Yakabuski's riding, Renfrew-Nipissing-Pembroke, has commended the government for uploading the costs for land ambulance and for public health.

Let us talk about that assessment boondoggle that was brought on by the Conservatives when they did, as I referred to it, that Houdini exercise in 1998. Oh, they said it was cost-neutral, that municipalities wouldn't have to fork out any more dollars. What a sham that was. Municipalities were left holding the bag.

They're in better shape financially today, as we've uploaded those costs—public health, land ambulance, housing—as we continue this exercise over the next number of months to upload additional services that have been on the backs of municipalities.

Let me chat a bit about assessment. We now have a four-year cycle. Averages will be brought in over four years, and increases will be averaged over that period of time.

Interjection.

Mr. Leal: Any decreases will be kicked in immediately. I think it's a reasonable approach to take under this mess that was left through MPAC, established by the former government, when the member from Erie-Lincoln—I remember the Magna budget, that Houdini

budget that left us with \$5.6 billion that was hidden. We had to lift the veil. Erik Peters, when we asked him to take a look at it, lifted the veil on that \$5.6 billion. Oh, I remember the member for Erie-Lincoln on that budget day; he was looking pretty spiffy. He had the \$1,000 suit on that day, a nice silk tie, and all of the ministers rode up in those big Cadillacs looking very prosperous, and they all went into that big Magna gymnasium they had with all the lights and the buzzers, all the spin doctors, and they looked—I remember Madam Ecker very well, looking the people of Ontario right in the eye: "Oh, my friends, this is a balanced budget. This is good news for the province of Ontario." But, whoops—a couple of months later, it wasn't a \$1-billion deficit; it wasn't a \$2-billion deficit; it wasn't a \$3-billion deficit; it wasn't a \$4-billion deficit. Folks, what was it? A \$5.6-billion deficit. One of the great shams of all time was that Magna budget when they said it was absolutely balanced.

I want to talk about agriculture for a moment. I had the opportunity to have my good friend the Minister of Agriculture, Food and Rural Affairs in Peterborough last Friday, where she delivered a phenomenal speech to the Christian Farmers—a well-received speech. We finally put to rest the myths that were circulating out there about the cut to the agriculture budget. I again refer to table 25, which shows, over our government mandate, that the operational side of the agricultural budget has gone up every year during the four years of our mandate. For emergency assistance to farmers: \$1 billion.

Interjection.

Mr. Leal: I'm going to tell my friend from Renfrew-Nipissing-Pembroke—maybe he should stick to making CDs, because he's not making much of a contribution to the debate today. I say to my friend from Renfrew-Nipissing-Pembroke that he should take the time over this weekend to read the information that's in the budget and he would finally understand how much we are increasing the agriculture budget in the province of Ontario. Plus, if you look at table 25 at the bottom, we're engaged now in very serious talks with the federal Minister of Agriculture, Mr. Strahl, to have Ontario to look at what additional dollars we might be able to provide for a safety net, based on working co-operatively, based on the announcement that Minister Strahl made on March 7, 2007.

When you look at this budget: good for business; it attacks poverty in the province of Ontario.

A couple more quotes here. I am going to talk about Tyler Charlebois, director of advocacy for the College Student Alliance: "After 15 years of underfunding and seeing classrooms and buildings crumble at their feet, the McGuinty government is investing additional funds to renew our learning institutions for the future." That was from Tyler Charlebois.

I want to quote Dr. David Bach, who's president of the Ontario Medical Association: "Doctors Applaud Commitment to Expand Wait Time Strategy...."

"The provincial government has made progress in reducing wait times for a number of specific procedures,

and we are pleased by the commitment to measure all surgical wait times" in the province of Ontario.

Hilda Watkins, the president of the Ontario Teachers' Federation: "Teachers have been pleased to see this government's increased commitment to publicly funded education since its election in 2003. Today's budget recognizes responsibilities beyond the school playground for improving student learning."

My good wife, Karen, a grade 8 teacher in Peterborough, teaches at St. Teresa's. She's an outstanding teacher and does a wonderful job with her students. Just the other day, we were chatting about her school. She said to me, "You know, Jeff, the last four years there's been such a positive learning environment at St. Teresa's in Peterborough." We have a government that's committed to public education. We have a government that is committed to teachers. We have a government that is committed to parents and their kids in these classrooms. She said to me, "It's a real pleasure for me to be in that classroom to renew my passion, to renew my vigour to teach those grade 8 students." Children represent 20% of our population and about 100% of our future. This budget will meet that objective.

The Acting Speaker: Pursuant to standing order 37, the question that this House do now adjourn is deemed to have been made.

1800

ADJOURNMENT DEBATE

HORSE RACING INDUSTRY

The Acting Speaker (Mr. Ted Arnott): The member for Barrie–Simcoe–Bradford has given notice of his dissatisfaction with the answer to a question given last Thursday by the Minister of Government Services. The member has up to five minutes to debate the matter, and the minister or his parliamentary assistant may reply for up to five minutes. I recognize the member for Barrie–Simcoe–Bradford.

Mr. Joseph N. Tascona (Barrie–Simcoe–Bradford): I want to put in context the questions that I've put forth. It was actually the Minister of Public Infrastructure Renewal to whom I posed the question, and it was deflected down to the Minister of Government Services. I want to put the question in the context of the questions I put forth on March 22 that preceded the release of the Ombudsman's report of March 26, 2007. I was asking questions with respect to the Georgian Downs shutdown and the slots and the Ontario Racing Commission and racing industry per se. That release of the Ombudsman's report was after my questions.

The Ombudsman came down with a report saying that the lottery is a game of trust which has been broken as the McGuinty government stood by while the lotteries were fixed. What he was saying there was that the OLG was catering to the store owners with respect to making sure that they were getting their ticket sales done so that

they could get the money they need for their operation. In the first paragraph of the executive summary of the Ombudsman's report, he said the government of the day is "addicted to gambling revenues."

There is no doubt, by the way the government and the OLG handled the Georgian Downs shutdown of their racing operation for three months, that the OLG was catering to the racetrack owners at the expense of the racing industry and the workers, 80 to 110 of them who were laid off for that three-month period with respect to the racing industry.

It's fairly obvious that the racetrack owners, if they could just run the operation with the slots, get 20% of the revenues of the slots that come out of that particular racetrack. The agreement that they have signed is with the OLG, the Ontario Lottery and Gaming Corp. The intent, when that arrangement was set up by our government of the day, was that 10% of those revenues were going to be supporting the racing industry to enhance it, to make it grow and obviously to create employment in this province.

As I said, when the slot agreements were signed with the OLG, the intent, the formal intent, was a sharing of revenues, that 20% of those revenues that go to the racetrack owners from the slot machines would go to the racing industry. What had happened was that when the Georgian Downs strike occurred, the racing did not occur but the slots stayed open. So the slots and the premise of the government's addiction to gambling revenues was basically solidified with respect to that particular Georgian Downs shutdown, which is one of 18 tracks in this province, one of 16 standardbred tracks in this province. The racetrack was shut down for three months.

My questions that were put forth to actually the Minister of Public Infrastructure and Renewal, who we know is the minister in charge of the OLG, but were deflected and put forth to the Minister of Government Services, were very clearly: "When slot agreements were signed with the OLG, the intention was to link the operation of slots with the success of on-site racing. Minister, why have you taken no measures to ensure that this intent is respected?"

The answer I got was this: "My suspicion is, we very much are likely to do that." "My suspicion." I was asking for a very direct answer to this fundamental issue where we have set up a system with respect to slot machines at the racetracks and a percentage is to go to support the racing industry. He says, "My suspicion is, we very much are likely to do that."

Now, the next question I asked was, "Why have you have taken no action to establish a transparent and accountable relationship between slot agreements and racing dates? The racing was shut down but the slots stayed open for a 90-day strike" at Georgian Downs. The answer I get from the minister is, "... I anticipate meeting in the next few days with the harness racing people to get their input." He anticipates a meeting in the next few days. Maybe the meeting has already taken place; maybe the parliamentary assistant can tell me whether that has

occurred. “But I also am looking—” What does that mean? I’m looking for an answer. That’s why we’re here late tonight, to get an answer on what is going on with the OLG and slot agreements.

The Acting Speaker: The member for Brampton West–Mississauga, the parliamentary assistant to the Minister of Government Services, now has five minutes to reply.

Mr. Vic Dhillon (Brampton West–Mississauga): Our government understands the horse racing industry and the vital role it plays in Ontario. It’s a \$2-billion industry which is generating 65,000 jobs. Horse racing is an important part of our agricultural sector. The industry supports significant employment and economic benefits to our province.

The slot machines were introduced in 1998 as another stream or form of revenue for this industry. By 2004, almost \$300 million was added to the overall benefit of the industry. Specifically, new revenues were used to increase purses, to invest in the horse improvement program, and to assist various industry associations such as the Ontario Harness Horse Association.

I think it’s important to highlight a few examples of the great successes in the industry. Ontario has a very rich history in horse racing. Just over the last year, there have been many achievements, including the following: A horse named Glidemaster, an Ontario-owned, Ontario-trained horse, won the trotting triple crown and was named US horse of the year in 2006. Another horse, Majestic Son, is another great example. Majestic Son is

an Ontario-sired, Ontario-owned and Ontario-trained horse, and won the Breeders’ Crown at Woodbine last year. It has also won the Canadian Trotting Classic and was named Canada’s horse of the year in 2006.

I can go on and on with examples, but I want to just mention one more. Mr. Feelgood is an Ontario-sired, Ontario-owned and Ontario-trained horse who is the first Ontario-sired horse to ever win the US Little Brown Jug, which is considered pacing’s most prestigious race.

The member has also mentioned the ORC. The role of the Ontario Racing Commission was established in 2000 through the Racing Commission Act. The ORC is an arm’s-length organization responsible for regulating horse racing in Ontario. As well, the ORC ensures public confidence and integrity in the industry and plays an active role in protecting the health and safety of horses. This includes licensing and approving live race dates for all racetracks in the province. The commission reviews all race date applications and makes a determination on dates based on the best interests of the industry.

The McGuinty government will continue to work with the ORC and all industry stakeholders to ensure continued strength, growth and long-term prosperity of the horse racing industry in Ontario.

The Acting Speaker: There being no further matter to debate, I deem the motion to adjourn to have been carried. This House stands adjourned until 6:45 p.m., later on this evening.

The House adjourned at 1809.

Evening meeting reported in volume B.

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