



No. 71B

N° 71B

ISSN 1180-2987

Legislative Assembly
of Ontario
Second Session, 37th Parliament

Assemblée législative
de l'Ontario
Deuxième session, 37^e législature

**Official Report
of Debates
(Hansard)**

**Journal
des débats
(Hansard)**

Tuesday 27 November 2001

Mardi 27 novembre 2001

Speaker
Honourable Gary Carr

Président
L'honorable Gary Carr

Clerk
Claude L. DesRosiers

Greffier
Claude L. DesRosiers

Hansard on the Internet

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

Copies of Hansard

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

Le Journal des débats sur Internet

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

Exemplaires du Journal

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.



LEGISLATIVE ASSEMBLY
OF ONTARIO

Tuesday 27 November 2001

ASSEMBLÉE LÉGISLATIVE
DE L'ONTARIO

Mardi 27 novembre 2001

The House met at 1845.

ORDERS OF THE DAY

RESPONSIBLE CHOICES FOR GROWTH
AND FISCAL RESPONSIBILITY ACT
(BUDGET MEASURES), 2001

LOI DE 2001 SUR DES CHOIX RÉFLÉCHIS
FAVORISANT LA CROISSANCE
ET LA RESPONSABILITÉ FINANCIÈRE
(MESURES BUDGÉTAIRES)

Resuming the debate adjourned on November 26, 2001, on the motion for second reading of Bill 127, An Act to implement measures contained in the Budget and to implement other initiatives of the Government / *Projet de loi 127, Loi mettant en oeuvre certaines mesures énoncées dans le budget de 2001 ainsi que d'autres initiatives du gouvernement.*

Mr Peter Kormos (Niagara Centre): I appreciate this opportunity, and I especially appreciate it because—can you believe it?—notice of motion is served on us today. This a very important piece of legislation and I understand its origins and I understand its motivation. It reflects the Conservative government's agenda of yet more tax cuts, and I understand that. But the debate is going to be cut short; the debate is going to be stifled.

Members of this assembly are going to be subjected—all of them, every one of you in here this evening, all of you sitting in these benches, in opposition benches, in government benches—are going to be denied the opportunity to speak out on this bill, this bill with so many facets. There are members of the New Democratic Party caucus who want to speak to a number of areas of the bill. I very specifically want to speak to the yet further tax cuts, but the gag order, the time allocation motion, the closure motion that was presented today means that there will be but two hours of debate on the closure motion; not on this bill, not on this mini-budget—because at the end of the day that is exactly what it is.

It is a mini-budget; to call it anything else is to be less than candid or forthright or straight about what's really happening here. Indeed, earlier today you heard David Christopherson, our finance critic—in view of the fact that one of the members of this government's executive council, one of the members of its cabinet, a prominent member of its cabinet, said "Five-billion-dollar deficit?

Are you nuts?" almost in that same manner. "We could be looking at \$6 billion or \$7 billion in deficit." In the face of that, this government persists—

Hon Helen Johns (Minister without Portfolio [Health and Long-Term Care]): Is that NDP accounting?

Mr Kormos: These are the numbers. It's Mr Tsubouchi, it's the Chair of Management Board who leaked. It was interesting, because it was two Sundays ago that he leaked \$5 billion, and now a leading member of cabinet says it could be as much as \$6 billion or \$7 billion. That is indeed a shocking revelation, and were it not for the leadership race in the Conservative Party of Ontario, that revelation may never have occurred.

So in the context of yes, a significant recession—and you know what I find remarkable? I have so little time and there are some folks I want to talk about, some good friends of mine from down in Niagara who are directly impacted by this bill and, for me, at the end of the day, if only because of those folks, I'm voting against this bill. It's for a whole lot of other reasons too, but for those folks alone I'll be voting against this legislation, Bill 127, this mini-budget.

1850

First of all, let's talk about the restriction on debate, because after today, that's it, friends. Not a single member of this House, after today, will be allowed to debate this bill or any facet of it, never mind the huge tax breaks for profitable corporations and yet more tax cuts for some of the wealthiest people in this province, and indeed some \$300 million taken out of public coffers, taken away from public education to private—some of them for-profit—schools, because after today the debate is finished. After today, we'll have but one short afternoon to debate the time allocation motion, and we know what happens with those because nary a single member of this government is prepared to vote against them. Then, bang, the next time second reading is called, no more debate, voted on; third reading called, but an afternoon of debate to be divided equally on third reading, the most significant stage of the process. What's interesting, and let's consider this and be very careful: no provision in the time allocation motion for referral to committee.

Well, I've got news for this government because I tell you, the opposition will do everything it can to force this bill to the committee.

Mr Rosario Marchese (Trinity-Spadina): Which opposition? Are the Liberals going to oppose it too?

Mr Kormos: I tell you that New Democrats want this bill to go to committee so that members of the public

have an opportunity to tell you what your tax cuts mean to them.

Let me tell you about some real folks, some real people, some people I know real well.

Let me tell you about Tom Wayman. The last time I spoke with Tom down at the legion in Thorold, Saturday night, the night before Remembrance Day—it was November 10. The legion of course has a dinner on the evening before the Remembrance Day parade. Tom Wayman and his wife were there. Tom's just an incredible guy, a hard-working guy. He's been a valuable member of that community. He's also a veteran of the Second World War, served in Canada, Britain and, yes, Holland. And we know about our service people who served in Holland, don't we? But you see, Tom Wayman suffers from macular degeneration.

I don't know if you know what macular degeneration means, Speaker, and I hope you never have to learn or find out in a personal way, but macular degeneration affects people of all ages—let's make that very clear. Just the other night I was over at the Slovak Hall in Welland where the Rapelje Lodge and Sunset Haven staff were having their annual Christmas dinner and dance. Good folks; I enjoyed being there with them. I appreciated the chance to join them. These are the hard-working people in our nursing homes, the people who take care of senior citizens, our folks, our grandfolks, and who do so under increasing and incredible pressure because of this government's cuts to those types of services.

But I was over at Slovak Hall down on Hagar Street in Welland at the annual dinner and dance for the staff of Rapelje Lodge and Sunset Haven, the two seniors' homes in the city of Welland—public seniors' homes, the kind of seniors' homes we should be building in this province rather than the private, for-profit ones which have tended to dominate in the course of the last six years of Conservative government here in Ontario. I met a young man there who isn't a senior, who's not over 50, who's in his thirties. He's a victim of macular degeneration as well.

People like Joan Haymes in Fonthill, a wonderful woman—macular degeneration—who happens to be a senior as well. You see, macular degeneration is a disease that affects the eyesight. It's one of the leading causes of blindness anywhere. If you don't get the treatment, you go blind. That's what happens. One day, you can see things around you. You can see the trees, you can see the sky, you can see your kids and your grandkids, you can see the river flowing through your community, or, in my case, the canal and the river—and the next day you're blind. There is a treatment for macular degeneration. It's a relatively new treatment. It's a treatment that's been approved by the Food and Drug Administration in the United States. It's a treatment that's been approved federally by the authorities here in Canada. It's a treatment that's been approved by—one, two, three, four—I believe as many as five provinces. In fact, Quebec, Alberta, Saskatchewan, Nova Scotia and British Columbia are all provinces which have listed this treatment so that people who suffer from macular degeneration—

like Tom Wayman, the World War II vet, like Joan Haymes from Fonthill—can save their eyesight, can escape the prison of blindness in their senior years.

But, the treatment regimen costs as much as \$15,000. I'm the last person in the world to come to the defence of pharmaceutical manufacturers, but the reality is that the pharmaceutical manufacturer has a new product recently developed and the fact is between the medical fees, the cost of the pharmaceutical and the treatment process, the cost is as much as \$15,000. Tom Wayman, senior citizen, veteran of World War II, a hard-working member of the community of Thorold, is going to have to pay that out of his own pocket if he dares to be so arrogant as to want to save his eyesight. Joan Haymes, senior citizen, is going to have to pay that \$15,000 out of her own pocket if she dares to be oh so demanding as to want to save her eyesight.

A young man that I talked to at the Slovak Hall who works hard—he works hard at a job that contributes a great deal to the community but he doesn't earn a whole lot of money, and he works hard for every penny he does earn—is going to have to pay for it out of pocket because this government won't list that treatment for macular degeneration among the treatments and pharmaceuticals that are provided for people who deserve and require medical treatment in the province of Ontario, notwithstanding that the treatment has been approved by the Food and Drug Administration in the United States, by the federal health authorities and, as I say, notwithstanding that it's been listed in the provinces of Quebec, Alberta, Saskatchewan, Nova Scotia and British Columbia.

Why, just the other day I met with a group of people who explained that this government's delisting of audiology services—do you know what that means? Testing your hearing, everything from very little kids, for whom hearing testing is an incredibly important thing—do you understand why? Because if a kid's got a hearing problem, the earlier you detect it—and it's remarkable; I've seen the labs and the work that they do, and audiologists can detect hearing problems or hearing loss at very, very early ages, literally babes in arms. They can. The earlier you detect hearing loss or hearing impairment, the more readily you can respond to it, if need be, using a hearing aid. At the end of the day that saves thousands of dollars—no, millions of dollars—in speech therapy, because a youngster learns how to speak by virtue of what he or she hears. Yet this government cut audiology services provided by audiologists. It delisted them. In other words, it created privatized health care for people who have to go or should be going to an audiologist to have their hearing tested.

You have to understand, where I come from—heavy industry, foundries, drop forges, steel mills, arch furnaces—I'm telling you, hearing loss is a fact of life for working women and men, and it's a reality for so many other people: infants, children and adults alike.

This government delisted audiology services. Why? Why did it do it? It has acknowledged that it's done it so that it can save \$7 million-plus from the health budget.

That is an incredibly frightening proposition that this government is about. As a result of Bill 127, the bill that this bill is killing debate on, we're going to give wealthy, big corporate entities tax breaks to the tune of \$300 million to private schools and another \$1 million to the richest people in this province.

1900

Is it any wonder then why this government has to cut health care services to save money? It has to cut health care services, it has to cut audiology services, to save what it says is going to be \$7 million, but we know that at the end of the day people are going to be paying five, six, seven, eight, nine, 10 times that because of the hearing problems as a result of inadequate audiology services being provided to folks in every community in this province. But it's cutting \$7 million to help finance that tax cut for corporations. That's what's happened.

And it's not listing the treatment for macular degeneration. It's making people like Tom Wayman, Joan Haymes and the young man I told you about over at the Slovak Hall pay for the tax cut for profitable and wealthy corporations by virtue of not listing the treatment for macular degeneration. In other words, that means these people are having to pay up to \$15,000 out of their own pockets, but they don't have the money. I'm telling you, they don't have the money. They're as hard-working as any people could be, all three of the ones I've spoken of, and there are hundreds more of them in Niagara region alone, thousands across this province. I told you, it's one of the leading causes of blindness ever, anywhere, among anybody, and this government won't list the pharmaceutical treatment for macular degeneration because it needs the money that it would otherwise pay through our health care system for that treatment. It needs that money to pay for the tax cuts for big, private, profitable corporations.

This government won't list the treatment for macular degeneration. It will force people to not just dig deep into their pockets, but to prevail upon relatives to mortgage the home again in their senior years, to forgo some of the basic necessities of life to get that treatment because they've got to pay for it out of pocket. It's called privatized health care; that's what it's called. Just like audiology services, this government won't list those treatments. It won't make them a part of our public health care system, it won't make them a part of medicare, because this government wants to take money from the Tom Waymans and the Joan Haymeses of Ontario. This government wants to dig deep into their pockets to pay for tax breaks for profitable corporations, for corporations that are making money. Because the only corporations that get tax breaks are the ones that are making money and would otherwise have to pay taxes.

Which leads us to the second consideration, because part of the rationale that government members might be inclined, should they dare, to give you for tax cuts for profitable corporations is that somehow it buoys up the economy in times of a recession—because, friends, we are in a recession, make no mistake about it. Ask the 300

GM workers who have lost their jobs whether or not we're in a recession. Ask the 27,000-plus who have lost their jobs in the last several months alone here in the province of Ontario—good jobs, value-added manufacturing jobs, production jobs. Ask them whether or not we're in a recession. Ask retailers across this province. Ask car dealers. Ask people who work in The Bay or in Zellers and who have seen those non-lineups at the cash register this Christmas season. They know we're in a recession.

That tax break for profitable corporations does nothing to help the corporations that are struggling, does nothing to help the corporations whose primary customer was the American market. As everybody here knows, over 90% of our market, in terms of exports, is the United States of America. When the American economy slows down, when American industry isn't buying our manufactured goods, we're slowing down too. It's the nature of the beast, especially when you develop an economy that has no independence and that's entirely dependent on the American economy. Welcome to the world of free trade, my friends. Free trade, how do you like it so far?

So tax cuts for profitable corporations do absolutely nothing to help out Algoma Steel—Algoma Steel, up in the Soo, Sault Ste Marie, where Tony Martin has been working like a dog, quite frankly, to do everything he can to keep that company alive, with no help from this government. Corporate tax cuts aren't going to help keep Algoma Steel open. They aren't going to help keep the thousands of workers working at Algoma Steel employed. Corporate tax cuts, which take money out of the pockets of Joan Haymes, Tom Wayman and others like them who suffer from macular degeneration, those corporate tax cuts that put money into the pockets of the big profitable corporations, are the same corporate tax cuts that are helping to undermine and pull the rug out from underneath those struggling companies that are on the verge and in the course of perhaps mere weeks, if not months, will be shutting their own doors, creating even more job losses in this, Mike Harris's Ontario.

You see, this budget is very much about folks in my communities and folks across this province who suffer from macular degeneration whose treatment ought to be a part of our OHIP program but whose treatment isn't a part of that OHIP program because this government wants to cut OHIP costs so it can pay for tax cuts. I say that's wrong. I say it's immoral. I say that's not the kind of Ontario that people like Joan Haymes and Tom Wayman worked so hard to build. And I say that New Democrats will not only vote against this bill but will continue to fight to restore delisted treatments to OHIP and to ensure that treatments for macular degeneration get on that list promptly to save eyesight, to save people's lives, to save people's futures, to make this the place it ought to be.

The Acting Speaker (Mr Michael A. Brown): Questions or comments?

Mr John O'Toole (Durham): I'm always pleased to hear from the member opposite and his particular per-

spective on how to sustain the economy of Ontario. In fact, if you want to look to the future, you have to look to history to see what their policies in the past have resulted in. It's an outstanding example of failure, really. They didn't see it quite the way the government or the people of Ontario saw it, that you can't tax yourself into prosperity and you can't as government spend yourself into prosperity. They ended up with a difficult economic situation in their term of office between 1990 and 1995 and their legacy is still being dealt with by the taxpayers of Ontario.

With all the best of intentions, I really feel that despite the difficult economic times they had, the evidence is clear that they exacerbated the problem by continuing to spend in excess of what they could raise in the economy. The economy I refer to is the private sector, that is, small business in Ontario. They tended to try to spend money by taxing people, and what they found was that the people they were taxing slowly went out of business, which meant they got less revenue to help these people with macular degeneration and the other examples the member has brought to our attention.

What we try to present is an option for the people of Ontario to consider. The success of the Harris government has been that by encouraging investment, encouraging entrepreneurship, you actually, through incentives—that is, don't tax every cent they make—encourage them to invest their time and talent so we have the increased revenue to invest in social and other programs that the people of Ontario need. I think they've got the economic message wrong, and the debate is still continuing.

Mr David Ramsay (Timiskaming-Cochrane): I'd like to comment on what the member mentioned in his speech, and now also the government member, in citing the one example of macular degeneration, an illness that many people of all ages suffer. I think it's a prime example of the trickle-down theory this government proposes, that it's somehow going to fix the maladies of people who suffer from a degenerative disease such as this. It's just not true.

This government persists in forgoing revenue, such as the latest \$2.2-billion corporate tax cut, while we have people who are literally going blind through a degenerative disease such as macular degeneration. This is absolutely wrong. I've got constituents in my riding who write to me and say, "I cannot afford the \$15,000 treatment, a one-time treatment, that would preserve my eyesight." Besides being the right social thing to do, it's also the right economic thing to do to preserve that person's sight, to make sure they are productive citizens.

1910

But no, this government says, "The cupboard is bare. We've got to go to Ottawa and look for more revenue." Yet you have revenue sources there and you forgo them. You say, "We'll allow the most profitable corporations to have further tax reductions," while we have people who are going blind in Ontario. That's wrong, and I think it is a good example of the mean-spiritedness of this government. You should be taking care of the most vulnerable

people. While you and I could maybe afford that treatment, many people whom we represent can't. We've got to be caring and look out for those people, because that's what we're sent here to do. The big shots and the people who make the big wages can speak for themselves in society. I think we're here to represent the people who can't speak for themselves and can't take care of themselves and need that help. That's what government's for and that's what we should be doing in this community of the Legislature: protecting those people who need that help.

Mr Marchese: I congratulate my friend from Niagara Centre for his speech. He speaks with vigour each and every time in defence not of those who have but of those who do not have, because that's what our role as New Democrats is all about. He knows, as all New Democrats know, that the market doesn't work for everybody. Some people fail; they fall through the cracks. So he argues that the role of government is so critical in defence of those whom this government is leaving behind. That's what's most important about what the member for Niagara Centre says each and every time.

He added that this subject is so important that it's wrong for the government to introduce a strangulation motion on debate on this very important subject. We look forward to the debate of the Tories to defend their policies, as I look forward to the Liberals in the next few moments to see whether they too will oppose your policies as vigorously as we do.

I say to the Tories, if you have the fortitude you'll stand up and defend your policies. Don't you strangle debate tonight by shying away from the debate. Show the people of Ontario that you can defend what you have introduced in this place and that you won't run away from it, hiding behind the closure motion you've introduced, that you won't run away tonight by not debating this bill. Show us you can do that. And I look eagerly toward the Liberal Party member who is here to see whether or not he will take his 20 minutes and debate this bill.

Mrs Margaret Marland (Mississauga South): I'm happy to have the opportunity just for two minutes to say something about Bill 127, Responsible Choices for Growth and Fiscal Responsibility.

When I listen to my colleagues across the floor and hear them talk about compassion and responsibility for all the people in this province, I can't really believe that they can stand in their place and say what they're saying tonight. They would have you believe, particularly the New Democratic Party, that they have a corner on compassion. You don't have. Yes, you can be compassionate, but to suggest that you are the only people who speak for those people with problems in this province is a very undesirable thing for you to say.

This government has created 800,000-plus net new jobs through its fiscal responsibility and amendments to the Labour Act and its total management of the economy in this province. And what about the 600,000 people who no longer depend on welfare, who no longer are at home

and whose children see them at home while their friends' parents go off to work? Now those 600,000-plus families are role models for their children and the next generations to come, which, I respectfully suggest, is as important as any other aspect of getting people off welfare. It's to go back to where welfare is only a bridging at the time of—

The Acting Speaker: Thank you. The member's time is up.

Response, member for Niagara Centre.

Mr Kormos: I'm talking very specifically about the delisting of treatment regimens and the refusal to list others. The delisting of audiology services is all about this government wanting to pull \$7.7 million out of health care so they can use it to pay for their tax cuts. The refusal to list the treatment for macular degeneration, which will cause certain blindness for those who suffer from it, be they young or old, is all about this government having to raid health care to pay for its corporate tax breaks and its income tax breaks for the wealthiest people in this province.

Look, the minimum wage here is \$78,000 a year, and there's but a handful of MPPs who don't make more than that. I put this to you: the tax cuts this government has created for the wealthiest and the highest-income earners and for the most profitable corporations have meant cuts to health care, have meant the delisting of audiology services, have meant that folks like the folks I've been talking about tonight have to dig deep into their own pockets to pay up to \$15,000 for treatment for macular degeneration, and their incomes can't sustain it.

I don't care if I've got to pay 20 more dollars in income tax, 40 more dollars in income tax, 60 more dollars. I don't care if I've got to pay 100 more dollars in income tax. At the end of the day, that's money well invested, and I'm prepared to pay that as a taxpayer to ensure that folks like Tom Wayman and Joan Haymes get the treatment that OHIP is designed to provide for them. I don't want your crummy tax break if it means that people are going to go blind because they can't afford treatment for macular degeneration out of their own pockets. I say that's immoral. I say that's criminal.

The Acting Speaker: Further debate?

Mr O'Toole: I'm very pleased to rise as the parliamentary assistant to the Minister of Finance and speak on Bill 127. It's important to make sure we frame the discussion in a balanced way. It's clear that the opposition Liberals have opposed every single tax cut, and yet at the same time, if questioned in scrums and other things, it's clear they wouldn't reverse those tax cuts. At least that's their flip-flop message. They voted against them but they wouldn't roll them back, so we're not really clear what we'd get from the other side.

When I speak to the NDP, it's very clear that the member for Niagara Centre has made an appealing case for the necessary compassion, that we as public people have to look after the most vulnerable in society. As the member from Mississauga South just said, they don't have the cornerstone on compassion or sympathy or

empathy for the people of Ontario whom we're all elected to serve.

It's important to step back one step farther and frame the discussion this way. Our premise is based on the fundamental concept that first you have to have a strong economy, with jobs and as high a level of employment as possible, to generate the revenue and provincial income tax and sales tax etc so you can support important, quality social and infrastructure programs—"social" meaning services for people. Whether it's people in health care or education or people with special needs, if one looks closely at the budget and more recently at the economic statement, that's exactly the course this government is on.

I'm very pleased tonight to be reassured that there are members in the House here who—and I want to make special mention of some members here: the Honourable Brenda Elliott, the member from Guelph-Wellington, and the Minister of Intergovernmental Affairs is here, as a number of others are, to pay some respects. The Premier was here earlier this evening. In fact, I spoke with him at some length—

The Acting Speaker: Order. You would know that it is out of order to refer to members' presence or absence from the House.

1920

Mr O'Toole: Certainly, Mr Speaker. I respect your views on that, but I'm really trying to speak to the people of Ontario, whom it is my strong desire to serve as effectively as possible.

Bill 127 will deliver on the promises made both in the 2001 budget and in a series of announcements made this fall and would legitimate the responsible choices made by this government for supporting continuing economic growth.

Tax cuts have been an integral part of this government's comprehensive economic policy since 1995, and I think the evidence is in at this point. It's true. Tax cuts really do create jobs, over 800,000 new jobs. The people on the other side are going to say, "Well, you had to spend money in the form of tax cuts. That has reduced revenue that you would have otherwise received." But what that has resulted in—it's important to put this in an understandable form. Actually, the cost, the forgone revenue, was about \$4 billion, but the increased revenue due to the greater openness of the economy, part of it being underground, and the increased employment resulted in—listen to this—\$15 billion. That money, the \$15 billion, didn't go into anyone's pocket except for the people of Ontario in the form of services: more money for education, more money for health care and more money for community programs. I could always stand here and be vulnerable on the point that there is arguably never enough money to satisfy all the needs of my constituents and of the people of Ontario.

Because of our commitment to cutting taxes, the tax burden on people and small business, Ontario has enjoyed strong economic growth and unprecedented job creation, as I mentioned. Tax cuts raise consumer

confidence, attract investment and stimulate the economy as no other government initiative can. After all, the money we spend we had to take from the taxpayers in the first place. That's why, at this time of projected slower growth in the economy, it is critical to press ahead with our plans to continue to be tax-competitive with other jurisdictions and to allow people on fragile incomes to keep more of their own money.

This bill proposes to accelerate to October 1 the personal income tax, business income and capital tax cuts announced in the 2001 budget, originally planned to start on January 1, 2002. We've just moved those forward to give some relief to small businesses and individuals who need that relief at this time. It's a stimulus to the economy in this slower economic growth period.

It also proposes to accelerate the application of the small business tax rate to more small businesses in Ontario. The proposed tax cut shows our faith in the tremendous growth potential for Ontario, as well as the entrepreneurial spirit and productivity of the people we're elected to serve. We aren't patronizing. We believe that taxpayers have the wisdom and the decisiveness to make the decision to spend their hard-earned money wisely. In a period of economic uncertainty, we are confident that these tax reductions will help the province's economy to stay on track firmly, as a leader of this country.

It's important to note that the federal government has been a quiet beneficiary of our economic strategies. In fact, their revenues have increased by over \$50 billion because of the policies of the Mike Harris government. No, they're not ready to step up to the job and give their fair share to health care. You would know, Mr Speaker, because in your other life you sit in the opposition, that it was the Chrétien government that took health care funding down from the Mulroney days, when it was 18 cents on every dollar, to 11 cents on every dollar. The Minister of Health—whether it was Minister Clement, Minister Wilson, Minister Witmer—and our Premier argued, and they finally relented and it's up to 14 cents. But everyone listening knows that when the original Canada Health Act was signed, it was a 50-50 agreement. Where are they today? They hide behind the tinsel press, the Toronto Star, those kinds of glib editorials that support the Liberal motif.

Nonetheless, we, as the government, understand that an economic slowdown can be particularly hard on low- and middle-income working families, especially those with children. This bill proposes to provide eligible families with \$100 for each child under the age of seven as a tax-free, one-time payment to offset costs. It will help them. It's as simple as this: at this time of year, approaching Christmas, it's to help them to buy a toy for the child. That's real money in the hands of people. The other side would have us give that money to some bureaucrat to funnel out in some program of which about 20 cents on every dollar would actually get to where it's really needed.

It's about responsible choices. This government has the courage to not be influenced by the high-pressure

lobby groups who want the individual bureaucrats to actually keep the money. We have what I think is a balanced fiscal conservative attitude as well as a responsible social conservative attitude.

The bill also implements important choices made in other areas, for instance, very important areas of public transit and infrastructure. Our proposal to take back the responsibility for GO Transit will affect my area of Durham as well. We announced transit for municipalities in September of this year. The proposed measure would free up to \$100 million for the greater Toronto area municipalities. Of course that would include Toronto, but it also includes my region of Durham. I think the number they would have is about \$14 million to reinvest in local and regional transit responsibilities and priorities. Investing in expanding transit service demonstrates our commitment to addressing traffic, gridlock and the protection of our environment. You know they work hand in hand. Traffic and traffic congestion go hand in hand with gridlock and the implications for smog in our environment.

The Responsible Choices for Growth and Fiscal Responsibility Act that we're discussing, Bill 127, would benefit a broad range of taxpayers at all income levels, despite the rhetoric on the other side that it's our rich Tory friends. Hard-working people need to be respected, and that's what this Responsible Choices for Growth and Fiscal Responsibility Act is all about.

Other measures proposed in the bill include encouraging the restoration and preservation of heritage buildings by providing property tax relief to owners of heritage properties under LACAC, local architectural conservation advisory committees, which I did have the privilege to serve with; they are very pleased with that commitment to tradition and community.

We are providing venture capital for small business by expanding the deadline for registering new community small business investment funds to December 31, 2002, and further, reducing red tape for Ontario small business by allowing businesses with corporate tax payable of at least \$2,000 and less than \$10,000 to remit tax installments quarterly instead of monthly, a small but needed regulatory change that this government is implementing.

We are restoring support for research and development—very important—by suspending the R&D super-allowance and allowing corporations to exclude from Ontario taxable income the portion of the federal investment tax credit that relates to Ontario research and development expenditures. Clearly, there was a clawback at the federal level. We've fixed that needless burden.

This government will not surrender the hard-won gains that have restored Ontario to its prosperous and rightful position as the leader in this country. This bill will help ensure that Ontario remains well positioned to withstand the economic challenges that lie ahead for each of us. We intend to stick to the key principles that have guided our economic, fiscal and social responsibilities since 1995, including a commitment to economic growth, job creation, fiscal responsibility, making choices and

planning for the future. More importantly, it's about leadership, leadership that's able to deal with difficult choices, to plan and respond to the needs of our economy.

I encourage future speakers to respond to the stimulus, balanced budgets, tax cuts, prudent planning, competitiveness, transit funding, higher quality of life for all people in Ontario, the SuperBuild initiatives to address education and health care, Smart Growth, with the important municipal implications, global marketing, and most of all, safety. I'm pleased to support Bill 127 and our Minister of Finance, Jim Flaherty. He's the right man for the job.

1930

The Acting Speaker: Questions and comments?

Mr Kormos: In short order, Rosario Marchese, the member for Trinity-Spadina, is going to be speaking to Bill 127.

Listen carefully to the canned speeches, the prepared texts, of government backbenchers. I noticed that the member—to be fair, we only have 20 minutes available to us because of the rules imposed on us, and he used but 13 of them. I suppose the speech writers, when they pump this stuff out of the PCs and the word processors, should be a little more careful in determining how many pages it takes to fill 20 minutes.

Look, New Democrats are eager to talk about real people: real people, real families, real communities, real lives that this government's budgetary policies are having a devastating impact on. There are people out there, good, hard-working folks, young families struggling to look for work and struggling to keep jobs in the economy this government has been nurturing, an incredibly unstable economy where the loss of good, value-added manufacturing jobs that people used to pursue as careers is having a devastating effect on young families and all the way through to the senior citizens that I talked about a little while ago. This government's fiscal policies have to be examined in light of what this government is doing to real people out there.

When this government has to raid OHIP and raid health care to pay for its tax cuts, I say that this government had better start re-examining those tax cuts, especially when those tax cuts are designed to put additional profits into the pockets of the wealthiest and most profitable corporations in this province.

Mr Steve Gilchrist (Scarborough East): As usual, it's hard to sit on this side and listen to the rant from the member opposite and try to reconcile that with the reality of the economy here in the province of Ontario.

He talks about how the tax cuts have only benefited big business. He knows full well that in his riding of Welland, every single man and woman who is a taxpayer has benefited from the extraordinary decrease in taxes that have been a fact of life in Ontario since 1995. He knows that hundreds of thousands of people have come off the tax rolls altogether—the Ontario tax rolls. Now, they still pay federal tax. The Liberal government in Ottawa still charges that tax at less than \$8,000 in income,

because that's how much they care about the poor. But here in Ontario, the member opposite would know that you have to make almost \$20,000 a year before you pay one cent toward your health care, one cent toward your kids' education, one cent toward the OPP or one cent toward any of the other extraordinarily important services delivered by the provincial government—not one cent, because of the tax changes that our government has implemented in the last six years.

We hear stories about how there will be billions of tax dollars cut again in the next year or two. The fact of the matter is that tax cuts create revenue. We have seen an increase of 50% in the revenue of the province by leaving money in the hands of hard-working Ontarians, who deserve to keep a fair share of their income. When government takes those dollars, they're lost, but when the taxpayers have them they can control the spending. They can decide what's an important purchase for them. They can decide where they want to spend those dollars.

That's why our economy has done so well. That's why you're wrong now and that's why you've been proved wrong in each of the two elections.

Mr James J. Bradley (St Catharines): I heard the member for Durham extolling the virtues of the Treasurer of Ontario, the Honourable James Flaherty. I wonder what he thinks of the comments made by the Minister of Labour, the Honourable Chris Stockwell, member for Etobicoke Centre, who, when he launched his campaign, said that you simply can't have more tax cuts. He said you can't square that circle, of saying to people, "First of all, there's not going to be a deficit, and at the same time I'm going to cut taxes." Now, it's not somebody here on this side who said it. This was the Honourable Chris Stockwell.

Interjection.

Mr Bradley: You were not a member of the House at the time, but you will remember that there were four Conservative members who were well known for saying to the government, "Look, let's not implement tax cuts until such time as we've balanced the budget." I remember it was the Honourable Chris Stockwell; the member for Waterloo-Wellington was a second person; the member for Oakville, the Speaker of this House; and I think it might have been the member for Grey-Owen Sound. Anyway, there were four members who said to the government, "Look, it's not that we're opposed to tax cuts"—that's what they said—"but you have to wait until you've balanced the budget. Otherwise, you have to borrow money to give a tax cut."

Of course, we know that under the Conservative government the debt of this province increased by \$22 billion. A lot of people in this province don't want to accept that—the chamber of commerce and people like that don't want to accept it—but the debt went up by \$22 billion. Now we know that the Premier of this province is whining again because he wants federal money to pay for his tax cuts. He doesn't want it for health care. He's going to lose all kinds of money with his tax cuts, so he needs that money to pay for those tax cuts.

Mr Gilles Bisson (Timmins-James Bay): I listened very intently to the comments made by the member across the way, and I've got to say there's a real problem. If you listen to his argument, his argument simply is this: the government does tax cuts, the tax cuts create opportunities because people go out and spend that money, and the economy just picks up and does so fine. If that's the case, can somebody explain to me why we're now in a recession? You've given billions of dollars in tax cuts, and to listen to the argument the member makes, we should be booming. There should be jobs just flowing from the economy and we should be doing just wonderfully. But we're in a recession. Why is that? The members don't want to accept the reality that over 90% of goods produced in Ontario are exported to the United States. Because they're exported and the American economy is going down, of course we're in a recession. We're linked to the United States almost to the hip when it comes to our economy.

Don't argue to me that tax cuts are going to rebound the economy. That would be like saying your tax cuts were responsible for the resurgence in the American economy under Clinton. Then I hear the member say, "But the federal government collected \$50 billion in new revenues because of Mike Harris's tax cuts." Give your head a shake. Where do you get those numbers from? It's like pulling them out of the air. There was more revenue across Canada. Are you arguing that the tax cut fuelled the economies of Quebec, Manitoba, British Columbia and Alberta? You're playing with figures. It's crazy.

Then you've got the illustrious Mr Steve Gilchrist saying, "We've had a 50% increase in revenue in the province of Ontario." No wonder he went bankrupt. He can't count. Excuse me; he didn't go bankrupt. I rephrase. That's not the case. He was on for tax problems.

The reality is that the economy of Ontario doesn't see the type of increase in revenue he talks about.

The Acting Speaker: The member for Durham.

Mr O'Toole: I'm very pleased that there were at least four people in the House listening: the members from Niagara Centre, Scarborough East, St Catharines and Timmins-James Bay.

I clearly think there are times when government needs strong leadership. We can boil all this down to the fact that Bob Rae was a very academic, capable leader but really didn't really have the economic strength or leadership qualities to lead the government. I look at Dalton McGuinty and I'm still convinced he's not up to the job. The member from St Catharines mentioned it. Am I in support of Minister Flaherty? Well, he's the Minister of Finance and he's the person I'm responding to.

Mr Bradley: Mr Stockwell.

Mr O'Toole: Minister Stockwell is certainly a member of the cabinet and as such has voted and supported all the measures—all the measures, I might say, that you voted against yet wouldn't have the courage to reverse.

I have to go back to the original vision here: which came first, the chicken or the egg? What I and the other members who will be speaking tonight are presenting to

you is that you have to have a strong economy to support the quality of life we've become accustomed to. One only has to look at the 10 lost years. You spent more and we got less. The NDP doubled the debt, doubled the deficit. We're spending \$9 billion a year in interest on the accumulated debt. That's \$9 billion that the children in classrooms, the hard-working families and the hospitals are paying for.

It's clear to me that the opposition doesn't understand it. I'm confident that Paul Martin gets it. He's introduced important measures to reward effort so that you don't tax the rich but have to work with it so they stay invested so we can have the standard of living and the quality of life that people of Ontario deserve.

1940

The Acting Speaker: Further debate?

Mr Richard Patten (Ottawa Centre): Mr Speaker, I'll be sharing my time with the member for Essex.

It's a pleasure for me to rise this evening and to share some brief remarks on Bill 127. As usual, the government likes to have especially interesting names for all their bills.

Of course, this afternoon the House leader on the government side introduced a time allocation motion, which means that yet again debate will be cut off. The government uses this tactic more than any government in any jurisdiction in this country: time allocation and closure to limit debate and opportunities for MPPs to respond. This is another example of that.

This bill also continues a long-standing approach by this government in that many of the measures related to it will be made by regulation—which means by order in council, which means by the government behind closed doors—and not in this legislation that will have an effect on people. The continued centralization of power with the Premier and with the cabinet continues.

Talking about the values and the priorities of this particular government, it's quite clear where their priorities are. Their priorities are with economics and with benefiting those who really don't need support and help, and that is essentially the big corporate community—not the small corporate community but the big corporate community in particular—even at a time when the government revenues are declining. The member for Scarborough East talked earlier about the wisdom of tax cuts stimulating the economy, producing increased revenues. I would suggest to him that if he looked at the budget figures today, indeed all government revenues are on the decline, except in one particular category. Where might that category be? Transfers from the federal government to the provinces, last year and this year.

The government is determined to continue to offer unnecessary \$2.2-billion corporate tax cuts in the name of trying to provide competitiveness. We're already competitive on a corporate tax basis, as everyone well knows. So why do we pursue this, when we know that health, education and the environment are in such sorry need of additional resources to do the minimal job required? They are all suffering, and this money is going elsewhere.

The Premier, in his speech to the Canadian Club just two days ago, said the federal government was the single greatest threat to medicare because of its health care funding policies. It's quite amazing that anyone can say almost anything and not be challenged, not be scrutinized. I'm surprised that the media haven't even done the analysis extremely well on this and looked at the history.

It was only a year ago that all provinces and the federal government signed a five-year agreement. That five-year agreement was that the federal government would increase its revenues to the provinces for health and social transfers. That means that this year, next year and for the next five years, Ontario will receive \$8 billion more than they have received in the past. And still there's a complaint that it's not enough. It's not enough, of course, because when you look at how this government is using its resources, it's using them to subsidize a tax cut because the revenues aren't there anymore. The revenues have fallen, except for federal transfers.

I have only a short opportunity here, but I would think that the government members on the other side should reflect quite carefully as to their particular commitment at the end of the day, as to when they return to their ridings what they say to their constituents. Just ask them these questions: Do you believe that this government has produced a better set of protections for our environment? Do you believe that we now have better health care? Do you believe that we now have better education for our children?

Mr Marcel Beaubien (Lambton-Kent-Middlesex): Absolutely.

Mr Gilchrist: Vastly improved.

Mr Patten: I don't know what ridings these members represent, but I tell you, I ask those questions in my riding and continually the answer, sadly, is, "No, none of those things are improvements. They are all sadly lacking since the election of the Harris government."

Mr Bruce Crozier (Essex): In this debate on Bill 127 I want to read into the record some research that I've done on the federal-provincial tax point system. I invite the members, as well as the public, to read Hansard tomorrow or the next day and have a look at this information.

When it comes to the Canada health and social transfers to Ontario, the federal government provides financial support to Ontario, most notably through the Canada health and social transfers. Provinces can use these funds to finance their responsibilities in the areas of health, post-secondary education and social assistance, according to their spending priorities.

Just a little bit of background: in 1995-96, the Canadian health and social tax transfer was \$4.5 billion. In 1999-2000, it was \$5.8 billion. I will point out to the Legislature that the cash transfers during that time went from \$6.2 billion to \$4.9 billion. So there was a reduction of \$1.3 billion in cash transfers but there was an increase of \$1.3 billion in tax transfers, benefits that the province of Ontario gets. In the year 2000-01, as was referred to by my colleague from Ottawa, the federal government

increased the cash transfer by \$1.2 billion and the provincial government increased its health care spending by \$1.1 billion. So all of the increase in 2000-01 came from the federal government.

In 1999-2000, in the transfers to Ontario, there was an historical high of \$10.8 billion, of which \$5 billion was in cash and \$5.8 billion was in taxes that had been reduced from the federal government and given to the provincial government, the so-called tax point. It will account for 19% of Ontario's estimated total revenues. This is about \$932 a person.

The Canadian health and social transfer tax is a federal tax transfer that involves the federal government ceding some of its tax room to provincial governments, and they never speak about this in this Legislature. Specifically, a tax transfer occurs when the federal government reduces its tax rate to allow the provinces to raise their tax rates by an equivalent amount. With a tax transfer, the changes in federal and provincial tax rates offset one another and there's no net financial impact.

1950

Interjection.

Mr Crozier: I may have misspoken on the dates. I'm talking about 1999-2000.

Mr Gilchrist: In 1977 they started it.

Mr Crozier: That's when it started, but I'll give you that history.

However, revenues that would have flowed to the federal government flow instead to the provincial government. It represents forgone revenue to the federal government, each and every year, and additional revenue to the provincial governments. In this way, a tax transfer has the same impact on the federal and provincial budgets as a cash transfer. Tax transfers represent a growing source of revenue for the provinces since they increase in value over time with the growth of the province's economy, which is what you brag about all the time. In 1977-78, major tax transfers to provincial and territorial governments were worth \$2.7 billion. Today these tax transfers are worth four times as much—\$13.9 billion.

The minister over there looks a little bit confused. This isn't my information. This comes from independent research.

Tax transfers represent a significant amount to the provinces. In 1999-2000, provinces will receive a total of \$28.8 billion in the Canadian health and social transfer. Of this, \$14.3 billion will be in transfers and \$14.5 billion will be in cash transfers. A mix of tax and cash helps address disparities among provinces. The value of each percentage point of federal tax in a province is determined by the level of income in that province. Again, you brag about the increase in income. It's an increase in revenue. Tax points are therefore worth less in some provinces than in others. For example, one personal income tax point is worth \$31 in Ontario per capita but only \$16 in Newfoundland.

The Canadian health and social cash transfer tops up the value of tax points, thus automatically compensating

for the differences in the value of the tax transfer among the provinces. Less prosperous provinces therefore receive a larger portion of their cash transfer.

The Canadian health and social transfer is not currently distributed on an equal per capita basis among the provinces. This is due in large measure to limitations imposed on one of the Canadian health and social transfer's predecessors, the Canadian assistance plan, better known as CAP. The 1999 budget took action to remove disparities in the per capita amounts transferred to different provinces and territories by 2001-02. All provinces and territories will then receive identical per capita Canadian health and social transfer entitlements, providing equal support for health and social services to all Canadians no matter where they live.

By 2001-02, Ontario's share of the Canadian health and social transfer will match its percentage of Canada's population, thus providing equal support for health and other social services to all Canadians. The move to equal per capita Canadian health and social transfer entitlements will give Ontario almost an additional \$1 billion over the next five years.

I point out again that this is my research, but it was done by a third party.

Since the tax point transfer system is part of a broad array of fiscal—

Laughter.

Mr Crozier: Well, you laugh, but you don't talk about this revenue. So just listen and read it tomorrow, if you can. It's part of a broad array of fiscal matters that was agreed to by the provinces, and now we get into the history of it.

In 1958, under the Hospital Insurance and Diagnostic Services Act, the federal government provided the provinces with 25% of their per capita costs and 25% of the national per capita costs times their population.

In 1965, the Established Programs Act permitted opting out by the provinces. The province of Quebec, in fact, did opt out.

In 1996, the Canada assistance plan, or CAP, as I referred to it earlier, initiated a 50-50 shared-cost program for various social purposes.

Then 1967 saw a post-secondary education cost-sharing agreement between the federal and provincial governments. Cost sharing was 50% of operating costs or a specific per capita amount if the province so desired.

In 1968, the Medical Care Act came into force. By 1972, all the provinces had signed on and agreed to it. Ottawa paid 50% of the national average costs, which were distributed to the provinces on an equal per capita basis as long as they met the criteria, which were comprehensiveness, universality, portability, public administration and accessibility.

In 1997, following the passage of the Federal-Provincial Fiscal Arrangements Act, the federal government gave up its share of its income tax revenues to the provinces and, in place of the cash payments formerly made to finance the federal share of the three established cost-sharing programs—hospital insurance, medicare and

post-secondary education—Ottawa transferred to the provinces an additional 9.143 personal income tax points, in addition to the existing 4.357 points that it had surrendered previously, and the one point of corporation tax, for a total of 13.5 tax points. These tax points were incorporated into provincial tax regimes and were equalized via the formal equalization formula, like any other provincial revenue. These equalized transfers were notional—they were not actual transfers, but they were money that the provinces had as revenue through tax.

The 1995 federal budget introduced the Canada Health and Social Transfer Act, which made the Canada assistance plan and the established program financing into a single block of funding, which consisted of cash transfers—which again, is the only thing that they speak about in this Legislature—and tax transfers. In the following budget that year, 1995, a cash floor was established to ensure that the growth in the value of the tax transfer would not erode or eliminate the cash transfer.

There are arguments in favour of and opposed to this. I conclude this evening with mentioning both.

No specific study of advantages or disadvantages of the tax points system seems to have been undertaken. However, it has been suggested that the federal government hoped to address a number of concerns when it replaced cost-shared programs that were agreed to by the provincial governments.

2000

In the first place, Ottawa expected to regain some control over its expenditures by abolishing the link between the federal transfer and program costs, because health care costs, of course, and the expenditure of health care funds are the purview of the province. Moreover, it was concerned that the acceptance of tax points by Quebec instead of cash transfers was regarded by other provinces as special treatment. Hence, a transfer of tax points was made to make them all feel equal.

I know that in hurrying through this it sounds confusing, so I ask the members on the government side to simply get Hansard, sit down, read it, and when you talk about money from the federal government and when the Premier goes whining to the federal government the way he accused Bob Rae of doing some years ago, that you take that into consideration.

The Acting Speaker: Questions or comments?

Mr Marchese: I don't disagree with what the member for Essex just said in the last 10 minutes. In fact, I would have started with the conclusion and forgotten about the whole nine and a half minutes of the explanation and defending the federal Liberals for, I don't know, about 10 minutes or so. It wasn't so much confusing as defensive. Just say, member for Essex, that these Tories are whining ad infinitum, and tell them to stop. Say that.

Mr Kormos: And ad nauseam.

Mr Marchese: And ad nauseam; it's true. Say that. But to do a whole 10-minute defence, an accounting, as the accountant that you are, of the what the federal Liberal government is doing is too defensive. Don't do that. It looks, in my view, bad on you.

I've got to tell you, this government is a bit luckier than New Democrats were, because Mulroney was not so magnanimous to Bob Rae and neither was, frankly, M. Chrétien.

Mr Bisson: He was even worse.

Mr Marchese: He hurt us badly too. It is fair to say that by 1998-99, Chrétien returned a whole lot of money to this government that it had not given. This is true. That's why I say—Monsieur Dunlop, s'il te plaît—in all fairness, we got whacked by Mulroney; we got whacked by Chrétien in 1993, 1994, and the beginning of 1995. We got whacked badly when we needed money. When Tories didn't need the money because they had billions coming in, they sent a whole lot of money back. I guess they got embarrassed by the Tories saying, "We're going to go after you because, boy, do we know how to whine. We whine good. We whine real good." And they're still doing it.

Mr Kormos: What's the Tories' favourite whine?

Mr Marchese: The Tories' favourite whine—and they do whine. You're looking at the clock, Speaker. I know you are.

The Acting Speaker: Thank you. The member for Durham on questions and comments.

Mr O'Toole: I couldn't resist. I was watching the comments. The member for Essex tried to make clear the complex relationship between transfer payments to the province and the argument of tax points.

If he actually did his homework, he would find out that in 1977, the federal government of the day did give provinces tax space. By 1985, all of the tax space had been reversed by other increases in tax at the federal level. The record is clear. There is a permanent tattoo on the Liberal government, at whatever level, provincial or federal, whatever province: they increase taxes and spending. It's the record between 1985 and 1990. That's their record.

Let's go back to the fundamentals of the lack of commitment to health care by the federal Liberal government. In fact, they are here tonight, and their response—

Interjections.

Mr O'Toole: Since we were elected—the evidence has to be on the record and Hansard will record it—the spending in health care has risen \$6 billion, from \$17.4 billion to almost \$24 billion. The federal government's share has moved from when, under Mulroney, a name they don't like to hear, it was 18 cents on the dollar. It was that government and their buddies in Ottawa that moved it to 11 cents. Through our Premier's demand, they moved it to 14. It's still \$2 billion a year short. Honest to God, I can't believe the people of Ontario don't get it. Certainly this government here and our Premier yesterday in Ottawa made it clear that—

The Acting Speaker: Thank you. The member for Stormont-Dundas-Charlottenburgh.

Mr John C. Cleary (Stormont-Dundas-Charlottenburgh): I want to congratulate my colleagues the member from Essex and the member from Ottawa for

their comments on this debate. A lot of good information was passed out and should be helpful to us all.

I did not like the previous speaker, from Durham, who talked about broken promises. If anybody broke any more promises than their government did, I'd have to eat my shirt. In an interview with Robert Fisher on Global prior to the 1995 election, when the Premier was the Leader of the Opposition, he was asked about closing hospitals. He said, "Robert, it's not my plan to close hospitals." So you talk about broken promises—they're there. Another election promise too—he never said anything about amalgamating municipalities. But we know about the messes he has caused there in some of these instances.

Interjections.

Mr Cleary: We'll talk to you another time.

The other thing is, he has put this province in debt another \$22 billion, borrowing the money for a tax break.

I know there are lots of issues still in the health care system. We have in our community people still travelling to Ottawa or Kingston three times a week for dialysis treatment. That could have been solved very simply, because the money has been announced, reannounced and reannounced again, but the people are still going to be travelling in these winter months again.

I don't think the people of this province are going to forget too much, because this government talks about a balanced budget, but they forget about the \$22 billion of borrowed money.

Mr Bisson: Just before I respond to this particular comment, I just want to make an apology to Mr Gilchrist right up front, because in my response the last time I said he had gone bankrupt, and that is not correct. I withdrew it right away and I want to make very clear that I apologize. I didn't mean to say that. It was a tax problem, and I misspoke myself. So to Mr Gilchrist, I want to apologize. It wasn't meant to be what he thinks it is.

At any rate, I just want to take this opportunity to pick up on the comments by the member from Essex, because it's a really important fact. The fact is, the government on a number of occasions now has been running to Ottawa and saying to Mr Chrétien—whine, whine, whine—"We're not getting enough money." I say there are two problems with that. The first problem is a political one for me in the sense that that was the same party that, when we were in government and we were being downloaded on by both the Mulroney government and the Chrétien government, used to come to us and say, "Quit whining. What you have is not a revenue problem; you have a spending problem. Quit whining." Then they get elected and now I see them whining to the federal government. So I say, were they really up front about what they wanted to do when they accused us of it?

The second part is this: you have the Tories whining they're not getting enough money from the federal government, but at the same time they have given out over \$6 billion in tax cuts to the citizens of Ontario. There was an interesting story in the Star or the Sun, and everywhere else today. That was the quote where Harris said

that Queen's Park would impose user fees and introduce private health care in Ontario if the federal government didn't pump an extra \$6 billion per year into funding health care. So \$6 billion is what they want from the federal government; \$6-billion-plus is what they took from tax cuts. Why are they going to whine when they could have done something over here locally, I have to ask myself. So the favourite whine for Mr Harris is, "There is no whine before its time."

The Acting Speaker: Response, the member for Essex.

Mr Crozier: I apologize to my friends in the Legislature and those at home if I spoke too much in an accounting way tonight, but I invite them to get Hansard and just read the comments.

The fact of the matter is this: this government talks about cash transfers, and only cash transfers, from the federal government. I wanted to point out to the public that in the year 1999-2000, \$5.8 billion was revenue for the province of Ontario through tax points. They won't mention this.

2010

When it comes to health care, when it comes to education, when it comes to the environment, they choose tax cuts; we choose health care, education and the environment. Now the Harris regime and all those who sat around the table with him have painted themselves into a corner. We're into a recession and they can't afford the tax cuts they've given, and yet some of the candidates for their leadership continue to preach. If these tax cuts are doing such great work, what's happening today? Where are the jobs today that they're creating? They aren't there.

The Minister of Labour, who's one of the candidates, has it right. He says we can't promise tax cuts like the rest of them are in the economy that we have today. We need to promise health care, education and the environment.

The Acting Speaker: Further debate?

Mr Gilchrist: I'm pleased to join the debate today on this very important budget bill. I know there's always a temptation to lower oneself into the gutter to match the contributions of people like Mr Bisson, but I'll fight that urge and simply offer the observation that I would match the business acumen and the sense of ethics of any one member on the government side against the entire NDP caucus. It would not be a fair fight.

The bottom line in all of this is the very important message that the Premier is trying to convey and the finance minister, Jim Flaherty, is trying to convey in this budget. If you look at the cold, hard facts, Mr Hoy from Essex would have you believe that reading and rereading what he just said in Hansard might make it a little clearer. I would suggest even to accountants that he's done a great job of obfuscating and skating around the facts. But since 1995, in cold, hard cash that even Mr Hoy can understand—

Interjection: It was Mr Crozier.

Mr Gilchrist: My apologies—Mr Crozier, the riding of Essex.

The Acting Speaker: The member for Essex is what you meant to say, right?

Mr Gilchrist: The riding—it's the name. It's all a blur over there.

The member would recognize that in cold, hard cash his federal Liberal friends are writing a cheque today that is \$44 million smaller than it was on the day we were elected. So he can talk about tax points, he can talk about other programs, he can talk about the health and social transfers that you guys spend in 18 different categories, but it's the same dollar. You can only spend it once. So if you're claiming it for day care, as your federal cousins like to do, you can't claim it for health care. The fact of the matter is that the tax points were freed up in 1977.

Let's look at exactly what we're talking about here. The federal government and the provincial government were sharing responsibility for certain programs. The federal government said, "We're going to do you a really big favour. We're going to give you less money but we'll let you be the heavy with your taxpayers. We'll let you go and raise taxes more." That sounds like perhaps an acceptable trade-off to the taxpayers. At least the federal taxes were going down and, hopefully, the provincial ones might not rise to fill the void that was created.

The small problem is that within six years the federal government had returned and had increased their taxes beyond the point from which they had originally cut. The fact is that they tried to have it both ways. They brag about the surplus they have, almost all of which is generated on the backs of hardworking Ontarians: \$25 billion in new revenue flows down to Ottawa. It is utterly shameful that the member for Essex would stand in his place today and articulate a fantastic defence on behalf of the people in Quebec and the people in the Maritimes and the people in other provinces, particularly in the northern territories, and not give a sweet damn about the taxpayers in his own riding, who are sending \$23 billion more down to Ottawa this year than they get back in federal spending in Ontario.

Is that what you're standing here today and defending? Are you agreeing with the rape of Ontario to the tune of \$23 billion? The bottom line is, the Premier has made a very simple case. We're not asking for you to go back to the same 50-50 deal that was the basis of the Canada Health Act when it was instituted. The only way the federal government got their nose under the tent when it comes to health was to agree to a 50-50 share of your responsibilities. We know that would be a pipe dream. We know there's not a snowball's chance that the federal government will ever operate efficiently enough to generate the kinds of revenues to continue to honour that agreement.

What we think is reasonable, though, is to go back to the standard that existed even at the time Mr Chrétien was first elected: just 18% of the total spending on health care in the province of Ontario. We'll leave aside the fact that his federal cousins—and I'm sure you spoke highly of this claim throughout your riding during the last federal election—wanted a national pharmacare program.

They wanted a national drug program. They want a national home care program. Here we are, some considerable time after the election, and there's been no progress on that at all. Forgive the observation that perhaps it was just a cynical pre-election ploy.

The fact of the matter is that the government in Ottawa has now dropped from 18% to 11% and, as a result of the pressure put on by all the provincial Premiers, they've come back up to 14%. However, they've made it very clear that they have no interest in putting more money into health care. In exactly the same breath they agree with the increasing demands that are being faced by every aspect of the health care sector. They agree that hospitals need more equipment, that we need more home care, even though Ontario has the best system anywhere in Canada. They agree that we should be adding more drugs to the formulary. They agree that spending has to increase. But the federal Liberal government has said, "But don't look to us for any more of that money." By the end of our term they will be down into the single digits again, not 50%, not the 18% that even Mulroney was capable of affording when he ran a \$40-billion deficit. No, it will be down to the lowest level in the history of this country since the federal government first entered the health arena. That is shameful.

I would have thought the members opposite of the provincial Liberal Party would be seized of a responsibility to defend their constituents; not defend their colleagues in Ottawa, not continue to leave the door open for Senate appointments or whatever else comes their way, because I can't imagine any other inducement. You weren't elected to fight federal battles. You were elected to stand up on behalf of your taxpayers for provincial services such as quality health care.

I would remind the members opposite that even as we stand here today, every other provincial government shares the position taken by our Premier. That would include all the other Liberal governments across this country. So you're not just out of step with us, you're not just out of step with—I hate to say it—by the sounds of it, even a couple of our NDP colleagues; you're out of step with other Liberals at the provincial level all across Canada. Whom precisely do you take your marching orders from?

The fact of the matter is that this budget bill continues us along a continuum that has ensured that Ontario was restored to its traditional place as the engine pulling this country. We have had the strongest economy of any of the industrialized nations in the world each of the last six years. It's intriguing; never having sat on the other side of the House, I can't wrestle with how the thought process works when you're an opposition member, but every day we hear them say that we can't take credit for all those good years because it was just the Americans. But now, if the suggestion is that the economy is slowing, "Oh, it's all Ontario's fault. Don't pass any of that off to the Americans." Well, you can't have it both ways.

Mr Marchese: No. You can't have it both ways.

Mr Gilchrist: You can't have it both ways, folks. Ontario's tax cuts have been the engine of growth by

putting money back into the pockets of taxpayers all across this province, particularly low-income taxpayers, hundreds of thousands of whom have been taken right off the tax rolls. Those dollars were then, in some cases—in most cases—immediately spent again in the economy.

2020

You cannot find an economist, at least one who actually graduated, who would deny that a dollar spent, particularly at the retail level, will have a four- to five-time multiplier effect. Every time someone went out and bought new clothing or repaired their car or took a summer vacation in Ontario with dollars that would have gone to the provincial government but now are being left in their hands, every time they did that, they weren't the only ones deriving a benefit. The retailer, the campground operator, the auto repair shop, you name it, all of those businesses also prospered and they hired more staff.

We know that because we get the weekly income tax revenue. We know that there are 830,000-odd more people working in the province today than the day we were elected. We know that is because of an expanding economy fuelled by an increase in discretionary income. Those facts are irrefutable.

Those are the only reasons we have been able to withstand the frugality in Ottawa, withstand the utter abuse, the neglect, the contempt for the people of this province. It is utterly staggering when you consider that the overwhelming majority of members of the federal Liberal caucus were elected in this province. It's bad enough that the member for Essex and his colleagues here seem to be championing the idea of begging the people in this province. It's even worse when the people responsible—again, one would believe it's because of the oath they took, the campaign pledges they made to fight on behalf of Ontario down in Ottawa—have all thrown up their hands and said, "We can't do it. We can't withstand the pressure from our Quebec-based Liberal Party. We can't withstand the pressure from a Prime Minister who wants all the money to go to Shawinigan. We want great services all across Canada. We want boondoggles. We want to be able to prop up Liberals all across this country, except in the province of Ontario." They are so challenged mathematically, they haven't even figured out that their 101 votes would win any debate, would win a vote in the House of Commons. They don't have to listen to the Prime Minister if they're truly seized of their responsibility to the people who elected them, but they're not.

We're faced with a bill before us now that, as I said, continues us along the path to restoring a more appropriate taxation level for the long-suffering taxpayers in Ontario. This bill will accelerate the tax cuts that we had announced in a previous budget that were going to take effect on January 1, 2002. They've been accelerated to October 1 of this year. Those will be reductions in personal income tax, corporate income tax and capital taxes. Once again, those dollars will go to support men and women and profitable businesses—because you don't

pay a tax unless you're profitable—all across this great province. It will mean that from one end of this province to the other, in time for Christmas, people have more money to spend. Notwithstanding the doom and gloom we hear on a daily basis from the folks opposite, we've seen how retail sales tax has already caught up. We've seen how the blips that took place in a number of revenue streams right around the time of the tragic events on September 11 have already largely recovered and, in some cases, are exceeding the levels they were at before those events.

There is absolutely no doubt in my mind, and I'm sure the minds of my colleagues, that Ontario is positioned now and better able to withstand any kind of economic pressure from outside of our borders, better today than any time since 1985. It is a fact, aside from the one downturn wherein we were blessed with a government of a different stripe, namely that of the NDP, that in every recession, every downturn of the economy, Ontario goes down last, goes down least and comes out first. Those are the inherent strengths that come from having a province so blessed with natural resources, blessed with a workforce that is well trained and motivated, blessed with an adjacency to a market of over 150 million people within a day's drive. Those are the strengths on which we could always rely as Ontarians that would carry us through the occasional downturns.

The NDP did their best to ensure that they broke that trend and instead we went down first, went down furthest and came out last. But somehow that's somebody else's fault too.

Interjection.

Mr Gilchrist: Oh, that's right. You blame that one on the Americans as well. Funny how you've taken a different position for this economic downturn, but I guess consistency doesn't have to be the hallmark of the debating position of an opposition member.

Another issue we're dealing with in this bill is a considerable increase in spending on security issues related to the aftermath of September 11. I think people have to recognize that if, as and when the members on the other side vote against this bill, as they have voted against every tax cut in the last six years, they will also be voting against strengthening the OPP, strengthening municipalities, giving municipalities the ability, in fact the requirement, to have emergency plans to cope with the sorts of events we saw down in New York City. We're talking about a vote against the kind of reasonable response to those tragic events that I would have thought any member in this House would applaud.

Mr Marchese: How much money are you spending?

Mr Gilchrist: Well, there is \$6 million over two years to build an anti-terrorism training facility for local police; an emergency management training centre for first responders such as firefighters, ambulance and police. Our government is investing over \$30 million, in fact, to enhance Ontario's counterterrorism and emergency management strategies.

It's essential that this bill be passed so that those investments can be made. It's essential that this bill be

passed so that we can continue to cut taxes and put money back into the pockets of people in this province.

It's also important, in the bigger context, to recognize that as we have strengthened Ontario's economy, we cannot allow the federal government to continue to assault us, to continue to beggar us, to continue to fail to recognize that every province in this country should be treated equally. Even if we were to play the game of the member from Essex, who would love to talk about percentages here and percentages there, the percentage of health care spending in other provinces is greater than what they're spending here in Ontario. If you even recognize that, if you even express the willingness to join us in calling on the federal government to just raise the percentage of funding in Ontario to what they're doing in other provinces today, that would be a major step forward and, I would submit to you, would meet your responsibility to the taxpayers and the health care clients in your community.

When we hear, as we undoubtedly will, in the weeks and months and years to come that a particular hospital needs money or an ambulance service needs to change or upgrade its vehicles or we hear that someone has been denied home care or that a waiting list is too long in an emergency room somewhere, we cannot lose sight of the fact that every single year that we have been here, we have increased health funding by \$1 billion. So for those who would try and confuse the electorate by suggesting that somehow what you do on the tax cut side is directly related to the spending on health care, it's utter fraud. You don't have to take my word for it. The Provincial Auditor has signed off on the books for all of those years, back to 1995, and I would submit them for the consideration of anyone who truly cares to get down to the cold, hard facts and not the spin done by a third party and maybe the federal Liberal government, for all we know.

The fact of the matter is that all of those increases have not been matched by Ottawa. In fact, they've used the excuse of the success of the Ontario economy to continue to cut their payments. Today they are paying \$44 million less than they transferred in the first year of our government. That's the fact.

Interjection.

2030

Mr Gilchrist: If the member opposite has any evidence to the contrary, I would challenge him to show it to the Provincial Auditor, because that's the source of our data.

The reality is that both levels of government have a responsibility. That's what the Canada Health Act says. That is what the federal government asked for when they signed that agreement with all of the provinces. If they are now singing from a different song sheet, that's fine. Come clean. Tell us that you don't care any more. Tell us that you're going to take those billions in surplus and spend them somewhere else in the country. At least be honest. But don't attack the messenger when our Premier goes down to Ottawa and tells it like it is. The biggest

threat to health care in the province of Ontario is the federal Liberal government.

The second-biggest threat is the puppets at the Ontario Legislature who slavishly follow the dictates of their colleagues down in Ottawa. The second-biggest threat is the people opposite, right here. So I'm going to predict that in their zeal to continue to make friends in Ottawa, not back in the constituency, they will vote against this bill. I challenge that point of view. Instead, I call on every responsible member in this House to do the right thing and vote for this bill.

The Acting Speaker: Questions or comments?

Mr Dominic Agostino (Hamilton East): I listened with interest to the somewhat interesting conversation—I wouldn't say the accuracy of the comments of the member.

Maybe in his two minutes he can tell us how much more money he thinks we need to put into health care. How much more money should the provincial government put into health care? Obviously, since you're going to Ottawa saying we need more money, you don't feel you are funding health care adequately in this province. Maybe you can tell us how much more you need and how much of a shortfall there is.

I find it interesting. A couple of Paul Martin's budgets ago, Harris said, "It's a good start, but you're not cutting deep enough. You're not going far enough with the cuts." This is the same Premier who goes up to Ottawa like a whining, crying little baby in his last few months of glory in Ontario and decides that once again he can't deal with the problems in Ontario, so he's got to point the finger.

The reality is that this government finds it acceptable to find \$2.2 billion to bring the corporate tax rate 25% below that of the American bordering states; this government finds it acceptable to put \$500 million into private schools, but feels that it cannot find enough money to fund health care in Ontario.

The sheer reality is that Ontarians are not fooled by the bluster and the rhetoric of Mike Harris running around the province trying to take on Jean Chrétien and trying to take on everyone else who opposes him or disagrees with him. Ontarians know who is to blame for the mess we're in, in this province. They know who is responsible for the health care crisis we are in, in Ontario. They know it's the government of Mike Harris that has misplaced priorities, that believes corporate tax cuts to their rich corporate friends are more important than funding emergency rooms and ambulance services and MRIs and surgeries and doctors and health care in Ontario. So all the bluster, all the chest-pounding by the member opposite and by the Premier, is not going to fool Ontarians. They are responsible for the mess we're in. They've made their choices, and those choices have been corporate tax cuts, funding to private schools instead of health care, and all the yelling and screaming in Ottawa ain't going to change that. You ain't gonna fool Ontarians. You're not fooling the federal government. It's too late; people have caught on to your game. It ain't working any more.

Mr Marchese: The member for Scarborough East discombobulates, and I've got to tell you I'm somewhat discomfited by his remarks.

He argues the following. He says that provinces should be treated fairly. No problem with that. He's right. They should be treated fairly. That is why I remind him—and you weren't here, member for Scarborough East. When we were in power, Mr Stockwell, with protruding eyes—protruding, projecting out; I can't imitate him as well as he can do it, but he would be somewhere around here, and he would say, "You don't have a revenue problem; you have a spending problem." And his eyes would just bulge, protrude out. Poor Bob Rae must have been fearless, against that assault by Stockwell. He was good. But I remember those remarks.

I remember Gary Carr, a nice man, very unassuming and quiet, gentle, but he too was here among the same ranks and he argued, like Stockwell, "You don't have a revenue problem; you have a spending problem." He would say and they would say, "You've got the limousine, right? Stop whining." Mike Harris? He was somewhere around here, more or less. Same thing. He would argue, "Stop whining."

We were finding ourselves in a very difficult time, because the feds took all the supports away and we were hurting. The Tories gleefully said, "Ah, deficits." We were saying, "Feds, help us." Now he argues he wants to be treated fairly. All the billions he's got are still not enough; he wants to be treated fairly. You've got the limousine, you've got the money, and it's not going where it should be going.

Mr Bart Maves (Niagara Falls): The member for Trinity-Spadina said he's discomfited by the comments made by the member for Scarborough East. I believe that. I believe the members opposite are discomfited by the comments from the member for Scarborough East. Most of it is probably because of some of the way in which the member for Scarborough East makes his points. He makes them forcefully; he makes them unabashedly. He's not ashamed to tell it like it is.

Quite frankly, everyone in the country knows this. Every Premier, no matter what political stripe—every Liberal government, every NDP government and every Tory government across this country—says the same thing: the federal government isn't funding its fair share of health care. The CMA, the Canadian Medical Association, the OMA, the Ontario Medical Association, the Ontario Nurses' Association, the Ontario Long Term Care Association, the Ontario Hospital Association—I can go on and on and on—all know the federal government is not pulling its weight as far as funding health care in the province of Ontario.

In 1993, Brian Mulroney funded 18 cents out of every dollar of Ontario's health care. Jean Chrétien cut that down to 11 cents of every health care dollar. After a lot of political pressure from our Premier, he's jumped that up to 14 cents. He's still four cents on the dollar less than what Brian Mulroney did in 1993.

It's unbelievable how the members opposite, the Ontario Liberals, bend over backwards and just take

everything they can from the federal Liberals. The tax point argument is ridiculous. In fact, everyone knows it's ridiculous, and that's why the public doesn't listen to it or care about it.

Mr Crozier: You don't even understand it.

Mr Maves: Oh, I certainly do. Even the architects of the tax point transfer back in the 1970s have said it's a crock for the—

The Acting Speaker: Thank you. Member for Ottawa Centre.

Mr Patten: The member for Scarborough East, in his salesmanship of ideas and ideology—and hyperbole, I might add—of course says only they stand up for Ontario, which is nonsense. Everyone, of course, would always like to have more money from the federal government. It goes with the turf; it goes with the responsibility. Let's face it: when you're in government, it's hard time; you have to make hard choices. But look at the choices you made.

But I'll ask you this: why did Mike Harris sign an agreement, or the health minister sign an agreement, 14 months ago? Ontario did not sign an agreement—

Mr Bradley: They made an agreement.

Mr Patten: You took an agreement with the federal government. You said that the federal government doesn't care, and yet the agreement over the next five years is talking about \$8 billion more over the next four years toward what this government can place in health care.

Hon Brenda Elliott (Minister of Intergovernmental Affairs): Chrétien is misleading you.

The Acting Speaker: Stop the clock. Minister, you will need to withdraw that. You said "misleading."

Hon Cameron Jackson (Minister of Citizenship, minister responsible for seniors): No, she said Chrétien was misleading, not him.

Hon Mrs Elliott: Speaker, I apologize.

The Acting Speaker: I asked you to withdraw. Do you want to withdraw?

Hon Mrs Elliott: Speaker, I withdraw.

The Acting Speaker: Thank you.

Mr Kormos: On a point of order, Speaker: Could you repeat what she said? Not all of us heard it.

The Acting Speaker: No. The member for Ottawa Centre.

Mr Patten: I would like to point out one other little thing, and that is related to the direction in which this government is going in terms of its budget. I want to quote one of your stalwart supporters who has talked about what the government might consider, Christina Blizzard from the Toronto Sun. She is saying that maybe the tax credits to private schools should be shelved due to the changing financial priorities. She says, "The Tories should look to the lobby groups who pushed for this and tell them, 'Look, we've tried to give you a break but sadly things have changed and now is not the time.'"

2040

The Acting Speaker: Response?

Mr Gilchrist: Thank you to the members who have commented.

I'm struck by how, on the one level, the suggestion from the NDP is—if you had a problem back when it was 18 cents on the dollar, why you wouldn't agree with us now that it's shrunk to 11 cents on the dollar. It seems to defeat your own argument.

We don't have a revenue problem. Our revenue has increased 50% because of the tax cuts. I would say to the member from Hamilton East that this isn't about today; we're managing just fine today. It's about the budget that will start on April 1, 2002, and the year after that and the year after that. Your federal colleagues have already said there is no more money.

So while the other side would love to change the subject—they talk about spending on other programs and they talk about how we really could have done this or we could have done that—the fact of the matter is that every year, only one level of government, the provincial level, has spent \$1 billion more on health care in the province of Ontario. The other level of government, the federal one, has cut. The Premier has made it very clear that that is unacceptable to him and he considers the federal Liberal government to be the greatest threat to health care in the province of Ontario. I am very concerned that the members opposite care more about appeasing folks in Ottawa than they do about dealing with their constituents' legitimate health concerns in the future.

Let me close on a final point, because again the member from Hamilton East stood up and said, "This is all because of your \$2-billion tax cut. If it wasn't for that, we wouldn't have a problem." Just this morning, Maurizio Bevilacqua, on Canada AM, bragged that the federal government was cutting \$100 billion in taxes, and so he tries to argue that it's OK for them to both cut taxes and neglect Ontario. Once again, stop pandering to Ottawa.

Interjections.

The Acting Speaker: Thank you. Order. Further debate?

Mrs Lyn McLeod (Thunder Bay-Atikokan): I read the title on Bill 127 and it says that it's about responsible choices for growth and fiscal responsibility. Well, Mr Speaker, I would suggest to you this evening that all of the stale, trickle-down rhetoric being offered by the right-wing ideologues on the other side of the House is not going to make Bill 127 a bill that has anything to do with economic growth or job creation. It certainly is not a bill that speaks to fiscal responsibility, not when we have a government that's admittedly concerned about a deficit that could rise anywhere from \$5 billion to \$6 billion to \$7 billion, depending on which member of the government is offering a somewhat uninformed opinion at the time.

It's not fiscal responsibility in that kind of economic environment, with the revenues dropping and uncertainty about what the budget situation will be like, to suggest that the answer is to accelerate a tax cut. No economist anywhere is going to suggest that that's a measure of fiscal responsibility.

But I'll give the title this: Bill 127 is most definitely about choices. In my few minutes tonight, what I really

want to address is this whole issue of choices and consequences. I would be quite happy to engage with others in the debate about who's funding what, who's contributing what to which particular budget. I'd be happy to talk about the \$1.1 billion coming from the federal government this year for health care, all of it going into the corporate tax cut, which is being accelerated in this bill. But I quite frankly think that is a very deliberate attempt by the government to distract everyone in this debate and in fact in Ontario from the realities of dealing with what this bill is all about. This bill is all about priorities and choices and consequences.

I find it absolutely inconceivable that any government could be seriously considering more tax cuts, let alone accelerating tax cuts, when every public sector service that government should be about is so seriously underfunded and when people are paying the price of that underfunding on every front. I could give examples just from this week.

Education: there's a story in the papers this weekend about the Toronto Board of Education, which is going to have to close down a school for severely disabled children, just the most recent effect of the underfunding and the cuts to education that this government has made in order to pay for its first tax cut, because we're still paying for the consequences of that first tax cut.

Environment: there was a debate in the House this afternoon about Walkerton and the report that's going to be tabled on Walkerton. Without any question, part of that debate, part of the understanding of what happened in the tragedy of Walkerton, has to be an understanding of the consequences of cutting 33% of the staff of the Ministry of the Environment, cutting 45% of the budget of the Ministry of the Environment. But if it were just a consequence, perhaps they could say, "We've learned a lesson. We're moving on." But I come from northwestern Ontario, where small communities are getting boil-water advisories on a regular basis and they're getting no help from this government to improve their water treatment facilities. They will not be able to ensure clean water.

I just came from a debate last week on food safety, a piece of legislation this government has brought forward. One of the requirements to ensure that our food is safe in Ontario, pretty basic to health and safety, is that there be better inspection of food production. But there are no financial resources from the government to provide for those inspectors, and we know that one of the consequences of the earlier tax cut in fact was a cut in inspection.

We have a disabilities act that's going out for public hearings. Well-intended? Perhaps. It's certainly something that had to be done by a government that has promised a disabilities act for six years now and finally had to come forward with something. But all the disabilities act is, is a requirement to present plans, good intentions, whether it's on the part of the province or on the part of the municipalities, because there are no financial resources. This government has done nothing to provide greater access, greater participation for the dis-

abled in the life of our communities since they came to office.

Those are just a handful of the consequences that the people of this province have experienced and are going to experience that we've debated in this Legislature in the last few days. Then I come to health care, as the health critic. I only have five minutes and I want to talk about future consequences. Past consequences of health—hospitals paying the price of the first tax cut, \$800 million in cuts, and the minister can talk all he wants about increased funding for hospitals, but the reality is, in real per capita terms, that we are not yet back to the level that hospitals were being funded at in 1995, when this government took office.

Home care: we've over and over again tried to raise the limitations that are being placed on access to home care. Long-term care, the delisting of services, the fact that children cannot get hearing aid assessment, seniors can't get hearing aid assessments unless they pay for them out of their own pockets, waits for cancer care treatment—the Minister of Finance, who is wearing a hat as a leadership candidate now, says he's going to eliminate the waiting list for cancer treatment. I'd be really interested to know how the Minister of Health feels the Minister of Finance is going to be able to do that, because we're talking about resources. We're talking about resources for equipment, we're talking about resources for staff and we're talking ultimately about the consequences that people pay because this government has made tax cuts its priority, and not health care and not people and not public service.

It is inconceivable to me that any government could be talking about another \$2.2 billion in tax cuts to corporations and another \$500 million in a tax credit for private schools, when our publicly funded services are so underfunded and when the people's needs are so great. It's inconceivable, as I suggested, that they could be looking at a tax cut of any kind when we're experiencing an economic downturn. I don't know which minister to believe when they offer ideas of whether it's going to be a \$5-billion deficit that we could be facing or a \$6-billion deficit or a \$7-billion deficit, because I know what this government's answer is going to be by next April, when they see the consequence of another round of tax cuts, when they see that the consequence is going to be another deficit budget. They're going to say, "Oh, no, there's no way that this Conservative government"—that did get rid of a \$10-billion deficit that they inherited; let me recognize that fact—"is going to see another deficit budget." So what does that mean? It means more cuts, and I simply don't know where they're going to find the cuts, because the publicly funded agencies have already been bled dry, and people who need the services of those agencies cannot handle any more consequences of more cuts.

2050

Surely they're not going to cut social services again and put even more children on welfare. Surely they're not going to cut child protection, when children's aid

societies can't even find the resources to meet the legal mandate of going in to protect children. Surely they're not going to make more cuts to the environment, with all the lip service they're giving to their new-found concern for the environment. And, they're saying that there won't be any more cuts to health. What does that mean? In a world in which we have an increasing population—I think the Ontario Hospital Association says that they have to provide for a population that increases by the size of the province of Prince Edward Island every year—an aging population with more health care needs, increased demands on the system, new medications which we know in the long term will be cost-effective, they're certainly life-enhancing—all of these are driving up the cost of health care. Obviously they're going to drive up the cost of health care. So what does “no cuts to health care” mean? It means more cuts to services because the dollars to meet those increased needs for services and the inflationary costs and the increase in the population and the aging population are not going to be met by this government.

The tax cut to corporations: when the member for Scarborough East talks about putting money in people's pockets, that might have been true, theoretically, in the first tax cut, although I haven't found many average working families who are terribly grateful for that, because they've seen so many added costs taking money out of their budgets. But this tax cut, nobody can talk about putting money in the pockets of average families. It's going to wealthy corporations.

There is no way that tax cut is going to help the average family pay the cost of a hearing aid assessment for their child, or home care for an aging parent, or physiotherapy or speech therapy. In my home community, with the cuts to home care, speech therapy has been lost.

I do not believe that this bill is about economic growth. I don't believe it's about competition, because this puts us 25% lower in our corporate tax rate than our neighbours to the south. This bill is about right-wing ideology. It's about the choices that people make when they want to offer up tax cuts and they're not really very concerned about the consequences. It makes sense only to those people who believe the answer to the cuts to public service is to let people pay privately out of their pockets. That is no advantage to the average working family in this province.

Mr Kormos: On a point of order, Mr Speaker: Quorum call, please.

The Acting Speaker: Is there quorum present?

Clerk at the Table (Mr Todd Decker): Mr Speaker, a quorum is not present.

The Acting Speaker ordered the bells rung.

Clerk at the Table: Mr Speaker, a quorum is now present.

The Acting Speaker: Thank you. Questions? Comments?

Mr Kormos: This is why it is so regrettable that the government is imposing what we call time allocation,

what we call a closure motion, because this bill is about so many things more than just budgetary measures in their barest sense.

I was over at Ross Street school again a couple of weeks ago on a Saturday. The Ross Street school on Niagara Street in Welland is holding at least three, four, I think up to five fundraisers a year now. Teachers, parents and students are in there on a Saturday, doing all kinds of preparatory work on a Friday, and this last weekend, two weekends ago at Ross Street school, it was all about, again, some of the most fundamental things that those students needed for their day-to-day education. They weren't raising money for frills. They weren't raising any money for extras. They were raising money for core elements of their school funding, and Ross Street school isn't unique. More and more teachers, more and more parents of students in these elementary and high schools are spending more and more time raising money. Why? Because you can't give the profitable corporate friends of the Tories a \$2.2-billion to \$2.4-billion tax break without getting the money from somewhere else. Let me tell you—especially when you're looking at a \$5-billion or maybe a \$6-billion or \$7-billion shortfall because of the recession, which this government's tax breaks did nothing to protect us against—you're inevitably talking about scooping money out of the budgets of health and education, the two big-ticket items in provincial expenditures, as they should be. Mark my words: there are going to be more health cuts, there are going to be more delistings of medical and other surgical procedures, there's going to be more money stolen from education at the elementary and secondary levels and, yes, the post-secondary school level because of this.

Mr Garfield Dunlop (Simcoe North): It's a pleasure to rise this evening and say a few words on Bill 127, the Responsible Choices for Growth and Fiscal Responsibility Act.

Right off the bat, I want to compliment the finance minister for bringing forth this piece of legislation. Obviously, with the downturn in the economy, and of course in the aftermath of September 11, it was nice to see a follow-up economic review of the budget that was introduced in May. I think we've been after the federal government for almost two years now to provide some kind of budget. For some reason, Mr Chrétien and Mr Martin didn't want to do a budget last year.

Mr Beaubien: They've been on holiday.

Mr Dunlop: They've taken a two-year holiday. Now they've been shamed into doing a budget, I think, on December 10. Of course, as soon as you mention the federal government in this House, the members opposite go out of their minds. They don't want to hear about the health care issues. The fact of the matter is—and I think the members from the third party will probably agree with me on this—we have about a \$17-billion surplus in Ottawa. About half of those dollars are from Ontario taxpayers. Is there something wrong in the Premier of Ontario, acting on behalf of the citizens of Ontario, asking for some of their hard-earned dollars that are

sitting in federal coffers to be returned to our health care system that they so inadequately fund? Back to the story: 14 cents on the dollar is what we're receiving, \$60 million a year less this year than we received in 1995. I think that's a concern. I don't think anybody in Ontario anybody in Canada would blame Premier Harris for going after those funds. It's fair to say the federal government owes the Ontario taxpayers money. It's as simple as that. I've only got a couple of seconds left, but I do appreciate this opportunity tonight.

Mr Bradley: The member for Thunder Bay would know, of course, that Mike Harris does not want the money for health care.

Interjections.

The Acting Speaker: Order. Stop the clock.

Interjection.

The Acting Speaker: Member for Hamilton East.

Interjections.

The Acting Speaker: Order.

Member for St Catharines.

Mr Bradley: You can tell, when the government members are yelling and protesting as strongly as they are, that they're in a vulnerable position. I almost felt sorry for Mike Harris. There he was: he went down to Ottawa to make his speech and, you know, he wanted to put something over on people at that time. He wanted to try to convince them that he wanted the money for health care. Everybody knows what he wants the money for. He's got to pay for those tax cuts. The Honourable Chris Stockwell, Minister of Labour, said it. He said, "Look, you can't afford tax cuts next year. It's crazy. You can't square that circle." Do you know something? The Honourable Chris Stockwell, Minister of Labour, was right. He must be embarrassed at having the Premier in Ottawa. The jig is up. Everybody knows what he wants the money for. He's losing all this money on tax cuts, and he's now got to use the money for something else.

If I were the federal government, I would spend the money directly on health care. I would never hand it to these people, who will simply put it in their pockets for their tax cuts, the way they do with a lot of federal expenditures, and then smile merrily as they go on.

The other concern I have—the member mentioned it in her speech—is the funding formula, which forces local boards of education to close schools. At the present time in St Catharines, Consolidated, Victoria, Maplewood, Lakebreeze and Dalewood are all under the gun from the local board of education. Is it because the local board wants to close these excellent neighbourhood schools? No. It's because of a funding formula imposed by the provincial government, a funding formula that is driven by their incessant need for tax cuts for the rich corporations.

2100

Mr Bisson: I've got to say I am so excited and so happy that all of a sudden the Tories have figured it out. They've figured out that there's a problem where the federal government has been downloading its responsibility on to the provincial government. I'm so happy

because they're finally getting the message we were trying to give in government, that the federal government was absolving itself from its responsibility of transferring much-needed dollars, which came from the taxpayers of Ontario, to the provincial coffers to deal with their fair share of the responsibility for building and paying for the health care system, education and other much-needed systems.

I wonder why, all of a sudden, there's been this change. I was a member of the government when Mike Harris used to stand and say, "You don't have a revenue problem; you've got a spending problem." I say to the government across the way, you've got the same spending problem. You're giving out over \$6 billion in tax cuts, and then you're running to the federal government and saying, "Poor me. I need more money. I can't afford to pay for health care." Then you've got Harris saying, "It's so bad that if I don't get my 18% share of health care I'm going to either privatize the health care system or put user fees into the system." That's what he accused and attacked Prime Minister Chrétien with just yesterday.

I say to Mike Harris and I say to the Conservatives, finally there's some common sense on the other side. You've finally agreed with Bob Rae that there needs to be a fair share of revenues coming back that go over to the feds coming back to the province of Ontario. It's better late than never, I guess. I would have appreciated it before 1995. It might have helped us a bit more electorally. But finally you've figured it out, and I've got to congratulate you because, yes, it is a problem. The federal government is not transferring the dollars to the province that they should, but you shouldn't be putting it out in tax cuts.

The Acting Speaker: Response?

Mrs McLeod: Thank you, Mr Speaker. I do appreciate the comments of my colleagues, although I was a bit surprised at the contribution of the member for Simcoe North, who welcomed this as a follow-up to the budget that the government presented last spring and seemed pleased that there would be a follow-up following the economic downturn. Well, I think most objective observers of this particular bill as a follow-up to last spring's budget would wonder why it did not take into account the economic reversals we've seen since that budget was presented, and I would suggest that perhaps the Minister of Finance, in bringing forward this bill, has on ideological blinders that are so fixed that they've got him pursuing a direction nobody else understands.

The government keeps trying to offer up very old arguments, which they might have been able to trot out prior to the presentation of the spring budget, about the tax cuts somehow creating jobs and economic growth. They don't want to take into account the fact that we've lost 30,000 jobs in the last year. They don't want to see that as being a significant failure of their argument that tax cuts produce economic growth. The tax cuts are still there. They're offering us more of them, and we're losing jobs.

I don't happen to be one of the people who hold this government accountable for the economic downturn. I think that as the United States economy goes and as our export industry goes, so goes our economy. But just as I don't hold them responsible for the economic downturn, I give them absolutely no credit for having encouraged our economic good times through their tax cuts.

What I know for sure is that another round of tax cuts is going to bring consequences that are simply intolerable for public services and for people in this province. I am amazed that the Minister of Health, who should be begging for more money for health care services, is actually proposing another \$500-million cut in taxes if he becomes Premier, in the health levy, no less. He wants to put money in the pockets of the truly wealthy and then free them to go out and buy their health care. That's the sense of his point.

Mr Bisson: On a point of order, Mr Speaker: It looks like we don't have a quorum again.

The Acting Speaker: Is a quorum present?

Clerk at the Table: Mr Speaker, a quorum is not present.

The Acting Speaker ordered the bells rung.

Clerk at the Table: Mr Speaker, a quorum is now present.

The Acting Speaker: Further debate? The member for Trinity-Spadina.

Applause.

Mr Marchese: Thank you, my friend from St Catharines.

Ten minutes is all we get. Please, 10 minutes is all we get. What is 10 minutes in this place when there is so much to be said? Ten minutes—look at the clock. It's 9:05 now. I've got 10 minutes, and do you know what? They have announced that they're going to move closure on this bill.

Interjection.

Mr Marchese: Minister of Citizenship, what was that? I didn't hear.

The Acting Speaker: This is not a time for discussion of scores. It's your debate time; you have the floor.

Mr Marchese: As I was saying, this government has announced that they're going to move closure on this bill. Why are they moving closure on this bill? Not because they're happy to debate, because if you've noticed, Speaker, in the last little while I have made the observation that they are afraid. I've got to tell you, people who are watching this parliamentary channel have seen the polls and they can't be pretty. Otherwise, you would not have had so many Tories stand up, day in and day out, whining about why the feds are not giving them enough money.

Why else would they whine, except and unless they've seen the polls and the polls are not pretty? Why else would they be whining, unless M. Flaherty, the illustrious Mr Flaherty, the Minister of Finance, has indicated to this group in a regular caucus meeting that they have a financial problem on their hands? Why else would you be hearing from these Tories, day in and day out, that they

want more money from the feds, even though the member from Scarborough East argued, "Why, our revenues have gone up 50%?" My goodness, I argue to you, good citizens all, if revenues for the Ontario government have gone up 50%, why do they whine so much about why the feds are not giving them enough? Presumably, if your revenues have gone up by 50%, you wouldn't need somebody else's money, would you, because it would mean that your pockets are full.

Mr Agostino: Overflowing.

Mr Marchese: Exactly. Your pockets would be overflowing with money. Wouldn't you argue that, Rocco? Sure, I would argue that. But it means that for some reason, they don't have enough money in their pockets, it seems. Why? Because they're giving it all away with big, long shovels. They're giving it away, and do you know who's suckling at the public trough? Why, the corporate sector is sitting there suckling at the public trough day in and day out, and boy, are they happy to receive. And the government is happy to give. They give and they give, and the corporate sector and the wealthy Ontarians are happily suckling at the trough.

Mr Kormos: Like Romulus and Remus.

Mr Marchese: Like Romulus and Remus indeed, suckling there, and they can't get enough from this government. They can't get enough. They're shovelling it away, and then they say to Chrétien, "You're not giving us enough money," as they give it away and they're suckling there, like this. It must taste really good to give your public taxpayers' money away so easily.

2110

Mr Kormos: It sure is fattening.

Mr Marchese: Sure, it's fattening. Of course it's fattening. They can't get enough. They cannot get enough from this government. My buddy Clement, the Minister of Health, says, "They're not getting enough." Why, if he gets elected, he's going to give them some more, right?

They're waiting there just suckling away, enjoying it to the last lap. Clement loves to give your money away. He's not happy with how much he's given. He wants to give more because the private sector is saying, "Give us more. We'll create more jobs."

So I say to myself, OK, the federal Liberal government says they created all these jobs and they hadn't given tax cuts until a short while ago, a year or a year and a half ago or so. They were creating these jobs in spite of the tax cuts. But that cannot be, because the Tories argue, no, their tax cuts are producing all these jobs. Now, who do you believe? Do you believe the Liberals nationally, who are saying it's because of them that we have a good economy? They hadn't given any tax cuts until last year. I've got to tell you, I'm not happy about that, because the economy's going down. That money's going to go away really quickly when they give it away to the corporate sector at the federal level as well, so I'm not happy with that. But they claim they created a great economy without the tax cuts, and these guys say, "No, we did it." Ontarians, take a look at that contradiction, please.

Then Harris argues, "Because of the tax cuts we will keep away the recession." He said in this place, "If you bring back the New Democrats or even the Liberals, you'll have a deficit. Keep us and you'll keep the recessions and deficits away." Are you following me, Ontarians? Because these other people are yapping away, they're sleeping in here, and they're not listening. But are you listening to me? You've got to take note of the contradictions and take note of what these people say.

Liberals created a good economy without tax cuts for a long time. Now they're giving tax cuts and they don't have the money and they're in trouble. Tories have given tax cuts and they're creating jobs and they will kick the recession, and we're now in trouble. We don't have any money, to the point that Mr Tsubouchi, the Chair of Management Board, said, "Boys, tighten up the belts. We don't have enough money. We're going to have to cut \$5 billion."

But I thought we had a great economy and I thought we were supposed to be well off with respect to every asset of public life that we value. Well, we value our educational system, yet our educational partners said they cut \$2.3 billion at the elementary level. How can that be?

Someone is playing Iago. Do you remember Iago in Othello, honest Iago who went to Othello and said, "Desdemona is deceiving you," and because of it he commits a most egregious crime against Desdemona? Anyway, this was honest Iago. They, the Tories, play honest Iago all the time. They say, "Trust us. We put more money into education." The Tories say it. The member from Niagara Falls is about to stand up in two minutes and say how much they have given to education. He's about to stand up; I can see he's edgy.

Look at the cuts they have made to health care because they haven't kept up with inflation and they haven't kept up with the increased numbers of immigrants we have in this province. Look at the cuts they made to Natural Resources, Environment—oh, such a bloated bureaucracy. They needed to cut that bloated bureaucracy, with dire consequences. People died in this great economy of theirs; they didn't die in a recessionary period under New Democrats.

We now have a housing shortage that you wouldn't believe. We have rents skyrocketing, and people can't afford it. We have people on welfare because these people took money away from them, and even though they've taken all this money away from the very poor, they still don't have enough for what we need. They're whining about the feds not giving them enough as they give it away to the wealthy, who are suckling away.

So I say to you, Ontarians, we have a serious problem on our hands. New Democrats unequivocally said in 1999 we would roll back tax cuts. Why did we say that? We said we would roll back tax cuts for those who make taxable income of \$80,000, which amounts to \$90,000, \$95,000, close to \$100,000. They're doing OK. We would roll them back, we said in 1999, when we anticipated there would be problems and that we would need money. But not them. They're so ideological, like

Mr Clement and others who say, "Oh, we're going to cut more taxes, because people earn it and we need to increase their tax cuts so we can get more money back so we can make more cuts"—to our education system and to our health care system, which is in a shambles. Some people are dying. The system is in a shambles and they're going to cut \$5 billion as they give billions away in shovelfuls.

We need debate. We don't need closure motions. We need more and more debate so the people of Ontario can listen to the problems they're experiencing and suffering.

The Acting Speaker: Questions and comments?

Mr Maves: It's a pleasure to rise and respond to my good friend the member from Trinity-Spadina. I'm a little bit worried because for six and a half years now, and even beyond that a little bit, the Liberals have jumped around. They've had a different position on every issue: a different day, a different way of looking at things. They put the finger up in the air and the wind's blowing a different way, so different positions on taxes, different positions on spending.

The NDP is always consistent. They have two things they've always said. Number one is to tax more. When they were in office, they taxed and taxed. When we were in office, they said, "Don't cut taxes. You should add taxes and add taxes." When they campaigned in 1999, they wanted to add taxes. Why? They believed they should take more and more money from those people who work hard and earn it and let government spend it because, I guess, government knows better, because it knows how to make it work better. The economy be damned. Scare away business investment? "Phooey," they said.

The other thing is to spend more. It was spend, spend, spend in the early 1990s and a balanced budget be damned. Deficits were good, they thought. Deficits were going to help the economy. Debt? "Don't be afraid of debt. It's OK." So they racked up \$50 billion.

Here's what scares me. They've always been consistent with their messages, so you knew where they stood. But now, as to their "tax more," about a couple of weeks ago they started calling for tax cuts. They're the second-to-last party in Canada to start thinking tax cuts are good. They started calling for tax cuts. Now I'm getting worried.

Now, tonight, they're leaving their "spend more," that the government should keep spending and spending. Tonight they're starting to leave that position and they say now that we're spending too much. So I'm getting a little worried. I hope they can get back on message because we really need them to do that.

Mr Bradley: The first tragedy, of course, is that the member for Trinity-Spadina is confined to 10 minutes of speaking time because of the new rules, and that in itself is a detriment to this House.

I want to compliment the member on clearly identifying the choices available to this government. The government can either invest money in health care or invest money in tax cuts for the wealthiest people in the

province. They have decided they're going to spend money on tax cuts. They admitted it and I suspect the member for Scarborough East, who enters the chamber now and is a true believer, would truly believe that would be the case.

If you had people on the government side who said, "We've made the choice; we're going to cut taxes and to heck with the health care system, the education system or any other government expenditures; we believe that tax cuts are supreme," if they said that, at least they would be putting forward a consistent position, but what Mike Harris wants the money for—

Interjection.

Mr Bradley: The member is quite right. What he wants federal transfers for is to pay for his tax cuts. He understands, as the Honourable Chris Stockwell, the Minister of Labour, now understands because he's against further tax cuts, and as the member for Trinity-Spadina understands, these tax cuts are going to cost the government up to \$3.7 billion in revenue. They've got to find the revenue somewhere, so they're going to the federal government now and saying, "Please give us money for health care."

If I were the federal government, I would spend the money directly on health care. Why would you transfer it to these people so they can put it in their pockets and give it away in tax cuts? They have a choice, as the member points out, either tax cuts or health care, and they've chosen tax cuts and they're going to have to live with that.

2120

Mr Kormos: First, I applaud the member for Trinity-Spadina. He laid it out here in a way that's very real. I do wish he'd address the somewhat mixed metaphor of suckling at the trough. That's a mixed metaphor in terms of how I understood it. I'm sure the member will correct himself when he gets to respond to these questions and comments. But at the end of the day, whether he mixes his metaphors or not, the fact is that tax cuts cost our health care system, they cost our education system and they cost our Ministry of the Environment.

Nobody likes to pay taxes, I acknowledge that. I don't like to pay taxes. I don't like to pay for gas for my car, though, either. At the end of the day, if we're going to have public institutions that serve our families and our communities, if we're going to build a public health care system that ensures every person in this province and in this country gets adequate medical treatment, then we've got to invest in it. You can't keep stealing from it to pay off your rich corporate friends, to pay off your wealthiest of the wealthiest here in Ontario. If we really believe in quality education, then we have to be prepared to invest in it, as taxpayers.

The minimum wage in here is \$78,000 a year and there's but a handful who don't make more than that. The people in this chamber are the ones who got the tax cuts. They're not the ones who need it. Paying for the tax cuts of the people in this chamber and of even wealthier and

higher income earners is what has robbed health care and education.

Mr Dunlop: I appreciate being able to make a few comments on the member from Trinity-Spadina's time to debate here this evening. There's been a lot of opposition tonight from the opposition parties to the acceleration of the tax cuts; no question about that. When I think of tax cuts, I also worry about the interest rates we pay at our banks. I don't think that David Dodge, the governor of the Bank of Canada, was appointed by Mike Harris. I could be wrong. Maybe he was. If I'm not mistaken, he was a federal appointment. I don't think Brian Mulroney appointed him either. I wonder who appointed him? It wasn't Alexa McDonough. It might have been Jean Chrétien. I wonder what David Dodge is doing with the Bank of Canada interest rates right today? He's lowering them.

Interjection: Why?

Mr Dunlop: Because it stimulates the economy. It helps invest in the economy. That's the same as tax cuts. That's what helps business. Do you not understand that? Where are you coming from over there? You stimulate the economy by dropping interest rates for businesses and the people of Ontario. You don't understand that. The fact of the matter is, you don't want to hear that David Dodge is doing that, because that's saving businesses money and that's saving taxpayers money, the same as corporate tax cuts and individual personal income tax cuts help individuals. It is to stimulate the economy. We are taking advantage of a downturn in the economy. It will create jobs. It will strengthen the economy of the province.

The Acting Speaker: Response?

Mr Marchese: I wish I had time to respond to friends and foes alike, but I don't.

Mr Kormos: Will you at least straighten out your metaphor?

Mr Marchese: We will deal with the metaphor when I have 20 minutes.

The member from Simcoe North argued earlier—don't go away—that Ontario pays close to 50% of the taxes—you said earlier—and doesn't get as much back. It doesn't pay as much as 50%; it is about 44% or 46%, in that range. But it doesn't matter. He says we are not being treated fairly by the federal government. It's an interesting argument. The city of Toronto says, "Hold on here, we pay close to 44% of taxes to the province of Ontario and we're not getting our money back. In fact you're downloading more costs to us. What gives?"

I wanted to tell my buddy from Simcoe North, who's not able to be present, to listen to this argument. It's not fair. You can't make one argument for them and then forget that there's the city of Toronto saying, "Give us the fair share that we give to you."

Interjections.

Mr Marchese: Now they're whining again. They whine; they whine in every which direction. They whine north, they whine south; they whine every which way. They whine everywhere. Then the member for Niagara

Falls says, "The NDP spent and spent and spent and spent."

Interjections.

Mr Marchese: Hold on. I've only got 36 seconds.

The NDP did spend; it's true. We spent. On capital projects, on sewers that we need, on bridges, on highways, on schools, on hospitals, we spent. What are they spending on? They're spending your taxpayers' money,

giving it away to the wealthy as they suckle at the public trough. That's where your money is going. It's going to the corporations, who love to receive, and it's going to the wealthy. That's the difference between us and them.

The Acting Speaker: It being 9:30 of the clock, this House stands adjourned until 1:30 of the clock tomorrow afternoon.

The House adjourned at 2126.

LEGISLATIVE ASSEMBLY OF ONTARIO
ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

Lieutenant Governor / Lieutenant-gouverneure: Hon / L'hon Hilary M. Weston

Speaker / Président: Hon / L'hon Gary Carr

Clerk / Greffier: Claude L. DesRosiers

Clerk Assistant / Greffière adjointe: Deborah Deller

Clerks at the Table / Greffiers parlementaires: Todd Decker, Lisa Freedman

Sergeant-at-Arms / Sergent d'armes: Dennis Clark

Constituency Circonscription	Member/Party Député(e) / Parti	Constituency Circonscription	Member/Party Député(e) / Parti
Algoma-Manitoulin	Brown, Michael A. (L)	Halton	Chudleigh, Ted (PC)
Ancaster-Dundas- Flamborough-Aldershot	McMeekin, Ted (L)	Hamilton East / -Est	Agostino, Dominic (L)
Barrie-Simcoe-Bradford	Tascona, Joseph N. (PC)	Hamilton Mountain	Bountrogianni, Marie (L)
Beaches-East York	Prue, Michael (ND)	Hamilton West / -Ouest	Christopherson, David (ND)
Bramalea-Gore-Malton- Springdale	Gill, Raminder (PC)	Hastings-Frontenac- Lennox and Addington	Dombrowsky, Leona (L)
Brampton Centre / -Centre	Spina, Joseph (PC)	Huron-Bruce	Johns, Hon / L'hon Helen (PC) Minister without Portfolio (Health and Long-Term Care) / ministre sans portefeuille (Santé et Soins de longue durée)
Brampton West-Mississauga / Brampton-Ouest-Mississauga	Clement, Hon / L'hon Tony (PC) Minister of Health and Long-Term Care / ministre de la Santé et des Soins de longue durée	Kenora-Rainy River	Hampton, Howard (ND) Leader of the New Democratic Party / chef du Nouveau Parti démocratique
Brant	Levac, Dave (L)	Kingston and the Islands / Kingston et les îles	Gerretsen, John (L)
Bruce-Grey-Owen Sound	Murdoch, Bill (PC)	Kitchener Centre / -Centre	Wettlaufer, Wayne (PC)
Burlington	Jackson, Hon / L'hon Cameron (PC) Minister of Citizenship, minister responsible for seniors / ministre des Affaires civiques, ministre délégué aux Affaires des personnes âgées	Kitchener-Waterloo	Witmer, Hon / L'hon Elizabeth (PC) Minister of the Environment / ministre de l'Environnement
Cambridge	Martiniuk, Gerry (PC)	Lambton-Kent-Middlesex	Beaubien, Marcel (PC)
Chatham-Kent Essex	Hoy, Pat (L)	Lanark-Carleton	Sterling, Hon / L'hon Norman W. (PC) Minister of Consumer and Business Services / ministre des Services aux consommateurs et aux entreprises
Davenport	Ruprecht, Tony (L)	Leeds-Grenville	Runciman, Hon / L'hon Robert W. (PC) Minister of Economic Development and Trade / ministre du Développement économique et du Commerce
Don Valley East / -Est	Caplan, David (L)	London North Centre / London-Centre-Nord	Cunningham, Hon / L'hon Dianne (PC) Minister of Training, Colleges and Universities, minister responsible for women's issues / ministre de la Formation et des Collèges et Universités, ministre déléguée à la Condition féminine
Don Valley West / -Ouest	Turnbull, Hon / L'hon David (PC) Solicitor General / solliciteur général	London West / -Ouest	Wood, Bob (PC)
Dufferin-Peel- Wellington-Grey	Tilson, David (PC)	London-Fanshawe	Mazzilli, Frank (PC)
Durham	O'Toole, John R. (PC)	Markham	Tsubouchi, Hon / L'hon David H. (PC) Chair of the Management Board of Cabinet / président du Conseil de gestion du gouvernement
Eglinton-Lawrence	Colle, Mike (L)	Mississauga Centre / -Centre	Sampson, Hon / L'hon Rob (PC) Minister of Correctional Services / ministre des Services correctionnels
Elgin-Middlesex-London	Peters, Steve (L)	Mississauga East / -Est	DeFaria, Carl (PC)
Erie-Lincoln	Hudak, Hon / L'hon Tim (PC) Minister of Tourism, Culture and Recreation / ministre du Tourisme, de la Culture et des Loisirs	Mississauga South / -Sud	Marland, Margaret (PC)
Essex	Crozier, Bruce (L)	Mississauga West / -Ouest	Snobelen, Hon / L'hon John (PC) Minister of Natural Resources / ministre des Richesses naturelles
Etobicoke Centre / -Centre	Stockwell, Hon / L'hon Chris (PC) Minister of Labour / ministre du Travail		
Etobicoke North / -Nord	Hastings, John (PC)		
Etobicoke-Lakeshore	Kells, Morley (PC)		
Glengarry-Prescott-Russell	Lalonde, Jean-Marc (L)		
Guelph-Wellington	Elliott, Hon / L'hon Brenda (PC) Minister of Intergovernmental Affairs / ministre des Affaires intergouvernementales		
Haldimand-Norfolk-Brant	Barrett, Toby (PC)		
Haliburton-Victoria-Brock	Hodgson, Hon / L'hon Chris (PC) Minister of Municipal Affairs and Housing / ministre des Affaires municipales et du Logement		

Constituency Circonscription	Member/Party Député(e) / Parti	Constituency Circonscription	Member/Party Député(e) / Parti
Nepean-Carleton	Baird, Hon / L'hon John R. (PC) Minister of Community and Social Services, minister responsible for children, minister responsible for francophone affairs / ministre des Services sociaux et communautaires, ministre délégué au dossier de l'Enfance, ministre délégué aux Affaires francophones	Scarborough Southwest / -Sud-Ouest	Newman, Hon / L'hon Dan (PC) Minister of Northern Development and Mines / ministre du Développement du Nord et des Mines
Niagara Centre / -Centre	Kormos, Peter (ND)	Scarborough-Agincourt	Phillips, Gerry (L)
Niagara Falls	Maves, Bart (PC)	Scarborough-Rouge River	Curling, Alvin (L)
Nickel Belt	Martel, Shelley (ND)	Simcoe North / -Nord	Dunlop, Garfield (PC)
Nipissing	Harris, Hon / L'hon Michael D. (PC) Premier and President of the Executive Council / premier ministre et président du Conseil exécutif	Simcoe-Grey	Wilson, Hon / L'hon Jim (PC) Minister of Energy, Science and Technology / ministre de l'Énergie, des Sciences et de la Technologie
Northumberland	Galt, Doug (PC)	St Catharines	Bradley, James J. (L)
Oak Ridges	Klees, Frank (PC)	St Paul's	Bryant, Michael (L)
Oakville	Carr, Hon / L'hon Gary (PC) Speaker / Président	Stoney Creek	Clark, Hon / L'hon Brad (PC) Minister of Transportation / ministre des Transports
Oshawa	Ouellette, Jerry J. (PC)	Stormont-Dundas-Charlottenburgh	Cleary, John C. (L)
Ottawa Centre / -Centre	Patten, Richard (L)	Sudbury	Bartolucci, Rick (L)
Ottawa-Orléans	Coburn, Hon / L'hon Brian (PC) Minister of Agriculture, Food and Rural Affairs / ministre de l'Agriculture, de l'Alimentation et des Affaires rurales	Thornhill	Molinari, Tina R. (PC)
Ottawa South / -Sud	McGuinty, Dalton (L) Leader of the Opposition / chef de l'opposition	Thunder Bay-Atikokan	McLeod, Lyn (L)
Ottawa West-Nepean / Ottawa-Ouest-Nepean	Guzzo, Garry J. (PC)	Thunder Bay-Superior North / -Nord	Gravelle, Michael (L)
Ottawa-Vanier	Boyer, Claudette (Ind)	Timiskaming-Cochrane	Ramsay, David (L)
Oxford	Hardeman, Ernie (PC)	Timmins-James Bay / Timmins-Baie James	Bisson, Gilles (ND)
Parkdale-High Park	Kennedy, Gerard (L)	Toronto Centre-Rosedale / Toronto-Centre-Rosedale	Smitherman, George (L)
Parry Sound-Muskoka	Miller, Norm (PC)	Toronto-Danforth	Churley, Marilyn (ND)
Perth-Middlesex	Johnson, Bert (PC)	Trinity-Spadina	Marchese, Rosario (ND)
Peterborough	Stewart, Hon / L'hon R. Gary (PC) Minister without Portfolio, chief government whip, deputy government House leader / ministre sans portefeuille, whip en chef du gouvernement, leader parlementaire adjoint	Vaughan-King-Aurora	Sorbara, Greg (L)
Pickering-Ajax-Uxbridge	Ecker, Hon / L'hon Janet (PC) Minister of Education, government House leader / ministre de l'Éducation, leader parlementaire du gouvernement	Waterloo-Wellington	Arnott, Ted (PC)
Prince Edward-Hastings	Parsons, Ernie (L)	Whitby-Ajax	Flaherty, Hon / L'hon Jim (PC) Deputy Premier, Minister of Finance / vice-premier ministre, ministre des Finances
Renfrew-Nipissing-Pembroke	Conway, Sean G. (L)	Willowdale	Young, Hon / L'hon David (PC) Attorney General, minister responsible for native affairs / procureur général, ministre délégué aux Affaires autochtones
Sarnia-Lambton	Di Cocco, Caroline (L)	Windsor West / -Ouest	Pupatello, Sandra (L)
Sault Ste Marie	Martin, Tony (ND)	Windsor-St Clair	Duncan, Dwight (L)
Scarborough Centre / -Centre	Mushinski, Marilyn (PC)	York Centre / -Centre	Kwinter, Monte (L)
Scarborough East / -Est	Gilchrist, Steve (PC)	York North / -Nord	Munro, Julia (PC)
		York South-Weston / York-Sud-Weston	Cordiano, Joseph (L)
		York West / -Ouest	Sergio, Mario (L)

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

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

CONTENTS

Tuesday 27 November 2001

SECOND READINGS

**Responsible Choices for Growth
and Fiscal Responsibility Act
(Budget Measures), 2001, Bill 127,
*Mr Flaherty***

Mr Kormos	3929, 3933, 3935 3946, 3950
Mr O'Toole	3932, 3933, 3936 3939
Mr Ramsay	3932
Mr Marchese	3932, 3938, 3943 3948, 3950
Mrs Marland	3932
Mr Gilchrist	3935, 3940, 3944
Mr Bradley	3935, 3947, 3950
Mr Bisson	3936, 3939, 3947
Mr Patten	3936, 3944
Mr Crozier	3937, 3940
Mr Cleary	3939
Mr Agostino	3943
Mr Maves	3943, 3949
Mrs McLeod	3944, 3947
Mr Dunlop	3946, 3950
Debate deemed adjourned	3951

TABLE DES MATIÈRES

Mardi 27 novembre 2001

DEUXIÈME LECTURE

**Loi de 2001 sur des choix réfléchis
favorisant la croissance
et la responsabilité financière
(mesures budgétaires),
projet de loi 127, *M. Flaherty***

Débat présumé ajourné	3951
-----------------------------	------