



Legislative Assembly  
of Ontario  
Second Session, 38<sup>th</sup> Parliament

Assemblée législative  
de l'Ontario  
Deuxième session, 38<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

**Journal  
des débats  
(Hansard)**

**Thursday 13 April 2006**

**Jeudi 13 avril 2006**

Speaker  
Honourable Michael A. Brown

Président  
L'honorable Michael A. Brown

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**

Copies of Hansard can be purchased from Publications Ontario: 880 Bay Street, Toronto, Ontario, M7A 1N8. e-mail: [webpubont@gov.on.ca](mailto:webpubont@gov.on.ca)

### **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**

Des exemplaires du Journal sont en vente à Publications Ontario : 880, rue Bay Toronto (Ontario), M7A 1N8 courriel : [webpubont@gov.on.ca](mailto:webpubont@gov.on.ca)

---

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



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

LEGISLATIVE ASSEMBLY  
OF ONTARIO

ASSEMBLÉE LÉGISLATIVE  
DE L'ONTARIO

Thursday 13 April 2006

Jeudi 13 avril 2006

*The House met at 1000.  
Prayers.*

PRIVATE MEMBERS'  
PUBLIC BUSINESS

HAMILTON DAY ACT, 2006  
LOI DE 2006  
SUR LE JOUR DE HAMILTON

Ms. Marsales moved second reading of the following bill:

Bill 80, An Act to name the first Wednesday in October Hamilton Day / Projet de loi 80, Loi visant à désigner le premier mercredi d'octobre comme Jour de Hamilton.

**The Deputy Speaker (Mr. Bruce Crozier):** Pursuant to standing order 96, you have up to 10 minutes, Ms. Marsales.

**Ms. Judy Marsales (Hamilton West):** This is indeed a proud moment for me to speak on this private member's bill identifying the first Wednesday in October as Hamilton Day. This idea is anything but frivolous. In a world too quick to be critical, too cynical to enjoy the moment, I am proposing that we take a day in October of each year to celebrate the great city of Hamilton. It is said that to celebrate something is to recognize its value.

The ambitious city, as Hamilton was known in 1847, was a hive of industrial activity. Building on the shipping convenience, great companies built their empires: Dofasco, Stelco, Westinghouse, J.I. Case, John Deere, Studebaker, International Harvester, Firestone, Procter and Gamble, Stanley Steel, Otis Elevator, Life Savers, Wagstaff, E.D. Smith. My goodness, I could go on. In addition to these well-known manufacturing names, Hamilton was famous for what's known as the rag trade: McGregor, Hathaway, Young's—empires built by families like the Southams, the Hendrys, the Piggotts.

What has happened to Hamilton since the lofty days when we were the economic engine of Ontario and, it could be argued, the economic engine of Canada? Well, Hamilton is reshaping its vision for success. We're rebuilding its dream, and my objective is to have a day to reflect on our past, not just on our past greatness, but to recognize and celebrate our future, recognizing today's accomplishments as the building blocks of tomorrow's model community.

Hamilton should be synonymous with the word "opportunity." It is said that past performance is the best predictor of future actions. If that is so, Hamilton is destined for greatness. Hamilton has a great history, forged by location, people and politics. The old slogan, "the ambitious city," at the turn of the last century, was coined because of its dramatic industrial growth and powerful individuals, whose presence inspired great achievements in industry, education and wealth creation. It is my passion for what I perceive as the huge potential that exists today in Hamilton that has inspired this private member's bill which is before you today.

Too often we take things for granted, such as our grand city of Hamilton, nestled at the head of Lake Ontario, captured by the majesty of the Niagara Escarpment, with its panoramic views and vistas, multitudes of waterfalls and the focal point from where it all began: Hamilton harbour. It was this great harbour that provided the perfect shipping opportunity needed to support the industrial development, and the resting place of the Hamilton Scourge from the War of 1812.

The city of Hamilton has suffered in the past decade by a perception of poor image. Mr. Speaker, what do you think of when you hear "Hamilton"? My experience is that most people think about a city left behind in industrial pollution after the post-war boom. But I am here to paint a much different picture—a picture of a beautiful city with more parks per capita than any other, with some of the most exciting, architecturally interesting buildings and houses dating back to the mid 1850s.

We've not always embraced the legacy of our heritage buildings, and sadly, we've torn so many of them down. It's almost painful to read the books: *Vanished Hamilton* by Margaret Houghton or *The Grand Old Buildings of Hamilton* by Brian Henley. These historians, including Patricia Filer, give us a window to our past. I believe that, as we learn to celebrate the greatness that is Hamilton, our renewed appreciation for its heritage will emerge as we build our vision for the future.

By celebrating the first Wednesday in October every year as part of the city of Hamilton's tourism month, we want to extend a welcoming hand to all former residents and children of Hamilton to come home and visit—rediscover their roots. When my daughters, Andrea and Allison, went off to university, one to McGill and one to Dalhousie, their pride in Hamilton was dashed by their roommates, who saw Hamilton as less than attractive. How many of us parents in Hamilton have exported our young people? Our young people went off to other cities in the world to do great things, to find their fame and

fortune. This day in October is going to be the rallying cry and a grand day for celebration.

On March 22, 1816, the Legislature of Upper Canada passed an act to erect and form a new district to be called Gore. They also established a courthouse and a jail to be erected in the town of Hamilton. One of the major attractions to settlement here was the lovely harbour. Twice the size it is now, it was crystal clear with glistening white sands; you could wade out forever. On January 8, 1833, the Legislature passed a further act to define the limits of the town of Hamilton in the district of Gore and to establish a police and public market therein.

It was during the period of the 1890s that Hamilton became an industrial hub in south central Ontario. The early concentration of iron and steel manufacturing here was not accidental. Hamilton was in a very advantageous location. Nearby coal supplies in the States and the plentiful supply of iron ore in northern Ontario, plus Hamilton's superb natural harbour on the Great Lakes, made it the logical focus in the new industry.

An American visitor to Hamilton in 1889, who was greatly impressed with Hamilton's industrial potential, wrote, "Look down upon it from the mountain top and it is one vast field of tall chimneys and the smoke from its hundreds of factories hangs over the city like a beautiful web." Well, that impression of Hamilton, while economically charged, lingers even today—but not with the same positive connotation, I'm sad to say.

Bill 80 is designed to replace those tired old images with today's reality. Yes, we love our Tiger-Cats and we love our Tim Hortons, and yes, Tim Hortons has become a household name. A famous hockey player and police officer, Ron Joyce, turned Tim Hortons into a Canadian icon, where the term "double double" is now recognized terminology. Yes, it all began in Hamilton from a dream, an entrepreneurial spirit of hard work and determination.

#### 1010

Hamilton is a city with a destiny to be a world leader in research, in medicine, in education, a model city where diversity is not only accepted but welcomed. We will be the brain trust of the next generation. Hamilton was blessed with a location as scenic and beautiful as any in the world, from its majestic escarpment to its gracious harbour, bustling with world trade and beautiful ideas and energy.

I also want to speak to some of the wonderful things about our great airport. Did you know that our airport—Hamilton airport, affectionately known as HI—has grown into the number one in the country for courier, cargo and freight shipments? In 2003, one million passengers passed through its gates.

I want to ask you, what do these famous names have in common, names like Eugene Levy, Kathleen Robertson, Martin Short, Dave Rave, Bertram Brockhouse, Roberta Bondar, Richard Rohmer, Morgan Firestone, Bob Doidge, Ian Thomas, Danny Lanois? They are all Hamiltonians. We have an amazing legacy. We celebrate international artists who call Hamilton home, we celebrate entertainers, we celebrate war heroes, we celebrate

astronauts. We celebrate everyday citizens who strive to enrich this wonderful city. We celebrate the courage of the men and women who came to our city with only hope to build a future.

I read recently that snowflakes are one of nature's most fragile creations, but when they stick together, they can create immense beauty and stop even the largest of man's creations. Well, today I will use Hamilton's motto, "Together Aspire, Together Achieve." Hamiltonians are sticking together. We abound with potential as we move forward to achieve new heights, build new businesses, create new and greater opportunities. Once called "the ambitious city," "Steeltown," "the hammer," "hammer town," the "lunch bucket city," together, let's make room to celebrate Hamilton. Let's have a Celebrate Hamilton Day. Let's bring us together. Let's forge new ideas, forge new dreams, entrepreneurial spirit. Let's bring all of our businesses together under one great celebration, under one great flag, and that is of Hamilton. Enriched Hamilton is enriched Ontario, enriched Ontario is enriched Canada, and enriched Canada is enriched citizens, all the citizens of this mighty land. Let us celebrate Hamilton together.

**The Deputy Speaker:** Further debate?

**Hon. Marie Bountrogianni (Minister of Intergovernmental Affairs, minister responsible for democratic renewal):** First of all, congratulations to my colleague from Hamilton West. She encompasses the best of Hamilton right there. Congratulations.

I'm just honoured to stand before you and speak in support of Bill 80, Hamilton Day Act, which seeks to name the first Wednesday in October Hamilton Day. As a proud Hamiltonian, I'm thrilled to have the opportunity to sing the praises of our great city, and I commend my colleague, the member for Hamilton West, for the opportunity.

When you stop to consider the incredibly diverse scope of all the areas where Hamilton excels—industry, education, health and culture—it becomes clear that Hamilton is a city with heart, drive and vision. Hamilton is a city that has seen rapid growth over the last 15 years. Now the fourth-largest city in Ontario, Hamilton is ranked as one of the top 10 places to do business in Canada. We are renowned as the home of Canada's steel-producing companies Dofasco and Stelco, earning us the nickname "steel city." While we're proud of that steel heritage, however, I want to be sure that anyone who might not have stayed up to date on everything that's going on in Hamilton knows that we've grown into much more.

Hamilton is also home to McMaster University, one of the leading post-secondary institutions in Canada. The faculty of health sciences at McMaster is renowned worldwide for its innovative small-group, problem-based-learning method of instruction. I had the privilege of teaching in that program before being elected. Mohawk College is one of Canada's largest community colleges, also renowned for its health care focus in the form of its unique, experienced-based nursing program.

My mother completed her early childhood education studies at Mohawk College. Together, McMaster and Mohawk are the foundation of Hamilton's strong medical community and its commitment to research and innovation in health sciences.

I'm very proud to be part of a team of local MPPs, including not only the sponsor of today's bill, Ms. Marsales, but also MPPs Ted McMeekin of Ancaster–Dundas–Flamborough–Aldershot and Jennifer Mossop of Stoney Creek, who have worked so hard with me to secure over \$400 million for expansion and redevelopment projects for Hamilton Health Sciences, St. Joseph's Healthcare and St. Peter's Hospital, ensuring that Hamilton will continue to be an innovator, a resource and a champion in the health care field.

What we don't hear said enough of Hamilton is that it's also a beautiful place to live. It is home to a vibrant cultural community. Opera Ontario is quickly establishing itself as an important venue for operatic talent. Known for its commitment to supporting young Canadians on the brink of international careers, Opera Ontario is becoming the place to see and hear the best young Canadian singers. I can attest to that. My husband and I were there, and I'm afraid to say that he usually sleeps through opera, but he was crying through the opera that we went to at Opera Ontario in Hamilton. It was superb; it was amazing.

Many years ago, when my parents immigrated to Montreal, most of their friends came to Toronto after Montreal. But my late father said, "There's a great place I've heard of called Hamilton. Let's go there; let's try there before we try Toronto," and they never looked back. I was born in St. Joseph's hospital; one of my children was born in St. Joseph's hospital. It's a place with heart. What you see is what you get in Hamilton. There are no artificial nuances there. The nuances are real. That's the kind of honesty, the kind of heart, the kind of determination that makes it such a wonderful place to live, a wonderful place to raise children, a wonderful place to work, with our universities, our industries, our tourism, our beautiful landscape, the harbour, the Mountain. We affectionately call it "the Mountain" even though it's an escarpment, but it's absolutely gorgeous and the views are incredible.

I'm very proud to be here with my colleagues. Thank you very much, Hamilton West member, for this opportunity. Congratulations to you and to all my colleagues for the wonderful work they do on behalf of our city, all of the colleagues around the House—Ms. Horwath from Hamilton East. We all love Hamilton. Despite our differences politically, we all love Hamilton. That's a commonality.

**The Deputy Speaker:** Further debate? The member from Waterloo–Wellington—no, Kitchener–Waterloo. I have had a rough week on these names, for some reason.

**Mrs. Elizabeth Witmer (Kitchener–Waterloo):** Thank you very much, Mr. Speaker. I'm certainly pleased to join the debate. I want to compliment the member for Hamilton West. It's obvious that she takes

great pride in her community and seeks today to ensure that Hamilton Day would be recognized the first Wednesday in October. Certainly, she made a very enthusiastic presentation here, demonstrating why this should indeed happen and why they should have this distinct day of recognition.

I would certainly concur: I think Hamilton is a very, very exciting place. I've had the opportunity to visit there on many occasions, particularly when I was Minister of Health, when we made some substantial investments in that community. It is a community that can take pride not only in its past, but also as it moves forward into the future with its outstanding university, college and health institutions.

I want to briefly use this opportunity, though, to speak about the fact that we have many outstanding communities throughout the province of Ontario that, like Hamilton, have a proud past and that, like Hamilton, are very energetic and very innovative and certainly have a future that is filled with optimism and with hope. I want to just speak for a few minutes about my community, Kitchener–Waterloo, in the region of Waterloo.

Our region had roots—there were Pennsylvania Germans who settled there; we've had Scottish people settle there. We've had people from all over the world come to the region of Waterloo. Again, although it started in the past as an agricultural community, we have now moved forward to a point where we are a thriving community. We have manufacturing, we have research, we have technology, and our community also is proud to have two outstanding universities: the University of Waterloo and Wilfrid Laurier University. We have a college, Conestoga College, that has been named number one for eight years in a row. We have two outstanding hospitals in Kitchener–Waterloo and the hospital in Cambridge as well—so we have three. We are home to many of the high-tech companies that are quite capable of competing with the Silicon Valley in the south, names like RIM and Open Text.

#### 1020

And of course our community has been represented in the past by some outstanding MPPs. One in particular, who played a very significant role in the life of our community and made a wonderful contribution when he was here, was John Sweeney, who was loved by people in our community. I had the opportunity to succeed Herb Epp, who has now become the mayor of the city of Waterloo, and I have been very privileged, since 1990, to serve the region of Waterloo with my colleague Ted Arnott. So it has had proud representation in the past and it has proud representation today.

Our community, like Hamilton, is enthusiastically moving forward into the future. We are very fortunate in the province of Ontario to have dynamic cities such as Hamilton or Kitchener–Waterloo—the region of Waterloo—making a contribution to this great province. We see a thriving economy, we see thriving art and culture. We are very, very proud of our communities.

I compliment the member from Hamilton West for bringing forward Bill 80, An Act to name the first Wed-

nesday in October Hamilton Day. I would agree with her. Hamilton has been a very significant contributor to Ontario's political, economic and social spheres, and has a rich history of which it can be extremely proud.

**Ms. Andrea Horwath (Hamilton East):** It's certainly my pleasure to be here today to add my comments about Bill 80, An Act to name the first Wednesday in October Hamilton Day, so that we can celebrate Hamilton on a particular day. But I really believe that Hamilton can be celebrated every day of the year, that it has so much to celebrate that one day really isn't enough to cram in all the wonderful things we should be celebrating about the city of Hamilton. So I spent some time putting together in my mind some of the things that I celebrate on a daily basis about the wonderful city of Hamilton, and I thought I would share some of those things with this House today.

Before I do that, though, I thought it would be important to acknowledge some wonderful people from Hamilton who are up in the gallery, particularly people who work on some of the wonderful things that are worthwhile celebrating. We have Alice Willems from the Canada Marine Discovery Centre, which sits as a jewel on our waterfront; she does some wonderful work there. We also have David Adames from Tourism Hamilton, who does some wonderful work in terms of bringing people not only from Ontario but from across the country and across the world, in fact, to see the wonderful things our great city has to offer. And what is that? I think it starts with great people. There are a couple of examples are here in the gallery but certainly great people in every corner of the city of Hamilton, no matter where you look, and those great people bring great community spirit and great community pride to our city every day.

We have a wealth of community organizations that work very hard to provide services and help people with issues that range from everything from settlement services to violence against women programs to anti-poverty programs and seniors' programs—a number of people. In fact, Hamilton was celebrated as having the most number of volunteer hours—

*Applause.*

**Ms. Horwath:** Exactly—in a country-wide scoring of volunteer hours. Hamilton won that because we really do have a wonderful group of people in our community who do so much great work. Not only are those people volunteers, but they're also the staff of some of the fabulous organizations that our city is blessed with.

We have a wonderful diversity of people who live in the city of Hamilton. More than 50 languages are spoken. We welcome citizens from literally every country in the world. As already mentioned by other members from Hamilton, we have fabulous institutions like McMaster University, Mohawk College and of course our medical centre, through Hamilton Health Sciences, is renowned, as well as St. Joseph's, for their medical research and the groundbreaking technologies they work on on a regular basis.

A skeptic might actually look at the timing of Bill 80 and conclude that perhaps it might be a gesture of polit-

ical opportunism. I'm sure it was just a coincidence, because I would disagree with that particular thought. It's only a coincidence, I'm sure, that in 2007, after this bill has been passed, our Hamilton Day will happen to be celebrated on the very day before the next provincial election—if the McGuinty Liberals keep their promise around when the election is coming. Anyway, I thought that was a bit of levity to add to the comments I have today, because regardless of what day it falls on, all of us are going to be there to celebrate our great Hamilton Day.

Who is that and what is that? It includes a burgeoning arts district on James Street North, in the centre of our city. There are other smaller arts districts as well in the city of Hamilton, including Barton Street and Lock Street. The arts are really thriving in the city of Hamilton. That is led by a world-class art gallery that sits right in the middle of our downtown.

We have a diverse business sector. We have many active business improvement areas with very active boards of directors that are always striving to provide superior goods and services to the people of Hamilton. We have Hamilton harbour, which I've mentioned briefly in terms of the Canada Marine Discovery Centre. We also have many sights and attractions that highlight our natural environment.

The Minister of Intergovernmental Affairs already mentioned the number of waterfalls that Hamilton has and the escarpment Hamilton has, but we have a significant trail system in Hamilton that people can actually utilize to take advantage of those natural areas, and those trails go throughout the escarpment. They link up with the Bruce Trail, the famous trail that goes from Tobermory to Niagara Falls. Part of that is in the city of Hamilton. Of course, our community took advantage of that and linked our trail system into that trail system. We have a waterfront trail, which is a fabulous magnet for people, not only Hamiltonians but many others, as they get some recreation time in the summer. We also have a series of rail trails. We have a waterfront trail now on Lake Ontario as well and have just completed a light-house facility there that adds wonderful opportunities for people to spend time down at our lakefront as well as our harbourfront.

I have pages and pages of wonderful things that I think we should be celebrating. In fact, part of the Niagara Escarpment, as many people know, is a UNESCO-designated world biosphere reserve, and that's something that we also celebrate regularly in Hamilton.

We have great urban neighbourhoods in Hamilton. We have great areas of scenic countrysides, beautiful parks, wonderful opportunities for recreation.

We have a very mixed economy: On the one end we have heavy industry, and on the other end we have lush farmland that contributes significantly to our economy. We have a very mixed economy in the city of Hamilton, and we are certainly extremely lucky to have that.

We have a number of wonderful festivals and celebrations that take place in Hamilton, everything from Festitalia in the fall of every year, to Black History

Month in February of every year, to the Greek Opal Festival, to the annual Racalmutese festival; we have Portuguese celebrations, we have Chinese New Year celebrations, and we have South Asian celebrations. Our community celebrates on a regular basis, and Hamilton Day will be another opportunity for us to do that.

But I believe there's an opportunity now, in the context of this discussion, to recognize that notwithstanding all the good things that our city stands for and all the wonderful opportunities to celebrate, including Hamilton Day—and I'm all for it—I think we're also obliged to look at some of the aspects we wish we could celebrate but still are not able to. For example, we still have a crisis in wait times in hospitals, notwithstanding the hard work that our medical facilities do. We saw that with David Malleau, that constituent of mine for whom it took over a year and a half to have his skull replaced after brain surgery. We have Eric Trimmer, another fellow from Hamilton who is struggling to get treatment in a residential eating disorder treatment program and has still not been able to do that.

#### 1030

We have a serious need for more affordable housing in our community, but unfortunately the government continues to claw back hundreds of millions of dollars in federal housing money instead of putting that into the building of affordable housing in our community.

Unfortunately, we have a situation where the national child benefit is still being clawed back. I thought it was important to raise that, because very recently, another thing to celebrate was a young lawyer from McQuesten Legal and Community Services, Craig Foye, who was sent off to the United Nations Committee on Economic, Social and Cultural Rights by a community committee on income security, the Income Security Working Group of the legal clinic system, I believe. Craig was sent there to talk to the United Nations about the problems that Canadian cities are having in terms of meeting their human rights obligations in regard to income security.

I wanted to quote a little bit from Craig's cover letter to the document that I believe he sent to all of our local MPPs:

"Unfortunately, as the report"—which I have with me—"shows and as you may already be aware, the right to an adequate standard of living is not currently being acknowledged or protected by either the provincial or federal governments. Currently, we have social assistance rates that fall far below subsistence levels of income, and those rates remain arbitrary numbers with no relation to the actual cost of basic necessities. While efforts have been made to respond locally to the homelessness crisis, we are nowhere close to providing the numbers of rent-geared-to-income units that are required and the Ontario Rental Housing Tribunal continues to evict many thousands of tenants for arrears of rent, many without a hearing."

It goes on to talk about the number of unemployed workers who don't qualify for benefits. "The minimum wage"—Craig goes on to say—"falls below poverty

levels, meaning that even those workers working full-time or more may not be able to pull their family out of poverty. Not surprisingly, local individuals and families who cannot afford to feed themselves must turn to food banks and meal programs in numbers that have not been seen since the Great Depression. This poverty is being experienced disproportionately by many already vulnerable groups, including, but not limited to: women, seniors, newcomers, aboriginal persons, persons with disabilities, and visible minorities."

That's from Craig Foye of McQuesten Legal and Community Services, an organization that I used to work for. Nonetheless, I thought it was important that we have a reality check as well about the things we still need to do. If we're going to reach the goals that Ms. Marsales says she wants to reach in the ongoing growth of Hamilton, many of these very basic issues must be addressed.

The national child benefit clawback is an exacerbation of the poverty problems we have in Hamilton. If this government had only stopped the clawback, it would have helped.

We continue to see the Liberal government allowing things like Liberty Energy, ABP Recycling and other noxious waste management proposals to escape full environmental assessment processes, which is not a good thing for the air quality in the city of Hamilton.

We see a need for further growth services in the city of Hamilton. There are a number of other issues here, concerns I have that I've raised in this House and that need to be addressed.

We have a property assessment system that hopefully is going to get fixed. It's currently in a shambles. In fact, the member who brings the bill forward, the member from Hamilton West, will know this very well because one of the hardest-hit areas in terms of property tax assessment is in a ward that sits in the riding that she represents, which is ward 1. Unfortunately, the ward councillor is taking the hit for that, but it's really the provincial government that needs to fix the tax assessment system that's driving people out of their homes, particularly seniors. The business improvement areas have asked to create new property tax classes that would see properties—actually this is not the case. It's the residents of those very neighbourhoods that are affected by property tax problems who would like to see property taxes changed to have a new class of property around universities and colleges that can be taxed specifically as investment properties, as student housing, rather than residential, because that is in part what's driving up the property assessments near McMaster University in ward 1, which is represented very ably by a friend and colleague of mine, Brian McHattie.

Nonetheless, these issues have not been dealt with by the McQuinty Liberal government. I'm really hopeful that they will see the light and begin to address some of these issues.

Air quality is an ongoing problem. We have a monitoring station that we lost under the Harris government

in Hamilton East. I'd really like to see that monitoring station re-established, particularly since there's been a new development in the east end, a significant contributor to our air shed, which is an expressway. That was a very difficult project for our city, but, nonetheless, it's on the way. It's being built. We need more than ever to make sure we're monitoring our air quality.

There's also the ongoing systemic issue of the government not dealing with the problem we have around our ability to have a fair, equitable and appropriate balance of payments, if you want to call it that. The downloading has crippled our city. I'm sure there are lots of things David Adames has in terms of ideas on tourism. There are many other projects the city would like to undertake but they're hamstrung by lack of funding room in their budgets because this government—and I congratulate them for, year after year, topping up our city's ability to meet expected needs, but still the city is calling for a systemic response to the ongoing budget problem. They shouldn't have to come here every year, cap in hand, begging for some money.

You know what? I have many more, but the bottom line is, the balance of issues that I think are most important for Hamilton Day is celebrating the positive. We're extremely proud of our city. Every single one of us who sits in this House is extremely proud of this city. We have very much to celebrate, but we also have a heck of a lot of work to do. I'm hoping the member from Hamilton West, the member from Stoney Creek, the member from Ancaster–Dundas–Flamborough–Aldershot and the member from Hamilton Mountain will work with me and try to push some of these other issues forward. It's a very nice idea to have Bill 80, and I'm going to be supporting it, but we also need some very real action on behalf of Hamilton's concerns. I look forward to their support on all the initiatives that I'm putting forward to try to move the yardsticks that I've just mentioned.

I wanted to quote a saying that I found in a book of quotations by someone named William Jeffrey Prowse, and it goes like this. I hope Mr. Prowse forgives me for changing around a little bit of the wording, but it reminded me of Hamilton and I thought I should share it with you:

Though the latitude is rather vague  
And the longitude is also uncertain  
The persons I pity know not the city  
The beautiful city of Hamilton.

I look forward to supporting this bill. I also look forward to being able to help solve some of the other serious concerns that our city has. Notwithstanding that, Hamilton is a great city. We have so much to celebrate. I'm very proud to be here on behalf of the constituents of Hamilton East.

**Ms. Jennifer F. Mossop (Stoney Creek):** I am very pleased to wade in on this debate. I had an interesting conversation with some other members in the House, because you have to wonder—we're a provincial Legislature, and one says, "Why a Hamilton Day? Why not a London Day or a Kitchener Day or a Chatham Day or a

Sioux Lookout Day?" We had one suggestion from the member from Hamilton East, which was potentially that this was political opportunism. She didn't say where that suggestion came from, but it was certainly the first time I had heard that suggestion. She says she doesn't think it's valid. I can only say, why even raise it? I know it is not a valid suggestion because I happen to know that the member who is introducing this bill is one of the most fiercely proud people of her hometown, the city of Hamilton. That says a lot. If you know anything about Hamilton, you know it deserves a Hamilton Day because its people are so fiercely and rightly and deservedly proud of their city. The one thing I have learned in my many years—and I've spent my entire professional career working in Hamilton—is that there is a deep sense of pride and ownership in the city of Hamilton.

I think to some extent it has to do with all the things that we've heard people talk about today. It is probably one of the most beautiful places in the world. I stand in my corner of Hamilton in awe, truthfully. I stand and look at the escarpment. I look out over Lake Ontario. I look at the tender fruit land. It's the best in the world. We have lost a lot of it to development, but it's still there. The orchards, the fruit trees, all of those things are in my riding and they are part of Hamilton. I look at the bay and I wonder sometimes what it must have been like when people first arrived from Europe, when they came to this corner of the world and they saw the harbour, the lake and the escarpment. They must have thought they were in a paradise, because with the escarpment also came the ability to grow fruit that you can't do in any other part of the world. It is unique and very special. There are all those attributes. There are the people, the physical attributes, the geography, which have been referenced. There are all the great things that have happened in Hamilton because of those people over the many years.

#### 1040

But there is, to a certain extent, also an underdog component to the psyche of Hamilton, and it comes for a number of reasons—partly because it is right en route between the great United States of America and the capital of our province, and sometimes people have a tendency to drive right past it and don't stop. But any time somebody takes the time to stop in Hamilton and look around, they all say, "I had no idea it was so beautiful. I had no idea you had so much to offer in the area of the arts."

**Mr. Jeff Leal (Peterborough):** What about the Tiger-Cats?

**Ms. Mossop:** And the Tiger-Cats. But people know about the Tiger-Cats. Everybody knows about the Tiger-Cats.

When you bring all these components together, having a Hamilton Day makes total sense. It makes total sense to me.

I reference the fact that I've spent my entire professional career in the Hamilton area. I myself am always very proud and gratified when people call me one of Hamilton's own. But I have to tell you that I have very



deep roots in the Hamilton area. My ancestors lived in Dundas—

**Mr. Ted McMeekin (Ancaster–Dundas–Flamborough–Aldershot):** Oh.

**Ms. Mossop:** —Member McMeekin, on Governor's Road. My great-great uncle worked at the Hamilton Spectator back in the mid- to late-1800s, so I have a deep history in the area. I felt very much like I came full circle when I ended up working at the Hamilton Spectator just about five years ago.

**Mr. Leal:** We used to watch you in Peterborough, Channel 11.

**Ms. Mossop:** There you go. Yes, Channel 11 from Hamilton. Actually there's something people don't know about Channel 11. You can see Channel 11 in Hamilton, which was one of the great independent television stations. It was the first big independent television station in Canada. You can still, to this day, see that via satellite, from Hamilton to Bermuda to Whitehorse. Hamilton brings television entertainment and news to that wide a swath of the planet. There are lots of those little-known tidbits we have about Hamilton.

I just wanted to address this. I'm glad to have the opportunity to do this. I cannot think of anybody more appropriate to have brought this forward. It does make sense. You can make arguments, though, "Why don't we have a day for every city in the province?" but there are special reasons why Hamilton deserves a day, and I've just outlined them. It is that fierce pride. It is those lesser-known things about Hamilton. Just because of where it has been situated, it gets bypassed every once in a while. This is a great opportunity to let people know all those things that I know they want to know. So thank you, member from Hamilton West.

**Mr. McMeekin:** I'm pleased to join my esteemed colleague in sharing a few words about Hamilton, my hometown. I was born and raised in Hamilton. I grew up in the northeast end and then, later in life, when my mom and dad had a few bucks to buy a house, we went to the mountaintop. We saw the city from on high, on top of the escarpment there. I grew up in the west end of the city. It's a great place.

I'm very fortunate. I went back to school as a mature student and graduated from Mohawk College before going on to McMaster where I met my wife, who graduated eventually from the McMaster medical school, one of the most innovative medical schools in the world. In that context, I retired from politics after being elected the youngest member of Hamilton city council back in the 1970s. Thinking I'd never get involved in politics again, we moved out to Flamborough, and you know what? I fell in love with the beautiful town of Flamborough, and as fate would have it, I had the opportunity to serve a couple terms out there as the mayor of Flamborough.

We have an interesting history there. As you know, the city of Hamilton is now a greater city of Hamilton, it's a bigger city of Hamilton, and it's much more diverse now that it includes the former municipalities of the city of Stoney Creek and the township of Glanbrook and—

**Mr. Jean-Marc Lalonde (Glengarry–Prescott–Russell):** And dedicated MPPs.

**Mr. McMeekin:** That's right—and the towns of Dundas, Ancaster and Flamborough. We bring to the new city of Hamilton a rich agricultural culture—over \$1 billion contributed through the agricultural sector—and of course some wonderful places to spend a few hours or a few days: the lion safari, Flamboro Downs, Rockton World's Fair, Flamboro Speedway, Wentworth village, the Carnegie Gallery, the Dundas school of art, and of course all the festivals: Buskerfest, Cactus Festival, Rockton Berry Farm, what have you.

I go so far back, I think I'm probably the oldest Hamilton member here. I remember when Paul Henderson, Pit Martin and Buddy Blom played for the Memorial Cup-winning Hamilton Red Wings in the old Hamilton Forum, now a housing development. We've been involved as a family for some 50 years as season ticket holders to the on-again, off-again Tiger-Cats. Talking about living between memory and hope—although yesterday's news of Corey Holmes and some others coming to Hamilton has got us all pretty excited.

My colleague from Hamilton East mentioned that we're the number one city in Canada on a per capita basis in terms of volunteerism and volunteer donations—

**Ms. Mossop:** And artisans.

**Mr. McMeekin:** And artisans. One of our greatest strengths is our artisan community, our diversity. In fact, Hamilton was the departure point for many of our immigrants. As the grandson of a Scottish immigrant who landed in Hamilton, I treasure that part of our history.

I want to comment just briefly, because I think the member for Hamilton East was on to something about the poverty issues in the city. I want to compliment the great city for the action it's taken with the round table on poverty, a great initiative. When I was growing up in the east end, I was one of those northeast-end kids who sat on the curb looking for trouble. Actually, trouble was looking for me. I remember the YMCA street worker who befriended me. I thought that 25-cent membership, Frank, that I paid every month at the Y—it didn't; it was one of those groups that picked it up for the poor kids. It's funny how things come around. Later in life, I served as president of the Hamilton-Burlington Y. I served overseas, and as mayor of the town of Flamborough, now part of the city of Hamilton, built a partnership family YMCA.

Great city, great future. We want to look back with pride and ahead with hope.

**The Deputy Speaker:** Further debate?

**Mr. Frank Klees (Oak Ridges):** I'm pleased to join in the debate on this private member's bill brought forward by the member for Hamilton West. I think it's important for the residents of Hamilton and I would say certainly the constituents of the honourable member's riding to understand exactly what it means that she would bring this private member's bill forward.

As members of this Legislature, a private member's bill opportunity is in fact something that's very cherished when you consider that we, as members of this Legis-

lature, are elected here to four-year terms and private members' business is something that is the very special privilege of each and every one of us as members. But it is not something that you can bring forward for debate every day or every other day. Every member is allocated one private member's business ballot and we often wait an entire year, and sometimes, depending on how the business of this place takes place, some members end up going through an entire session of Parliament without being able to actually table a bill. So as members of this Legislature, we consider very carefully what it is that we want to use this hour for in order to raise an issue of ultimate importance to us for the Legislature to consider, to debate and in fact to provide profile for the entire province. Clearly, the member from Hamilton West considers this her opportunity to take that very special time of legislative debate to talk about and to honour her city. Who can argue with that? We support that. We honour it as well by joining in this debate, and I commend her for her initiative in doing so.

#### 1050

Now, having said that, I want to take this opportunity to make the Legislature aware that there will also be a bill coming forward in honour of Aurora, in honour of Newmarket, in honour of Richmond Hill, in honour of Whitchurch-Stouffville, in honour of King township—all places that I have had the opportunity to represent—and I look forward to having the opportunity over the next 25 years of my career here to table one of those bills at the appropriate time, subject to the grace of the electorate and all that goes with that.

I had the privilege of serving in this province as Minister of Tourism. It wasn't until I had the opportunity in that capacity to really become familiar with Hamilton. I knew Hamilton, as we all do. In fact, I grew up with a very good friend by the name of Siegfried Tepper, who was not born in Hamilton but he certainly grew up there. Our families were friends and I would visit with him because my sister lived in Hamilton. We played in Gore Park. I remember those days very well. Siegfried Tepper studied at McMaster. He is an accomplished pianist, renowned worldwide. He is a composer, a conductor. He headed up the Burlington chamber orchestra—I was on the board of that organization for a number of years—and he now travels the world. He does so by a calling. He was and continues to be incredibly proficient as an artist, as a composer of classical music. No one can perform Mozart the way he does. He has taken his talent and, as I say, he's now travelling the world. He has been called to a Christian ministry and he uses his talent and his calling to not only entertain people and distribute the beauty of music, but also to make his message of Christianity one that is relevant in many parts of the world.

I mentioned before that, as tourism minister, I became familiar with Hamilton. You know, I must admit, and I say to many people who often talk about Hamilton as Steeltown—no one should take that in a negative sense. In fact, that is a huge compliment to the industrial history, the strength of that city. But beyond that, I agree with the member from Stoney Creek that it is in fact one

of the most beautiful cities, I believe, not only of this province but in this country. Every time I drive up that mountain along the escarpment, I am incredibly amazed at how beautiful that view is and the privilege that people have of living there. On occasion, there's a hue that we all would like to see disappear. All of us in this place have a responsibility in terms of the environment to ensure that the air matches the beauty of the escarpment. I think there are a number of initiatives that government and all of us in this place can undertake to ensure that we work towards that. I want to compliment the city for the good work that it has done in terms of overcoming some of its challenges, its economic challenges, over the years.

As Minister of Tourism, I stood beside my colleagues at the time who were advocating for Hamilton as the home of the 2010 Commonwealth Games. I worked with the committee that was advancing that proposal. I want to again take this opportunity to commend the volunteerism within that city, because the work that they did I believe was second to none. They made citizens of Hamilton proud, and I can tell you that, in my humble opinion, Hamilton should have been awarded the privilege of hosting those games—to the credit of Delhi, who will host those games. I'm sure that there will be other opportunities for the city of Hamilton to step forward in that regard.

I want to just read into the record an article that appeared in the Hamilton Spectator not too long ago, and I think it's appropriate to wrap up my remarks in this place with this story. The headline on April 7 reads—I'm sure the members must have read this with a great deal of interest—"John Tory Waves Blue Flag in Hamilton."

I will quote this: "After bunking overnight at the Sheraton Hamilton, Ontario Conservative leader John Tory got a chance to sample some other corners of the city yesterday.

"He was booked for a couple of local radio shows, a swing through Hamilton Health Sciences, a face-to-face with McMaster University president Peter George and a tour and meeting with executives of Arzon Ltd. in the city's east end.

"But Tory's most significant Steeltown stop took place Wednesday, the evening before, at a standup reception at the Chamber of Commerce overlooking the harbour on Bay North.

"It was not just a party fundraising event. It was the first reception for an Ontario PC leader held in Hamilton in six years, indicating how much the party's fortunes have slumped here," and that is true. I want to put members on notice that we intend to change that. "They obviously hope the fundraiser was a first step in turning that around.

"Guests included sitting Conservative MPPs Cam Jackson, Tim Hudak, Elizabeth Witmer and Ernie Hardeman, plus former local MPPs Brad Clark and Toni Skarica.

"Also spotted were the likes of Orlick Industries owner David Braley, Fellfab founder Don Fell, St. Joseph's Healthcare CEO Kevin Smith, executive consultant Grant Walsh, former police chief Colin Millar, former city

councillors Don Ross and Terry Anderson and council candidate Judi Partridge.

“Tory, who took over the leadership from Ernie Eves about 17 months ago, was smooth and composed, delivering his tidings in a confident, rapid-fire manner.”

I just want to, on behalf of John Tory and my caucus colleagues, express our support for Hamilton. We commend the member from Hamilton West for bringing this forward, and we look forward to continuing to do what we can as a caucus to support Hamilton in showcasing all the very best that it has to offer this province.

**The Deputy Speaker:** Ms. Marsales, you have two minutes to respond.

**Ms. Marsales:** First, I want to thank my guests who took time out of their very busy schedules to come here and help us celebrate Hamilton. Alice Willems, Drina Omasic, and David Adames, thank you ever so much.

I want to thank my esteemed colleagues for speaking to this bill. Minister Bountrogianni, member McMeekin, member Mossop, member Horwath, member Klees, thank you all so very much for speaking to this.

These members joined some political giants from Hamilton, names like Thomas McQuesten, Ellen Fairclough, John Munro, Lincoln Alexander, our own Dr. Stuart Smith, and how about Sheila Copps, one of the most dominant political figures, a woman from Hamilton who rose to be the first deputy prime minister of Canada?

We have barely scratched the surface of Hamilton's remarkable assets and legacy. Did you know that one of the first cities in the world to have widespread electric lights for streets and homes was Hamilton? It was known as Electric City. But today, Hamilton is also recognized as a leader in cogeneration, thanks to and a tribute to the engineering genius and leadership of someone named Don Marsales.

Hamilton has so much to celebrate. Today we are a community of aspiration. We are a community of the future. We're a community of hope, dreams, entrepreneurial spirit. We are going to stick together to make this one of the greatest communities to be proud of in Ontario, in Hamilton, Canada.

Thank you for all of your support today. I look forward to everybody coming to Hamilton, joining in this great celebration. On the first Wednesday in October of every year, we are going to have a party. Let's celebrate Hamilton.

1100

## HOMESTEAD ACT, 2006

### LOI DE 2006

#### SUR LE PATRIMOINE FAMILIAL

Mr. Hudak moved second reading of the following bill:

Bill 75, An Act to amend the Assessment Act with respect to homesteads / Projet de loi 75, Loi modifiant la Loi sur l'évaluation foncière à l'égard des patrimoines familiaux.

**The Deputy Speaker (Mr. Bruce Crozier):** Pursuant to standing order 96, Mr. Hudak, you have up to 10 minutes.

**Mr. Tim Hudak (Erie–Lincoln):** I thank in advance my colleagues of all three parties who are going to address this bill.

We all know, as MPPs from across the province, that working families, seniors and young people are facing higher taxes, higher home heating costs, increased user fees and, as we saw yesterday, escalating energy costs in Dalton McGuinty's Ontario. Rapidly increasing property assessments and resulting property tax increases are now simply unaffordable to the beleaguered Ontario taxpayers, who have experienced, in the last several years, volatile property assessment increases for a number of reasons, and very importantly because of a hot housing market in various parts of the province.

The facts are that the average assessed home in Ontario has leapt from \$179,000 in 2003's taxation year to \$232,000 for 2006 taxes. In this past year, the average provincial assessment increase in the residential tax class was 14.35%, with many municipalities represented by members here in the assembly today reporting increases from 15% to 35%, and those were just averages. I know that some people in Peterborough, for example, probably experienced double or even triple the average, and they're very concerned about the tax increases that come about as a result. In fact, from the work of many of my colleagues, we've been getting e-mails and distressing letters about shocking assessment increases, some hitting the triple digits from the past year alone.

I want to thank a number of individuals who are now joining us in the gallery who have come here from across the province of Ontario in support of the Homestead Act. As well, a number of organizations have put their support behind the principles of the Homestead Act, and I do appreciate what they have done to help this legislation gain momentum. I'd like to mention Lawrence Barker, the executive director of the Canadian Snowbirds Federation. Bob Topp, president of the Waterfront Ratepayers After Fair Taxation, WRAFT, has joined us today. Brian Maguire is here today as well, and he joined us yesterday in the assembly. He represents the Federation of Urban Neighbourhoods and also is the chair of the Confederation of Resident and Ratepayer Associations in Toronto. Peter Baker, an old friend of the family whom I haven't seen in years, has joined us as well. He's the co-chair of the Federation of North Toronto Residents Association. Terry Rees is another, from the Federation of Ontario Cottagers' Associations. I was very pleased, furthermore, that Mayor Michael Di Biase and Councillor Meffe from the city of Vaughan have become 100% behind this bill, passed a resolution and took the time to join us this morning in a press conference indicating that they are 100% behind this bill. I appreciate their efforts to be here today. I also want to thank members of the PC caucus—Garfield Dunlop, Norm Miller, Frank Klees, John Yakabuski, Laurie Scott, among others—who have given great advice on this bill. Those five, particularly, are going to bring their own remarks today.

I think members know that the scathing report of the Ombudsman that came out a couple of weeks ago had some excellent recommendations, and we hope the Minister of Finance will actually direct MPAC to take up those recommendations.

The Ombudsman's report, though, also indicated some long-term solutions to the issue. His 22 recommendations address the issues of today, but the Ombudsman, in his appendix, particularly talked about advice he had heard surrounding caps on assessment increases and the unfairness of taxing individuals, particularly seniors, on the unrealized capital gains of their homes. It was not in the Ombudsman's mandate to actually endorse this—he said that was in the hands of legislators—but the fact that he took the time to include such ideas in his report I take as hints for legislators to pursue. Those aspects are captured in our legislation, Bill 75, the Homestead Act, today.

The Canadian National Taxpayers Coalition has also written to my office, and I'll give you excerpt from the letter: "I am writing you today"—that was to me—"to express our appreciation for your action of introducing the Homestead Act, 2006, in the provincial Legislature. Your ideas of limiting the skyrocketing assessment within Ontario and its effect on everyone, particularly senior citizens and those on fixed incomes, are very accurate." I appreciate the support of the Canadian National Taxpayers Coalition, as well as the Canadian Taxpayers Federation.

I have another set of endorsement letters, but I think in the interest of time I'll move on to some real-life examples.

Here's a letter sent by a constituent to Norm Miller, the member for Parry Sound–Muskoka, that he was kind enough to share with me: "Our assessment increased by 177.6%. This is not only ludicrous, as there were no properties like ours that have been sold in the last year, but from where we sit, it looks like a smash-and-grab attempt on the part of the government. It is difficult not to be cynical when the last time we had to appeal our assessment on the same property, the island—I guess they live on—"miraculously increased by 50%.... The fourth generation of our family is now enjoying the legacy that is our family cottage, but they worry about losing that legacy, as many other families across the province." That was from Jane Mackinnon and Sally Skinner.

Here's an e-mail from Brendan Egan from Oakville. He says, "Please do something. My taxes have gone up 35% to 45% over the last four years, just because the area I'm in, north Oakville, has gone crazy with real estate prices, but the tax rate has gone up at the same time." He wishes us all the best on the legislation.

David Harrison writes from Fort Erie, the town in which I grew up. Mr. Harrison says, "I am a 68-year-old retired senior with 20 years of experience providing government, banks and trusts and large corporations with effective, retrievable and readable policies and procedures. Based on my experience of MPAC, they are sorely in need of major overhaul." He wishes us the best on

MPAC and has come fully behind this bill because of the impact on his permanent residence in the town of Fort Erie.

Just to review for members of the assembly the items contained in the Homestead Act, I would like to highlight the four following main policy initiatives.

If the Homestead Act became law, it would effectively cap increases on residential property assessments for tax purposes at 5% a year. This annual cap would be maintained as long as the owner of the home remains the same. Once the home is sold, the assessment for tax purposes would revert to current value assessment.

The bill, if passed, would allow transfer of ownership within a family. If the residence were transferred to a spouse or child of the owner, the cap protection would remain in place.

Furthermore, it would create an incentive for home improvements. Currently, homeowners are concerned that repairs and improvements to their homes will result in higher assessments and, therefore, higher property taxes. Under the Homestead Act, Ontario homeowners could make up to \$25,000 in home repairs and improvements or additions per year—it would act as a deductible—without fearing their assessment would go up by that value.

Fourth, it would create property tax reduction for seniors and the disabled. Under the Homestead Act, seniors and the disabled would not pay property taxes on the first \$10,000 of their principal residence.

The last highlight: It would also require MPAC to maintain a record of the current assessed value of the land and property and provide that copy to landowners within 24 hours free of charge.

#### 1110

There's no doubt that when we came into office as the Mike Harris government in the mid-1990s, we inherited an assessment system that was broken. You had values in the city of Toronto from the 1940s; in the GTA it was often the 1970s; in Niagara, where I'm from, it was in the 1990s. It was a bizarre assessment world, where folks living in modest homes ended up paying higher taxes because of higher assessments than some living in mansions that had been assessed in the 1940s. We were also in an environment that had just recently gone through decreasing property values in the province of Ontario, and then, through the mid- and late 1990s, modest increases. Today, a hot housing market has propelled assessments to skyrocketing levels that are simply no longer affordable to average middle-class families, seniors and young people in the province.

I think all members of the assembly here today support that Canadian dream of home ownership: the opportunity for a young family to buy a home, the opportunity for that family, once they have children, to pass it on to their children, or for those who have a secondary residence or a cottage to pass it on from generation to generation. There is a value in Canadian home ownership that helps define our identity. That value is threatened today because of the skyrocketing assess-

ments, meaning seniors and young families can no longer stay in residences, particularly those that have been in their families for a long time.

I do appreciate the advice I've received from my caucus colleagues here today, and also members opposite here today who may not be in my party but share the same views and the same principles of this bill, whether it's in Peterborough or Flamborough or here in the city of Toronto or in Brantford, in Oak Ridges or in Parry Sound–Muskoka, who want to see an assessment system that makes sense, like they have in Florida or Michigan or the province of Nova Scotia. I hope I can count on members of all three parties for their support today.

**The Deputy Speaker:** Further debate?

**Mr. Rosario Marchese (Trinity–Spadina):** Thank you, Speaker. I'll be sharing my time with the member from Beaches–East York.

It's going to be a pleasure, for the brief time I have, to be able to attack the Tories as best I can, and share that attack on the Liberals as equally and as respectfully as I can. I want to say, it is a blessing to have the Conservative Party in opposition, it is, because I have seen remarkable changes in the Conservative Party since they have been in opposition. In fact, while we still disagree on almost 95% of the cases, there are issues that we think are interesting from the point of view of opposition, and there are times when we agree with them. It's a remarkable metamorphosis. It's good to see you here, John, right beside me. It is good that you're fighting for some of the folks here, fighting for a reduction in their property taxes—and well-deserved, because we have a problem with the system.

God bless the Tories. When they introduced the current value assessment system, boy, were they gung-ho. They were so gung-ho, in spite of the opposition that we presented as New Democrats. I don't remember these folks coming here saying, "This is going to be evil." But they've realized—good—because they now have the experience of current value assessment to know the full impact, so they're here saying, "We support the Tories now, in opposition, but we had doubts about them when they introduced the bill." That's okay. There's still time for people to have a better assessment of this current value assessment scheme that we're dealing with today, and the member from Erie–Lincoln is concerned, legitimately so, by introducing a very modest bill that will give some measure of protection.

But the other problem that the Tories introduced was the download. You remember now: downloads, uploads—for you it means nothing; I understand that. What the government did was to say, "We're going to take half of the property taxes that go to education and we're going to lift them up," which is called uploading, "and the province will pay for that." But then what they did to make it so-called revenue-neutral was that they downloaded to the cities, to the municipal sector, a whole lot of other responsibilities: ambulances, public health, housing—about a billion bucks and more of the social services. That's called downloading. That was supposed to

be revenue-neutral. The Tories still insist now in opposition that it was; we New Democrats say that it was never revenue-neutral. That meant that property tax owners and tenants and businesses had to pick up more of the costs. That's what it meant. They deny it—"they" meaning the Tories beside me—but it's a reality; that's what happened. That's the big problem that needs to be solved.

Now, the bill that the member from Erie–Lincoln introduces today is a modest—

**Mr. Garfield Dunlop (Simcoe North):** What an exaggerator you've become.

**Mr. Marchese:** Dunlop, you're going to have an opportunity to speak. I want to hear him, and you want to hear him, too.

**Interjection:** I don't want to hear him.

*Interjections.*

**Mr. Jeff Leal (Peterborough):** Frankly, I want to hear you, too.

**The Deputy Speaker:** I'd like to hear him too, so let's have some stability here.

**Mr. Marchese:** Thank you, Speaker. I'm always addressing you as well.

While this bill makes a modest attempt to deal with the problems, it doesn't deal with the fundamentals. Maybe my colleague Michael is going to talk about a lot of these things; I'm not quite sure which ones he's going to touch on. But the whole idea of the bill provides that the first \$25,000 in repairs, improvements made by an owner "will not be considered to increase the current value of the land." That's okay. It's a marginal value. You'll make a couple of dollars of savings—small, though.

The other matter of the disabled and those 65 years of age or over who would have their assessment "reduced by an amount of up to \$10,000"—that might save a hundred bucks for senior citizens, more or less, give or take, here or there. That's okay. That would be fine as a modest improvement to the disaster they introduced it's not so bad, I guess. I'll leave my colleague Michael to speak about the caps.

But the real problem here is that we've got to take off of the shoulders of the property tax owners—that includes seniors, yes, and others—we've got to lift up education and we've got to slowly say to the province, "We have to start paying for that." How do we pay for that? Through a fairer income tax system, an income tax system that says that if you're working and you have a higher income, we want to be able to have you share a little of that income with seniors who no longer have the ability to pay for the kinds of things that we need in society.

An income tax system is better because it says that those who have an income can pay a little more, and for most seniors who are poor or who no longer have the kind of income that could permit for these kind of payments, it can help. But if you whack them over and over again with property tax increases, including current value

assessment increases that jack up the tax even more, they're stuck; they're alone without a little help.

The Liberals have done nothing to deal with this. You recall Sorbara, the former Minister of Finance, said, "We're going to review this for a year and a half." He did; he reviewed it for a year and half, came back, and you know what? The fee to appeal your property taxes went up from 20 or 25 bucks to 75 bucks. That's all we got from Sorbara: "You're going to get whacked, if you go to appeal your taxes, from 20 or 25 bucks to 75 bucks." Thank you very much, Minister of Finance, for all your good help and your review for a year and a half.

The Tories set up the Municipal Property Assessment Corp. and the cities have to pay for that. The cities have to go and get the tax rolls. They have to pay for that, and you have to pay for that. It's not the province that pays for it; cities have to pay for the cost to get the property tax rolls—a system set up by my good friends—John's friends—who were then in government.

So what do we have to do? We've got to lift the property tax base: Six billion dollars out of the \$18 billion that is coming out of property taxes is for education alone. The other big one is social assistance: ODSP, Ontario Works and related drug programs—\$1.3 billion on the backs of property owners that has nothing to do with municipal services whatsoever; about one billion bucks for social housing, courtesy of the former Conservative government, downloaded on property taxpayers; one billion bucks, courtesy of my friends here on the right, \$1 billion. What has that to do with municipal services that a homeowner gets for providing social housing? Nada; zip; nihil; nothing. That's courtesy of my good colleagues now in opposition, so cozily ensconced in their seats. It's beautiful to see them here; I hope they'll stay here for a long while.

But I want to say that the Liberals, God bless them, have done absolutely nothing. You've got the Minister of Finance here, full of hubris every day, talking about, "Oh, we're so great in doing so much." They're doing absolutely nothing.

Yes, this system needs a review, but the real system review has to do with making sure the province picks up for things that have nothing to do with property taxes, and until we do that, the system will be unalterably broken. What this new bill does is a little tinkering, to fix the fundamental problems they've caused. So by and large—

**Mr. Dunlop:** Are you going to vote for it or not?

**Mr. Marchese:** By and large, we support it, even though—

*Interruption.*

**The Deputy Speaker:** Member take his seat. I remind our guests in the galleries that the excitement is on the floor and we wish you would just quietly listen to it. Thank you.

1120

**Mr. Marchese:** My colleague will speak about some of the other measures here. I just wanted to put on the record for the good folks who are here supporting this

member and this party on this modest bill that it will give you a little modest help if we pass it through, but I tell you that unless we do the fundamental changes—that's where I'm going to see whether your friends here are going to be on our side when we talk about how the province needs to take on the uploading of those social costs that have nothing to do with property taxes.

**Mr. Wayne Arthurs (Pickering–Ajax–Uxbridge):** I think the member for Trinity–Spadina got it right, in part, when he said there are some fundamental problems and those fundamental problems deal with the regressive nature of property tax when it has to support social programs. We got there over a long period of time, and we got there very fast over the eight years the former government was in office, by driving down those social programs on to the municipal property tax base. They're the ones that are really growing. That's where the pressure point is. It's not just assessment issues.

Speaking more specifically to the bill, the work we need to do on that front has only just begun. Certainly the fair sharing of ambulance that was committed to by the former government—they downloaded that, but never fulfilled that obligation. They allowed the municipalities to pick up a bigger and bigger share. We're moving it back up so that it will be a fairly shared program at 50-50. We're moving up the public health costs on to the province—

*Interjections.*

**The Deputy Speaker:** Order.

**Mr. Arthurs:** So we're acknowledging and recognizing the regressive nature of property tax and—

*Interjections.*

**The Deputy Speaker:** I remind the member from Huron–Bruce and the member for Simcoe North that we're listening to the speaker who has the floor.

**Mr. Arthurs:** Thank you, Mr. Speaker.

We can't reverse that trend in a matter of months, and frankly, even in a matter of a year or two. So we can't divorce the issue of the assessment from that fundamental issue of the regressive nature of property tax.

I find this specific piece of legislation very interesting. I think it could have been written by Mike Harris and I want to tell you why. If one looks closely at the legislation—I'm going to give you a couple of example, and if you have pencil and paper, you may want to keep a note of some numbers. These are rough.

Let's assume that the assessment on a property is \$200,000, for lack of a better number; it's a nice round number. Let's assume that for the next taxation year the assessment is going to go up 10%. That seems like a pretty good starting point. Let's assume the property owner puts \$25,000 into that property to put in a basement apartment, because this property owner is buying an investment property. It's not his or her principal residence.

With that \$200,000, if they're paying 1% of that in taxes—it's a nice round number; it's not accurate in every municipality by any means—they're paying \$2,000 in taxes right now. With a reassessed value, at 10%, and

the \$25,000 investment in the basement apartment, and with the cap in place, my calculations have that person saving—over what they would pay on the full assessed value, with the improvements, of \$245,000—some \$422.50 on their tax bill. Now, that's great for the landlord, but they're not just saving it once; they're saving it year after year. I don't think that's a fair system. I don't think it's a fair system to the vast majority of property owners in the province of Ontario.

Are there disparities in the system as a result of the growth of assessment on certain property classes? No doubt. Waterfront property in particular, as the member from Niagara indicated in his comments—sorry, I always want to get it right.

**Mr. Hudak:** Erie—Lincoln.

**Mr. Arthurs:** Erie—Lincoln. Waterfront property is taking a big hit on the assessment front.

One of the questions I'd be asking the mayor of Vaughan, since he was at the press conference this morning, is, if he has a 10% or 15% average assessment increase in property tax classes in his municipality, did he reset his tax base down by 10% to reflect that assessment growth? If he did, he's acting responsibly; if he didn't, he's gouging his taxpayers, because then he's marking that up another 5% and claiming that's his tax increase. So that's the first question that has to be asked: Is the municipality that has a 10% or 15% tax increase resetting so that that first 10% becomes net zero and that person who had the small tax increase or assessment actually gets a break? That's the first and most critical question that has to be asked.

I could probably go on for some considerable time. Unfortunately, in private members' public business, our time is limited and it needs to be shared around. This legislation, although well-intended to begin to address an issue, favours those who can acquire property, who can invest in property, and from the municipal standpoint in no way addresses a legislative framework that's very difficult—I'd be asking the question. It's very difficult to find how one deals with municipalities that aren't doing what they should do. What they should be doing is resetting their residential tax rate, making that clear in their tax bill and then applying whatever they need for additional service costs. That's a fair approach in the short term as we try to deal with this fundamental question of the regressive nature of property tax and the implications of having social programs on property tax, let alone trying to deal with the anomalies, in particular the anomalies around waterfront property and/or some anomalies in very large assessment increases in pockets of property in municipalities. But those things don't deal with the vast majority of people and the implications for them.

I thank you for your time and look forward to the balance of the debate this morning.

**Mr. Dunlop:** I'm very pleased this morning to speak to the member for Erie—Lincoln's private member's bill, the Homestead Act, 2006. It's legislation that I'm glad is being debated here today. If the members of the assembly

do not support this bill, then the government absolutely has to do something.

Throughout time, assessments have been a problem. We know that. I've been around politics for 25 years, and long before I was there, there were issues around assessment. As far as I know, when the Mike Harris government brought in the current value assessment, there were a number of areas where we had to make amendments—not a question. And you know what? We're making an amendment today, and I believe that long into the future, circumstances will come up where we'll have to make other amendments to the MPAC system, to the current value system. It's just a fact of life in a province the size of Ontario.

What bothers me today is how this has hit taxpayers across our province. This is at a time when they're seeing gasoline at 99 cents a litre this morning. I guess that's probably doubled since Dalton McGuinty came to office. We've now seen the Minister of Energy—well, it was a broken promise, but the Premier came up with—what?—a 16% increase in electricity rates. And now we've seen, with the property assessments, huge increases across our province.

The member from Uxbridge makes a good point about the tax rate. There's no question about that; that's an issue. But you have the power and the authority on that side of the House to correct that as well. You can do that.

I'm very concerned that we're driving people out of their homes. A lot of people think, because a lot of the issues here have been brought up by waterfront cottage property associations, that cottages are only for the rich. I can tell you that throughout the province there are literally thousands and thousands of lakes, and I'm going to zero in on lakes for just one moment. Most of them are not mansions. Most of them are not for very wealthy people. A lot of people who are fourth, fifth and sixth generation have passed down these places, these summer cottages and recreational homes, to their families for the future. They don't want to sell them. That's where they go to have their family time. I can tell you that in a riding like Simcoe North, I have about 500 kilometres of shoreline; most of it is lined with cottages. They're not all mansions. They're not all permanent residents; they're people who use them from May to October.

**1130**

I appreciate—the whip's giving me the eye right now; he wants me to sit down because there are four other speakers who want to make comments on this fantastic bill. I urge everybody in the House to support this bill today. I hope we can have a recorded vote on it.

**Mr. Michael Prue (Beaches—East York):** In the five minutes that I have, I've got so much to cover. I'd like to start by congratulating the member from Erie—Lincoln for this bill. New Democrats will be supporting the bill in spite of the fact that we do have some reservations. I'd like to deal with that in the body of my speech.

This bill, as my colleague from Trinity—Spadina has correctly stated, flows from a mistake made by the previous government. It flows from the fact that they put

all their eggs in the basket that market value assessment, CVA, was going to work for the benefit of all of the people of Ontario. Quite clearly, it has not.

It also flows from the misconception of that government that a great many things should be taken from the property tax, things which are not related to the ordinary workings of municipalities. It is well respected in law and in history in this country that municipal taxation was supposed to deal with things of a local nature. It was supposed to be for the roads. It was supposed to be for the sewers. In some cases, it was for rural schoolhouses when communities were isolated. It was supposed to be for things of that nature. It wasn't a tax; it was assessment. It was an assessment per household in order to accomplish common village and town goals. But I'll tell you, they took it a whole step further, and I'm going to get to that in the end.

Today I attended, at 10 o'clock, the press conference held by the member from Erie–Lincoln. The press had a number of very real questions, which I think are going to have to be answered during the life of this bill, should this bill be sent to committee. They questioned, and quite rightly so, that there is a lack of support from the Association of Municipalities of Ontario, who see that this may cause some difficulties for their member associations and for municipalities, because as you cap the money at the top that you're getting in, that will actually reduce the amount that is available to the municipalities unless you cap the bottom, unless you cap the decreases as well, and it is not revenue neutral. If the cap goes in at 5%, it will result in lower revenues for the municipalities. Or, in the alternative, then all taxpayers are going to have to pick up the difference. Therefore, those who have properties that escalate more than 5% will be subsidized by the rest of the taxpayers. That is an alternative that many people are going to look at very carefully and perhaps more than a few would not support. We need to look at not increasing the burden on taxpayers.

Notwithstanding that, I do believe the bill is timely. We all have residents. I have people in Beaches–East York and people who own cottage properties, and people come to see me from all over Ontario who are concerned about losing their homes. This is particularly from amongst those people who are retired, those on fixed incomes, those who are disabled and those who have low-paying jobs. We know that something needs to be done.

New Democrats believe that this is something that can work in the short term. We believe that the cap of 5% should be implemented, but we do not believe it is a long-term solution. It is something that should be done in the very near future and possibly only for couple of years until we come to more permanent solutions.

We believe that the transfer that maintains the caps in perpetuity as properties are handed down from generation to generation may be problematic as well. But in terms of what we are saying, a short term will not really result in this.

The home repairs is a good idea because so many home repairs that take place in this province are done

outside of municipalities actually knowing about them. Many people do these home repairs surreptitiously so that they don't have to claim it. We'd like it to be right out in the open and have it regulated. We would like to know that it is happening. To allow a certain amount of money to be exempt is a good idea.

Last but not least, we agree with the provision as it relates to seniors and the disabled.

Last fall, the New Democratic Party realized that this was a really huge issue out there when people started to get their assessments and when people were starting to talk. I remember asking questions of the finance minister on the day that we decided to do something and we were ridiculed. We were told that this was ridiculous and that the Liberal Party and the government had absolutely no intention of doing anything. We could have guessed that, because they had commissioned the now Minister of Immigration and Citizenship to do a report. That report has been hidden, it has never been released to the public, and if any members of the Liberal Party have seen it, they are the only ones. The minister promised to do something and has literally done nothing.

I tell you, we set up our own task force. It has some great members on it: Alex Cullen, a former member of this legislature, now a councillor in Ottawa; Ethel LaValley, the reeve of Lake St. Peter; Chris Charlton, who many know is now a member of Parliament in Hamilton; Tam Goossen, a former school board trustee of the Toronto board and Jeff Atkinson. We are holding meetings and have held meetings across Ontario, meetings in Toronto, meetings in Hamilton, Ottawa, London this Tuesday night, Peterborough and Thunder Bay in the future, possibly Sudbury, back to Toronto and Hamilton again. We would like to hear from ordinary people because the long-term solution is uploading the download. That's the long term solution. If you want to get in touch with us: [www.ouchassessment.org](http://www.ouchassessment.org).

**Mr. Kevin Daniel Flynn (Oakville):** It certainly is a pleasure to join the debate today on private members' business. Let me say from the outset that as a private member, I will be supporting this bill today. I do that for a number of reasons. If I had to characterize this bill, I guess I would say it's a well-written bill. Whoever the staff people were who worked on this bill did a good job. Now, the audacity in bringing it forward, however, is startling. It's still not going to prevent me from supporting it, however.

I've got a long and strong background of property tax reform. During the early 1990s and into the mid 1990s, I chaired both the Oakville and the Halton citizens' committee on property tax reform. What we did—a group of ordinary citizens, maybe some people even in the public gallery today—is that we took about a year and a half out of our lives and we sat down and we looked at property tax systems in Ontario. We advised the various levels of government and the various parties as to what should constitute a fair property tax system. What we came up with when we looked at CVA and when we looked at MVA was that it wasn't based at all on any ability to pay.



The great Canadian tradition of taxing based on your ability to pay: MVA does not have that; CVA does not have that either. It's not based in any way on the services you receive from the level of government. And it alters your consuming habits: It often puts seniors in a position where they have to sell their homes at a time when they're on a fixed income and the property values are escalating.

What we're saying, and what I'm saying today certainly, is that something needs to be done about it. Something needs to be done to correct the damage that was inflicted by the previous government on the taxpayers of this province. This is a very small step. It's a step that I'm supportive of. As I said, as a private member, I would like to see a lot more done, and I hope to see a lot more done in the future.

This certainly sets the tone, this certainly stimulates the debate, but I don't think anybody who is paying attention to this issue today should make any mistake as to where this property tax system came from—and that was from the previous government. Despite the advice of citizens' committees such as the one I chaired telling them all the things that were wrong on this, despite looking at various other taxation systems from around the world, the previous government, the Mike Harris government—some members present today in the Conservative Party at that time—decided that they were going to inflict this damage on the people of this province. That is wrong. That is simply wrong.

By supporting this bill today, it goes a short way and small way to making some corrections to a terrible damage that was done to Ontario taxpayers during the Mike Harris days.

**Mr. Norm Miller (Parry Sound–Muskoka):** It's my pleasure to rise today in support of Bill 75, the Homestead Act, brought forward by the member for Erie–Lincoln. It's about allowing people to stay in their homes, not be forced off because of skyrocketing assessment. Many people are retiring in Parry Sound–Muskoka and many are on fixed incomes. In the short three minutes I have to speak on this bill, I wanted to read some of the many letters I've received to illustrate how some constituents in Parry Sound–Muskoka are being affected.

**1140**

I'll read a letter from Gord and Robin Anderson:

"In 1987 we purchased our property on a small rural lake in Joly township for the sum of \$20,000. Being young and willing to work hard we set about building our dream home.... Unfortunately it has become apparent that the home we could afford to build, maintain and enjoy debt-free is slowly being forced from us due to property taxation. Our biggest household expense next to groceries is property taxes. It eclipses our hydro, heating, insurance and every other household expense.... The only service we have is road maintenance. There is no garbage pickup, no street lights, no municipal sewers or water. So why are we as residents paying over \$6,084.68 a year in taxes? This year we are looking at a tax bill that could be as high as \$9,500, due to yet another drastic increase in

our property assessment. Is this not an unfair tax burden? It in no way reflects our income or ability to pay. Ontario is becoming a province where only the rich can afford waterfront.... We are being forced out by government. Is there not a fairer tax system? Please consider addressing this problem. As citizens of Ontario, we shouldn't be forced out of our home because of rising taxes. We respectfully await your reply.

"Gord and Robin Anderson."

Another letter from Georgian Bay township:

"Dear Mr. Miller:

"I and my wife are retired permanent residents in Georgian Bay township....

"We just received our new assessment which has gone up 66%....

"We are not selling, have no prospect of income to cover this new assessment....

"Unless the Ontario government wants us pushed off our land, what are we to do?"

Another one from Huntsville:

"I live on 75-foot-wide lot on Mary Lake that I bought in 1968 for \$3,300. In 1972, I built a modest house on it (24 by 40) with plans of retiring there....

"This year many things have come up that has left me wondering how to survive without having to sell....

"My spouse has a part-time job and our total income for 2004 was \$37,723. My property tax for 2005 was \$3,378, almost 10% of total income, and with a 64% increase in the assessed value, who knows what it will be."

Tim Hudak's Homestead Act would provide stability, limiting assessment increases to 5% and allowing people to continue to afford to stay in their homes.

I will let the other PC members continue with this debate.

**Ms. Jennifer F. Mossop (Stoney Creek):** I'm pleased to rise to speak on this bill, which attempts to address a concern that many people have. I have a tremendous problem with the fact that people are potentially, and in reality, being driven out of their homes by higher tax rates, homes they've owned for a long time that they had the great foresight or the great fortune to have purchased in a lovely area. Because we have a red-hot real estate market, property assessments are going through the roof, and thus, in many cases, so are their taxes.

This brings us to an issue I keep raising. I think that if your property has gone up and you've got a good investment, that is a source for celebration. Then we need to talk to our local municipalities and say, "What about that tax rate?" Our government took the education tax rate, which is based on property value assessment, and mitigated it. We made it revenue-neutral so they wouldn't have this huge spike. That can be done everywhere with municipalities in this province.

But the fact of the matter—I'm sorry we have to keep going back to it—is that as 2007 and that next election come closer and closer, I keep hearing from members of the former government, "Yes, well, you're right. That amalgamation thing didn't really work out. Trust us. If

you elect us again, we'll fix it." And, "You know what? That MPAC thing—you're right. It didn't really work. It is a bit of a hash. But trust us. If you elect us, we'll fix it."

What's being proposed today is not much more than a Band-Aid at this point. I have a tremendous amount of difficulty with that whole concept. We have a thoughtful Ombudsman's report right now with 22 recommendations, which we are looking at. We, as a provincial government, are addressing the tax rate. We are also addressing some of the downloading issues. We are uploading public health costs. We are uploading land ambulance costs. We are moving in that direction to try to ease—with our Ontario municipal partnership fund, we have been mitigating some of the damage done by the social services downloading.

It was a tremendous disaster. It's not something you can unscramble overnight, but it is something we are working at incrementally, because it is unfair, it did not work, and we were left with such a mess that we're working at. There's a certain amount of gall in all this.

Also, the measures that are proposed today are a band-aid. It kind of works but it doesn't work. It's a bit like Whac-a-Mole, because if you whack it down here with a cap, it's going to pop up somewhere else, and that's just a reality. So somebody is going to get hurt anyway. I even have a letter here from the township of Wainfleet which says that they're not going to be supporting this private member's bill, the Homestead Act. They don't think it's the answer. It's not the answer. But I appreciate the fact that he is attempting to address an incredible mess that was made by the previous government.

**Mrs. Carol Mitchell (Huron—Bruce):** I can't tell you how pleased I am to rise and speak to this. I was head of a county that was not only forced into an amalgamation, but then survived downloading—one service after another till we were on our knees begging for mercy. And then the audacity of bringing forward a private member's bill to once again tinker with a system that is fundamentally flawed.

There are caps in place right now. Municipalities can already address those caps. The riding that I have the honour and privilege to represent has all these anomalies. I have a large lakeshore. I have increases that are not sustainable by my constituents, I can tell you. I have low-growth areas. I have agriculture; it is facing a crisis right now. I look at all of those things.

*Interjection.*

**Mrs. Mitchell:** Please don't say to me from the opposite side that this is grandstanding. I begged you to not force amalgamation. I begged you to not dump on our rural communities, communities that could not afford to sustain these services.

We as a government recognize that we have much work to do. I can tell you, when I hear from members across that we aren't doing anything—last week in the riding of Huron—Bruce we announced almost \$1 million in uploading ambulances. That's per annum. That's a \$300-million commitment that we put on the table. I'm only talking about one service.

I also want to talk about what taxation does and the deficit that we have, not only in the services we provide. I want to talk about the infrastructure deficit we face as well. So capping was in place. It's a tool that can be used by the municipalities today. But I can tell you, it's not the answer, it's not the long-term answer. It's about recognizing where the appropriate place is for those services and that infrastructure to be paid for. Once again, I see a recommendation coming forward to tinker, so that we can stand up and say, "We tinkered, we did this." But, I say to the people who are watching today, I was there, I saw it and the devastation that it caused in our rural communities. We will be a long time getting it turned around.

**Mr. Frank Klees (Oak Ridges):** I want to support my colleague on this bill. It makes a great deal of sense. It's timely, it's important.

It is unconscionable that residents of this province—seniors, people on fixed incomes, anyone—should have to lose their home or their cottage because of an assessment issue that, quite frankly, has unintended consequences. I believe that the member's proposal makes a great deal of sense.

As for some of the technical issues, I want to point out to members of this House that the capping that's being proposed—the homestead component of this bill—is not something new. There are jurisdictions where this is being done and has been done for a number of years; the state of Florida is just one of them. I suggest that rather than making excuses about why this couldn't work, we find out how to make it work. The objective here is to take a principle of assessment, ensure that it fits the requirements and the needs of our province where there are incredibly inflated prices going on in the real estate market. This is a practical way to deal with that.

I support this member and I look to this government, that has now been in government for two and a half years, to stop nickel and diming around this issue as the government that has the responsibility to in fact do something about this issue.

**1150**

**Mr. John Yakabuski (Renfrew—Nipissing—Pembroke):** It's a pleasure to rise in support of my colleague from Erie—Lincoln's Bill 75 today, the Homestead Act.

I want to thank Councillor Gerry Belisle from the township of South Algonquin for his input helping me with this issue, and also for having resolutions passed in that township with regard to Tim's act and current value assessment in general, and the workings of the Municipal Property Assessment Corp.

Today we've heard a lot of talk about the past, but we're dealing with the issue of today. Two and a half years ago, this government across the floor promised to deal with a system that we were all aware was not functioning properly any more, and the reason is—and my colleague articulated that—when this system was brought into place, no one anticipated the massive short-term serious assessment increases that properties were going to have in this province, which have changed the dynamics entirely with regard to the taxes paid by people and the assessment—

*Interjections.*

**The Deputy Speaker:** Order. Let's calm down. I can't hear the speaker. The member for Renfrew–Nipissing–Pembroke has the floor.

**Mr. Yakabuski:** Thank you, Mr. Speaker. It is our responsibility as legislators to recognize when something has to be amended or changed. We do it all the time in legislation. I commend my colleague for showing the courage and the initiative to bring forth this act because, after a year and a half of wringing their hands, hemming and hawing and tap dancing on this issue, they came back with nothing.

Shame on the former finance minister for shelving the report of his parliamentary assistant that was designed to do something about this very issue. I commend my colleague for doing something. We're not suggesting this is the be-all and end-all, but this is a courageous start on an important initiative to address a system that has to be addressed in the province of Ontario. He talked about somebody writing a letter to him that said, "Please do something." That was so important and so pertinent because this government has done nothing on this issue. Mr. Hudak is at least doing something. I'm not sure this is the exact answer, but I look at a lot of the components of the bill, and it goes a long way to satisfying many of the needs.

If this government, in legislation of its own, is prepared to do something that addresses this need, the need to correct this inequity in this province, then table legislation and bring it forward. They've put a 90-day extension on appeals, so they recognize that there's a problem.

Mr. Marin, the Ombudsman, produced a scathing 94-page report of a system that needs to be re-evaluated. For goodness' sake: To criticize Mr. Hudak for bringing forth a bill that acts on some of those issues and some of those recommendations when this government chooses to sit there and do nothing is, quite frankly, surprising.

As I said, I want to talk about how MPAC is working. In fact, if you get your property notice, it will say, "Property values as of January 1, 2005." Well, I have been given evidence to show that they've used property values going well into 2005 for determining assessments—not property, but sales, sales going well into 2005—when in fact right on their own letters it says we only use stuff to January 1, 2005. So there is a serious issue that the government needs to address.

This bill that will cap assessments on those properties and deal with the reality of exploding assessments in the 21st century is a very significant step, and I support Mr. Hudak's bill. If there are positive amendments that can be proposed at committee, I'm sure he's prepared to look at that, and we're all prepared to look at that too.

**Ms. Laurie Scott (Haliburton–Victoria–Brock):** I'm pleased to join the debate today on the Homestead Act introduced by my colleague and friend the member from Erie–Lincoln. He's introduced it because, as we've heard today, there is growing, widespread concern about property assessment in Ontario.

I can tell you that one of the first problems that came to my office when I was elected was about MPAC. It was about seasonal residents, trailer park owners, sugar bush, golf course owners, full-time residents, equestrian centres. They were all united in telling me there's a problem with MPAC.

Was MPAC bringing fairness to our property tax system? Does it need some changes? Yes, it does. Many members have said this. When I say it has been a problem for the two and a half years since I've been here, you've had lots of time to act over there as a government.

When you see the average residential property assessment go up 30% in Ontario—in Haliburton county alone, I think we had the highest increase in assessments in Ontario in the last assessment round. My riding of Haliburton–Victoria–Brock is blessed with many, many lakes, and certainly the waterfront owners are upset. As has been said here, there are people who have inherited cottage properties and made them their permanent homes. They are seniors on fixed incomes. To hear their stories of improper accumulation of data, the reverse onus on the landowner to say that it's wrong, the roads travelled trying to get that information to prove that it's wrong—I have letters from my constituents. They were shocked. It "does not seem fair. People who have worked hard, saved well, expect with good planning to enjoy retirement. Now that can all be erased by taxes." They talk about MPAC assessing them as being on fully operational roads when they are on seasonal roads. What are they left to do? Seniors are going to be forced out of their homes because they cannot pay the increase in the tax assessment. This is what's wrong.

I commend the member from Erie–Lincoln for bringing this to the forefront to try to fix this system that is obviously broken. I have had many municipalities come to me to say, "Please try to do something." Not all have endorsed the member for Erie–Lincoln's plan, but many have. North Kawartha has sent me endorsements of that plan. They have seen increases that are incredible. I know that in Peterborough county alone, MPAC received over 2,000 requests for reconsideration of their assessments. So people across the province, not just in my riding—seniors, people on fixed incomes, working families, disabled—have been affected.

The member from Erie–Lincoln has done a good job in suggesting some changes. Will it fix all the problems? I don't know, but the fact is that we're discussing it here today because we want to take it to committee and do the right thing for the people of Ontario and address the weaknesses in the system. My colleague from Erie–Lincoln has my full support on this bill.

**The Deputy Speaker:** The member for Erie–Lincoln, Mr. Hudak, has two minutes to respond.

**Mr. Hudak:** Thank you, Mr. Speaker. I thank my colleagues all for their remarks.

I want to take a little bit of time as well to thank John Clancy, my executive assistant, who is shortly moving into the real world and leaving this place. I thank him for all his extraordinary efforts in my office and on this bill,

and Nicole Goodman, who I'm blessed to have as a very hard-working intern. I know she enjoyed working for the member for Oakville as well last time around. She has worked incredibly hard on this legislation. I want to thank them, as well as my caucus colleagues, many of whom had a chance to speak today, for helping me develop this bill.

As well, with us in the assembly are various groups representing taxpayers across the province of Ontario, seniors' groups, taxpayers and homeowners who want to see a fundamental change in the way the assessment system works because they, like us, support the value of home ownership. They want to be able to maintain their homes and pass them on to the next generation.

We did receive 200 e-mails in the last two weeks alone, when it was announced that this bill was being accelerated in the assembly. We invited all those individuals to come here today, and over 50 of them came to join with us and also to host a press conference.

To the member for Beaches–East York, I appreciate all the work he has done on behalf of the NDP caucus. I thank him for his kind words as well. Of course, we are committed to the principle; I, as the introducer of this bill, am committed to the principle. I'm open to amendments to make this bill even better, Mr. Speaker, and I appreciate the suggestions from my colleagues.

I appreciate the comments from the member for Oakville as well, who indicated that as a member of the government side, he too will be voting in favour of this bill, and I know there are others.

My colleague from Oak Ridges said it very well. This legislation exists and works and has tremendous support in the state of Florida. There's similar legislation in California, Arizona, Michigan, Minnesota, Maryland, New Mexico, Oregon and Texas, and in the province of Nova Scotia. A substantial proportion of the population of North America has an act like the Homestead Act because taxpayers from coast to coast to coast realize that we need protections in place from skyrocketing property tax increases.

That's why I ask for all members' support to make this a reality and to support the Homestead Act today. Thank you, Mr. Speaker.

**The Deputy Speaker:** The time provided for private members' public business has expired.

#### HAMILTON DAY ACT, 2006

LOI DE 2006

#### SUR LE JOUR DE HAMILTON

**The Deputy Speaker (Mr. Bruce Crozier):** We will first deal with ballot item number 27, standing in the name of Mrs. Marsales. Mrs. Marsales has moved second reading of Bill 80, An Act to name the first Wednesday in October Hamilton Day. Is it the pleasure of the House that the motion carry?

All those in favour, say "aye."

All those opposed, say "nay."

In my opinion, the ayes have it. It's carried.

**Ms. Judy Marsales (Hamilton West):** I'm sorry, Mr. Speaker, we were standing to call for a vote.

**The Deputy Speaker:** You're just a little late.

**Ms. Marsales:** Can I refer this bill, then, to the standing committee on finance and economic affairs?

**The Deputy Speaker:** A request has been made to refer this bill to the standing committee on finance and economic affairs. Agreed? Agreed.

#### HOMESTEAD ACT, 2006

LOI DE 2006

#### SUR LE PATRIMOINE FAMILIAL

**The Deputy Speaker (Mr. Bruce Crozier):** We shall now deal with ballot item 28, standing in the name of Mr. Hudak. Mr. Hudak has moved second reading of Bill 75, An Act to amend the Assessment Act with respect to homesteads. Is it the pleasure of the House that the motion carry?

All those in favour, say "aye."

All those opposed, say "nay."

In my opinion, the ayes have it.

Call in the members. This will be a five-minute bell.

*The division bells rang from 1201 to 1206.*

**The Deputy Speaker:** Mr. Hudak has moved second reading of Bill 75.

All those in favour, please stand and be recognized by the Clerk.

#### Ayes

Arnott, Ted	Lalonde, Jean-Marc	Runciman, Robert W.
Berardinetti, Lorenzo	Leal, Jeff	Scott, Laurie
Brownell, Jim	Levac, Dave	Sterling, Norman W.
Dunlop, Garfield	MacLeod, Lisa	Tascona, Joseph N.
Flynn, Kevin Daniel	Marchese, Rosario	Van Bommel, Maria
Horwath, Andrea	McMeekin, Ted	Wynne, Kathleen O.
Hudak, Tim	Miller, Norm	Yakubuski, John
Jackson, Cameron	Ouellette, Jerry J.	Zimmer, David
Klees, Frank	Parsons, Ernie	
Kormos, Peter	Prue, Michael	

**The Deputy Speaker:** All those opposed, please stand and be recognized by the Clerk.

#### Nays

Arthurs, Wayne	Marsales, Judy	Mossop, Jennifer F.
Delaney, Bob	Matthews, Deborah	Qaadri, Shafiq
Dhillon, Vic	Mitchell, Carol	Sandals, Liz

**The Clerk of the Assembly (Mr. Claude L. DesRosiers):** The ayes are 28; the nays are 9.

**The Deputy Speaker:** I declare the motion carried.

**Mr. Tim Hudak (Erie–Lincoln):** I move that the bill be referred to the standing committee on general government.

**The Deputy Speaker:** Shall the bill be referred to the standing committee on general government? Agreed.

All matters dealing with private members' public business having been completed, I do now leave the chair. The House will resume at 1:30 of the clock.

*The House recessed from 1208 to 1330.*

## MEMBERS' STATEMENTS

## HYDRO RATES

**Mr. Norm Miller (Parry Sound–Muskoka):** I have a statement regarding electricity prices. The people of the province are used to being nickel-and-dimed by this government, and, sadly, they are getting used to broken promises. But the hydro increases that the Premier is blindly defending are more than just nickel-and-diming; they are a body blow to our farmers, our small businesses, seniors and others living on low and fixed incomes, and families across the province.

You have been warned that your misguided energy policy would result in higher prices, and the chickens are now coming home to roost. Prices are skyrocketing in places like North Bay, while their member, who also promised to cap rates, sits idly by. North Bay residents will now pay \$229 per year more than they did in 2003. Did the member for Nipissing think about speaking out about the impact that massive price increases would have on her constituents?

The member told this Legislature on October 19, 2004, "When I was going door to door last fall, I spoke to a number of voters who were very concerned about the stranded debt of Ontario Hydro." I think that if the member goes door to door now, people are going to be delivering a very different message to her. They're going to talk about the broken promises of the McGuinty government, the promise not to increase hydro rates and the way they have not only broken it but shattered it, along with any shred of credibility they have left.

## TRANSIT FUNDING

**Mr. Mario G. Racco (Thornhill):** Population has skyrocketed in the 905 region. It only makes sense for the provincial government to expand the vital Spadina subway line northward to the Vaughan Corporate Centre in my riding of Thornhill. Not only will this ease the burden on the Yonge line, but it will finally make major steps to recognize the needs of commuters in the GTA.

This initiative makes economic sense, because it will improve the quality of life for the entire GTA. The subway extension will create nearly 500,000 jobs and provide a cleaner environment for all Ontarians.

While the province has remained committed to improving the lives of Ontarians, the question still remains whether the federal government will take the next step and continue the investment made by the provincial government. The province has put \$670 million in the bank to expand the subway. This money is earning interest. Ontarians want to know when the federal and local governments will match our funding.

Yes, it is good news that the province has begun to expand the subway into my riding of Thornhill, but Ontarians must expect more from their federal representatives. Now is the time to bring the subway into the

growing 905 region. I encourage my constituents of Thornhill and Concord, and all Ontarians, to lobby their federal representatives to ensure that public transit remains safe, reliable and affordable.

## HYDRO RATES

**Ms. Laurie Scott (Haliburton–Victoria–Brock):** The residents of Niagara Falls live on the doorstep of a huge source of electricity that goes to homes and businesses throughout Ontario, yet they've been hit by double-digit price increases of \$14.86 per month.

Their anger at this government must be palpable, yet where is their government MPP? Has he been standing up for them? Is he taking the government to task for breaking their promise in such a cavalier way? No. They sit quietly on the backbenches defending the government, right or wrong.

Kim Craitor proudly told this Legislature in December 2003, just after his election, "Niagara Falls is also the centre of hydroelectricity generation for all of Ontario and a large part of the United States.

"I'm pleased to be part of the Liberal government that has taken a keen interest in hydro issues we are currently facing in Ontario."

He has been silent on hydro ever since that December. And look where that keen interest has got the residents of Niagara Falls. Will he be pointedly proud of his record on hydro when he leaves here to run for mayor of Niagara Falls? Because there's nothing to be proud of. I'll bet he never takes it into his campaign literature.

Upset constituents who want to let him know what they think can reach him at 905-357-0681.

## FIRST NATIONS INFRASTRUCTURE

**Mr. Gilles Bisson (Timmins–James Bay):** I rise today in the Legislature on a very sad note. Last night, yet another tragedy in the community of Kashechewan: A young girl by the name of Tammy, four years old, died as a result of a fire in a house where 21 people happen to live.

It's a story we see across the north and across many aboriginal communities in our province, something I'm sure we're not at all proud of. I think it points to the neglect we've had over the years in subsequent governments to deal with the issue of making sure that First Nations communities are properly serviced when it comes to infrastructure. In the case of Kashechewan, there's not even a fire truck, not a volunteer fire department, nothing to put out the fire. My heart goes out to the community—I'm sure with all members in this House—to see that this tragedy has happened.

But from this tragedy, let us try to take something positive back to our First Nations communities across Ontario. We are in desperate need across all these communities to provide emergency fire services. I have been working with Minister Kwinter and the chiefs and others from NAN and Mushkegowuk tribal council, along with

other communities in the James Bay and the north-western part of Ontario. I'm glad to see that Minister Kwinter has moved forward in responding to the tragic fire we had last January where two men died in a jail in Kashechewan. We're working towards repairing that infrastructure and making sure that doesn't repeat.

But the challenge continues: a young girl, Tammy, four years old, dead, yesterday. Why? Because we don't have basic services in those communities. On behalf of the community, I ask this, and this comes directly from the community and Chief Leo Friday: that we provide emergency fire services to all these communities so a tragedy like Tammy's death never happens again.

#### GOREWAY DRIVE GENERATING STATION

**Mr. Kuldip Kular (Bramalea–Gore–Malton–Springdale):** I am delighted to rise today to acknowledge the groundbreaking of Sithe Global Power's Goreway Drive Generating Station in my own riding of Bramalea–Gore–Malton–Springdale.

Upon its completion, the natural-gas-fired power plant will be capable of producing 875 megawatts of electricity, which is enough to power about 330,000 homes. In addition, the plant will help close all coal-fired generating stations in Ontario by 2009. With all the premature deaths and hospital admissions linked to coal emissions, the Sithe plant is a welcome addition, not only to Brampton but to all of Ontario. This plant will generate about 900 construction jobs and 30 full-time positions—not a bad feat for the third-largest city in Ontario and one of the fastest growing in all of Canada.

The Sithe plant will not only keep the lights on in Ontario, but will allow us to maintain a clean, stable supply of power while closing down our dirty coal-fired generating stations. Setting up a natural gas electricity generating station in my own riding further solidifies the McGuinty government's commitment to keeping Ontarians healthy.

#### HYDRO RATES

**Mr. Ted Arnott (Waterloo–Wellington):** The hydro price increases announced yesterday that have shocked many constituents in Waterloo–Wellington and across the whole province have shocked me as well. Millions of families, farmers and small business people are being jolted with double-digit price increases.

According to today's press, the average Kitchener-Wilmot Hydro residential customer will see an increase of \$92 a year, the average Guelph customer an increase of \$121 a year, and in London it's a whopping increase of \$165 a year. According to the Canadian Federation of Independent Business, a typical small business in this province may see an annual increase of \$960 on their hydro bills. A quarter of CFIB members responding to a recent survey said their businesses are facing significant harm because of the rising cost of electricity, such that some may have to close their doors.

What makes yesterday's announcement all the more reprehensible is that this is yet another broken promise by the McGuinty Liberal government, which surely means government members will be ashamed of their party again today. They are going to receive some interesting feedback from their constituents this weekend. Next week, I'm sure this legislature will hear from the government members, doing their jobs as local representatives, voicing their constituents' concerns, even if it upsets a few people in the Premier's office.

**1340**

Let's hear from the members for London–Fanshawe, London North Centre and London West. Let's hear it from Kitchener Centre, Guelph–Wellington and Perth–Middlesex—not the all-too-familiar refrain about how great the government is, but what they are actually hearing in the constituencies about this latest broken promise. Let them bring those concerns into this Legislature.

#### BOB HUNTER MEMORIAL PARK

**Mr. Tony C. Wong (Markham):** Last week I was very pleased to announce that the McGuinty government provided \$100,000 in support of the Bob Hunter Memorial Park, funded through the Ministry of Municipal Affairs and Housing. This one-time grant will help the Rouge Park Alliance to coordinate a park management plan. Gord Weeden, chair of the Rouge Park Alliance, said, "This investment towards park management and ecological restoration demonstrates, once again, the McGuinty government's commitment to protecting Rouge Park's and Ontario's reservoir of biodiversity."

Created in honour of the late Bob Hunter, the Bob Hunter Memorial Park serves as a reminder of his determination and dedication to the Rouge Valley forest and surrounding greenbelt. As Bobbi Hunter, wife of the late Bob Hunter said, "Bob spent his life dedicated to the care and preservation of the planet. That a portion of this earth will bear his name and that future generations will be able to enjoy and explore the natural heritage is the greatest honour we could give."

The McGuinty government's commitment to the greenbelt plan is based on our belief that a healthy natural environment and strong economy go hand in hand, and the creation of the park works towards realizing that commitment. I encourage Markham residents and all Ontarians to visit the park and enjoy the good things our natural heritage has to offer.

#### TORONTO 101

**Mr. John Wilkinson (Perth–Middlesex):** Tuesday, March 21, was the inaugural Toronto 101, co-hosted by myself and the members for Don Valley West and Huron–Bruce. Toronto 101 allowed farmers to experience a taste of the daily challenges faced in Ontario's diverse capital city.

We were welcomed by the Minister of Economic Development and Trade and the member for Willowdale

at the Miller Tavern, where we learned about the agricultural past of York Mills. We visited the Leaside business park, where we toured Lincoln Electric's facility and learned about the pressures facing industry in this city. As well, we toured a wonderful new provincial resource, Bloorview Kids Rehab.

We also visited Overland Adult Education Learning Centre and Grenoble Public School, allowing farmers to meet with people newly arrived from across the world, many of whom have never visited a farm. A trip to the Flemingdon Food Bank introduced us to the stark reality that hunger exists in urban communities. We also visited a catering co-op, Common Ground, run and operated by disabled adults, which provides rewarding, meaningful work.

My farmers called the event a real eye-opener for all involved. With events like Toronto 101, we're helping bridge the rural and urban divide, and I want to thank the member for Don Valley West and my farmers for coming out to this event. Though the city and the country seem quite far apart some days, when we take the time to listen and to share, we learn that there is so much more that we have in common.

#### EASTER AND PASSOVER

**Mr. Lorenzo Berardinetti (Scarborough Southwest):** I rise on behalf of the House today to bring Easter and Passover greetings, not only to my constituents in the riding of Scarborough Southwest but to all the people of Ontario. These two holidays are of great importance to those of both the Jewish and Christian faiths. These two holidays are prime examples of the richness in diversity that exists in modern Ontario.

For those of the Jewish faith, Passover represents the exodus and freedom of Israelites from ancient Egypt. It is to them a symbol of the new-found freedom from slavery and the ability to practise their faith as they saw fit. At this time, families will be sitting down for the traditional Seder meal, a symbolic collection of foods meant to represent the trials of the Jewish people and the rebirth of their new land.

Easter is one of the most important celebrations in the Christian calendar. It is celebrated by most Christians throughout the world and is seen as a time to reflect on the life of Christ. It is celebrated in many different forms, from church services or family dinners down to annual Easter egg hunts.

Today also marks the beginning of the Thai and Laotian new year, as well as Baisakhi in the Sikh faith. Through these traditions, today marks a new beginning in every sense. It is a time to mark not only the birth of the Jewish nation or the rebirth of Christ, but for some, the start of the new year, and for all, the arrival of spring. The days are getting longer, the evenings warmer, and the grass is getting greener. It is an ideal time to witness the awesome beauty of our province.

I would like to send my best wishes to all members of this House and their families, hoping they have a happy and safe long weekend.

#### VISITORS

**Mrs. Maria Van Bommel (Lambton–Kent–Middlesex):** On a point of order, Mr. Speaker: I would like to have the House join me in welcoming the parents of page Jenna Zwambag, Anja and Gerald, and her brothers Derek and Brandon. They have come all the way from Glencoe to see their daughter and their sister at work.

#### INTRODUCTION OF BILLS

##### TRANSPARENT DRUG SYSTEM FOR PATIENTS ACT, 2006

##### LOI DE 2006 SUR UN RÉGIME DE MÉDICAMENTS TRANSPARENT POUR LES PATIENTS

Mr. Smitherman moved first reading of the following bill:

Bill 102, An Act to amend the Drug Interchangeability and Dispensing Fee Act and the Ontario Drug Benefit Act / Projet de loi 102, Loi modifiant la Loi sur l'interchangeabilité des médicaments et les honoraires de préparation et la Loi sur le régime de médicaments de l'Ontario.

**The Speaker (Hon. Michael A. Brown):** Is it the pleasure of the House that the motion carry? Carried.

Would the minister like to make a brief statement?

**Hon. George Smitherman (Minister of Health and Long-Term Care):** During ministerial statements, Mr. Speaker.

#### STATEMENTS BY THE MINISTRY AND RESPONSES

##### DRUG SYSTEM REFORM

**Hon. George Smitherman (Minister of Health and Long-Term Care):** Today I have the privilege of introducing a piece of legislation that will improve patient access to drugs and will launch a major reform of our province's drug system. I am referring to the Transparent Drug System for Patients Act.

This bill is the cornerstone of our government's comprehensive plan to reform Ontario's drug system, to transform it into something more efficient, more transparent and more accountable, to change it into a system that patients can understand and can trust.

The case for change is strong. The sad reality is that our drug system has been failing us. That's strong language, but it's true. Our drug system hasn't been serving patients as well as it should, it hasn't been serving taxpayers, and it hasn't been serving the professionals who work within it each and every day.

Equally troubling, the escalating costs of our drug system are threatening its very sustainability.

Our government has been very clear in expressing its support for our public health care system, and we've demonstrated our willingness to make bold changes in order to protect and to strengthen medicare. The reforms we're introducing today are one more part of this effort.

Let me be very clear right at the outset about one important point: With respect to coverage for Ontario drug program recipients, there will be no changes—not to copayments, not to deductibles, not to eligibility. If you are a patient who currently receives prescription drugs through ODB, Trillium, or the Ministry of Community and Social Services, you will continue to receive those drugs, period.

Our reforms are designed to give patients better access to drugs, and better access to drugs also means getting better value for taxpayers' money.

The people of Ontario—the people we in this Legislature represent—spend a staggering \$3.4 billion annually on the Ontario drug benefit program. Standard business practice dictates that volumes are rewarded, that the biggest customer gets the best price, but for some reason that hasn't been the case here in Ontario. That is about to change.

Improving patient access also means getting drugs to them faster and more efficiently. We need to make the drug review system more efficient and more transparent. That too is a key part of our plan.

#### 1350

The legislation I am introducing today, the Transparent Drug System for Patients Act, will, if passed, do the following:

—It will improve patient access to drugs through conditional listings and measures like rapid review of breakthrough drugs.

—It will ensure better value for money through changes to drug pricing and reimbursement.

—It will introduce competitive pricing and partnership agreements, allowing us to strike the best possible deals when purchasing drugs. And let me make one point very clearly: No, this is not reference-based pricing. This is about finally having a forum in a transparent process to negotiate a better price—a better price for the people of this province.

Our package of changes will also close loopholes that lead to unacceptable price increases for drugs. Our plan will introduce off-formulary interchangeability. That means that cheaper but equally effective generic drugs can be used in place of brand names. This isn't just good news for patients who need drugs; it's good news for those who pay for those drugs. Out-of-pocket purchasers and employers in the province will save an estimated \$30 million on their drug plans. And, of course, we will always respect and adhere to Canadian patent law.

Our package of reforms will also put an end to the practice of pharmacies cutting deals with generic manufacturers for backdoor rebates in exchange for shelf space. These rebates fuel increased prices, and those

markups are paid for with taxpayer dollars. Taxpayers are not well served by this rebate scheme, and we're going to put an end to it.

The changes we're introducing will give the people of Ontario better access to drugs and do it more quickly. Drugs will be approved more quickly. We will permit rapid funding decisions for breakthrough drugs for life-threatening conditions. We will work with the sector and the health care community on the definition of "breakthrough drugs," and if a drug is not approved, we'll tell patients and manufacturers why, quickly and honestly. This will be an enormous benefit to patients and to Ontario's drug manufacturers anxious to introduce new products to the marketplace.

The legislation I am introducing today would also promote the appropriate use of medications by paying pharmacists for providing direct patient care. Pharmacists have been telling us for years that they want to play a bigger role in our public health care system. We agree. They're an underutilized resource, especially for patients managing chronic diseases. The changes we're introducing will allow pharmacists to use their skills and expertise to unlock better health, and we will compensate them fairly for it.

Our plan calls for us to invest in health care research by establishing a fund to help pharmaceutical companies make the case that certain drugs help to save on overall health costs. This fund will include contributions from pharmaceutical companies and from the provincial government.

Let me assure everyone that we are profoundly sensitive to the importance of research and innovation in the pharmaceutical sector. I know that advances—in pharmaceutical products can mean renewed life for Ontarians. I've seen innovative drugs extend and enhance the lives of loved ones challenged by HIV, and I often think that the drugs available to us today may well have prevented my father's untimely death from a stroke 14 years ago. This innovation must continue. It's essential for our province and for our people. The money that our pharmaceutical firms spend on research and innovation is money well spent, and they will be fairly compensated for the innovative drugs they bring to market.

Reforms are also needed with respect to transparency and accountability. We will strengthen transparency and accountability in the drug system by giving patients a role in drug listing decisions, and we will help to build a more accountable system through the creation of a citizens' council, making Ontario the first province in Canada to permit direct patient involvement in both decision-making and policy direction, and I'm very proud of that.

To further enhance accountability, we will also create a new position of executive officer of the Ontario public drug programs, to manage the publicly funded drug system and make listing decisions.

I've said on several occasions now that this is a balanced package, and I mean it. Our doctors will also



benefit. We will free Ontario's doctors from the crushing burden of paperwork associated with section 8s. We believe that doctors should be spending their time on patient care, not on paperwork. Section 8 would be replaced by a much more effective conditional listing system, supported by an exceptional access mechanism for very exceptional cases. These mechanisms will be placed in the hands of the executive officer—a much leaner decision-making structure.

Yes, this is an extremely balanced package. We understand that there are a lot of players in the drug marketplace: doctors, drug manufacturers, pharmacists, retailers and patients. Many of them are represented here today, and I say to all of them—to you: Our package is sensitive to each of your needs.

My staff and I had an opportunity to brief stakeholders on these changes earlier today, and I know that as they look at our package of reforms, each of them will see many elements that they, themselves, proposed during the Drug System Secretariat review process. Our package aims to strike a fair and equitable balance, and I believe it succeeds.

Let me emphasize how important it is that the reforms we're introducing today do succeed. Drug costs have risen by more than 140% since 1997, and it's not just government feeling the heat. Employers in the province who use the government's drug formulary as a guide to determine what drugs they will pay for have also been experiencing dramatic increases. They now spend \$2.6 billion a year. We need better drug pricing. We need a more efficient and accountable drug system, and our balanced and comprehensive package of changes, anchored on the Transparent Drug System for Patients Act, will enable us to achieve just that.

I'm very proud of the bill that I'm tabling today, and I look forward to the upcoming debates, both in this chamber and across our province. I cannot help but note that the two opposition parties both face something of a dilemma. The Leader of the Opposition is trapped between his instinct to try to be all things to all people and his bizarre promise to somehow improve health care by taking \$2.6 billion out of the system. He prattles on about efficiency. We're actually doing it without the harmful cuts his party is famous for. This debate will force him to show his true colours. And the third party still marches onward with no regard for the economic reality that we simply cannot afford to pay for each and every drug for every patient.

I'm proud of this bill and I'm proud of the team that helped us develop the package of changes, particularly Helen Stevenson and Brent Fraser. The people of Ontario will be well served by this bill. They deserve a more efficient, more transparent and more accountable drug system, a system they can understand and trust. The legislation that I'm tabling today will make that a reality.

#### YOUTH INTERVENTION CENTRES

**Hon. Mary Anne V. Chambers (Minister of Children and Youth Services):** Our government has a

vision of hope and opportunity for all of Ontario's children and youth. We believe in them. At the same time, our government recognizes that in order to build strong communities, we need to be tough on those who commit crimes, but we also need to be tenacious when it comes to giving our youth every opportunity to choose a better path and indeed excel, even in the face of adversity.

That's why I am pleased to announce today that our government is helping youth in conflict with the law get their lives back on track by establishing 12 new youth intervention centres. These new centres are part of an innovative and comprehensive approach to help young people aged 12 to 17 who are in conflict with the law to accept responsibility for their actions while helping them become contributing members of their communities.

At the centres, young people participate in programs appropriate to their assessed needs, such as anger management, anti-violence programs, life skills, counselling, peer relationships and employment readiness. We already have centres in Barrie, Brampton, Brantford, Mississauga, North Bay, Oshawa, Ottawa, Peterborough, St. Catharines, Sarnia, Scarborough, Sudbury, Thunder Bay, downtown Toronto and Windsor.

This year, we are establishing youth intervention centres in Belleville, Chatham, Cornwall, Hamilton, Lindsay, London, Milton, Moose Factory, New Liskeard, Orillia, Richmond Hill and Sault Ste. Marie.

In evaluating some of the existing youth intervention centres that we fund, we have found that youth participating in the programs were more likely to get a job, continue their education, set goals, deal better with anger and stay out of trouble.

#### 1400

Making communities safer and reducing criminal activities also means tackling the root causes of crime through preventive and remedial programs that directly help youth in their neighbourhoods. That is why the new youth intervention centres are part of our government's annual \$22-million investment to provide community alternatives to custody programs for youth in conflict with the law. This year, our government is providing \$9.5 million, up from \$7.5 million last year, to establish and support 27 youth intervention centres across the province and \$12.5 million to support other community programs for young people in trouble with the law.

In February, I announced that our government is providing \$28.5 million in the first three years of a new youth opportunities strategy to expand employment and training programs and to support the hiring of new outreach workers in at-risk communities across the province. It is a strategy that focuses on providing youth with increased opportunities so they can achieve their potential. We know that youth are more likely to do well if they are given the support they need. The youth opportunities strategy will first be implemented in underserved communities in Toronto and then expanded to communities across the province, including Windsor, Ottawa, London, Hamilton and Thunder Bay.

Our government has confidence in our youth. We will continue to listen to them, and we will continue to do all that we can to help them be successful, contributing members of society. In so doing, we can help to ensure a brighter future for our young people, their communities and our province.

**The Speaker (Hon. Michael A. Brown):** Response?

#### DRUG SYSTEM REFORM

**Mrs. Elizabeth Witmer (Kitchener–Waterloo):** I'm very pleased to have this opportunity to respond to the statement by the Minister of Health. I think what we see before us is a large, very technical piece of legislation that obviously is going to have an enormous impact on the general public, the industry, patients and service providers. However, at this point in time, it remains to be seen as to whether or not it actually will improve any access to drugs for patients in this province or even if the government is able to deliver and implement what they have here. We've seen that they can't successfully implement the establishment of 150 family health teams. They have not been able to put in place 8,000 new nurses in the province of Ontario. So their ability to implement what we have before us is certainly in some doubt. They are breaking every promise that they have made. They are asking people in this province to pay \$2.6 billion more in health taxes, and we know that people are paying more and they are getting less. So we are skeptical about the ability to improve access to drugs, the ability to ensure that patients get the right drug and the right care at the right time.

We are also very concerned about the economic impact of this legislation that is in front of us at a time when business is already reeling from high hydro rate increases, rising gas prices and rising tax increases in this province. It's already becoming an environment that is not conducive to job creation and investment.

We're skeptical about the ability to get value for money. Is the government prepared to guarantee, as the government gets lower prices for some drugs, that others will not go up?

Let me come back to innovation and investment. We are very skeptical about the fact that this is going to improve innovation in this province. It's not going to attract innovation. Now, the Premier has recently said that innovation is Ontario's natural resource. In fact, he recently went to Chicago to attract more pharmaceutical and biotechnology firms. However, it seems that trip was nothing more than window dressing when you take a look at this bill, which does absolutely nothing to attract innovative industry. In fact, we fear it may even have a reverse effect. It may indeed encourage and lead to some companies taking their research and development elsewhere. It could possibly lead to job losses in this province. We all know that in the recent budget, despite the fact that the Premier says innovation is Ontario's natural resource, the innovation and research budget was actually cut by 7%. So there is a lot of reason to be very, very skeptical.

If you take a look at this piece of legislation, I think you have to recognize that with the global nature of the pharmaceutical industry today and the fact that Ontario is only a small player, there is a possibility that in the future, as a result of this legislation, there is not even going to be negotiation by the industry to bring a product into Ontario, or maybe they will simply come in here later than they will everywhere else. That is certainly going to reduce access for patients in this province. Again, this does nothing for innovation, this does nothing for investment and this does nothing to guarantee that patients in this province actually will have increased and more timely access to drugs.

As far as transparency is concerned, I can tell you that this is seeing the creation of a drug czar who is going to reign over a \$3.5-billion empire. We are going to have an unelected, unaccountable appointee who is going to have sweeping powers to manage the drug system in Ontario. That is another \$3.5 billion added to the tally of money for which there is no taxpayer accountability. We already have LHINs—unelected, unaccountable individuals—looking after about \$25 billion of all the money spent in the health budget in this province. I say that despite what the minister says about transparency and accountability, this money is being transferred to unaccountable, unelected officials. There is no transparency and no accountability in this bill. It's absolutely—

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

**Mr. Peter Tabuns (Toronto–Danforth):** I'm pleased to respond to the Minister of Health today. New Democrats are committed to a comprehensive system of public health care in this province. We know that Ontario needs to rein in its skyrocketing drug costs and get tough on those who are gouging the system—those who aim to make a profit rather than improve patients' health—and we know that Ontario patients deserve an independent, truly transparent process for drug reviews so they can be assured of access to the drugs they need when they need them. New Democrats will be fighting to make sure patients' voices and public health care come first in assessing this process.

Today's announcement raises a number of red flags. The Liberals want to replace an opaque, unfair process for drug reviews, but their new model involves Liberal appointees and drug companies working in partnerships to make key decisions about drug policy in this province. These "partnership agreements" and competitive agreements could mean more privatization and commercialization of our public health care system, and patients like those with Fabry disease, who are waiting for enzyme replacement therapy, or those with cancer, who are waiting for Velcade or Avastin, have no way of knowing whether or not today's announcement is going to benefit them, because the system is still opaque, complex and confusing for the average Ontarian.

The devil will be in the details, but when the Minister of Health held his press conference this morning before he introduced the legislation to this House, he gave few details. His backgrounder is full of areas in which "more

consultation is needed,” and \$67 million in proposed savings from the federal government haven't even been negotiated yet.

The legislation introduced here today reflects just a fraction of the proposed changes to Ontario's drug program; it's just the tip of the iceberg. The vast majority of drug system changes proposed here are going to be made by regulation and policy, away from public scrutiny, debate and engagement. I can assure you that New Democrats are taking these changes very seriously and will be scrutinizing them very closely.

1410

#### YOUTH INTERVENTION CENTRES

**Ms. Andrea Horwath (Hamilton East):** In response to the Minister of Children and Youth Services, I thought it was important to bring to the minister's attention yet another youth facility. Kennedy House in Ajax is a maximum security facility for young offenders convicted of serious crimes, such as armed robbery, murder, sexual assault, drug and weapons offences, home invasions and escapes from custody. The staff are organized by a union called OPSEU, a union we all know well, and that staff is on strike right now. Why are they on strike? They are on strike because they make about \$10,000 a year less than workers at other young offender facilities that are funded by the Ministry of Children and Youth Services. Unfortunately, they are also forced to work under substandard security measures. They put their lives on the line every single day in this facility. They deserve a fair wage and they deserve protection from danger at their workplace.

While these hard-working and specially skilled OPSEU employees are on strike, residents have been moved to an alternative facility, yet Kennedy House continues to receive full government funding. It's a scandal. The corporation stands to pocket a lot of money, refusing to negotiate fair wages and safe working conditions for their staff. They will be making money on the backs of underpaid and vulnerable workers. We are calling on you to stop the funding to Kennedy House Youth Services until a fair deal has been negotiated and staff and residents are back on site in an environment that is safe, secure and successful.

Workers wrote to the minister today asking for you, Minister, to do what is best for the youth. If the government really wants to help youth and turn lives around, end the strike and invest in the workers needed to help those youth.

What else would we like to see as New Democrats? You should know it well by now: We would like to see the Ombudsman have oversight over children's aid societies. Just pass Bill 88, which I introduced in this House. We would like to see the McGuinty Liberals stop increasing tuition fees. Help give these students a chance, instead of huge debts for a post-secondary education. We want to see families being able to raise their children with a decent standard of living. What does that mean? It means end the clawback of the national child benefit. It

also means more affordable housing, because everybody knows that a decent roof over your head and the ability to have decent food on your table is what creates the rest of your life. Until you solve those problems, children and youth are not going to have a fair chance in Ontario.

#### VISITORS

**Hon. David Ramsay (Minister of Natural Resources, minister responsible for aboriginal affairs):** Mr. Speaker, on a point of order: I would like to express to the House how honoured I have been to have a constituent of mine be one of our legislative pages, Raelyne Knight from Timiskaming Shores, and to say that in the members' gallery are her parents, Louise and Ken Knight, from the fair city of Timiskaming Shores, who are visiting us here. I welcome them to the Legislature.

**Mr. Kevin Daniel Flynn (Oakville):** Mr. Speaker, on another point of order: I would like to draw the members' attention to the east gallery again and to the major contributor to the Oakville and Ontario economies, the president of Ford Canada, Mr. Bill Osborne, accompanied by Mike Sheridan and Carolyn Hughes.

#### ORAL QUESTIONS

##### HYDRO RATES

**Mr. John Yakabuski (Renfrew–Nipissing–Pembroke):** My question is for the Premier. In the 2003 election campaign, you promised to keep hydro rates capped. However, the reality is that you have jacked up hydro rates by as much as 55%, thus clearly breaking yet another of your election promises. Why should Ontarians believe anything you tell them anymore?

**Hon. Dalton McGuinty (Premier, Minister of Research and Innovation):** I appreciate the opportunity to speak to our energy policy once again, which I think is responsible and progressive. We're ensuring that our generation of electricity users pays for the actual cost of producing our electricity. We think that's only fair.

In the past, we've had a different policy in Ontario, and that now manifests itself in our monthly hydro bills, where there is something called the DRC, the debt retirement charge, which means all Ontario ratepayers today are paying for electricity charges that were not fully paid in years past. But more than just that, not only are we paying for unpaid electricity charges that should have been paid in the past, we're paying interest on that.

We are bringing a different approach. We think our generation should pay for our electricity as we use it. I think that's fair to us, to our kids and to our grandkids.

**Mr. Yakabuski:** Premier, your broken promises on hydro rates and on the coal plant shutdowns are just some examples of your broken and mismanaged energy policy. Besides some windmills that are operating around 10% capacity, the truth is that you have no real plan for

electricity in Ontario. You still want to shut down almost 25% of the province's cheapest supply and replace it with unreliable and expensive power within an unrealistic timetable.

*Interjections.*

**The Speaker (Hon. Michael A. Brown):** Stop the clock. The rules are the same today as they were on Monday, Tuesday and Wednesday: We have one person ask a question and one person respond; everyone else remains silent. Supplementary.

**Mr. Yakabuski:** But there are victims here, Premier. The victims of your broken promises and your lack of any real plan are the hard-working people of Ontario. A 55% increase for hydro is quite different from what you promised Ontarians in the last election. Why are you consistently refusing to be straight with Ontarians? Why are Ontarians being forced to pick up the tab for your total incompetence on this file?

**Hon. Mr. McGuinty:** I always appreciate the energy and passion which the members opposite put into their questions, but it doesn't really add to the credibility of the presentation.

Let me tell you what we're talking about here. We have in fact the most aggressive energy development program in all of North America. We have, so far, brought close to 3,000 megawatts of new supply online. We have another 11,000 megawatts of supply in the works, and I'm proud to say that 20% of that is devoted to renewables.

Just so we better understand what we inherited, during the last decade of neglect, demand rose by 8.5% while capacity dropped by 6.5%. So we've been working as quickly as we can to put in place the necessary electricity generation so that we can keep the lights on in Ontario, and we're doing that in a thoughtful and responsible fashion.

**Mr. Yakabuski:** Premier, the bottom line here is that Ontarians know you cannot be trusted to competently manage the electricity system of this province. You promised you would cap electricity rates, and you broke that promise as soon as you were elected. You promised to close the coal plants by 2007, and you've broken that promise, which was an irresponsible one to begin with. You promised to take the politics out of the energy sector, and you have broken that promise as well.

Your plan now, or lack thereof, seems to be to replace almost 25% of this province's supply with unaffordable and unreliable power. It's no wonder that prices are skyrocketing under your watch. When are you going to start being honest about electricity in Ontario? When are you going to have a responsible plan for electricity and not a political one?

**Hon. Mr. McGuinty:** I think somewhere in that question we are beginning to get closer to the truth. The member opposite believes that we should continue to burn coal at the beginning of the 21st century, here in a modern, progressive jurisdiction, part of North America. That's their position. They think we should continue to burn coal that was attacked by Charles Dickens 200 years ago. I think we can do a little bit better than that.

We have a progressive plan—it is a responsible plan—to replace coal-fired generation with new, cleaner sources of electricity. The member opposite does not believe we should harness wind power; we believe we should do that. The member opposite believes we should not harness energy from the sun; we believe we should do that. The member opposite believes we should not practise conservation in Ontario; we believe we should do that. We're putting together a modern, progressive, responsible, comprehensive electricity policy. That involves all of us paying for the actual cost of electricity, and we'll be doing more—

**The Speaker:** Thank you. New question.

**Mr. Yakabuski:** My next question is also for the Premier. We certainly agree with harnessing those sources, but they have to be affordable and reliable, and, primarily, we have to be realistic.

The Windsor Star recently quoted Adam White of the Association of Major Power Consumers commenting on your plan or lack thereof. He said of your plan, "Ontarians will pay more and get less; electricity rates will soar, economic growth will decline and investment will be lost."

**1420**

The Windsor Star itself, when discussing your electricity plan, was quoted as saying, "McGuinty's energy plan will cost electricity consumers more money, do little for the environment while severely damaging the economy and create a climate of protracted uncertainty that will scare off investors and lead to devastating job losses." We agree with the Windsor Star, except for the part about you having a plan.

Premier, when will you finally be honest with Ontarians and explain that you have made too many ill-conceived election promises on the electricity file and that your own government's incompetence has made Ontarians, again, pay more and get less?

**Hon. Mr. McGuinty:** It's pretty obvious that the member opposite is not a particular fan of our plan, and it's no particular secret that there are others as well. But we are charged with the very important responsibility of keeping the lights on in Ontario, and we will discharge that responsibility, I can assure you.

One of the good pieces of news of late has to do with the programs being launched by Minister of Energy Cansfield under the title of Every Kilowatt Counts. That's a campaign to encourage conservation and energy efficiency. Just recently, she announced a program which deals with a \$500 rebate with a purchase of an Energy Star-rated central air conditioning unit, a \$50 rebate for a tune-up of an existing air conditioner and a \$75 rebate for the installation of a programmable thermostat.

The member opposite would have us believe that in the face of rising electricity prices throughout North America, we are helpless. I think there is much we can do, there is much that we can do together, and we will be helping Ontarians.

**Mr. Yakabuski:** Premier, you have raised hydro rates three times since coming to office. Since the election of

2003, you've raised the hydro rates of Ontarians by as much as 55%. Instead of apologizing for your broken promises and total lack of a realistic plan, you're engaging in a spin that reeks of desperation.

This is about your broken promises, no matter how irresponsible they were in the first place, and total mismanagement of our electricity system. This is an issue of integrity and competence. You have failed on supply. You have failed on conservation. You have failed on pricing, and you've failed to be honest with Ontarians about the promises you made and the price that they are now forced to pay as a result.

Premier, how can you justify asking Ontarians to pay more and more for electricity when they are getting less and less in return? You expect them to use less power by having them pay 55% more for power. Is that your plan, Premier? Is that your plan?

**Hon. Mr. McGuinty:** Such doom and gloom coming from the member opposite. Again, just to help him better understand the context here, in Massachusetts they've raised electricity prices, this year, 32%; Louisiana, 27.5%; Maryland varies from 35% to 72%; New Hampshire, 29%; New York, 30%; Texas, 21%, New Jersey, 14%. In Alberta, electricity prices have gone up 23%.

Just last month, Ontario once again led the way with over 30,000 new jobs in our province. That speaks to the optimism and the bright outlook that Ontarians have for their very own province. I invite the member to share in the enthusiasm that Ontarians have for Ontario.

**Mr. Yakabuski:** Premier, your plan, if there is one, is apparently to make Ontarians pay 55% more for power—

*Interjections.*

**The Speaker:** Stop the clock. Order.

*Interjections.*

**The Speaker:** The Minister of Economic Development and Trade will come to order. Final supplementary.

**Mr. Yakabuski:** —while simultaneously eliminating our cheapest and most reliable source of power, without having any comparably priced power to replace it. You keep talking about the real price of power. You continue to push a message that Ontarians need to start paying the real price of power, but your plan does anything but deliver on the real price of power. Premier, the real cost of power is truly not real if you are irresponsibly shutting down our cheapest form of electricity generation before having adequate supply to replace it. Adequate supply sources are ones that actually perform at capacity, not 10%. Adequate supply sources should not cost 15 times more than what you're shutting down.

Premier, you wouldn't know the real cost of power if it landed in your lap. Your plan has nothing to do with the real cost of power. When will you start admitting that to families now paying 55% more for power in McGuinty's Ontario?

**Hon. Mr. McGuinty:** Again, I appreciate the energy devoted to the question, but the question I have is, when did they take "progressive" out of the Ontario Progressive Conservative Party? Because the member is

arguing for the maintenance, I guess indefinitely into the future, of coal-fired generation in Ontario.

We bring a different approach. We think that we can both walk and chew gum at the same time. We think that we can have clean air and reliable sources of clean electricity at the same time in the province of Ontario. They see things differently, Speaker.

We've got a progressive pricing policy in place; we're actually going to pay for the real cost of our electricity. We're not going to download that on to our children or grandchildren. We have a program in place to help our most vulnerable Ontarians. We are pursuing conservation in a very aggressive and thorough manner. We have a responsible energy policy for the first time in a long time in the province of Ontario, and I invite my friends opposite to become once again progressive—

**The Speaker:** Thank you. New question.

## NUCLEAR ENERGY

**Mr. Peter Tabuns (Toronto-Danforth):** A question for the Premier: During the provincial election, did you or members of your election campaign team make any specific promises to the environmental community about building new nuclear power?

**Hon. Dalton McGuinty (Premier, Minister of Research and Innovation):** First of all, let me take the opportunity to welcome the honourable member to this chamber and to offer him my very best wishes. I say this in all sincerity. To serve is a great privilege, and I offer my very best wishes.

The member opposite will know that we have a consultation program under way at present, and we're speaking to Ontarians to get their very best advice with respect to ensuring that we have a reliable supply of electricity. And yes, we have through that consultation process made it clear that we are prepared to consider nuclear, and we're asking Ontarians for their advice in that regard.

**Mr. Tabuns:** Premier, on the afternoon of Monday, September 8, 2003, environmentalists in this province received this e-mail in their inbox. It reads: "[A researcher] in NDP research lied when he sent out an e-mail ... stating that 'Dalton McGuinty has announced that his government will build more nuclear power plants in Ontario.'

"A new nuclear plant is not in our plan."

Was that person telling the truth?

**Hon. Mr. McGuinty:** It is true that we did not make an announcement that we were going to build nuclear, but I think what is really important to Ontarians right now is the conversation we're having with respect to what we need to do together to ensure that we're keeping the lights on. That's an important conversation. I think Ontarians, and I know the member opposite, will know that there are no easy answers in this regard. Pretty well everything has a downside. Natural gas tends to be very expensive. Coal-fired generation has toxic emissions and contributes, of course, as well to global warming. There

are people who have concerns about wind turbines and solar. So it's not as if we have an easy choice to make, but I do invite Ontarians and all members in the House to be thoughtful as we grapple with this together.

But again, at the end of the day, we on this side of the House are charged with the responsibility of making sure that we have a reliable supply of electricity, and we will do whatever is necessary to ensure that we keep the lights on in Ontario.

**Mr. Tabuns:** Premier, that letter was written by David Harvey, a key member of the Liberal election campaign team who now just happens to work in the Office of the Premier.

During the election, you made an ironclad guarantee that "A new nuclear plant is not in our plan." Your team called people who suggested otherwise liars. If that's true, please explain why you are breaking your promise and getting ready to waste billions of dollars on new, expensive, unreliable, dirty and dangerous nuclear power plants.

1430

**Hon. Mr. McGuinty:** The member opposite is making it clear that he is ideologically opposed to new nuclear. I understand that and I accept that, but I just don't think that's a luxury we enjoy on this side of the House. We've got a responsibility to examine those options, including nuclear, to make sure that we can keep the lights on in Ontario, so we will keep that option in mind. I appreciate the position offered by the member newly admitted to this House, but our responsibility is to the broader Ontario public. They are counting on us to do what is necessary to ensure they have a reliable supply of clean, affordable electricity, and we will do whatever is necessary to give effect to that.

#### PROPERTY TAXATION

**Mr. Michael Prue (Beaches–East York):** My question is to the Premier again. Working families in communities across Ontario are getting whacked with sky-high property taxes because you and your government refuse to pay your own bills. In the last election, you promised to assume full responsibility for provincially mandated programs like housing, social assistance and child care. Can you tell us why it is that nearly three years after the election, municipal property taxpayers are subsidizing provincial programs to the tune of \$3.2 billion?

**Hon. Dalton McGuinty (Premier, Minister of Research and Innovation):** The Minister of Municipal Affairs and Housing.

**Hon. John Gerretsen (Minister of Municipal Affairs and Housing):** Let me first of all say that I think the municipal world as a whole is quite satisfied, for example, with the \$400 million that we just gave them for the repair of roads and bridges. They're also glad that we're going to get back to the ambulance funding on a 50-50 basis, and \$50 million was just paid to them in order to get closer to that 50-50 response.

They're also quite happy about the fact that the provincial gas tax dollars went to them, to the tune of some \$350 million this year. They're also happy about the fact that, as far as the federal gas tax dollars, we as a province did not interfere, we didn't claw back and we allowed the federal government to make those payments directly to our municipalities. Are we totally there? No. But we're getting there to finally deal with the downloading that—

**The Speaker (Hon. Michael A. Brown):** Thank you. Supplementary.

**Mr. Prue:** Minister, you and your party promised to upload \$3.2 billion. You are woefully inadequate in what you have described. The people who are paying these bills are sick and tired of the unfair property taxes and they want to see some action on your part. You promised to upload all of the download. You promised to accept paying for provincially mandated programs, just like every other province in Canada does. We're alone, you know. Why haven't you taken the burden off these taxpayers in their municipal taxes?

**Hon. Mr. Gerretsen:** As the member well knows, the social service cost-sharing arrangement between the municipalities and the province has been in existence in some cases for as long as 30 or 40 years. Yes, in a perfect world, we would like to upload those costs, but it simply cannot be done within the time factor that he's talking about. But we have made some great strides. Look at public health, for example: That was a 50-50 responsibility when we took office. We are now uploading that so that by the end of next year, it will be 75% paid for by the province and 25% by the municipalities. We are making great strides, people, in order to undo the damage that both that party and the party that was in power for the last eight years have done to the municipalities and the municipal taxpayers in this province. We're working on it and it's going to get done, but it's simply not going to be done within the time frame that that member would like to see.

**Mr. Prue:** Every other province in Canada has been able to do it, but you have not, and that speaks volumes.

I'd like to quote Roger Anderson when he says, "The root cause of our deteriorating infrastructure is the growing \$3.2-billion provincial-municipal fiscal imbalance that sees municipal property taxes flowing to the provincial treasury." That's what he has to say. You promised to erase that gap; you haven't. It's bigger than ever, and property taxpayers, especially seniors, those on fixed income and the disabled, are paying the price. When are you going to stand up for these property taxpayers and upload the download?

**Hon. Mr. Gerretsen:** This government is certainly not going to do anything to counteract what that government opposite did. It's true that a tremendous amount of downloading went on at the time. But of course the one thing that municipalities never talk about is the fact that there was an educational cost upload to the province as well, and that was quite a significant amount—somewhere between \$3.3 billion to \$3.5 billion.

There is a difference right now; we certainly recognize that. We do not necessarily agree with AMO that it's

anything like \$3.2 billion. We are working in those areas, particularly in social services and health. We've already made great progress in the area of public health, in the area of land ambulance and on various other costs as well. We will be working for that because we on this side of the House realize that for a strong Ontario, we need strong communities, strong municipal councils and strong municipal taxpayers. That's what we're working on to make sure this province is strong and has strong—

**The Speaker:** Thank you. New question.

#### MUNICIPAL INFRASTRUCTURE FUNDING

**Mr. Norman W. Sterling (Lanark–Carleton):** My question to the Minister of Finance is about the competence of his government. Last week in this House, you told our leader, John Tory, that every dollar of the \$400 million you have allocated for roads and bridges will be spent on roads and bridges. Can you tell me, then, why you wrote a cheque for \$1 million to the county of Frontenac when they don't own, operate or maintain any roads or bridges?

**Hon. Dwight Duncan (Minister of Finance, Chair of the Management Board of Cabinet):** The money can be distributed to the local municipalities. We're proud we wrote a cheque. We're proud—

*Interjections.*

**Hon. Dwight Duncan:** I suppose the member wants us to go and get that cheque back from Frontenac and give it in a tax cut to another area, give it in a tax cut to a coal company. We won't. We're investing in our municipalities. You're right: We're sending money to municipalities to help them with infrastructure. The minister just outlined all the good news, all the good work we've done. We believe they are our partners. We are working with them, and we're going to assist them in every way we can, in a trusting relationship that builds the economy of this province in a way that can't be undone, the way they did—

**The Speaker (Hon. Michael A. Brown):** Thank you. Supplementary?

**Mr. Sterling:** The only way this minister could get the money out before the end of year, which he was so desperately doing in order to create a phony deficit this year so he could pretend to balance the budget next year, was to write these cheques without any conditions.

In addition to the county of Frontenac, this minister wrote another cheque to the county of Hastings for \$1.6 million. The county of Hastings doesn't own any roads, they don't operate any transportation system, they don't own any bridges, they don't maintain any bridges. Mr. Finance Minister, why are you giving out money without proper conditions attached?

**Hon. Mr. Duncan:** I'm going to refer it to the Minister of Municipal Affairs.

**Hon. John Gerretsen (Minister of Municipal Affairs and Housing):** The member is correct that the county of Frontenac itself does not operate any roads and

bridges. But they are fully aware that under the plan that was outlined, the money that was going to the upper and lower tiers was in effect split in half, so that the lower-tier money will go to the four municipalities and the money that went to the county of Frontenac will now go to the lower-tier municipalities as well. All the money will be spent on roads and bridges. They're aware of it. That's the way it's going to be handled, and that's the fair way to deal with it.

1440

**Mr. Frank Klees (Oak Ridges):** On a point of order, Mr. Speaker: I would seek unanimous consent for the minister to repeat that so we could perhaps understand it.

**The Speaker:** Unanimous consent? No.

#### SOCIAL ASSISTANCE

**Mr. Michael Prue (Beaches–East York):** My question is to the Minister of Community and Social Services. Madam Minister, Sara Anderson is in the House today in the members' gallery. You might remember her; she is the woman who is today on her 11th day of a hunger strike to raise awareness of your failure to increase social insurance rates, and your failure to end the clawback. Can you explain to her—more so than to me—why, after so many promises, Ontarians on social assistance are receiving less money in real terms from your government today than the day you took office?

*Interjection.*

**The Speaker (Hon. Michael A. Brown):** Order. Minister.

**Hon. Madeleine Meilleur (Minister of Community and Social Services, minister responsible for franco-phone affairs):** I am aware of the situation through the media, but I'm not going to comment on a specific case today. But let me tell you what we have done. We are always concerned when someone goes on a hunger strike for a cause. We are not going to encourage her, and I hope that her MPP does not encourage her, to continue her hunger strike, because as a former nurse, I know the damage that this could create to this person. I will never encourage that.

Let me tell you what this government has done to support those who are the most vulnerable in our community. We have, since we came to government, increased social services by 5%—

**The Speaker:** Thank you. Supplementary.

**Mr. Prue:** Madam Minister, I think your last line said it all: by 5% over three years. That's less than inflation. That's the reality. Sara Anderson's health is deteriorating daily. Each and every day she goes without food and her medicine, her health is deteriorating. She needs to hear from you today what you will be doing. Will you be making good on your broken promises to end the clawback of our poorest children, included amongst them her daughter? Will you make good on your promise to increase social assistance rates that reflect the real cost of living in this province? When are you going to keep your promise to Sara Anderson?

**Hon. Mrs. Meilleur:** As I said, we have increased social assistance by 5%. What we have done also is we have committed to permanently flow through the July 2004, 2005, 2006, national care benefits, which, for a mother with two children, will represent \$1,620 more a year. And I will say to anyone who is not happy with what they are receiving, who is concerned with what they are receiving, that there is a process that is already established: They have to ask for an internal review. Again, if they are not happy, they have to ask for a hearing before the social tribunal. So we know that it's not enough, that they're not receiving enough, but we will continue to work towards improving social service benefits.

I just wanted to talk about the legacy that party left behind. What they have done, the only legacy, is to double the welfare roll. That's your legacy, and you should be embarrassed by that.

#### DRUG SYSTEM REFORM

**Mr. Kevin Daniel Flynn (Oakville):** I have a question today for the Minister of Health and Long-Term Care. Today you unveiled a plan to bring about long-awaited change to the Ontario drug system. It was a very innovative plan; it was a very comprehensive plan. What I would like to focus on, though, specifically, is the part dealing with what are called section 8s. Many of us have heard from doctors in our own communities that section 8s have been synonymous with completely unnecessary bureaucracy. What did the drug secretariat's investigations find out about the section 8 system?

**Hon. George Smitherman (Minister of Health and Long-Term Care):** I suppose, in a certain sense, the Drug System Secretariat found out what most of us find out as politicians from the front-line voices of health care, our doctors: that a mechanism that was designed in 1995 to be able to deal with some very exceptional cases and that in its first year dealt with 5,000 individual filings of a form, by 2004 had gone 23-fold to 140,000, with 40 bureaucrats back at the ministry supporting a paperwork system that only happens once the doctors, in their spare time, have filled out those forms.

Accordingly, through the initiatives we've advanced today, one of them is to eliminate the section 8 process, and in doing so to remove a dramatic burden of paperwork from our doctors with a view toward giving them more time to spend with their patients, and creating more listings on those same products so that our patients can access the products they need without the necessary bureaucracy, so a significant advance for our doctors and our patients.

**Mr. Flynn:** Minister, that was excellent news. Any reasonable person would see now why section 8s should be eliminated. I wonder if the minister also could tell us just what he plans to replace them with so that those patients whose doctors feel they require specific drugs aren't left out in the cold by the process anymore.

**Hon. Mr. Smitherman:** An analysis of the paperwork itself tells us that 75% of all of those section 8 claims are

actually approved. That seems to be a very strong piece of evidence that these drugs are appropriately offered as part of a conditional benefit. Accordingly, one of the mechanisms that's in the legislation and in our initiative today is to enhance the conditional listing, which is to take a lot of those products that have so far been the subject of section 8 requests and put them on conditional benefit. This is to place in the hands of our doctors—so they can better support their patients—more power, in a certain sense, to get past a bureaucratic process, to enable our doctors to do what's most crucial: to allow them to spend time on the front line of health care working alongside patients. That's what they want to do, that's what we need them to do, and that's most certainly what patients need them to do.

#### HOMESTEAD LEGISLATION

**Mr. Tim Hudak (Erie-Lincoln):** A question to the Premier: As you're aware, this morning the Homestead Act, Bill 75, passed second reading with a vote of 28 to 9. I want to thank MPPs of all three parties for their support at second reading. I note for the record, Premier, that 11 Liberal MPPs voted in favour of the bill, and I thank them for that. In light of that support from your own party members and those opposite, will you direct your Minister of Finance to work closely with my office to amend the bill, where necessary, and to facilitate the passage of the Homestead Act into law?

**Hon. Dalton McGuinty (Premier, Minister of Research and Innovation):** To the Minister of Finance.

**Hon. Dwight Duncan (Minister of Finance, Chair of the Management Board of Cabinet):** I welcome the opportunity to work with the member opposite, and I welcome the opportunity to have further discussions on this concept. Our members who voted in favour have been consistent in their position over many years. They stand up for their taxpayers. They also noted their concerns with your bill. Unlike the member opposite, who has tried eight times and failed to do this, the 11 members on our side who expressed their views, and whose views we accept as part of an ongoing discussion around making the system you created work better—we will work with them, and we will work with you and all members of the House, because I believe all members work together to do what they believe is in the best interests of the province of Ontario. This government is prepared to do the work it takes to fix the problem, sir, that you left.

1450

**Mr. Hudak:** I almost thought he was being a nice fellow today, and then at the end he went off the path a little bit.

*Interjections.*

**Mr. Hudak:** I think those members are echoing the support of their colleagues for the concepts in the Homestead Act, as they did earlier this morning. It's certainly a much better answer from the Minister of Finance than we had yesterday, where he seemed adamantly to refuse to



support the Homestead Act, but I'm pleased to see that members of his party, ours and the NDP have convinced him of the wisdom of the Homestead Act. In light of our upcoming meeting to discuss this, Minister, I will ask for your commitment today: Will you support the Homestead Act, Bill 75?

**Hon. Mr. Duncan:** Let me remind the member—and my answer from yesterday hasn't changed—that, first of all, for the average taxpayer out there, this is about how we best manage property taxes. What the member is suggesting there, in my view, at the moment, would in fact penalize low-growth areas, low-growth communities. It would in fact penalize those people in more modest homes and lower-growth areas.

But there is room to discuss these issues. For instance, this government is acting on the 22 recommendations of the Ombudsman with respect to how we assess property. We're going to continue to work carefully, because that member had not one, not two, not three, not four, not five, not six, not seven—eight failed opportunities to deal with this.

I look forward to working with you. I've always respected your abilities and I look forward to working—

**The Speaker (Hon. Michael A. Brown):** Thank you. New question.

#### SOUTHWESTERN REGIONAL CENTRE

**Mr. Gilles Bisson (Timmins–James Bay):** I'm certainly glad the Liberal caucus can count. That's a good thing to know.

My question is to the Minister of Community and Social Services. Twenty-seven-year-old Tammy Sanders from northeastern Ontario is a resident of the Southwestern Regional Centre. Tammy, you should know, is developmentally delayed, autistic, visually and hearing impaired and, due to bouts of self-abuse, has lost vision in one eye. Since becoming a resident of the Southwestern Regional Centre, her bouts of self-abuse are under control due to the support services they offer at the centre. Your decision to close the regional centre means that Tammy will be moved to a group home that, like all other group homes, is underfunded and, in Tammy's case, can't provide her with the necessary supports to keep her safe and sound.

My question: Tammy's family is worried. They are asking me to ask you, why are you evicting her from what is her home and quite probably putting her at risk?

**Hon. Madeleine Meilleur (Minister of Community and Social Services, minister responsible for franco-phone affairs):** The decision to close this centre was taken long ago. We are proceeding with the closure, but we are proceeding in a very humane and sensitive way. We are looking at reintegrating them into the community in consultation with their family. We know that when these people get back into the community in a very familiar and welcoming environment, most of the time their condition improves. Also, what we are trying to do is put them closer to their family and their community.

Rest assured, this is being done with great compassion, and we will continue to proceed with compassion and with input from the family.

**Mr. Bisson:** You need to understand that the people who are now in regional centres are those who were not able to be accepted into the community because there are no proper facilities to care for them in the community. We all support—all sides of the House—reintegrating people back into their community with families. That's not the issue.

The issue is that there are families out there whose family members are not able to be properly cared for in the community. That's the case with Tammy. It's not, at the end of the day, in her best interests to bring her into the community if her needs cannot be properly cared for.

I say to you, why are you evicting this young woman from what is her home for the sake of trying to follow a policy that, quite frankly, is a one-size-fits-all that's not going to work for her?

**Hon. Mrs. Meilleur:** Thank you for your question, and thank you for being so sensitive to this very delicate situation. Let me assure you that we are not taking the approach that one size fits all. Every case is looked at individually. In the last budget, we had money in the budget to make sure that these people and this individual will be taken care of, and that the service they will get will be service appropriate to their own condition. If you wanted to discuss a case specifically, we have excellent staff who will support both the family and this individual.

#### HERITAGE CONSERVATION CONSERVATION DU PATRIMOINE ONTARIEN

**Mr. Jim Brownell (Stormont–Dundas–Charlottenburgh):** My question is to the Minister of Culture. Minister, I would like to once again welcome you to your new position. I'd also like to thank the former Minister of Culture for her excellent work and continuous devotion to my riding of Stormont–Dundas–Charlottenburgh and its proud cultural and historical traditions. Merci beaucoup, madame la ministre.

One issue that I advocated to the minister concerned the cemetery at St. Andrews West, a community in my riding. This cemetery is the final resting place of Ontario's first Premier, John Sandfield MacDonald, and the great Canadian explorer Simon Fraser. The wall of this cemetery, which the provincial government erected in 1938 in a restoration of the first Premier's burial site, was allowed to decay to a sad state by the last two governments. Whole sections have collapsed, and it is at a point where the wall is a public safety hazard. Minister, can you tell me what your ministry is doing in regard to this cemetery wall?

**Hon. Caroline Di Cocco (Minister of Culture):** I thank the member for his kind words and certainly hope to continue the good work that the previous minister had started.

I'm pleased to answer his question, as he is a great supporter of heritage protection and has shown it through his initiating of a private member's bill to protect Premiers' gravesites. The wall that the member speaks of has been deteriorating, especially since the ice storm and due to damage from road salt. Fallen trees also need to be removed from the site. The cemetery's custodians are concerned that the wall will not withstand another winter season and is putting visitors at risk, as this wall was erected in 1938 and needs repair.

That's why our government has given a cultural strategic investment fund grant of \$50,000 to the Cornwall Township Historical Society. The grant is to assist the conservation of—

**The Speaker (Hon. Michael A. Brown):** Thank you. There may be a supplementary. Supplementary?

**Mr. Brownell:** Thank you, Minister. I know that you share the same dedication that I do on this file, as did your predecessor. She certainly worked hard on it, and I look forward to working with you in the future.

In regard to other files, there's another one that I'd like to mention.

Comme vous le savez bien, ma circonscription a une importante population francophone. Ce groupe est desservi par le Centre culturel du conseil de vie française de Cornwall.

On Friday, it was my privilege to be the bearer of some good news to this francophone community and cultural centre, some of it pertaining to the centre and the good work done there. Minister, would you share with this House what our government has done for this francophone cultural centre?

**Hon. Ms. Di Cocco:** Our government certainly values, again, the member's and the centre's dedication toward the franco-Ontarian population.

Je souhaite bon succès au centre.

I'm pleased to say that the centre will receive a total grant of \$25,000 to develop a feasibility study on the operations of the centre, including a consultation process with the francophone community and the development of a business and long-term strategic fund-raising plan. The centre is the only francophone community cultural centre in Cornwall, an active promoter of francophone heritage and culture, and is a primary facility for francophone community groups to operate from that area.

1500

#### ASSISTANCE TO FARMERS

**Mrs. Christine Elliott (Whitby–Ajax):** My question is for the Minister of Agriculture. Yesterday in this House you stood up and proclaimed that we should see very clearly that your government is helping farmers. I can tell you that the constituents of Whitby–Ajax do not see that clearly at all. Many times throughout the by-election, on election day and even today outside the Sobeys food distribution centre in Whitby, farmers have been out protesting, once again demonstrating that whatever you think your government is doing to serve their

plight just isn't clear to them. I ask you today, what can I tell these hard-working farmers in my constituency that you are going to do to help them, this time in concrete terms? What is your plan to get them what they need now?

**Hon. Leona Dombrowsky (Minister of Agriculture, Food and Rural Affairs):** I want to take this opportunity to welcome the honourable member and to thank her for her question. I do want to commend her for the concern she is expressing for a very important sector—an important sector in her riding, of course—the agriculture sector. Our government does recognize that there are challenges in the agriculture industry, and that is why I can say, number one, that we have committed, most recently, \$125 million of new money—money that was not in our budget last year, but new money—to support grain and oilseed farmers, to support fruit and vegetable growers and to invest in a traceability initiative, which, again, farmers have told us.

The second thing we have done: We have committed, since November, to respond to their request for a multi-year strategy, a partnership with the federal government. Our government is prepared. We have committed dollars. We are ready to—

**The Speaker (Hon. Michael A. Brown):** Thank you. Supplementary?

**Mrs. Elliott:** Minister, as you know, the estimates for the coming year are out, and they show that you have cut \$184 million from the risk management program and that another \$20 million has been cut from rural development. The estimates also show that salaries in your ministry have increased by nearly \$5.5 million. Minister, the farmers outside the Sobeys distribution centre take cold comfort in these numbers. You are not helping the farmers in this province. They're in crisis. They also learned yesterday that now they're going to have to pay higher electricity prices. Don't blame the federal government. Tell this House today how long the farmers have to keep waiting for you to do something.

**Hon. Mrs. Dombrowsky:** I can understand that the honourable member, because she is very new in this Legislature, would not perhaps understand how the numbers are presented in the estimates. I do want to take this opportunity to share with the honourable member that spending at my ministry—Agriculture, Food and Rural Affairs—has in fact increased.

The other clarification that I think is very important for the honourable member is that I'm not blaming the federal government for anything; I'm asking the federal government, and I would ask you to use whatever influence you might have with federal members to urge them, to come to the table and talk to us. We want a partnership. The federal government would claim they have \$500 million available for farmers. Where is it? They need it now. So I would ask the honourable member: Please, encourage your caucus. Do whatever you can to get your federal colleagues, your federal counterparts, to the table—

**The Speaker:** Thank you. New question.

## NORTH LESLIE LANDS DEVELOPMENT

**Mr. Peter Tabuns (Toronto–Danforth):** My question is for the Minister of the Environment. Developers are fighting to put a new urban sprawl community of 7,800 residential units—the size of Stouffville—on the Oak Ridges moraine and Rouge River headwaters wetland complex in North Leslie. The area was made famous by Dalton McGuinty's broken promise to stop 6,600 houses. You claim your Clean Water Act protects our source waters, yet you are letting your developer friends pave North Leslie, one of the most environmentally sensitive and hydrologically complex areas in southern Ontario. What are you prepared to do to stop it?

**Hon. Laurel C. Broten (Minister of the Environment):** I'm very pleased to rise in the Legislature and have an opportunity to talk about the Clean Water Act, a piece of legislation that we will all be able to look back on one day and recognize that together this Legislature—because I think it is important to note that we all believe we must prevent our water from being contaminated in the first place. We will all be able to look back and know that we have left a legacy for our children, mine and yours, of clean water in this province. We've had a history of learning some difficult lessons in our province, and I can tell you, we're not going to go back. We are going to move forward and make sure that we prevent things from happening.

I think it's important for the Legislature to know that on February 6, the Ontario Municipal Board began hearing matters related to the proposed development in the North Leslie lands in Richmond Hill, and I'm pleased that these issues are getting the attention they deserve.

**Mr. Tabuns:** Notwithstanding the fine words, protecting water quality means protecting source waters, not paving them over. Since the greenbelt was adopted, testimony at OMB hearings has proven that the majority of North Leslie is too sensitive for development. It's home to a provincially threatened fish, the redbside dace, and a regionally significant wildlife colony.

Again to the minister: At a minimum, will you listen to your own scientists and immediately implement a 10% cap on paved surfaces at the North Leslie lands, or do you agree with developers that the moraine needs more pavement?

**Hon. Ms. Broten:** I am very proud to be part of a government that has taken an incredible step in protecting the amount of greenbelt that we have protected in this province. Let me tell you, the decisions we are prepared to make on this side of the House are not easy. You can imagine that there are folks right across this province who don't want to protect greenbelt properties, but we have taken those steps and we are prepared to protect 1.8 million acres of very sensitive and important land. That is critical.

We favour taking a precautionary approach in situations involving Ontario groundwater resources, and that's why we've introduced the Clean Water Act. We are taking action to protect that source water. We believe

in science. The Clean Water Act is pre-eminent. The decisions we will make in this Legislature will be grounded in science. The decisions I make in the Ministry of Environment are grounded in science; they are not grounded in the media and not grounded in fiction. We will follow the scientists who work hard in the Ministry of the Environment and we will protect sources of drinking water—

**The Speaker (Hon. Michael A. Brown):** Thank you.

## AMATEUR SPORT

**Mr. Tim Peterson (Mississauga South):** My question is for the Minister of Health Promotion. Ontario athletes are highly motivated, truly exceptional individuals who serve as role models for all of us. We are honoured to be joined in the House today by young athletes from my riding. Would they please stand to be recognized: Adrienne Bethune, Brooke Hilditch, Christopher Edwards, Frantiska Vondrejs and Paralympic shooter Karen Van Nest. All of these young athletes are recipients of funding through the athletic assistance program which is made possible by the Quest for Gold lottery.

Minister, results are already in and these athletes can attest to the program's success. Does our government plan to continue this program?

**Hon. Jim Watson (Minister of Health Promotion):** I'd like to join the member for Mississauga South and congratulate these young athletes for the fine work they have done representing our province. Quest for Gold, the lottery, was an idea that first came about in the 2005 budget and to date, in the first quarter alone, has generated \$2.9 million in direct profits, 100% of which is going into athletes, coaching and amateur sport. Mr. Speaker, 892 athletes are receiving funding, including 99 Paralympians. The cheques have already been sent and received.

We all know the cost of getting to the podium. I want to leave you with one quote from Linda Shales of Oakville, whose son is a figure skater. She wrote to me and said: "I'm sure you're aware helping a son or daughter participate as an amateur athlete at the national level is a huge financial commitment requiring a great deal of sacrifice. This funding will greatly help to meet Brian's financial obligations and I'm very appreciative of this program and so pleased to see the Ontario government is supporting—"

**The Speaker (Hon. Michael A. Brown):** Thank you. Supplementary.

**Mr. Peterson:** Thank you for that great news for the athletes of Ontario. I'm sure these athletes can attest to the need for quality coaching and competitive opportunities to augment their training. Coaches put in long hours with these athletes, helping them to achieve their best. In major competitions like the Ontario summer and winter games, these athletes get the opportunity to compete against the best in Ontario.

1510

Minister, now that athletes are once again receiving direct funding, how is their access to coaching and training being enhanced?

**Hon. Mr. Watson:** Thirty per cent of the funds raised from the Quest for Gold lottery are going to coaching and training. In fact, \$558,000 has already been delivered to the Canadian Sports Centre, Ontario, to provide Ontario athletes with increased access to better-qualified coaches and \$280,000 has already flowed through the Sport Alliance of Ontario to enhance training and competitive opportunities. Increased funding went, for instance, to the Ontario Winter Games that just took place a few months ago in Collingwood, and I'm very pleased to report that additional funds will be going to the summer games taking place in my hometown of Ottawa, so a number of new sports can be added.

The McGuinty government is back in the business of supporting these young role models, these athletes who bring so much pride to our province, and we'll be there to see them on the podium.

#### OPP FUNDING

**Mr. Garfield Dunlop (Simcoe North):** My question today is for the Premier, in the absence of Minister Kwinter. As a follow-up to yesterday's question to Minister Kwinter, I would like you to clarify the information on page 96 of the expenditures estimates regarding the Ontario Provincial Police. It clearly states that \$502,900 will be cut from the investigations and organized crime unit, \$31,073,800 will be cut from field and traffic services, and \$1,147,000 will be cut from the fleet management program.

Yesterday, the minister indicated that I had incorrect information. Premier, can you tell the House what the correct expenditures will be in these three key OPP programs and how many other pages are incorrect in this expensive document?

**Hon. Dalton McGuinty (Premier, Minister of Research and Innovation):** I'm pleased to be able to speak to the question. Let me just say at the outset that the OPP funding this year has increased by \$11,774,400. In the last two years, we have increased the funding for the OPP by 7%.

I'm sure the member knows that, while we provide the global operating budget to the OPP, it is the responsibility of the OPP itself to designate which programs they want to invest in. We provide the global budget; they, of course, make decisions which they think are in the best interests of public safety in Ontario.

**Mr. Dunlop:** Thank you for the answer. As a critic and a host MPP for the OPP general headquarters, I can tell you and I can tell everyone in this House that no one has more concern for the well-being of the Ontario Provincial Police.

What I'm really looking for is correct information. I just simply can't understand why that page would exist in this document. You are telling me that the information in this expensive document is really incorrect; in fact, similar to the information you provided to the voters of Ontario in your Liberal election platform, which we all know is full of broken promises.

Premier, when can this House expect correct information on the operating expenses of the OPP for 2006-07?

**Hon. Mr. McGuinty:** Again, I am pleased to report that funding this year has in fact increased by close to \$12 million. I repeat that over the course of the last two years, we've increased funding for the OPP by 7%. We are providing additional support for the guns and gangs unit, for the biker enforcement unit, for a program which has the cyber-proofing of our children from predators in mind and an anti-child-pornography section.

Let me just take the opportunity to say how proud we are of our Ontario Provincial Police and the dedication they bring to public safety throughout our province. It's the kind of organization that we have a strong attachment to, and we will continue to make the necessary investments to ensure that they have the wherewithal at all times to live up to their full responsibilities.

Let me say as well that we're proud to have invested \$2.3 million to expand the OPP provincial weapons unit—

**The Speaker (Hon. Michael A. Brown):** Thank you, Premier. New question.

#### ASSISTANCE TO HAMILTON

**Ms. Andrea Horwath (Hamilton East):** My question is for the Premier. How is it that your government can find the money to give your hydro CEO, Tom Parkinson, \$702,000 in cash bonuses but you can't find \$480,000 to help Hamiltonians whose homes and businesses were devastated by a tornado?

**Hon. Dalton McGuinty (Premier, Minister of Research and Innovation):** To the Minister of Municipal Affairs and Housing.

**Hon. John Gerretsen (Minister of Municipal Affairs and Housing):** As the member well knows, in the last budget, the city of Hamilton got an extra \$17 million in order to assist with this.

Let me just say that certainly we have a tremendous amount of sympathy for the people who were involved in the tornado and the damage that was done. But the mayor himself acknowledged in the Hamilton media today that his application simply did not meet the criteria of the special assistance grant funding. That's what it's based on.

We're very proud that this government was able to give an extra \$17 million to the city of Hamilton so it can meet its obligations to its taxpayers.

## PETITIONS

## CAFETERIA FOOD GUIDELINES

**Mr. Frank Klees (Oak Ridges):** I have a petition to the Legislative Assembly of Ontario. This petition was delivered to me by Nupur Dogra, and it reads as follows:

“Whereas childhood obesity rates have tripled over the past two decades in Canada; and

“Whereas the annual amount of money the health care system uses to amend preventable obesity related illnesses is \$1.6 billion; and

“Whereas the Ontario food premises regulation only provides safety policies that must be followed by the Ontario school boards’ cafeterias, but no defined regulations regarding the nutrition standard of the food being served at the cafeterias; and

“Whereas there is a need to encourage nutritious standards in high school cafeterias that support Canada’s Guidelines for Healthy Eating; and

“Whereas the private member’s bill proposed by Nupur Dogra under Making the Grade and her fellow students at Iroquois Ridge High School will require all Ontario school boards’ cafeterias to adopt and abide [by] healthier eating standards (similar to Canada’s Guidelines for Healthy Eating) that will govern the food choices;

“We, the undersigned, petition the Legislative Assembly of Ontario to pass the private member’s bill that will amend the Ontario school boards’ cafeteria food guidelines to follow healthier food standards in all Ontario high school cafeterias.”

I am pleased to affix my signature to this petition and to commend Nupur for her private member’s bill. I will present this to page Elyse to present to the table.

## CHILD PROTECTION SYSTEM

**Ms. Andrea Horwath (Hamilton East):** I’m pleased to present a petition from over 3,000 Ontarians concerned about the lack of independent oversight within the province’s child protection system. The petition reads as follows:

“Whereas the Child and Family Services Act of 1999 has been misused to apprehend large numbers of Canadian children; it is financially onerous to the people of Ontario;

“Whereas the current legislation gives CPS workers more power than any policeman, physician or judge, the rights of Canadian children are routinely trampled in the name of ‘child protection’;

“Whereas the funding of this agency is piecemeal based, it is financially rewarded for each file opened and each child apprehended;

“We, the unsigned, petition the Legislative Assembly of Ontario to open up the process to public scrutiny to ensure a level playing field, and ensure a proper judicial review with proper representations.”

I’m sending it to the table by way of Charlotte.

## LONG-TERM CARE

**Ms. Jennifer F. Mossop (Stoney Creek):** I’m presenting a petition on behalf of a number of groups from my riding who are concerned about the levels of funding for long-term care and worried about the residents in those homes. It says:

“We, the undersigned, who are members of family councils, residents’ councils and/or supporters of long-term care in Ontario, petition the Legislative Assembly of Ontario to increase operating funding to long-term-care homes by \$306.6 million, which will allow the hiring of more staff to provide an additional 20 minutes of care per resident per day over the next two years (2006 and 2007).”

I affix my name to the petition.

**Mr. Ted Chudleigh (Halton):** I have a petition to the Legislative Assembly of Ontario:

“Whereas long-term-care funding levels are too low to enable homes to provide the care and services our aging seniors and parents who are residents of long-term-care homes need, with the respect and dignity that they deserve; and

“Whereas, even with recent funding increases and a dedicated staff who do more than their best, there is still not enough time available to provide the care residents need. For example, 10 minutes, and sometimes less, is simply not enough time to assist a resident to get up, dressed, to the bathroom and then to the dining room for breakfast; and

“Whereas those unacceptable care and service levels are now at risk of declining;

“We, the undersigned, who are members of family councils, residents’ councils and/or supporters of long-term care in Ontario, petition the Legislative Assembly of Ontario to increase operating funding to long-term-care homes by \$306.6 million, which will allow the hiring of more staff to provide an additional 20 minutes of care per resident per day over the next two years (2006 and 2007).”

I give this to page McKenzie for delivery to the table.

1520

**Mr. John Milloy (Kitchener Centre):** I have a petition similar to that presented by other members concerning the level of funding at our long-term-care homes and concern about that level. They petition the Legislative Assembly of Ontario “to increase operating funding to long-term-care homes by \$306.6 million, which will allow the hiring of more staff to provide an additional 20 minutes of care per resident per day over the next two years (2006 and 2007).”

## AGGREGATE EXTRACTION

**Mr. Kevin Daniel Flynn (Oakville):** I have a petition signed by some residents of the region of Halton.

“Petition to Rescind Joint Board Decision (June 8, 2005) Approving the Applications of Dufferin

Aggregates to Expand its Mining Licence in the Niagara Escarpment World Biosphere Reserve.

“To the Legislature of Ontario:

“There are numerous reasons for rescinding the joint board decision, including the following:

“Whereas the decision contravenes the purpose of the Niagara Escarpment Planning and Development Act;

“Whereas the decision sets a precedent for quarry expansion licences on the Niagara Escarpment;

“Whereas this decision could lead to habitat destruction for species of concern;

“Whereas escarpment rural lands are equivalent to buffer designation under the United Nations’ framework for biosphere reserve...;

“Whereas, to attempt to maintain the significant wetlands and the stream’s course, water will have to be pumped in perpetuity;

“Whereas this decision allows for pumping 50 feet/17 metres below the water table;

“Whereas the 50-foot dams to be constructed have a potential for failure;

“Whereas aggregate can be readily accessed close to market off the Niagara Escarpment in land that is not protected or at risk;

“We, the undersigned, petition the Legislature of Ontario as follows:

“We call on the government of Ontario to:

“Issue an order by the Lieutenant Governor in Council ... rescinding the decision made by the joint board dated June 8, 2005, approving the applications of Dufferin Aggregates in regards to this matter;

“Issue an order by the cabinet substituting for the decision of the board on this matter, a decision rejecting the applications of Dufferin.”

#### EDUCATION FUNDING

**Mrs. Christine Elliott (Whitby–Ajax):** I have a petition to the Legislative Assembly of Ontario:

“Whereas the Ontario government already fully funds 93% of faith-based schools in Ontario, but the remaining 7% receive no funding, solely because they are not Catholic;

“Whereas the United Nations Human Rights Committee ruled in 1999 and again in 2005 that this arrangement is discriminatory and violates basic international human rights law that Ontario formally agreed to uphold;

“Whereas all three parties represented in the Legislature support Catholic separate school funding, as guaranteed by the Constitution of Canada, so that the only fair and viable solution to the discrimination is to extend funding to the small religious minorities that are currently excluded;

“Whereas the Supreme Court of Canada has ruled that Ontario has the constitutional power to provide funding to non-Catholic faith-based schools;

“Whereas Ontario is the only western democracy that fully funds faith-based schools of one religion to the total exclusion of all other religions, while all other provinces

except the Atlantic provinces fund faith-based schools and have thriving public school systems;

“Whereas the cultural survival of the affected minority groups is at stake;

“Whereas faith-based schools produce responsible and productive citizens; and

“Whereas the Multi-Faith Coalition for Equal Funding of Religious Schools in December 2004 submitted to the Minister of Education a detailed proposal for the funding of non-Catholic faith-based schools in a manner that is fair and accountable and protects and enhances the public interest;

“We, the undersigned, call on the Ontario Legislature to pass legislation to provide equitable funding in respect of all faith-based schools in Ontario without religious discrimination and without any reduction in funding for public education, with accountability requirements and standards in place to ensure that the public interest is safeguarded.”

I’m pleased to affix my name in support thereof.

#### HEALTH CARE

**Mr. Lorenzo Berardinetti (Scarborough Southwest):** I have a petition with approximately 545 signatures. It was prepared by a community activist in my community, Sonny Sansone. It’s addressed to the Legislative Assembly of Ontario and it reads as follows:

“Whereas the McGuinty government is committed to providing the best possible universally acceptable health care system to the people of Ontario;

“Whereas Ontario health care needs are being addressed through the creation of local health integrated networks (LHINs);

“Whereas LHINs allow important health care decisions to be made at the community level by people who best understand the needs and priorities of the community;

“Whereas LHINs move toward a system that is better planned, coordinated and accountable;

“We, the undersigned, applaud the McGuinty government for protecting and enhancing Ontario’s health care system.”

I agree with this petition, I affix my signature to it and give it to page Jenna to present to the table.

#### ORGAN DONATION

**Mr. Frank Klees (Oak Ridges):** I have petitions submitted to me through York Central Hospital, Ms. Pavla Horsak, Sue Good and, also, from Ottawa, Mr. Bryan W. Fuller. The petition reads as follows:

“To the Legislative Assembly of Ontario:

“Whereas 1,920 Ontarians are currently on a waiting list for an organ transplant; and

“Whereas the number of Ontarians waiting for an organ transplant has virtually doubled since 1994; and

“Whereas hundreds die every year waiting for an organ transplant; and

“Whereas greater public education and awareness will increase the number of people who sign their organ donor cards and increase the availability of organ transplants for Ontarians; and

“Whereas the private member’s bill proposed by Oak Ridges MPP Frank Klees will require every resident 16 years of age and older to complete an organ donation question when applying for or renewing a driver’s licence or provincial health card, thereby increasing public awareness of the importance of organ donation while respecting the right of every person to make a personal decision regarding the important issue of organ donation;

“We, the undersigned, petition the Legislative Assembly of Ontario to pass Bill 67, the Organ and Tissue Donation Mandatory Declaration Act, 2006.”

Of course, Speaker, as the proponent of that private member’s bill, I’m pleased to affix my signature.

**The Acting Speaker (Mr. Joseph N. Tascona):** That’s understandable.

#### BORDER SECURITY

**Mr. Mario Sergio (York West):** I have an additional petition here addressed to the Legislative Assembly of Ontario.

“Whereas the United States government, through the western hemisphere travel initiative, is proposing that American citizens require a passport or single-purpose travel card to travel back and forth across the Canadian border; and

“Whereas a passport or single-purpose travel card would be an added expense, and the inconvenience of having to apply for and carry a new document would be a barrier to many visitors; and

“Whereas this will mean the loss of up to 3.5 million US visitors in Ontario, losses of \$700 million, and the loss of 7,000 jobs in the Ontario tourism industry by the end of 2008; and

“Whereas many of the northern border states in the United States have expressed similar concerns regarding the substantial economic impact of the implementation of this plan; and

“Whereas the safe and efficient movement of people across the border is vital to the economies of both our countries;

“Therefore, be it resolved that we, the undersigned, respectfully petition the Legislative Assembly of Ontario to support the establishment of a bi-national group to consider alternatives to the proposed border requirements and inform Prime Minister Harper that his decision to not pursue this issue with the United States is ill-advised.”

I share this concern and I will affix my signature to it.

#### LONG-TERM CARE

**Ms. Laurie Scott (Haliburton–Victoria–Brock):** A petition to the Legislative Assembly of Ontario:

“We, the undersigned, who are members of family councils, residents’ councils and/or supporters of long-term care in Ontario, petition the Legislative Assembly of Ontario to increase operating funding to long-term-care homes by \$306.6 million, which will allow the hiring of more staff to provide an additional 20 minutes of care per resident per day over the next two years (2006 and 2007).”

1530

#### COMMUNITY MEDIATION

**Mr. Bob Delaney (Mississauga West):** I have a petition for the Ontario Legislative Assembly regarding community mediation, and I’d like to thank Anita Wong, Carol Foster and Janice Edmund for having gathered some signatures for it. It reads as follows:

“Whereas many types of civil disputes may be resolved through community mediation delivered by trained mediators, who are volunteers who work with the parties in the dispute; and

“Whereas Inter-Cultural Neighbourhood Social Services established the Peel Community Mediation Service in 1999 with support from the government of Ontario through the Trillium Foundation, the Rotary Club of Mississauga West and the United Way of Peel, and has proven the viability and success of community mediation; and

“Whereas the city of Mississauga and the town of Caledon have endorsed the Peel Community Mediation Service, and law enforcement bodies refer many cases to the Peel Community Mediation Service as an alternative to a court dispute; and

“Whereas court facilities and court time are both scarce and expensive, the cost of community mediation is very small and the extra expense incurred for lack of community mediation in Peel region would be much greater than the small annual cost of funding community mediation;

“Be it therefore resolved that the government of Ontario, through the Ministry of the Attorney General, support and fund the ongoing service delivery of the Peel Community Mediation Service through Inter-Cultural Neighbourhood Social Services.”

I thank the staff at ICNSS for having gathered these signatures, and I’m giving this to page Mark to deliver for me.

#### EDUCATION FUNDING

**Mr. Jerry J. Ouellette (Oshawa):** I have a “Petition to Ontario Legislature to End Discrimination.” It reads as follows:

“Whereas the Ontario government already fully funds 93% of faith-based schools in Ontario, but the remaining 7% receive no funding.... ;

“Whereas the United Nations Human Rights Committee ruled in 1999 and again in 2005 that this arrange-

ment is discriminatory and violates basic international human rights law that Ontario formally agreed to uphold;

“Whereas all three parties represented in the Legislature support Catholic separate school funding, as guaranteed by the Constitution of Canada, so that the only fair and viable solution to the discrimination is to extend funding to the small religious minorities that are currently excluded;

“Whereas the Supreme Court of Canada has ruled that Ontario has the constitutional power to provide funding to non-Catholic faith-based schools;

“Whereas Ontario is the only western democracy that fully funds faith-based schools of one religion to the total exclusion of all other religions, while all other provinces except the Atlantic provinces fund faith-based schools and have thriving public school systems;

“Whereas the cultural survival of the affected minority groups is at stake;

“Whereas faith-based schools produce responsible and productive citizens; and

“Whereas the Multi-Faith Coalition for Equal Funding of Religious Schools in December 2004 submitted to the Minister of Education a detailed proposal for the funding of non-Catholic faith-based schools in a manner that is fair and accountable and protects and enhances the public interest;

“We call on the Ontario Legislature to pass legislation to provide equitable funding in respect of all faith-based schools in Ontario without religious discrimination and without any reduction in funding for public education, with accountability requirements and standards in place to ensure that the public interest is safeguarded.”

I affix my name.

#### BUSINESS OF THE HOUSE

**Hon. Gerry Phillips (Minister of Government Services):** Pursuant to standing order 55, I rise to give the Legislature the business of the House for next week.

On Tuesday, April 18, 2006, in the afternoon, second reading of Bill 11, the Provincial Parks and Conservation Reserves Act, 2005. In the evening, second reading of Bill 81, the Budget Measures Act, 2006.

On Wednesday, April 19, 2006, in the afternoon, second reading of Bill 51, the Planning and Conservation Land Statute Law Amendment Act. In the evening, second reading of Bill 81, the Budget Measures Act, 2006.

On Thursday, April 20, 2006, in the afternoon, to be determined.

#### ORDERS OF THE DAY

##### BUDGET MEASURES ACT, 2006

##### LOI DE 2006

##### SUR LES MESURES BUDGÉTAIRES

Mr. Duncan moved second reading of the following bill:

Bill 81, An Act to implement 2006 Budget measures and to enact, amend or repeal various Acts / *Projet de loi 81, Loi mettant en oeuvre certaines mesures énoncées dans le Budget de 2006 et édictant, modifiant ou abrogeant diverses lois.*

**The Acting Speaker (Mr. Joseph N. Tascona):** The Minister of Finance.

**Hon. Dwight Duncan (Minister of Finance, Chair of the Management Board of Cabinet):** It gives me great pleasure to rise today and speak about the Budget Measures Act, 2006. I will be sharing my time with my parliamentary assistant, the member for Pickering–Ajax–Uxbridge.

This bill implements measures we proposed in the budget we presented a few weeks ago. If I may, I'd like to take this opportunity to reiterate how proud I am, as the Minister of Finance, to have been able to present our budget here in Legislature, the McGuinty government's third budget, which continues our focus on health, education and post-secondary education, while building a stronger economy.

When we came to office in 2003, we inherited a health care deficit, an education and skills deficit, an infrastructure deficit and a fiscal deficit. In the last two and a half years, we have set about addressing each of these challenges in a planned and deliberate way. In our first budget, in May 2004, we laid out for debate and consideration our government's four-year plan for the province. In our 2005 budget, we continued moving forward with this plan, while making an historic \$6.2 billion cumulative investment in post-secondary education by 2009-10 to improve access, quality and accountability. Our 2006 budget is the next part of our plan to invest in health and education, to restore the province's finances and to position Ontario for growth today and tomorrow.

I ask all members of this House for their support for Bill 81, in order for us to put our plans for Ontario into action. This bill will help us to invest in people and the things that matter most to them. This bill will help us to strengthen our economic advantage, which will create a climate for job creation now and in the future. This bill continues to implement measures of our plan for Ontarians. Let me remind viewers watching us here today that, unlike the opposition, we have a plan. Our plan is balanced and responsible, our plan puts people first, and our plan is working.

Job numbers are up since we took office in October 2003. We have seen the economy create almost 230,000 net new jobs, many of which are full-time, higher-paying, knowledge-intensive jobs.



Class sizes are smaller. We have funded an additional 4,300 elementary and high school teachers over the past two years. More than 2,100 schools have reduced class sizes from junior kindergarten to grade 3.

Students are doing better. Literacy and math scores for grade 3 and 6 students have gone up; 62% of these students are now meeting the provincial standard in reading, writing and math, up from a little more than half just two years ago—all of this while cutting the deficit we inherited from the Tory government by 75%, and all of this with a prudent and balanced approach that allows us to invest in our future prosperity while keeping our taxes competitive.

Clearly, our plan is sound. In speaking to this bill today, I'd like to show how this budget bill moves forward on our plan for Ontario, builds on our achievements over the previous years and positions us for a brighter tomorrow. I'd like to start by reminding members of what we announced in our budget.

Quick, reliable and safe transportation is vital to our economic success. It is also essential to our quality of life. In our 2006 budget, we announced Move Ontario, a new \$1.2-billion investment in public transit and municipal roads and bridges that will build opportunity for every Ontarian. The centrepiece of Move Ontario is a landmark \$838-million investment to enable the expansion and modernization of public transit in the greater Toronto area. We will also provide municipalities outside the GTA, with emphasis on rural and northern communities, with \$400 million for roads and bridges. That's enough to repair up to 800 bridges or to resurface 3,000 kilometres of road—about the distance from Thunder Bay to Ottawa and back again. In fact, the Conservatives said today they wanted us to get the money back from some of those municipalities, which was really quite something to behold.

Many municipalities will benefit from the funding, municipalities like the ones in Tim Hudak's riding. The riding of Erie–Lincoln will be receiving almost \$15 million under Move Ontario. Municipalities in the riding of Dufferin–Peel–Wellington–Grey will be benefiting. That's John Tory's riding. They'll be receiving over \$16 million in funding. I know that Mr. Sterling advocated today that we should go and get some of that money back, but I'm not going to do that to Mr. Hudak, I'm certainly not going to do it to Mr. Tory, but, more importantly, not to the people of those great communities who deserve the kinds of investments we're making in public transit and infrastructure.

#### 1540

In addition to our investments in infrastructure, the 2006 budget makes investments to support key sectors, including agriculture, forestry, culture and research and innovation. These investments will strengthen Ontario's competitive advantage, boost economic growth and improve the quality of life for Ontarians.

All of the items in this bill that we are debating today will build on our commitments. For example, one item in this bill that I'm particularly proud of is the extension of

the film tax credit for foreign productions for another year. The entertainment and creative cluster, which includes the film and television industry, is one of the many success stories of our province's diverse economy. Amendments are being proposed to the Corporations Tax Act to extend the 18% tax credit rate for the Ontario production services tax credit for another year, from March 31, 2006, to March 31, 2007.

The Ontario production services tax credit is a refundable tax credit that is available to qualifying corporations for labour expenditures in respect of eligible film and television productions. The extension of the 18% tax credit rate for another year reflects this government's commitment to support Ontario's film and television industry and to help ensure that it remains competitive. We believe we have the right combination of people, expertise, facilities, sites and, now, the financial incentives to protect Ontario's position as the leading film and television production centre in Canada.

Our province is North America's third-largest employer in the creative industries, after California and New York. Creative industries contributed almost \$10 billion to the provincial economy in 2004 and will be among the top three growth industries over the next two decades. Our government recognizes that a strong and sustainable film and television industry is a major contributor to Ontario's economy and quality of life. Film and television production in Ontario generates \$2 billion per year and accounts for nearly 20,000 jobs. The measures in this bill demonstrate our commitment to maintain and enhance the film and television industry leadership.

I can tell you that the industry appreciates these measures. Donna Zuchlinski, manager of film at the Ontario Media Development Corp., has said, "We are seeing around \$200 million in new activity that we can attribute directly to the tax credit increase." Jim Mirkopoulos, vice-president of Cinespace Film Studios, has said, "The current boom is absolutely a result of the tax credit increases. All the producers we talk to will tell us the new incentives are what is turning heads in LA." Individuals like Donna and Jim know that this government is on the right path and are supportive of the measures in this bill.

Another measure in this bill that I am particularly proud of is the proposal to reduce the capital tax rates for 2007-08 by 5% of the current rates. In 2004, we announced a plan to eliminate Ontario's capital tax by 2012. In this year's budget, we announced that we would build on our original plan by accelerating the capital tax rate cut. Amendments are being proposed to the Corporations Tax Act to implement those measures proposed in the budget which would reduce the capital tax rates for 2007 and 2008 by 5% of the current rate. Further, we intend to fully eliminate the tax in 2010, a full two years earlier than planned, should the fiscal position of the province allow.

As I'm sure all members of the House are aware, we are home to Canada's largest manufacturing sector, we are home to the continent's leading automotive sector, we

are home to the country's leading information and communications technology sector and we are the hub of Canada's financial services sector, which underpins economic activity right across Canada. To encourage this diverse economy, we must ensure the vitality of our investment climate. A competitive tax system is essential to attract business investment and encourage economic growth. The measures we are proposing in this bill will lead to increased capital investment, which will lead to more and better jobs. This will build on the progress we are already making.

The economy is strong. Since coming to office, we have seen Ontarians create almost 230,000 net new jobs. Our unemployment rate steadily declined last year and currently sits at 6.1%, below the national average. The infrastructure-related measures in our 2000 budget will help to create almost half a million new jobs over the next six years. Ensuring that all Ontarians can enjoy a high quality of life is important to our government. We're proud that unemployment is down well below what it was under the Tory government in their years in office. We're very proud of that record.

We're making new investments in education and health care without introducing new taxes or increasing current ones. We are optimistic about Ontario's economic growth. We will do our part to ensure that the economy can withstand external factors by anticipating challenges and prudently managing our finances.

I'm proud of what we have accomplished so far. I'm excited about our plan for the future, because ultimately it's a plan that will strengthen the prosperity of our people, the health of our people and the education and skills of our people.

I now ask honourable members for their support for Bill 81, so that we can move forward with our plan to invest in Ontarians, in the things that matter most to them, in the future of the province they and we call home.

**Mr. Wayne Arthurs (Pickering–Ajax–Uxbridge):** I'm particularly pleased and honoured to join in the debate today on Bill 81, the Budget Measures Act. It's my pleasure in part because this is the first opportunity I've had, since joining the minister's office last July, to participate in a budget measures bill as parliamentary assistant to the Minister of Finance.

In speaking to the bill not too long ago, Minister Duncan outlined Move Ontario as one of the initiatives. Our government's \$1.2-billion investment in Ontario's public transit systems and municipal roads and bridges is being very well received throughout the province. I can tell you that the \$400 million within that framework that's going to roads and bridge reconstruction in ridings and communities throughout Ontario is going to be well used to help repair an infrastructure in decline.

As well, the increase in the gas tax from 1.5 cents to a full two cents in October of this year is being well received by municipalities and will provide them with the support they need to enhance their transit systems, both from the standpoint of operating capital investment, but

more particularly, with the flexibility now to support their operating costs as well.

The minister touched on what this bill will do to support economic growth in the province of Ontario, including measures to strengthen and promote Ontario as an innovative economy.

I want to elaborate a little bit on some of the things that the minister, in his time, had the opportunity to speak to. I want to speak briefly on what the budget measures bill does in regard to our health care and education systems. Your support, members of this Legislature, for Bill 81 will help us build opportunity not only for the province but also for everyone who calls Ontario home.

Investing in health care is one of our government's top priorities. We're building opportunities for Ontarians to achieve better health through new programs to promote health and prevent illness, better access to doctors and nurses, and shorter wait times for key services. The government's investment in health care will grow by an additional \$1.9 billion to \$35.4 billion in 2006-07, and that amount will rise to \$38.8 billion in 2008-09. If there are any outstanding questions about the need for the health premium, this level of investment should put those questions to rest.

The 2006 budget further enhances health promotion and illness prevention by:

—Providing some \$12 million in 2006-07, growing to \$30 million, to fund the purchase of insulin pumps and related supplies for young people with type 1 diabetes. This is a matter that came to this Legislature as a private member's initiative. It has been in this Legislature more than once and has now found itself in the budget.

—Providing total funding of almost \$35 million in 2006-07, growing to \$42 million in 2008-09, to the Ontario breast screening program to increase access to screening for women between the ages of 50 and 74. This funding will support the completion of more than 320,000 screens in 2006-07, growing to some 385,000 screens in 2008-09.

—Investing some \$7 million annually to enhance the newborn screening program by expanding the number of diseases for which Ontario screens, and supporting the creation of a new state-of-the-art screening facility, at the Children's Hospital of Eastern Ontario.

We're investing in hospitals around the province of Ontario. In my riding of Pickering–Ajax–Uxbridge, my constituents welcomed our firm commitment to the local hospital sited in Ajax as a project moving forward to construction in the 2007-08 budget year.

#### 1550

An example of our government's interest in supporting healthy choices that can be seen in Bill 81 is an amendment to the Retail Sales Tax Act. To encourage those consumers who drive to choose vehicles with a less harmful impact on the environment and on the air we breathe, we propose to increase the amount of the maximum retail sales tax rebate for qualifying hybrid vehicles to \$2,000. This would apply for vehicles delivered after March 23 and purchased before April 1, 2012. Every step

towards improving Ontario's air quality is a step towards improving the health of Ontarians.

Improving access to the health care system goes hand in hand with improving the system itself. Regardless of how modernized, state-of-the-art or top-notch a health care system may be, it doesn't work if only a few can gain access. Accordingly, our government is working hard to improve access to doctors, nurses and our health professionals.

We are increasing the number of family health teams to 150 by 2007-08, to provide access to primary health care services for 2.5 million Ontarians. The first of those in Durham region was recently announced for Durham West, in the Pickering and Ajax communities.

We're implementing a comprehensive nursing strategy that acknowledges the key role of nurses in quality health care and increases the supply of nursing professionals.

We're investing \$75 million over three years to create an additional 22 community health centres, and 17 satellites to improve access to primary health care. When fully operational, 76 community health centres and 27 satellites will serve over 530,000 Ontarians.

We're investing an additional \$300 million over the next three years to move towards a 50-50 cost sharing with municipalities for land ambulance. That will be accomplished by 2008. This was the one clear message we heard from municipalities during the budget consultations, the one major area that they found the greatest amount of stresses on and needed the province to come to the true partnership that had been initially proposed.

We're creating some 104 new first-year medical school spaces by 2009-10. On a percentage basis, that's well above what we committed ourselves to during the mandate from 2003 to 2007.

Not only is a strong health care system important to Ontario, but a strong public education system is the foundation for a strong economy and a cohesive society. Children need the best start in life to achieve their full potential, and our government is committed to providing the best publicly funded education system for our children. Our plan is to build opportunity through investments in smaller classes, better student achievement and higher post-secondary graduation rates. The 2006 budget would increase grants for student needs to school boards by more than \$400 million, to \$17.3 billion in total. By 2008-09, the province will provide an additional \$2.6 billion in funding to school boards, compared to what they had in 2003-04, increasing by 18%, to almost \$9,300 average funding per student, when one compares it to that earlier period.

In addition, we're enhancing students success through funding for 4,300 more elementary and secondary teachers over the past two years. This goes a long way to implement our plan towards the capping for JK to grade 3 at 20 students or less. So far, 2,400 new elementary school teachers have been funded. Over half of our elementary schools now have smaller primary class sizes.

Our plan for success in education is working. The number of grade 3 and 6 students meeting the provincial

standard in literacy and math has increased to 62% from 54% just two and a half years ago, and we're determined to continue on that road for improvement.

We're also enhancing the Learning to 18 strategy to increase the number of high school students who actually graduate. Within five years, we expect to achieve 85%. So far, 1,300 more high school teachers have been hired to help us achieve that.

To strengthen literacy for our aboriginal peoples, we are providing \$6 million to First Nations and rural libraries and more than \$800,000 for the Lieutenant Governor's summer camp initiative that encourages literacy among the aboriginal youth in northern Ontario.

We're committed to success at the post-secondary level as well. Last year, we introduced the Reaching Higher plan, an historic \$6.2-billion cumulative investment in post-secondary education to increase access and improve quality and accountability. We're taking further steps in this budget to implement Reaching Higher, creating some 75,000 new spaces for students; doubling spending on student aid, adding more than \$300 million by 2009-10; making further enhancements to loans and grants, benefiting some 145,000 students; increasing to 60,000 the number of students receiving upfront grants, up from 32,000 just a year ago, by more than doubling the income threshold for a family with two children from about \$35,000 to \$75,000, making access to post-secondary education that much more achievable for those in our lower-income and middle-income brackets. We're easing student debt by guaranteeing that students who receive government loans of more \$7,000 per year will have any amount beyond that forgiven; raising book and supply allowances for the first time since the mid-1980s, benefiting some 138,000 students; increasing college and university operating grants by \$736 million in 2006-07 over base funding; and continuing to expand graduate education, through \$70 million in funding, growing to \$220 million annually by 2009-10, resulting in 14,000 new spaces for graduate education.

In addition to our commitment to public education, we also remain committed to helping the sectors that support our economy. One sector in which we have faced challenges this past year has been the forestry sector. Although our economy has demonstrated great resilience in the face of serious challenges, there's no doubt that the forest industry in Ontario has been adversely affected. That's why the Premier and the Minister of Natural Resources have announced that we will set up a forest sector prosperity fund of \$150 million over three years.

Amendments in this bill before us today would amend the Ministry of Natural Resources Act to authorize the minister to establish programs to promote and stimulate the development and management of natural resources in the province of Ontario. It would also permit the minister to make grants for that purpose. This measure is particularly important in supporting the economy and long-term prosperity for northern regions, and this measure, as does the bill in its entirety, delivers on the commitments we've made as a government.

When we took office, we inherited a variety of deficits: a deficit in health care, a deficit in education, a deficit in infrastructure. Each of our budgets has made important investments in each of these areas to benefit all Ontarians. At the same time, we have systematically been whittling down the massive fiscal deficit Ontarians were left with by the former government. Its Premier and finance minister of that day left us with a \$5.6-billion hole. No wonder they tried to direct Ontarians' attention away from that situation by delivering the now infamous Magna budget in an auto parts factory, rather than here in the public House.

To ensure that we can provide opportunity to all Ontarians through the measures introduced in the 2006 budget, I would urge all members of the Legislative Assembly to support Bill 81.

**1600**

**The Acting Speaker (Mr. Jerry J. Ouellette):** Questions and comments?

**Mr. Lorenzo Berardinetti (Scarborough Southwest):** I'm pleased to have a couple of minutes to comment briefly on what the minister and the parliamentary assistant had to say on the budget. I think it was basically a good-news budget. I know the minister and the PA have worked very hard, as well as a lot of the people behind the scenes, in bringing forward a budget that is starting to rebuild and reconstruct trust with the taxpayers, with the people of Ontario.

As was stated by the minister and the parliamentary assistant in their comments, this budget touches on a lot of different areas, and they spoke to some of those areas. I briefly want to speak about the fact that Move Ontario, a \$1.2-billion investment in public transit, is something that is extremely significant to Ontario, and to the people in my riding of Scarborough Southwest. You can't have a healthy Ontario, a healthy Toronto, a healthy GTA or a healthy Golden Horseshoe area without having a public transit system and a public infrastructure system that are going to move people. If you go to any major city in the world, whether it be London, Paris, New York City or any other major city, they have an infrastructure that allows people to move through that city in a fairly easy fashion.

This investment being made in the budget in Move Ontario, the \$1.2 billion in public transit and municipal roads and bridges, is going to help to move people faster and more easily. It's going to help people get to their jobs quicker. It's going to help people get off the road, the ones who are taking cars because they don't want to use public transit, and get them back to the transit system and, hopefully, ease up on the congestion we have on some of our major roads and create an overall better public transit system.

I'm happy to see that's in the budget, and I'm happy the budget does what it does this time.

**Mr. John Milloy (Kitchener Centre):** I want to congratulate the speakers this afternoon who commented on the important budget that was discussed in this Legislature several weeks ago.

As a representative of Waterloo region, I was impressed with a number of the initiatives in the budget, partly because it addressed some of the needs of my community, which has a very strong high-tech community. In fact, Communitech, which is the local technology association that represents most of the high-tech players in Waterloo region, issued a press release, and I thought I'd share parts of it with the Legislature this afternoon in the two minutes I have.

"Communitech, the Waterloo region's technology association, welcomes the Ontario government announcement in last week's budget that it is making significant investments in two Waterloo-based research institutes and supporting the growth of innovative start-up companies in the province."

It goes on to praise the \$100 million the budget had for the University of Waterloo's Institute for Quantum Computing and the Perimeter Institute for Theoretical Physics.

It says, "Over the next four years, the province will also provide substantial support for start-up companies to assist in the commercialization of innovation. This includes \$46 million to help start-ups become investor-ready and assist them in achieving early stage milestones such as technical and market feasibility.

"The budget includes some fantastic news for this region," said Communitech President Iain Klugman. "It champions innovation at all stages from pure research to productization. The support for our two new world-class research facilities is phenomenal and we're very encouraged by the support announced for start-up companies, which often need some assistance to develop to a point where they can attract investors."

That is not me speaking. This is not some partisan document. This is the high-tech community association in one of the high-tech centres in this province pointing out what great support was in the budget.

**Mrs. Elizabeth Witmer (Kitchener-Waterloo):** I was really very pleased, and I know our community of Kitchener-Waterloo was very pleased, that the budget built upon the investments that were initially made by the Progressive Conservative government in the last term, and that was the initial funding that this government had provided to the Perimeter Institute. I am certainly very pleased to see the government move forward. It was an institute for which I had lobbied long and hard. Our government responded initially with an investment, and I was really pleased to see that type of investment continue.

The Institute for Quantum Computing: Our government had originally made an investment in that area as well. It's an area of extreme importance and interest to our community. I'm very pleased, again, that additional money was provided that certainly builds upon the foundation money that we put in place.

Our community is one where we do have a tremendous amount of innovation. We have a tremendous amount of entrepreneurial spirit, and certainly these investments are appreciated.

On the other hand, however, there were many, many people in our community who were extremely disappointed. I know that small business people in my community were really quite concerned that this government did not balance its budget but chose to deliberately continue to run a deficit in order that they could show a balanced budget next year. It's going to be additional interest that the taxpayers in Ontario are going to have to pay this year. Again, there was no relief, in any way, for small business owners, who are finding it more difficult, with rising gas and hydro prices, to make sure that they're continuing to employ people.

**Mr. Michael Prue (Beaches–East York):** I must say I was trying my very best. There was a subcommittee in the backroom, but the television was on and I was doing my very best to try to listen to the member from Pickering–Ajax–Uxbridge, as I always do, because he and I come from the same place—we were mayors and we were on all the same committees—and I always try to see where his head's at. I couldn't say that I listened to his entire speech, because I was trying to pay attention in there too.

**Mr. Berardinetti:** Good speech.

**Mr. Prue:** Yes, some of it seemed to make sense—at least the part that I heard—until he got to the part talking about the particular section of the act that deals with Ontario infrastructure. It's schedule I that indeed causes us some considerable grief and consternation in the New Democratic Party, because we know full well what schedule I of Bill 81 actually intends to do. For clarity, what this particular schedule is going to do is merge the Ontario Strategic Infrastructure Financing Authority and the Ontario Infrastructure Projects Corp. People might say, so what? So what that you're going to merge these two bodies. But I ask, within the body of this bill, why is the government doing it at this particular time? It is quite obvious to us why they are doing it. These are the teams that presently look at proposals, and they are simply the ones that oversee the RFP processes for public-private partnerships. I think that's where the government is going with this particular issue, and that's what twigged my attention and made me stand up and notice what my good friend from Pickering–Ajax had to say. It's because that's what this particular section of the bill is. I have to tell you that we oppose what that provision says, and I think I have to say that I oppose that portion of his speech which was in support of this particular schedule.

**The Acting Speaker (Mr. Joseph N. Tascona):** It's time for oral response. The Chair recognizes the member from Pickering–Ajax–Uxbridge.

**Mr. Arthurs:** I certainly want to extend thanks to the members from Scarborough Southwest, Kitchener Centre, Kitchener–Waterloo and Beaches–East York, whether it was an acknowledgement of good work that was done by an awful lot of people who aren't in this House bringing forward the message we're delivering, but those who actually do the work, both ministry and ministers' staff from a great variety of ministries, and certainly the regional context mentioned by both the members from

Kitchener Centre and Kitchener–Waterloo in the context of the high-tech areas.

I will be the first to recognize that budgets are not one-offs. Budgets build, in some cases, on work that has gone before, and when that occurs, it should be acknowledged. They also set the stage for work that has to happen in the future. Certainly areas like Kitchener–Waterloo are ones that are high-tech and innovative centres and need to have the continued support of the provincial government in the years forward as well as they've had in years past.

**1610**

The member from Beaches–East York on the infrastructure matter: It was a central theme of the budget, and I suspect as we have a little more time to debate this bill, and a little more intentionally the section that he raised, it will be on the floor by our members.

I just want to take the last few seconds to comment that we are doing things that we feel are important. We're doing things on public health, we're doing things on transit and we're doing things on ambulance. We're interested in an issue we talked about earlier today: moving some of these social programs, more regressive types of taxation related to property tax, back towards a greater provincial ownership at the same time as providing municipalities with support in those kinds of initiatives that are more important directly to their service, whether it's providing of transit or fixing their roads and bridges. So we're looking to find some balance. We're trying to take back some of the responsibilities that are more socially-driven or public-service-driven and provide some additional funding to municipalities to support their infrastructure needs. It took us a long time to get to where we are. Getting back is going to take us a little longer than just one or two budgets.

**The Acting Speaker:** Time for further debate.

*Applause.*

**Mr. Tim Hudak (Erie–Lincoln):** Oh, thank you; you're so kind. God bless you. Thank you. Wait until you hear my speech and see if you applaud after—the Thursday afternoon before the Easter weekend.

It's a pleasure to rise in this assembly today to address Bill 81, the Budget Measures Act. I'll speak about various schedules in the act. My colleague from Beaches–East York already referred to schedule I, and there are others that I know will be part of his debate as well as mine. I will speak a bit about how we came to this place, and the overall financial policy, the overall financial mismanagement, by the McGuinty government will also be an important part of my remarks. I also want to stress, as many of us do here in the assembly, the overriding concern about the state of Ontario's economy, our growth rate and the rather lacklustre results that we've seen in Dalton McGuinty's Ontario, I would argue because of their runaway spending policies, their high taxes and fees and an energy policy that seems to change every day and is doing great harm to consumers' pocketbooks, the pocketbooks of seniors and is chasing jobs out of the province of Ontario.

I want to commend my colleague the member for Halton, for example, who has done an outstanding job watching the numbers. We regularly will get reports from his office about the GDP, auto sales figures and other economic variables. I know the member for Halton would often stress where we stand in Ontario. There has been a very disquieting theme where in so many different measures of the performance of our economy, like job creation or exodus of talented individuals from this province, Ontario, which had always been a lead province for our lifetime, now is middling at best, to near the bottom of the pack. I'll give you a couple of examples of what I mean. It's not just me and the member from Halton, although his statistics come right from Statistics Canada, the conference board and other such places.

Let me give you a couple of examples. The Toronto-Dominion Bank Financial Group provincial economic update—this is the very recent one, released February 17, 2006, so not too long ago. What did they say, Mr. Speaker? I know that you're a fan of the TD reports. You will recall that they forecasted that Ontario's annual GDP growth will be the second-lowest in the 2006-07 fiscal year, narrowly missing New Brunswick, which has the lowest projected growth. If you hear the Premier or the finance minister tell it, when they talk about jobs created in the province of Ontario, you would think that we would be way above the average, one of the lead places in Canada or North America. Certainly there was a time not too long ago, under the Mike Harris government, when that was the case, when our pace of job creation, and the total number of jobs as well, led Canada, and Ontario was one of the fastest-growing jurisdictions in all of North America, if not the fastest. We saw a boom in our economy. We saw revenues in the province of Ontario rise as a result, because far more people were working.

**Mr. Jeff Leal (Peterborough):** Tim, did you see the Star the other day? "Ontario Leads in March Job Creation"—

**Mr. Hudak:** The member says Ontario led in March job creation. But I say back to the member from Peterborough—

**Mrs. Witmer:** Did he look at January?

**Mr. Hudak:** As my colleague from Kitchener-Waterloo says, did you look at January? Did you look at the 80,000-plus manufacturing job losses that occurred in the past year? Well-paying manufacturing jobs.

I know that the member from Peterborough is not trying to be dismissive of the plight of our manufacturing sector, but the member cites one particular Toronto Star article. I think the member knows that in the midst of those jobs, in February there was a further loss of manufacturing jobs as part of that report. The member from Halton could probably tell me the exact number. My recollection was that several thousand manufacturing jobs fled Dalton McGuinty's Ontario at the same time.

I remind him of the size of Ontario's economy relative to the other provinces. You say that Ontario gained the most, but we have a much larger economy—not growing

as fast under Dalton McGuinty; we are losing that competitive advantage. We agree on that. But I'll repeat that the Toronto-Dominion Bank Financial Group provincial economic update forecasts Ontario's annual GDP growth will be the second-lowest in the 2006-07 fiscal year, narrowly missing New Brunswick, which has the lowest prediction. It is certainly not the province of Ontario that the member from Peterborough grew up in or the member from Ottawa-Orléans or I grew up in, where Ontario had generally been the engine of growth for this entire country, one of the fastest-growing jurisdictions. We had held that place as recently as a few years ago. In Dalton McGuinty's Ontario, my goodness, second-lowest, just slightly above New Brunswick.

**Interjection:** Doom and gloom.

**Mr. Hudak:** One of the Scarborough members, I think, said, "Doom and gloom." I know the member is very Pollyanna about these things, and if Dalton tells him something is good, he's going to believe it. He is one of the few who believes what Dalton McGuinty says, I would say, in the province of Ontario. So he suggests the Toronto-Dominion Bank Financial Group—

**Mr. Kevin Daniel Flynn (Oakville):** Hazel's happy; everyone's happy.

**Mr. Hudak:** The member talks about Hazel McCallion, who called their OMERS bill the biggest case of downloading in the history of the province, if I recall. So I'm interested to hear what Hazel has to say about OMERS, and I'm curious why they are raising Hazel's criticism of OMERS at this particular time; that sounds like what I'm hearing.

To get back to the point, it's disappointing that the members to my left are saying that the Toronto-Dominion Bank is gloom and doom. I think they'd look at the figures in a very quantitative manner. They're not saying this is gloom or doom. They actually look at the numbers and they say, "Here is how we rank relative to other provinces." I don't think you can say that this is particularly gloom and doom. It's simply the facts as seen by the TD Bank. But I say to the member of Peterborough, if you guys don't—

*Interjection.*

**Mr. Hudak:** So you don't use TD Bank; do you use Scotiabank? If you prefer Scotiabank to TD Bank, I will tell you what Scotiabank says.

**Mr. Leal:** I talk to the new employees at GE and Tim Hortons in Peterborough.

**Mr. Hudak:** The people in Tim Hortons in Peterborough would say they would be concerned about Scotiabank's provincial report, which describes that Ontario is still in the slow lane. The report observes that Ontario's GDP is expected to further decelerate by an additional 2% in 2006, placing the province of Ontario below the national average, which happens every year under Dalton McGuinty's—

*Interjection.*

**Mr. Hudak:** Well, I know the member from Perth-Middlesex seems to be satisfied about Ontario's poor relative performance, but members on this side are

certainly not impressed by the fact that Ontario would have the second-lowest—

**The Acting Speaker:** The member from Peterborough and the member from Perth—Middlesex—who is not in his seat, I believe—I don't want to hear any more comments with respect to the debate here. I'm having difficulty hearing it, and I want to hear it.

**Mr. Hudak:** Thank you very much, Mr. Speaker.

I think it gives us great pause when we see the banks noting Ontario's relatively weak economic performance under Dalton McGuinty, certainly when you see 80,000-plus manufacturing job losses in the province of Ontario. That should give all members concern. I know there is no doubt that Premier McGuinty in caucus will say, "Don't worry, be happy," and try to put his spin. But certainly the Toronto-Dominion and Scotiabank, among others, seem to take a different line of thinking when they are looking at Ontario's relative economic performance. I think there is no doubt that this is a reflection of their misguided hydro policy that's chasing jobs out of the province of Ontario. It's a reflection of their runaway spending that, you know, honest to goodness, would make David Peterson blush to look at the rate of spending increases in the province of Ontario under Dalton McGuinty.

1620

We thought the previous finance minister, Minister Sorbara, the member for Vaughan—King—Aurora, was a little loose with the purse strings. We saw, under Minister Sorbara, an 8% annual increase in spending when nominal GDP was increasing at 4% at best. Spending at twice the growth rate of the economy is clearly not sustainable. You know what? If you look at what Minister Sorbara did—I'll make you a little bet here, Mr. Speaker. I don't know if you'll take on my wager, but if you had Bob Rae, David Peterson and Dalton McGuinty lined up for a race on who was spending money at the fastest pace in constant dollars, who would win that race?

**Mr. Mario G. Racco (Thornhill):** The Conservatives would.

**Mr. Hudak:** No, no. The member from Thornhill says the Conservatives would. Well, no. If you look at the facts, actually Mike Harris had the slowest rate of growth for spending increases, then Ernie Eves' government, and then I think it was—I can't remember if Bob Rae or David Peterson was the place horse and who was the show horse.

**Mr. David Zimmer (Willowdale):** Careful; you're being partisan.

**Mr. Hudak:** No, it's the Canadian Taxpayers Federation data I'm using, actually.

*Interjections.*

**Mr. Hudak:** Oh, now they don't like the Canadian Taxpayers Federation. It's true. The word—

*Interjections.*

**Mr. Hudak:** This is interesting. My colleagues from Haliburton—Victoria—Brock and Beaches—East York make a good point: Dalton McGuinty was all set to get nice, close and personal with the Canadian Taxpayers

Federation when he signed their document to win votes during the election campaign. Oh, it was a cuddly little relationship that Dalton McGuinty—he showed a little leg there, a little wink, a little nod, a little nudge, and he said, "Listen, I'm going to sign your document, Canadian Taxpayers Federation. I believe in what you say. I'm going to fight for taxpayers." He put his arm around them, gave them a big hug, signed that document, and what happened? Dalton McGuinty's signature was not worth the paper it was written on. As soon as he got into office, he unceremoniously ripped up that document and spurned the Canadian Taxpayers Federation. Now they say, "We don't care about them. We don't care about"—

**Mr. Zimmer:** Partisan.

**Mr. Hudak:** What did you say? Did you say that they're partisan?

**Mr. Zimmer:** You're partisan.

**Mr. Hudak:** The member from Willowdale says I'm partisan. Well, I'm a member of the PC Party. But I thought I heard members opposite, who are not saying it now, say that the Canadian Taxpayers Federation is partisan. But not too long ago—

**Mr. Leal:** Let's hear about the Magna budget.

**Mr. Hudak:** I'll get to that.

Not too long ago, you wanted to be best buddies with them. I hate to dwell on the topic, but Dalton McGuinty has a very, very bad reputation for breaking promises. The members opposite brought up the Canadian Taxpayers Federation and how much they liked them, but now they're partisan.

Dalton McGuinty made some very solemn promises to the Canadian Taxpayers Federation. I would say that Dalton McGuinty cynically made campaign promises that he knew he couldn't keep or had no intention of keeping, and then once he had the keys to the Premier's limousine, boy, those promises went right out the window as fast as they could. Picture it: right there on the 401, the promises out the window—which meant, as a result of breaking his promises to taxpayers and the CTF in particular, that taxes have now gone up exorbitantly. In fact, the biggest tax increase in the history of the province was under McGuinty.

There is no commitment whatsoever to balancing the books. I think Dalton McGuinty did say he'd balance the books each and every year. Well, he's broken that promise each and every year. I'm sure there were many others that were part of that—oh, yes, in terms of transferring new taxes to other agencies or levels of government. This is another part of the—

*Interjection.*

**Mr. Hudak:** The member wants to avoid, now, the Canadian Taxpayers Federation, but it's true. Another aspect of that document that the Premier signed—what was going through his head at the time? He was signing that document and he was thinking, "Boy, suckers. I'm signing this and they're going to back me, and eventually I'm going to break these promises." Yes, I think he did; I think he knew at the time that he had no intention of keeping those promises.

At any rate, I don't mean to dwell too much. But the point I was trying to get across was that if you lined up Dalton McGuinty with Bob Rae and David Peterson and you asked who could spend money the fastest, Dalton McGuinty would beat them hands down: an 8% average increase in provincial spending under Greg Sorbara.

Then the new finance minister, Dwight Duncan, comes into office. Minister Sorbara resigns and Dwight Duncan comes in as the new finance minister. Not to be outdone by Greg Sorbara, what does Dwight Duncan do with his budget? Remember, it was an 8% increase in provincial spending under Finance Minister Sorbara. Do you think Dwight Duncan's increase in spending was higher or lower?

**Interjections:** Higher.

**Mr. Hudak:** Higher.

**Interjection:** Neutral.

**Mr. Hudak:** No, it wasn't neutral; hardly. Members here were correct: a 9.2% increase in program spending. I mean, this would make Bob Rae blush. Well, Bob Rae is over there now, but he would still blush at that kind of a spending increase. I'll get to some of the numbers here. So a 9.2% spending increase. They faced a clear choice in this past fiscal year, 2005-06, a very clear choice: whether they could balance the budget or go on a last-minute, mad money spending spree.

We actually brought forward a projection, and I think the NDP had similar numbers, that thought they would probably have between—what did we think?—\$2 billion and \$2.5 billion in extra money at the end of the year. We expected that money at the end of the year, and there's a reserve in there as well. You could add on another \$1 billion for the reserve. The deficit was, without reserve, \$2.4 billion. They could have balanced the budget, in fact, twice over. But instead of dedicating that money towards balancing the books, this end-of-year money—let me go back a second. If the average working family in the province of Ontario received money at the end of the month that they weren't expecting, they would use that money, I would argue, to pay down credit card debt. They wouldn't go on another spending spree and run up that debt even more.

But instead of using the finances in a fiscally responsible manner, they went on a mad money spending spree. The problem with mad money spending sprees—aside from being mad money spending sprees by definition—is that if you're spending money the last few weeks of the year, you basically get it out the door with no questions asked. There are no strings attached to that funding. The auditor actually slammed the previous Liberal budget, which was a Sorbara budget, for I think it was about \$1 billion that was sent out the door, no questions asked, no strings attached, the last few days of the fiscal year.

Dwight Duncan is not one to be outdone. He wanted to surpass Greg Sorbara in overall spending increases and he also decided to surpass Greg Sorbara in end-of-year mad money. They ended up spending the vast majority of those funds in the last week, last couple of weeks, some

in the last couple of days, heading into March 31, the end of the fiscal year. We've seen some rather amusing, in a sense, but disappointing at the same time, responses now from the Minister of Finance and the Minister of Municipal Affairs and Housing with respect to money supposedly allocated for roads and bridges. I think members of this assembly know that there are no strings attached to that money. I think the Minister of Municipal Affairs himself told the Kingston Whig-Standard that that money could be used for an entertainment centre of some kind. I apologize; I don't remember the details off the top of my head, but the Minister of Municipal Affairs basically said that money can go to the roads and bridges but also to an entertainment centre, a cultural centre of some kind. Then the Minister of Finance said, "No, that's not the case; it's roads and bridges," in his unique style.

Then we asked another question today. The member for Lanark-Carleton asked about money that was transferred to a couple of counties that were actually not responsible for a single road or bridge, and the Minister of Finance would say, "Oh, that's going to roads and bridges." The Minister of Finance, I think, basically admitted today that that was a bunch of horse feathers, if that's parliamentary; that this notion that the Minister of Finance said that this is going to go to roads and bridges is really horse feathers. Is that—

*Interjection.*

**Mr. Hudak:** Horse feathers. Is that okay? So that's the problem with end-of-year spending: There are really no controls. I'll be very curious about what the Provincial Auditor has to say about some of the spending that was done at the end of the year. I'm sure there will be all kinds of other examples that we uncover.

I know from my colleagues who represent other grape-growing and winery regions that there was some end-of-year money that went directly to the wineries. I would ask if the members opposite know how much consultation was done with the Wine Council of Ontario on how that money would be divided up.

**1630**

In the absence of any comments from the members opposite, the answer is zero hours, nil, nought, none—not a single hour. Basically the wineries started getting cheques in the mail and there weren't strings attached to the cheques. They're direct grants to businesses. There aren't strings attached to that money. The wineries started calling among themselves, trying to figure out, "How did I get \$500 when my colleague down the street received \$50,000 or \$100,000?"

So it turns out, I guess, that the Ministry of Finance officials sort of huddled in the backroom, knew they had to get the money out the door before March 31 and basically made up their own formula, which has caused a significant schism in the wine industry. The wineries would say, "If we knew the rules of the game ahead of time and competed for those funds, that would be very fair. We would know what the rules are and make our decisions accordingly. Do we sell to the LCBO? Do we sell locally? Do we sell to restaurants?" etc.



Instead, the government, on the back of a napkin, created a plan, and sure, there are some winners and some losers in that, but I think the industry as a whole has said, "It would have been much better if you had asked us the best way to invest that funding, if we had given some advice on the formula, and then we could have made our decisions accordingly." So there are some rather curious results out of that. I know there are a number of small and medium-sized wineries that are quite upset, to put it mildly.

The problem, too, is that at the end of the day, if we had some sort of forensic investigator, it would be related somehow to LCBO sales. The problem, as my colleagues in the grape-growing area know, is that the current LCBO system discriminates against the small craft wineries. They don't have the same opportunity to put their wines on the shelves of the LCBO. So what the funding did was exacerbate an existing situation where the small craft wineries are on the outs, and those that received the smallest amount of money were the small craft wineries.

I would say to members opposite that the best long-term solution to this issue is not, in the last couple of days of the fiscal year, throwing some cheques into the mail and hoping for the best; the best thing would be to open up a parallel system, like my Bill 7 proposes, of VQA Ontario wine stores. That would give greater market access and greater exposure to our outstanding small and medium-sized VQA producers, and that would be a long-term and a real solution to the problem rather than this end-of-year mad money.

Anyway, many people have caught on to this issue about the end-of-year spending. I look forward to what the auditor has to say in his advice when he looks closely at the province's books.

*Interjection.*

**Mr. Hudak:** They did. They effectively cooked the books. It was pretty smoky in here that day, Mr. Speaker, as you may recall. I think we had to open the windows up there to clear some of the smoke out. But they cooked the books, the member for Peterborough says, to intentionally run a deficit and decided to spend money that would make a drunken sailor embarrassed. At least drunken sailors spend their own money. Dwight Duncan and the Ontario Liberals spent taxpayers' money like it was going out of style. It sets us up for tremendous challenges that—

*Interjection.*

**Mr. Hudak:** Well, the member for Don Valley should share that concern, that you can't continue to spend at twice or more the growth rate of the economy. This is what happened under David Peterson, right? It's David Peterson déjà vu all over again. My colleagues from the NDP came into office, and David Peterson had spent so much money, made so many commitments, that when he was finally given the boot they had a huge deficit—I think it was about a \$6-billion or \$7-billion deficit—as a result of the mess David Peterson left behind, because he couldn't control spending. He couldn't. You must agree

with that, at least. David Peterson could not control spending. I think so. I think that's true.

Let me read some of the third-party comments. We'll start with some comments from journalist Linda Leatherdale, the money editor of the Toronto Sun—

*Interjections.*

**Mr. Hudak:** Liberals laugh, which is unfortunate, at Linda's mention, but Linda has been a very strong champion for taxpayers and property owners in the province of Ontario and has a tremendous following.

Ms. Leatherdale, in the Toronto Sun, said: "Budget Sticks It to Us

"With \$3 billion in Extra Cash, the Liberals Blew It All and Increased the Net Provincial Debt..."

"But rather than return money to taxpayers' pockets, he's keeping our money for an election war chest next year."

I don't think I can repeat the Toronto Sun headline of that day, actually. It says: "Give Us Our @#\$! Money!" I'm not sure exactly how you would pronounce that, but I think it's showing great upset—that series of symbols. "Give Us Our @#\$! Money! McGuinty Thinks He Knows How to Spend Your Cash Better Than You Do."

We were talking about the Canadian Taxpayers Federation a bit earlier. John Williamson—I'm curious what he says now about the McGuinty government after all the broken promises. Mr. Williamson said: "Is this deception or incompetence? Obviously the spending projections for 2006 should not be given much weight. The government says its spending will increase by less than 2% this year, but based on its spending record, I do not believe this target will be met—certainly not in an election year."

There's no doubt. I'm talking quite a bit about the 2005-06 budget and the end-of-year spending. So I'm talking a lot about the 2005-06 fiscal year.

I'll say to the minister's staff, there really was no 2006-07 budget, right? While the document may say "2006-07 budget," there really was no 2006-07 budget, because all the spending that they boast about was back-ended into 2005-06, and they have a bunch of phony projections for 2006-07 that will be very far from reality.

*Interjection.*

**Mr. Hudak:** I'll bet you on that. We'll talk about it later, but if you guys come close to 2% spending growth, I think it'll be interesting to see what kind of bets we can have.

Ashley McClinton, the director of government relations to the Retail Council of Canada: "We are somewhat disappointed the Liberals have consistently chosen to increase spending rather than putting money back into the pockets of Ontarians."

Jeffrey Simpson, Globe and Mail: "The McGuinty Liberals Just Keep Spending."

Let's see. What else can I say? Those are some journalists and the Canadian Taxpayers Federation.

Wayne Samuelson of the Ontario Federation of Labour, in his news release said: "The Liberal budget document actually admits that their energy policies have caused the

loss of countless manufacturing jobs in Ontario. This is the biggest loss of manufacturing jobs since the 1990s.”

My colleagues from the Liberal Party say that that’s gloom and doom. It reflects the facts.

“This budget document has no strategy, no plan or any indication that the government intends to take any kind of an active role in dealing with the crisis of the countless loss of jobs and livelihoods here in this province. We know the government has the money. Why aren’t they using it to handle this job loss crisis?” Mr. Samuelson’s comments.

Wayne Fraser, the Ontario director of the United Steelworkers, said in his news release: “Government coffers are overflowing because of record corporate profits, but Premier Dalton McGuinty is missing in action when it comes to helping our crucial manufacturing and forest products industries.”

The Windsor Chamber of Commerce: The minister himself, obviously, comes from the Windsor area. I don’t know if there’s a tradition in the House for the minister to be here for bills or at least the critics’ response to those bills. I don’t know if that’s a tradition or not. If it was, it seems to be an un-tradition. It no longer seems to be happening when it comes to finance bills. I think my colleague will probably agree with that.

**Mr. Leal:** The PA is here.

**Mr. Hudak:** I’m glad the PA’s here, because they’re making him work awfully hard because the minister does not appear to be in his seat at this point in time.

Let’s talk about Windsor a little bit. I was talking about the minister, who may be on his way to Windsor right now. The editorial in the Windsor Star, in reaction to the budget, said the following: “Ontario Finance Minister Dwight Duncan was sent to Queen’s Park to represent local constituents but appears to have deserted them in favour of new-found friends in Toronto, judging by the budget he delivered Thursday.” Ow; that has got to hurt. If you come from the Windsor area and you’re the finance minister, you’re thinking you’re something, right? Then your own newspaper, the editorial, says, “Ontario Finance Minister Dwight Duncan was sent to Queen’s Park to represent local constituents but appears to have deserted them in favour of new-found friends in Toronto, judging by the budget he delivered Thursday.” Ouch.

**Mrs. Witmer:** That hurts.

**Mr. Hudak:** That has got to hurt.

I think it’s a fair comment, you’d have to agree, by the Windsor Star. If there’s anything that the majority of coverage of this budget noted, it was that Dalton McGuinty basically took a bomb and threw it into the divide between the city of Toronto and the rest of the province.

1640

The Premier’s electoral strategy is very clear. The election is next year. There are a lot of people who live in the city of Toronto and a lot of people who live in the cities next to Toronto, and therefore they have a lot of seats. No doubt, by spending such huge sums of money—no, they’re actually not really spending it; let’s

be clear. Things like the subway are promises, and we know what Dalton McGuinty usually does with his promises—they’re promises for sometime down the road.

So Dalton McGuinty and his cabinet made a choice to target the votes in the largest cities, and I understand that because there are a lot of seats in that area. They’re willing to cast off some members outside of Toronto as long as they maintain their majority in the area. The problem with that is, while it may make sense mathematically, any good Premier, any responsible Premier, any Premier who is up to the title of being Premier of the province of Ontario, is going to strive to achieve a balance between the needs of the capital here in Toronto and the needs of northern Ontario, the needs of rural Ontario and the agricultural community or Ottawa and other parts of the province, or Windsor, for example. But certainly Dalton McGuinty instead chose a very narrow focus that throws a lot of money—well, actually, promises to throw a lot of money—to try to win seats but ignores vast parts of the province of Ontario, and you can see that reflected in the Windsor Star.

The Ottawa Citizen wasn’t too happy about this either. Let me read you what the Ottawa Citizen said:

“During bad times, you run deficits to stimulate the economy. During good times, you pay down debt to be ready for those times when you need money.

“That might be the primary problem with the budget Ontario Finance Minister Dwight Duncan released yesterday.

“The province produced \$83.9 billion in tax revenues last year, about \$2.25 billion more than expected.”

**Mr. Phil McNeely (Ottawa–Orléans):** Conservative rag.

**Mr. Hudak:** The member for Ottawa–Orléans calls the Ottawa Citizen a Conservative rag.

**Mr. McNeely:** And I stand by my statement.

**Mr. Hudak:** And he stands by his statement. Nonetheless, I think that most people who read the Ottawa Citizen would think it’s an outstanding newspaper, and they may take exception to what the member for Ottawa–Orléans just said.

**Mr. Peter Kormos (Niagara Centre):** So he wants the Sun?

**Mr. Hudak:** The Ottawa Sun might be his preference.

“The province produced \$83.9 billion in tax revenues last year, about \$2.25 billion more than expected.”

I’ve got to ask you this: How is it possible that that much additional revenue came into provincial coffers when, only a few weeks before, Dwight Duncan was crying poor? It’s either incompetence or that what he said one time—

**Interjection:** Prudent management.

**Mr. Hudak:** Good management? Who said that one? That’s bizarre.

**Mr. John Wilkinson (Perth–Middlesex):** Prudence.

**Mr. Hudak:** You can’t say “prudence” either. He cooked the books. Just admit it. Just admit it.

**Mr. Kormos:** I think Duncan was Harnicking. Duncan did a Harnick right here in the House.

**Mr. Hudak:** My colleague says, “Duncan did a Har-nick.”

The third quarter—I think members know this. In every quarter, or quarterly, the ministry, in various documents, will release the state of the finances. The third-quarter statement, the economic update, which was for the period ending December 31, 2005, released in late January 2006, was a bunch of nonsense. I know that there are ministry staff, civil servants at the Ministry of Finance, for whom we have tremendous respect in this assembly, who are probably feeling a little bad about what they were forced to do, or maybe it was the minister’s office that cooked those books. But my goodness, the huge difference between what was in the third-quarter update and then the budget about revenues coming into the province is absolutely incredible.

**Mr. Milloy:** What about the Magna budget?

**Mr. Hudak:** You guys have to come up with some more original lines once in a while. Member from Kitchener, you must be concerned. When the Ministry of Finance documents come out from your minister, you’d expect them to be accurate, wouldn’t you? You’d expect them to be true; you’d expect them to be up to date. I don’t have the number in front of me right now, but in my releases we talked about the incredible increase in revenue that magically appeared in February and March that then was spent in the last couple of weeks of March. It is disturbing to see what the minister has done to the third-quarter finances, because you just basically can’t trust what’s in there if there’s that much variance in just a couple of months’ time.

This minister is also obscuring their financial projections as well. Traditionally we would see in each tax year the expected revenue as well for future years. Now this minister, for the first time in the history of the province, as far as I know, has eliminated that projection in just one large lump sum, again obscuring information that is available to members of this assembly, to members of his own party or to the general public.

**Mrs. Witmer:** Lack of transparency.

**Mr. Hudak:** It’s a lack of transparency, as my colleague says, no doubt, and done intentionally, which is very upsetting, very disconcerting. I think members too should probably have some concern about the change in accounting practices that was done. There was a lack of full transparency in doing so. It makes comparisons from 2005-06 to future years, or 2004-05 projections for 2005-06, very difficult to ascertain. I hope that my repeated requests to be briefed on the state of the finances, as commonly granted to my colleague, who is now the Minister of Government Services, will be made available to the finance critics. Again, the lack of transparency continues. We are repeatedly denied those opportunities, which is very unfortunate.

Before I proceed with some detail on Bill 81, I want to also note a number of things on which we’ve seen some disconcerting lack of progress. The Mortgage Brokers Act was introduced not too long ago. I think it was intentionally promised to be introduced in the fall or

winter of 2005. Like I said, if Dalton McGuinty makes you a promise, watch your pocketbook. You really can’t believe all those promises. Anyway, the mortgage brokers were expecting the act to be introduced at that point in time. It was finally introduced a few months late. The Minister of Finance made a bit of a show, where he spoke about wanting to make sure that all members of the assembly got behind it to accelerate it and make sure it was passed in a timely manner—something like that. They haven’t called it for second reading—not even a single minute of debate for second reading on the Mortgage Brokers Act. So we certainly hope to see the minister put his money where his mouth is and at least call that bill for second reading.

**Mr. Leal:** Are you supporting it?

**Mr. Hudak:** The member asked if I’m supporting it. I would actually just enjoy hearing some debate about it. If it’s such a priority for the Minister of Finance, you wonder why he wouldn’t call it for second reading. Maybe because he was so busy spending all that end-of-year money, shovelling it out the door as quickly as possible. The only thing restricting him was his ability to sign the cheques. Otherwise we hope to see the Mortgage Brokers Act move forward soon.

Bill 76, the Business Corporations Amendment Act, one of my private member’s bills, would have extended the tax benefit to veterinarians. I expected it to be part of this budget or that we’d see Bill 76 move forward. I think members of the assembly probably all agree on Bill 76, but unfortunately no progress in that respect as well. Nor have I heard—and maybe I just missed it; it’s tough to keep track of everything all of the time. But I hope that this Minister of Finance will convey the tax benefits that the previous minister extended to doctors and dentists to other health care professionals. We have not heard about any progress to date, which is also unfortunate.

I’ll call members’ attention as well to Bill 46, which is my private member’s bill to amend the Ontario Securities Commission act, which—

**Mr. Leal:** Oh, that’s not the Homestead Act.

**Mr. Hudak:** Well, we did get some attention to the Homestead Act. The member from Peterborough supported it, and I do appreciate his support of that act. If you listened to the finance minister yesterday, he seemed to be telling members of his party not to support the Homestead Act. But I was pleased to see that 11 of them rose today in defiance of the finance minister’s bluster and stood up for their constituents in support of the act, and I appreciate the member from Peterborough being one of those. We saw a different tone from the finance minister today. I hope that because of the fact that members of all three parties voted in an overwhelming fashion in support of the Homestead Act, we will finally see some action in this respect. I think we will. I think the minister can resist for only so much longer the will of his caucus and the will of the Conservative Party and that of my colleagues in the NDP.

**1650**

The other piece I want to note for the record while discussing Bill 81 is the lack of progress on the credit union legislation. This is an expectation that I think many of us in the assembly had, that we would see some progress in that area. I know that members in that profession are anxious to see legislation move forward. My colleague from Oak Ridges has been very interested in this legislation, as well, to put the credit unions and *caisse populaires* on a level playing field with the powers enjoyed by their colleagues or like organizations in other provinces. It seems, unfortunately, to be behind schedule. I wanted to take this time to call attention to that and to ask the minister to kindly get moving on those various pieces of legislation that are important to those communities and, I'd suggest, important to the province as a whole.

Another item that is missing from Bill 81 that was a budget initiative is the tax increment financing promise. The TIF, which is common in the United States of America, is basically a property tax scheme that allows municipalities to borrow against future assessment increases to finance development today. I know my colleague the Minister for Public Infrastructure Renewal has spoken about this on many occasions. I would expect that many of his colleagues would like to see something move forward to help redevelop brownfields. There have been certain degrees of success with this type of tool in the United States.

I was pleased to hear it mentioned in the budget. It had been some time since I heard the Minister of Public Infrastructure Renewal talk about it, before we heard it mentioned in the finance document. I note, though, that it's not included in Bill 81, and hopefully it will get there. I know you can't put everything in this bill. I expect the minister's working on that and we'll see it before the House shortly.

**Mr. Leal:** He's working hard on that one.

**Mr. Hudak:** I hope so because there are a few things I mentioned that I'd like to see a bit more work on, and the TIF as well as mortgage brokers and credit unions, among others, fit that category as well.

**Mr. Arthurs:** Put your priorities on the top of the list.

**Mr. Hudak:** I hope so. Thank you. Put your priorities on the top of the list. The Homestead Act: As we saw, a number of members supported it today in the assembly. I hope the minister will take up my offer to meet in the very near future to move that legislation forward.

Schedule C, the Community Small Business Investment Funds Act, deals with labour-sponsored investment funds. We've had a few twists and turns on this, so I'll looking forward to a debate from the parliamentary assistant and other members of the government caucus to help us follow the various twists and turns that have taken place. The previous Minister of Finance had announced cancelling these instruments. There was a public outcry and they backed down and made some changes. Now we see further changes taking place under schedule C. I look forward to debate and advice from

those who invest in LSIFs if the government now has it right. Hopefully, they've reached a point of stability instead of the significant changes we've seen in the treatment of LSIFs that cause concern in the investment community. Many retail investors, for example, are concerned about that.

Schedule D, Corporations Tax Act—enhancing Ontario production services tax credit. We had some deputations on this matter at the finance committee, as my colleague from Pickering–Ajax–Uxbridge will recall. The animation studios particularly had come forward asking for improvements to the tax credit. I know my colleague and leader of the Progressive Conservative Party, John Tory, had pushed very successfully for enhancements to the tax credit that we saw reflected previously. I'm pleased to see his support seems to be bearing fruit in aspects of this budget.

Now what was it? Was it D also, accelerating the Ontario capital tax rate cut? "The government enacted legislation in 2004 to enhance Ontario's investment climate by gradually phasing out the province's capital tax at a pace that enabled the funding of key"—okay. "This capital tax elimination plan included increases to the deduction, followed by reductions to the capital tax rates until the tax is eliminated in 2012. The deduction is being increased from \$5 million in 2004 to \$15 million in 2008, which will have the effect, by 2008, of exempting more than 14,000 additional corporations...."

This is another curious story, because Finance Minister Sorbara, in his first incarnation, was strongly opposed to the reduction of the capital tax; at least it seemed so by his actions. There was a plan, as you know, under the Progressive Conservative Party to eliminate that tax and phase it out. There was also a plan at the federal level under the Liberal Party of Canada to similarly phase out the capital tax rate, for good reason: to help create jobs and investment in Ontario. Certainly the manufacturing sector particularly would benefit from this, and I mentioned earlier the concern we have about the flight of manufacturing jobs from Ontario.

But as part of the bill—it's been a while, so correct me if I'm wrong—that had the biggest tax increase in the history of Canada—or at least the province of Ontario, and probably Canada—by Dalton McGuinty, despite campaign promises to the contrary, the capital tax schedule was eliminated and pushed far back. I think it was eliminated. Then the second incarnation of Minister Sorbara brought it back, but in a bit of a wishy-washy way, and it would be deferred down the road; I think in the 2008-12 schedule—another one of these promises that eventually it will happen. And now we have the third incarnation of the capital tax rate cut under Finance Minister Duncan, which is actually a very small move. I think it's a way of saying that they've tried to do something on manufacturing jobs, but in reality, a very small move, a very tepid step, a very flaccid response to a serious problem.

I'm always pleased to see tax reductions as part of a budget, but for businesses that are thinking about invest-

ing in new machinery, new plants in Ontario, that are going to put their capital and their faith in the province, certainly these to's and fro's of policy, these three changes under the Dalton McGuinty government, are entirely unhelpful, because they don't provide stability. It's unfortunate that we've seen so many changes, and who knows what we'll see in the next budget with respect to the capital tax.

Schedule E, the Gasoline Tax Act, supporting Ontario ethanol production: It's interesting; I didn't hear much about this: Ethanol would therefore be subject to the same tax treatment as gasoline. I don't think that's well known across the province, among corn producers, for example. Maybe it is, but I certainly haven't heard much about it. I have not heard members on the government side talk about the fact that now ethanol will have the same tax treatment as gasoline, meaning higher taxes on ethanol.

I will say to my colleague, the Minister of Natural Resources, that we'd like to hear more about schedule G, whether that's through a briefing or his discussion in the House. The minister's purpose is not entirely clear in schedule G and we would like some more detail there.

Schedule H was curious, I say to my friend from Brantford. Schedule H was a curious addition to Bill 81. Schedule H, the Municipal Elections Act and related amendments to other acts, is the proposal to increase the terms of municipal councillors to four years from three. It's mixed in my riding. In my riding of Erie-Lincoln, some municipal councillors like this provision. They would like the extra year because they feel it would give them a bit more time to make changes, if necessary, or learn on the job if they are new. On the other hand, there are other councillors and mayors who don't like the extension. They think three years is appropriate and feel that some may not run again for office, or run for office, because four years is a longer commitment. So I would say it's a mixed reaction.

The point I was going to make here is that I think Premier McGuinty was pretty nervous going into ROMA—it was ROMA, right? I remember last year being at ROMA when the Minister of Municipal Affairs, John Gerretson, was heartily booed by the delegates. The Liberals had some policy positions that were very poorly received by ROMA. The minister was booed, and I think Premier McGuinty was nervous about that. That's not good optics, right? But he didn't have—

**Mr. Leal:** They gave him a standing ovation.

**Mr. Hudak:** No, he didn't. He didn't have much to talk about in support of rural Ontario. As we talk about the contents of the budget, we're very focused on the largest city. There was very little to boast about if you came from rural Ontario. So I think the Premier had to roll something out and just sort of pulled out the four-year term. It might have been better received at AMO than ROMA. It was sort of a mixed reaction at ROMA too, am I right? Sort of a mixed reaction.

**1700**

But what's curious is that it's part of the budget bill under schedule H. I think, because of the reaction that varies across the province, within municipalities and on a regional basis, it would behoove us to have this as a stand-alone bill for debate in the assembly. I do hope I have my colleagues—the minister could facilitate that. I would think my friends in the third party would facilitate that. I will put that request on the floor, for schedule H to stand alone, because I do worry. Budget bills, by their nature and the nature of budgets, are comprehensive documents, right? I worry that we will not have extensive enough debate on schedule H, the amendment to the Municipal Elections Act, 1996. I do hope—

**Interjection:** Are you running for mayor of Burlington?

**Mr. Hudak:** Well, if there are potential candidates, they would probably enjoy having an opportunity to speak to the bill, right? They would probably enjoy the opportunity to have it as a stand-alone piece of legislation.

I'll skip through a couple more. Schedule K, the Ontario Municipal Employees Retirement System Review Act, the OMERS bill, you remember, from not too long ago: There's a great deal of controversy, to put it mildly, surrounding the OMERS bill. Sid Ryan, the head of CUPE, had negotiated for a review of OMERS and its impact on various employee groups for 2012. My recollection at the time from Mr. Ryan was that it was to be a stand-alone bill. Maybe I misheard. But this has been buried in a finance bill. I think the government doesn't want to talk about their OMERS bill anymore, and the controversy surrounding it. So it's buried there as schedule K of the act. I was going to say Special K, and then it all went bad from there.

I know my colleague from Oshawa asked a question in the House about a further schedule which doubled the retail tax rebate for hybrid electric vehicles. He had a concern about Ontario-made automobiles and how they would fare under that regime. I know he will have more to say about that. He's a very strong defender of the auto industry in the Oshawa area and he gets great support from autoworkers in his community. I won't belabour that point.

I think as my time winds down, I'll go back to some of the bigger-picture issues. There are parts of this bill that I hope will be taken out as stand-alone. There are other bills before the assembly today, or expected before the assembly, that we would like to see actually have time for debate in the assembly. I'm pleased that the minister is seemingly interested in the Homestead Act and I look forward to working with him to see those principles, like a 5% cap on assessment growth as long as home ownership is maintained, or the \$25,000 deductible for home improvements without facing a reassessment, or the break from paying property tax on the first \$10,000 for seniors and the disabled. I was happier with the minister's tone and appreciate the 11 members opposite, as well as my own colleagues and the NDP, who sup-

ported Bill 75. We look forward to seeing that go a bit further.

We launched the official opposition *McGuintywatch.ca* as well. For those colleagues who had a chance to view *McGuintywatch.ca*, it's an opportunity to keep a close watch on the bottom line of the McGuinty government and a chance for taxpayers to send in their concerns about government spending. We actually had a contest as well for people who could get closest to the amount the Liberals would spend more than they had projected. We actually had about 50 responses to that, and I look forward in the near future to having a bit more fun time with the winners of that contest. I hope the Minister of Finance will take up the invitation to dine with them because they were the closest.

**Mr. Leal:** It's always good to hear from your brother-in-law.

**Mr. Hudak:** No. Mark did not enter the contest. I don't even know if he knew about it. He doesn't follow politics as closely. He's smart.

We had 50 individuals who specifically went into this particular contest. Let me tell you, *McGuintywatch.ca* predictions were right on the money. We had projected that the end-of-year windfall, the money they would receive more than they projected they would—they kind of hid it, right? It's in their pockets. The Ministry of Finance really hid how much money they had coming in. We estimated it to be about \$2.5 billion, and in reality it was \$2.9 billion. The Minister of Finance had said, "Oh, no. We don't have anything like that. It's much lower." In reality, it was higher: \$2.9 billion in end-of-year windfall.

Additional revenue from taxes over the budget plan: We projected about \$1 billion. In fact, they had \$1 billion more from personal income taxes alone than they had projected they would receive. I think they actually hid how much they were receiving. To be honest about it, they purposely low-balled how much would be coming in in revenue.

End-of-year spending spree: \$2.5-billion projection. The McGuinty Liberal budget actually had about a \$2.5-billion spending spree. *McGuintywatch.ca* was right on the money.

Could the government have balanced the budget in 2005-06? *McGuintywatch.ca* projected yes. The answer was, in fact, yes, but they chose to spend instead. They said they had about \$2.9 billion in end-of-year money, but instead of using that windfall, if you will, to balance the books, they chose to spend it, penny after penny.

Could they have cut income taxes in 2005-06? Obviously, yes, they could have done so. They had plenty of money, actually, to balance the books and then some left over. But no, they chose not to. They could have cut taxes, but chose not to. They decided to spend instead.

Was there BPS consolidation? Was the broader public sector, like colleges and hospitals, brought on the books in the budget? *McGuintywatch.ca* had projected yes, and in reality, yes—not a bad guess.

Program spending growth last year: We had projected about 8% for 2005-06. It seemed reasonable. You remember from my remarks about 40 minutes ago that the average spending increase under Minister Sorbara was 8%. We had guessed that Dwight Duncan's first budget would be a similar amount of 8%. In fact, they exceeded it: 9.2%.

Let me make one last, general comment. I call it the \$23-billion gaffe. Premier McGuinty has made much of the \$23-billion gap, to use his term, in terms of how much money the province of Ontario sends the federal government and does not receive in return. They recently met in Montreal to discuss the notion of a fiscal imbalance. I think that this recent budget, with its intentional deficit, with its runaway spending, with its end-of-year spending spree and a 9.2% increase in program spending, blew a big hole in Ontario's case with the federal government. It's almost like somebody buying a new suit, new shoes and a new car, then going out and begging for money with new cap in hand.

Dalton McGuinty already has a major credibility problem. Let's face that fact. But if you're going to Ottawa asking for more money and you come up with a budget like this that has no notion of fiscal responsibility whatsoever, you wonder how successful you're going to be.

There was also much talk in the papers about not this but the meeting before with Prime Minister Harper and the Premiers, where Dalton McGuinty walked into the room and said that Ontario is more equal than all the other provinces.

**Mr. McNeely:** You're not in favour of getting some of that gap back?

**Mr. Hudak:** The member says, "Are you not in favour about the gap?" Absolutely. We support addressing the case of fiscal imbalance. It's getting awfully hard, though, to support Dalton McGuinty when your top salesman for the province of Ontario breaks promises, quite frankly, can't really be trusted to keep his word, and then goes on this kind of spending spree. How can you honestly make the case with the other provinces or the Prime Minister when you exhibit that kind of behaviour? It does not exactly engender trust.

**1710**

Is there any effort to try to get the other Premiers on the same page? You would think that if you actually wanted to address a fiscal imbalance, Ontario would play a leadership role, bring other provinces together and then, with the weight of the provinces on side, make a difference and bring about change. But in that last meeting in Ottawa and in his most recent meeting in Montreal, Dalton McGuinty has isolated himself. There were some comments there about not being trustworthy from others who were at that meeting. I think that one of the biggest tragedies of this budget is that Dalton McGuinty put a major hole in Ontario's case.

We're trying to support the Premier, trying to support the case. It's getting awfully hard to do so when you see this kind of budget and when you see this sort of Jekyll

and Hyde management style. We all know the good cop/bad cop routine; we used to do it down at customs, right? But the same person cannot be good cop and bad cop. You can't say, "Oh, Steven Harper, Jim Flaherty and John Baird are my best buddies," and the next thing you know, you're cutting them up publicly. I don't know if that's going to work. So the Premier's Jekyll and Hyde approach, this spending spree of a budget, and then just bizarre behaviour with the other Premiers has put a major hole in Ontario's case. We do hope there is success, but it's getting awfully hard to put faith in the Premier when he has a credibility problem.

He has a credibility problem with keeping his promises and a credibility problem with making the tough decisions that other provinces have done. Did you know only two provinces in Canada are running deficits? Prince Edward Island and Ontario. That's it. Everybody else is making some tough decisions to make sure that they balance or have surpluses. We're with Prince Edward Island in Ontario.

I hope the members were listening to me just a while ago about the massive end-of-year money that they could have used to balance the books but instead intentionally ran a deficit.

**The Acting Speaker:** It's time for questions and comments.

**Mr. Prue:** As always, it is a pleasure to listen to my friend from Erie-Lincoln. As I've said other times, and I'm sure I will say again, I don't always agree with his analysis but I always like the way that he is able, for a whole hour, to look at an entire budget and, point by point, bring his own critique to that budget. He brings up some very good points. There are two—because I only have two minutes—that I'd like to seize upon, not so much that I agree with him but in fact because I disagree with his analysis.

The first one is on the capital tax schedule. I do agree with him, of course, that the former finance minister, Mr. Sorbara, when he first came to this House, delayed the capital tax schedule—I think with good reason—and then it was later deferred again. Now, in his own words, it's being picked up and being shoved ahead. My friend from Erie-Lincoln is saying that this is a good thing, but I have some very real doubts about this capital tax schedule speed-up. I have some real doubts, and I think that the members of the Legislature, particularly in the Liberal Party, should have some very sober second thought about what you're doing here, because the reality is that you are going to lose a great deal of capital and money and taxation policy around this.

I would grant that the member from Erie-Lincoln is saying it can go to good things like new machinery and manufacturing where we want to encourage jobs. If that's what it was for, I would probably say that was a good idea. But the reality is that most of the capital tax schedule deferrals will go directly to the six largest banks of this country and to the insurance companies. They will be the largest single gainer. I don't have to tell you how much profit they are making this year. I don't have to tell

you that some of the people think that some of those profits are obscene. I don't have to tell you that they are going to remain in this country notwithstanding the capital tax and, just maybe, you can use the money better.

**Mr. Kuldip Kular (Bramalea-Gore-Malton-Springdale):** I am pleased to participate in a two-minuter in this debate. This is a bill which is definitely the good news budget not only for the city Brampton, not only for the city of Mississauga, but also for the rest of Ontario. Let me tell you what the mayor of Brampton, Susan Fennell, said: "It's an excellent budget for Brampton and for the rest of the region of Peel."

It invests \$95 million in Brampton. I'm quite sure Brampton is going to benefit from \$95 million. It will help Brampton to build the AcceleRide project. The AcceleRide project is going to help Brampton have express bus lanes, building the city the Brampton.

This budget also invests an additional \$1.9 billion for health care funding. This additional health care funding will have more doctors and nurses. It will help us reduce wait times not only in the area of cataract surgery and hip and knee surgeries; it will also help us reduce wait times in the area of cancer therapy.

I definitely believe this is a budget which helps all Ontarians. It invests in the people of Ontario. It creates almost 200,000 jobs in this province. I fully support this budget.

**Mr. Ted Chudleigh (Halton):** It was a wonderful dissertation by the member from Erie-Lincoln. He dissected the budget wonderfully and said that the 8% increase, year over year, by this government shouldn't be a surprise. It should absolutely not be a surprise. The last time the Liberals were in power in this province, they doubled the provincial spending. In 1995, Larry Grossman brought in the last Conservative budget of the 42-year reign of the Conservatives. The last budget was for \$24 billion—\$24.3 billion, I believe it was. In 1990, Bob Nixon, after five years of the Liberal government, brought in the 1990 budget, which was never implemented because the NDP won. In 1990 the last budget that Bob Rae brought in was for just under \$49 billion—\$48.7 billion or \$48.8 billion. In those five years that the Liberals were in office, they doubled provincial spending from \$24 billion to \$48 billion. So the fact that they're on an 8% per year increase in spending is not surprising.

Liberals spend. If they have a windfall profit, if they have a windfall amount of tax dollars coming into their coffers, they're going to spend it. They are going to run as large a deficit as their polling tells them the people of Ontario will put up with. They'll go on spending sprees. They will do whatever they can to spend as much money as they can. In fact, without a doubt, Liberals consider that somebody's take-home pay is actually unused tax room. They will continue to spend and spend until this province has no opportunity left but to elect a fiscally responsible government that will put the fiscal responsibility back where it belongs and make this government economically sound, make this province economically sound, and build for the future once again.

**Mr. Arthurs:** I'm pleased to have a couple of minutes to comment on the member from Erie–Lincoln's hour address. I just want to say quickly—I'm fairly new and I didn't stand up on a point of order when the member was referencing the fact that the finance minister has other obligations. I didn't stand up because I'm still fairly new. I know in my time, in my 12 minutes, I didn't make reference to the absence of the leader of the official opposition today, nor did I make reference to the absence of the leader of the third party, but I'm sure—

**The Acting Speaker:** I think the member knows better. When I stand, you're not heard. If you want to continue, I would use another line.

**Mr. Arthurs:** Thank you, Mr. Speaker. I was responding to one of the references made by the member for Erie–Lincoln. Having said that, the member referred to mcguintywatch.ca. One of the comments was, "Well, they could have cut taxes." The last government, when they had a budget, cut taxes and went into debt, and that was the March 2003-04 Magna budget: cut taxes, go in debt.

Our objective is to deal with the deficits in health, education and infrastructure, and the provincial-municipal imbalance, that fiscal gap. We're getting there at this point. We're getting there with the public health up-load, the 65% ambulance, to get it to 50-50, and the gas tax. So we're taking care of that fiscal imbalance effectively. We're dealing with the infrastructure deficits in this budget in particular. We've been dealing with the health deficit and we've been dealing with the education deficit.

I appreciate the member for Erie–Lincoln's difference of opinion on our budget strategy, but we're doing a budget strategy that's going to be effective in providing services for the people—

**The Acting Speaker:** It's time for a response. The Chair recognizes the member for Erie–Lincoln.

1720

**Mr. Hudak:** I thank my colleagues for their comments. Pickering–Ajax–Uxbridge, there's no way that we could beat you in a spending match. There's absolutely no way. You boast in your comments about the incredible spending increases, and I'm not going to argue with the incredible rate of spending increases, which, as my colleague from Halton rightly pointed out, are 8% per year, 9.2% in program spending in this past budget. Honest to goodness, it makes David Peterson blush. It took from Confederation to 2002 to get to about \$68 billion in total spending—from Confederation to 2002, approximately \$68 billion. Dalton McGuinty is going to probably put it over \$90 billion in one term alone. That's a significant increase in spending. You must agree with that.

But seriously for a moment, I do have some serious concerns that I'm directing to the Ministry of Finance and its officials. I find it very concerning that the department of finance is grossly underestimating—I think it's the minister's office—projected revenue from taxation, particularly personal income tax, corporations tax, elec-

tricity payments. I think they cooked the books in the third-quarter financial reports.

I also note with great concern that there is no restatement of the 2005 budget plan to most tables using the new accounting system which consolidated parts of the broader public sector on the books. British Columbia did this when they moved forward. This Minister of Finance chose not to take the transparent approach. That registers strong concern.

Lastly, the Minister of Finance is no longer disclosing details like expected personal income tax, retail sales tax etc. in the medium-term fiscal plan. Instead, they're hiding that number. I want to register a very strong concern.

**The Acting Speaker:** Further debate?

**Mr. Prue:** It seems I'm again in this unenviable position of having a bifurcated speech, half tonight and half potentially on the next night, although I'm given to understand from the government House leader in the announcement today that this will be coming back up on Tuesday night, and it may well be impossible for me to attend. So I'm going to try my very best to get my one-hour speech done in 35 minutes.

Having said that, budget bills are difficult bills because there is so much contained within a budget. When you're spending \$60 billion or \$70 billion or \$80 billion and when you have so many ministries and so many programs, it is very difficult for the average person, and even the average parliamentarian, to fathom everything that's going on. You have to be very careful to read hundreds, if not thousands, of pages, and you have to look at documents which will make your eyes swim. I will tell you, Mr. Speaker—and you know, because you probably read some of them yourself—the bureaucratise, the legalese, the documents that you have to read again and again and again, where it substitutes a single number on line 35 of a bill that you're unfamiliar with, and it's all contained within the budget.

So I tried to take some time to look at the budget bill itself, to go back to the day when the finance minister stood in this House and read his budget, to go back to the day when some of us were in lock-up, to look at the budget bill itself and to try to determine what was in it prior to the actual reading of the bill at 4 o'clock. I tried to go back and I also went to look at Bill 81, because Bill 81 is the authority of the government to raise the funds, including a provision within the bill to borrow some \$4 billion in order to make sure that government continues, as indeed government must, while this is being debated.

One thing caught my eye, because as well as being the finance critic, I am of course the critic for municipal affairs and housing and was, until my good colleague here from Toronto–Danforth came along, also for the GTA. So I look very strongly at municipal issues. I looked at one of the provisions on that day and I thought it was kind of strange and bizarre that this would be in the minister's budget statement, and that was that he would propose "legislation that would provide a process to review the governance model of the Ontario Municipal Employees Retirement System (OMERS), extend the



municipal election cycle from three to four years, and allow the St. Clair Parks Commission to wind up by transferring parkland and recreational property to local municipalities.” It was the second provision that caught my eye, because I thought, what has extending a municipal term of office from three years to four years possibly got to do with the budget? I’ve been here now nearly five years and I’ve seen lots of bills and omnibus bills and things shoved together, but in my wildest imagination I could not fathom that a budget bill would contain a provision to extend a period of municipal office from three years to four years.

So when people started to call me and say that they heard Minister Duncan talking about this during his budget—and members of the Toronto city council called me and concerned citizens called me. Municipal councillors, of course, rather like the idea of extending it from three to four years—and I heard some debate on that earlier—but citizens don’t particularly like the idea of extending it from three to four years. There is a great divide here. People who are going to be elected like the idea of only having to run for election every four years, because it is a bit of a traumatic experience. You walk the streets, you lose a little weight, you have some difficulties; you might not win. It is a difficult process. But citizens like that their politicians are accountable and feel that, quite frankly, they may be less accountable if they only have to come back every four years as opposed to every three.

So I continued to answer their questions, trying to do the very best I could to articulate to them that I was sure that at some point there would be a great debate in this House, that the Minister of Municipal Affairs would stand and introduce legislation on this and a compendium of other goals and objectives related to municipal elections in Ontario, and that I was sure there would be a very healthy debate, in which case we could listen to what the politicians had to say in favour of four years, or listen to what the citizens had to say in favour of three years or leaving it as it is.

You can imagine my surprise and my shock this past week in going through Bill 81, because there in Bill 81, hidden in schedule H, is a bill that’s just going to deal with municipal elections. Not one cent is going to be spent—not one cent of government money. This is hardly a budget item. Of \$80 billion, how much, if anything, is going to be spent on this provision? I would suggest nothing. And although the province may spend very tiny amounts of money on municipal elections, related primarily to ministerial questions on referenda, they spend literally nothing on the elections themselves. That is the responsibility of the individual municipality and/or the regional government. Those are the people who budget for and pay for municipal elections. So I have no idea why schedule H is there.

I read schedule H, in its very best legalese and bureaucratise, to see what it meant, and here it is. Look at some of these: “3(1) Clause 8.3(1)(b) of the act is amended by striking out ‘three’ and substituting ‘four.’” Then it goes on to say, “Subsection 8.3(5) of the act is

amended by striking out ‘three’ and substituting ‘four.’” There’s a whole bunch of stuff after that. Section 5.1 says, “The definition of ‘regular election’ in subsection 1(1) of the Municipal Act, 2001 is amended by striking out ‘triennial.’” And on we go. In the end, it doesn’t say anything except that “This schedule comes into force on the day the Budget Measures Act, 2006 receives royal assent.” So when you read schedule H of a budget act, and you’re trying to think how this pertains to the passage and the expenditure of \$80 billion, it doesn’t.

**1730**

What this is is a carefully hidden and worded statement that is going to deny the citizens of this province an opportunity to speak out on whether their municipal councillors should be elected for a three-year term or a four-year term. There is going to be no great debate, as I told them there would be. There is going to be no defence of the municipal councillors and municipal mayors coming forward and saying why they need four years. There will be no opportunity for ratepayers’ group to say anything at all about this because you know something? This bill is going to be passed pretty quickly. I know it’s going to be passed because this is a budget bill. If a budget bill fails, under parliamentary tradition and the laws of our country, it would mean that this government would fall. So there is no opportunity.

There will not be single Liberal member who will stand up and criticize schedule H, because to stand up and criticize schedule H and say it shouldn’t be in there and/or to defeat this bill, is tantamount to defeating your government. Whether you agree with every other provision in how the money’s being spent, by putting this in here you have assured that nothing can happen but the will of the Premier, who made this promise at a ROMA conference and I am sure was cheered by every ever single municipal politician.

**Mr. Ernie Hardeman (Oxford):** No.

**Mr. Prue:** Almost every single municipal politician or most of them—by most of them, who looked forward to being elected for four years as opposed to three. But in terms of democracy, in terms of how our cities run and in terms of a budget bill, this causes me some great difficulty. In doing that, I tried to think—and I tried to ask quietly some of the members of the backbench Liberal Party whether there had been any discussion of this in their caucus, whether there had been any great announcement of which they were made aware of section H before it was done. I couldn’t talk to all of you, but the ones I talked to told me that there was absolutely none and that they were as surprised as me to see that this was a provision in the schedule of a budget bill. But there it is.

So I had to go on and look at what else is in these schedules. What is the government trying to hide? What is the government trying to slip through the back door and ordinary people would never know that it was there and that politicians, like all of us, who are overworked, would not have an opportunity both to read budget documents and to go through giant bills like Bill 81 with

schedules and legal words changing “three” to “four” and trying to determine what in fact that means.

So you can imagine that I went back and started to look at what was contained. Of course I had great high hopes. I thought, wow, if they can do this about municipal elections, maybe there’s a provision in here to end the clawback. I thought, wow, maybe they’re putting something in here that I didn’t know, I didn’t see, and they’re going to end the clawback so that poor people, those on Ontario Works, those on ODSP who have children, can actually get to keep the money. I’m sorry to tell you it wasn’t there.

I thought maybe there are provisions in here that with the federal government giving all of this money for building affordable housing, they’re going to actually build some. That wasn’t there either.

I thought maybe they were going to redo the property tax system that has caused so much grief and consternation in our province. That wasn’t there either.

Finally, with my last fading hope, I thought maybe there’s something in here about the Tenant Protection Act, which is now at day 925 of your mandate and you’re nearly 600 days late. Maybe there’s something in here just to change a few sections of that act while you’re waiting to do more study on an act which is two years overdue. There was nothing there at all either.

I read the schedules and I went through them just to see what was in there. There are things that I don’t think many people understand or would agree with that are being taken away or done. The first is schedule C. Schedule C does away with labour investment funds. Some would say, “So what? You can invest in anything else,” but the labour investment funds were there for a purpose. They were there so that working people would know that the funds they were investing would go into worthwhile community projects, or those that would further the cause of labour and working people. They are being phased out. There it is; it’s in the act. They’ll no longer be able to be bought. They’ll no longer be able to be used at income tax time or for investment purposes. They’ll no longer be able to get the monies rebated for it during income tax. I don’t know whether it’s the end of the world, but I will tell you it’s kind of sad to take away that opportunity.

Then I looked at schedule D. This reduces the rate of capital tax by 5%. Schedule D—I’ve already spoken about this in the two-minute discussion of my friend from Erie–Lincoln—reduces the capital tax by 5%. It speeds up the time when it will be, you hope, eliminated in its entirety. It will cost the treasury some \$15 million or \$20 million in this particular budget. In the long term, however, doing away with the capital tax will cost the provincial treasury about \$1.2 billion. I started to think, why is the government trying to do that? Why are they trying to hide this in a schedule? Why are they trying to say that they are willing to do without \$1.2 billion? I cannot fathom that. I cannot understand it.

This government is running a deficit in this budget. I understand the need to run a deficit sometimes; I’m not

holier-than-thou on the whole issue of whether government should run deficits or not. There are times when governments may need to run deficits, and times when they ought not to. Probably, in this time, given this economy, it’s not the best idea in the world to run a deficit. There is enough money flowing into the treasury, and certainly if there was a political will, there would be enough time to balance the budget.

Conversely, I also understand the problem many Liberals have, having inherited a \$5.6-billion deficit from the previous government. I understand that, and I know it takes time to come out of that. So I’m not going to say yes or no or whether you should be running one or shouldn’t be running one. I would like to think that in good times you don’t need to, but if you’re still finding yourself there, okay. But why are you doing away with a capital tax that is going to cost you \$1.2 billion when it is finally eliminated? This is what I have some huge problems with. For \$1.2 billion, you could eliminate your deficit, or you could do really good, socially worthwhile things like build some housing; things like ending the clawback, which would only cost \$220 million; things like raising ODSP rates, which you neglected in the last budget, which would only cost \$70 million. Those are really socially worthwhile things. But instead you choose to give this tax windfall to corporations.

As I said in the two-minute hit, and I need to say again, I think that if you were giving the money to the manufacturing sector to update machines and equipment, and thereby hire additional people in this province, that would be a good thing to do, but that is not where the bulk of the money is going to go. The overwhelming bulk of this money on the capital tax is going to end up in the banks and insurance companies.

As I was speaking the last time, one of the members opposite was taunting me a little and talking about, “Don’t you have your pension fund”—that is the pension fund that we, as parliamentarians, get, a very small pension fund because we don’t get a pension—“into banks and insurance companies?” I personally don’t know where my money is being invested, because it’s in a blind trust, but I would be surprised if some of it does not go there. But I have to tell you that those are among the most successful corporations not only in this province and in this country, but on this planet. The provision you are giving them, the small amounts of money, is chicken feed. They can afford, in the case of my own bank, CIBC, to lose billions of dollars on the Enron fiasco and still make a profit. They still made a profit that year, and this year too. They’re doing fine, but other people can’t afford to do without this money.

**1740**

I question schedule D, and I question your wisdom in the long term to do without these funds simply to enrich those who are already the richest and most powerful of everyone in this province.

I looked at schedule F, and this was to allow the federal government to collect the provincial corporations tax. I was thinking, why would they want to collect our

tax, until suddenly it twigged to me this is an opportunity for the province—and they're going to use this—to lay off all of our tax collectors. They're going to upload it. They're going to send our tax collectors and our tax collecting mechanism to the federal government. That's what this is about.

*Interjection.*

**Mr. Prue:** Okay. And as my colleague from Perth–Middlesex is saying, why should we have two people to collect one tax? The answer is very simple: because they, working for us, collect more tax on our behalf than we actually pay them. That is not the case when you send things off to a federal department, which goes out and collects the tax generally for the federal government and probably does a pretty good job for the federal government. But quite frankly, I like to make sure that I have some of those guys working for me. You can ask any of those tax auditors, anybody in there; they earn their salary and they earn it back. In the end, what it costs for us to pay them is more than made up in their extra work and the extra efforts of going out and auditing firms and finding taxes which somehow forgot to be noticed or somehow forget to be paid. So I looked at that schedule, and there that is too.

I looked at schedule I, which is the merger of two corporations that work for the government in order to do RFPs. I wondered, what was this doing in a budget act? Then, of course, it became readily apparent. These are the people who go out with the RFPs and these are the very people and the very corporations and agencies of the government that are going to be negotiating for P3 projects. This government is bound and determined to build hospitals and schools and other public institutions using private money. These RFPs are going to be brought under one roof and it's going to facilitate the taking in of public money for our private institutions. I have to tell you, I'm not very pleased with that either.

Finally, I went to schedule K, and schedule K was a relief because I finally found a schedule with which I could agree, because schedule K was a brokered deal at the last minute between the Premier and Mr. Ryan and helped to avert a province-wide general strike over the issue of the CUPE OMERS pension. That's what schedule K was. Schedule K allows for that to take place within this fiscal year. I have to say that is something that I welcomed to see there. Again, though, I have to tell you I don't understand how this is a budget measure because I do not understand how it falls within the \$80 billion, but it snuck in all the same.

The budget was a major disappointment to me. It was a major disappointment to, I think, many Liberals as well, because some of you have come and told me of parts of the budget that you feel have betrayed what you have stood for all along as Liberals. Nowhere has it betrayed you more than in the areas of social policy around housing, around what you're doing for the poor, what you're doing for children and those who are autistic. Nowhere has it betrayed you more than in these fields.

For the third straight year there is nothing contained within the budget of you spending any of your own money for housing—third straight year, no money for housing. So far, on the official government records—and I've heard speeches that indicate otherwise, but the official government records indicate that your government, since coming to office, has built 63 affordable units of housing. I'm sure that within the next year I'm going to see something that ups that to 100 or 200 or 500 or some abysmally small number that isn't 63, but at this point you have built 63 units of affordable housing. This budget did nothing at all.

The federal government gives money. I was in Quebec City when the first deal was brokered, when the Conservatives were in government, and when the money came down to the province of Ontario. I said then, and I was right, that the province was not going to spend any of the federal money. They were going to take this largesse, they were going to take this money, and were going to do one of two things—i.e., nothing, or they were going to put the money in their pocket.

I thought things were going to be different when Liberals were here. I thought Liberals were going to build housing. I thought Liberals were going to take that money and spend it on housing initiatives. In fact, what happened is that the federal government continues to give the money, but this government has seen fit to pocket some \$150 million that the federal government has given to the province and the people of Ontario for housing and is using it for general revenue. There's no \$150 million that the federal government gave spent for the purpose for which it was intended, and that is housing. It's pocketed; it's general revenue. It's in your budget. It's not going to be spent; it's gone.

You can imagine how disappointed I was to look at this budget in terms of affordable housing because last year this government saw fit to put forward some \$111 million to try to get affordable housing going across the province. It wasn't enough, it didn't meet your election commitments, but at least I thought, my God, they're going to try to make a start on it, \$111 million found their way into the budget.

You can imagine my sadness to see what was in this year's budget for affordable housing. It wasn't \$111 million. It wasn't even maintained. It's down to \$62 million. So here's a government that was elected saying that you were going to build, and I think your own figures were 15,000 units of affordable housing plus another 6,000 units of supportive housing within your first mandate. You've built 63. You're taking the federal money and spending it on something else, and you're reducing your own budget from \$111 million to \$62 million.

As Liberals, I would imagine that there are many people on your backbench who are very upset. Some of them have come and talked to me about it.

I want to talk, too, about the inappropriate and horrible state of housing—

**Ms. Jennifer F. Mossop (Stoney Creek):** Name names.

**Mr. Prue:** Do you want the names? Do you want the names? What if it's yours?

*Interjections.*

**Mr. Prue:** No, no. I'm not going to tell on them, because they come to me in confidence. They came to me in confidence, and I'm not revealing their names.

*Interjection.*

**Mr. Prue:** Well, I don't mention their names.

I want to talk about the experience I had again at Jane-Finch. The previous government brutally downloaded all of the supportive and government-assisted housing in this province. They downloaded it to municipalities that were singularly unable to afford the upkeep of what were mostly 30- and 40- and 50-year-old buildings.

I had an opportunity this year, at the invitation of the Toronto housing company, to go out and to live for two nights in Jane-Finch. I made a speech on it and I'm not going to make the whole speech again, but in a nutshell what it was—and people know. I grew up in Regent Park. I expected to go to a place where one would find problems, as one would find in any social housing. I expected to find that the furnishings inside, the fridges and stoves, would be antiques and that they wouldn't work very well. I expected to find leaky and drafty doors. I expected to find some leaks and things in the roof.

What I found was far more disturbing than that. I found structural difficulties, with leaks in roofs where the roof cannot be repaired and there's no money to fix it. I saw mice and cockroaches in enormous numbers, which I had never before seen. You could hear them scurrying in the walls if you were sleeping there at night. You could see them running across the floors in the kitchens. There was no money to do the upkeep. I saw bricks and mortar that were missing. I saw playgrounds where all of the equipment had been taken out. I saw people living in squalor and poverty, and there was no money to fix it.

I know that they have come forward. The city of Toronto has come forward. The Toronto Housing Authority has come forward and asked for money. They've asked this province to help and do something. I believe that this province has a moral responsibility. They have a responsibility either to give the city the money to do it because it was downloaded unfairly or they have, I think, a better responsibility to upload it back to you—back to us. This is a social duty that is responsible for all of the people of this province, and yet there was nothing in the budget, and there continues to be nothing in this budget, to alleviate the problems of that downloading, particularly in terms of housing.

**1750**

I have to close on the housing issue with a little trip I made last week to an ordinary apartment building in East York, on Dawes Road. The tenants are organizing. They are organizing for many of the same reasons and for many of the same conditions we are finding in our public housing these days; that is, the dirt and the squalor and the torn carpets and the carpets taped with duct tape. I thought Red Green was going to come out of one of the apartments. They were all taped on every floor. They

were worn so thin that there were literally no carpets left. There was garbage up and down all the roads, in the parking lot; it was ankle deep, in parts. The tenants merely want to have something, and there is no money for additional housing. The tenants need to live somewhere. When there are 67,000 people in Toronto alone, and more than 125,000 people in Ontario on social housing lists, waiting for clean, affordable housing that is not being built by your government, they are forced to live in some of these conditions. This government has seen fit not to build anything, and even worse still, on day 923 it doesn't even have a tenant protection act that can protect them.

I think Liberals should start to ask themselves questions about that too, because it is all well and good to blame the previous government, but after three years I would have hoped that your priorities might have been somewhere else. I might have hoped your priorities would have gone for children. My colleague from Nickel Belt spoke the other day about the file on autistic children and what happened under the previous government and what is happening under this one. The only monies in the budget that are being spent to assist them in any real way—not to assist them, but on them—are the monies you are spending to take those children and their parents to court.

I looked again at the clawback, at the promises made by this government to end the clawback and the fact it hasn't been done. It's all well and good to say, "The increase, the little 2% that you get every year from the federal government that is intended for poor kids, we'll give you the 2%, but we won't give you the main body of the money," because that is what you're doing.

I had a phone call yesterday from a person complaining about the Family Responsibility Office. You all know what that is. MPPs get calls on the Family Responsibility Office every day. They were complaining about a deadbeat dad.

*Interjection.*

**Mr. Prue:** A deadbeat dad is somebody who understands they're his children and who says, "I know I owe the money and I know I should spend it," but chooses to do it somewhere else. I have to think, isn't that exactly what this government is? This is a deadbeat dad government, because you know that the social housing and the welfare and the clawback and the autism file and all the other things are your responsibility, but you choose to say, "It may be my responsibility, but I'm not going to do anything else about it. I'm not going to put in the money that I know I owe. In fact, what I am going to do is push it off to the federal government or say that it's somebody else's fault or somebody else's responsibility, or maybe next year, when things are better, or maybe in next year's budget I can do something." This is a deadbeat dad government when it comes to all the social welfare issues.

Child care: I looked to see if maybe there would be some improvements. In the last campaign, the Liberals promised \$300 million for child care. I was hoping

against hope I would see that. There's no provincial money for child care in this budget. Not a single cent. Nothing. Not one cent. They are flowing through some of the money that came from the federal government, which is fine because I don't think you should be clawing that back as you do for welfare recipients. They're flowing through some of that. But even if you look at what's happening, there was \$874 million spent in fiscal year 2005-06, and in this year's budget, 2006-07, that has been reduced to \$688 million. Liberals do not believe in child care, in spite of the words I occasionally hear from the honourable minister. There is a 22% reduction. There are also reductions taking place and things not being done in education.

I would like to talk for a minute—oh, I've only got a minute; let's see how much I can get in—about the cities agenda. This government has said it's doing things. When I ask questions about downloading, you say you're uploading the download. There are two things in the budget. One is “increasing the provincial share of funding for public health to 65% in 2006 and to 75% by 2007.” That's nothing at all because that's the agreement, that the province pays three quarters and the city pays 25%. All you're doing in this budget is agreeing to pay what you were already committed to. The second one is “investing an estimated additional \$300 million over the next three years to move towards a 50-50 sharing of the cost of municipal land ambulance services by 2008.” It is the provincial responsibility—and always has been—to pay 50%. So all of the things that you're uploading is just

to pay your own bills. That's all that is happening. You're telling the municipalities you're finally going to pay your own bills. There is nothing here about the upload itself. In fact, there is absolutely no movement whatsoever.

Today I quoted Roger Anderson, who is the Association of Municipalities of Ontario president. He said it succinctly and well, and it needs to be repeated: “The root cause of our deteriorating infrastructure is the growing \$3.2-billion provincial-municipal imbalance that sees municipal property tax dollars flowing to the provincial treasury.” Was there any change? Nothing was changed in this budget to stop that flow through to the municipalities. If it was, you would see some huge and very remarkable changes take place. AMO has said—and our own people in the finance department have concurred—that if the province took the municipal amount off the taxes of the municipalities, it would save the municipalities \$193.4 million for child care, \$1.33 billion for social assistance and \$879 million for social housing. When you include that with ambulance and public health, that is some \$3.2 billion. That is, in fact, what needs to happen.

This government needs to have courage, and with the courage—

**The Acting Speaker:** Thank you, member from Beaches–East York. It being 6 p.m. of the clock, this House now stands adjourned until Tuesday, April 18, 2006, at 1:30 p.m.

*The House adjourned at 1758.*

**STANDING AND SELECT COMMITTEES OF THE LEGISLATIVE ASSEMBLY  
COMITÉS PERMANENTS ET SPÉCIAUX DE L'ASSEMBLÉE LÉGISLATIVE**

**Estimates / Budgets des dépenses**

Chair / Président: Cameron Jackson  
Vice-Chair / Vice-Président: Garfield Dunlop  
Wayne Arthurs, Caroline Di Cocco,  
Garfield Dunlop, Andrea Horwath,  
Cameron Jackson, Phil McNeely  
John Wilkinson, Jim Wilson, David Zimmer  
Clerk / Greffier: Katch Koch

**Finance and economic affairs /  
Finances et affaires économiques**

Chair / Président: Pat Hoy  
Vice-Chair / Vice-Président: Phil McNeely  
Wayne Arthurs, Toby Barrett, Pat Hoy, Judy Marsales,  
Phil McNeely, Carol Mitchell, John O'Toole,  
Michael Prue, Liz Sandals  
Clerk / Greffier: Douglas Arnott

**General government / Affaires gouvernementales**

Chair / Présidente: Linda Jeffrey  
Vice-Chair / Vice-Président: Vacant  
Jim Brownell, Brad Duguid, Kevin Daniel Flynn,  
Andrea Horwath, Linda Jeffrey,  
Jean-Marc Lalonde, Jerry J. Ouellette,  
Lou Rinaldi, John Yakabuski  
Clerk / Greffière: Susan Sourial

**Government agencies / Organismes gouvernementaux**

Chair / Président: Tim Hudak  
Vice-Chair / Vice-Président: Gilles Bisson  
Gilles Bisson, Michael Gravelle, Tim Hudak,  
John Milloy, Ernie Parsons,  
Laurie Scott, Monique M. Smith,  
Joseph N. Tascona, John Wilkinson  
Clerk / Greffière: Tonia Grannum

**Justice Policy / Justice**

Chair / Président: Vic Dhillon  
Vice-Chair / Vice-Présidente: Maria Van Bommel  
Bas Balkissoon, Lorenzo Berardinetti,  
Vic Dhillon, Christine Elliott, Frank Klees,  
Peter Kormos, Ted McMeekin,  
David Oraziotti, Maria Van Bommel  
Clerk / Greffière: Anne Stokes

**Legislative Assembly / Assemblée législative**

Chair / Président: Bob Delaney  
Vice-Chair / Vice-Président: Mario G. Racco  
Bob Delaney, Ernie Hardeman, Rosario Marchese,  
Ted McMeekin, Norm Miller, Jennifer F. Mossop,  
Tim Peterson, Mario G. Racco, Mario Sergio  
Clerk / Greffière: Tonia Grannum

**Public accounts / Comptes publics**

Chair / Président: Norman W. Sterling  
Vice-Chair / Vice-Présidente: Julia Munro  
Shelley Martel, Deborah Matthews,  
Lisa MacLeod, Bill Mauro, John Milloy,  
Julia Munro, Richard Patten,  
Norman W. Sterling, David Zimmer  
Clerk / Greffier: Katch Koch

**Regulations and private bills /  
Règlements et projets de loi d'intérêt privé**

Chair / Présidente: Andrea Horwath  
Vice-Chair / Vice-Président: Tony C. Wong  
Gilles Bisson, Kim Craitor, Andrea Horwath,  
Dave Levac, Gerry Martiniuk, Bill Murdoch,  
Khalil Ramal, Mario Sergio, Tony C. Wong  
Clerk / Greffière: Susan Sourial

**Social Policy / Politique sociale**

Chair / Président: Shafiq Qadri  
Vice-Chair / Vice-Président: Khalil Ramal  
Ted Arnott, Ted Chudleigh, Peter Fonseca,  
Kuldip Kular, Jeff Leal, Rosario Marchese,  
Shafiq Qadri, Khalil Ramal, Kathleen O.Wynne  
Clerk / Greffier: Trevor Day

**Electoral reform / Réforme électorale**

Chair / Présidente: Caroline Di Cocco  
Vice-Chair / Vice-Président: Norm Miller  
Wayne Arthurs, Caroline Di Cocco,  
Kuldip Kular, Norm Miller, Richard Patten,  
Michael Prue, Monique M. Smith,  
Norman W. Sterling, Kathleen O.Wynne  
Clerk / Greffière: Anne Stokes

*Continued from overleaf*

## **TABLE DES MATIÈRES**

**Jeudi 13 avril 2006**

### **AFFAIRES D'INTÉRÊT PUBLIC ÉMANANT DES DÉPUTÉS**

<b>Loi de 2006 sur le Jour de Hamilton,</b> projet de loi 80, <i>M<sup>me</sup> Marsales</i> Adoptée.....	2960
<b>Loi de 2006 sur le patrimoine familial,</b> projet de loi 75, <i>M. Hudak</i> Adoptée.....	2960

### **PREMIÈRE LECTURE**

<b>Loi de 2006 sur un régime de médicaments transparent pour les patients,</b> projet de loi 102, <i>M. Smitherman</i> Adoptée.....	2963
---	------

### **QUESTIONS ORALES**

<b>Conservation du patrimoine ontarien</b> M. Brownell .....	2973
M <sup>me</sup> Di Cocco.....	2973

### **DEUXIÈME LECTURE**

<b>Loi de 2006 sur les mesures budgétaires,</b> projet de loi 81, <i>M. Duncan</i> Débat présumé ajourné.....	3001
---	------

# CONTENTS

Thursday 13 April 2006

## PRIVATE MEMBERS' PUBLIC BUSINESS

<b>Hamilton Day Act, 2006, Bill 80,</b>	
<i>Ms. Marsales</i>	
Ms. Marsales.....	2943, 2951
Mrs. Bountrogianni.....	2944
Mrs. Witmer.....	2945
Ms. Horwath.....	2946
Ms. Mossop.....	2948
Mr. McMeekin.....	2949
Mr. Klees.....	2949
Agreed to.....	2960
<b>Homestead Act, 2006, Bill 75,</b>	
<i>Mr. Hudak</i>	
Mr. Hudak.....	2951, 2959
Mr. Marchese.....	2953
Mr. Arthurs.....	2954
Mr. Dunlop.....	2955
Mr. Prue.....	2955
Mr. Flynn.....	2956
Mr. Miller.....	2957
Ms. Mossop.....	2957
Mrs. Mitchell.....	2958
Mr. Klees.....	2958
Mr. Yakabuski.....	2958
Ms. Scott.....	2959
Agreed to.....	2960

## MEMBERS' STATEMENTS

<b>Hydro rates</b>	
Mr. Miller.....	2961
Ms. Scott.....	2961
Mr. Arnott.....	2962
<b>Transit funding</b>	
Mr. Racco.....	2961
<b>First Nations infrastructure</b>	
Mr. Bisson.....	2961
<b>Goreway Drive generating station</b>	
Mr. Kular.....	2962
<b>Bob Hunter Memorial Park</b>	
Mr. Wong.....	2962
<b>Toronto 101</b>	
Mr. Wilkinson.....	2962
<b>Easter and Passover</b>	
Mr. Berardinetti.....	2963

## FIRST READINGS

<b>Transparent Drug System for Patients Act, 2006, Bill 102, Mr. Smitherman</b>	
Agreed to.....	2963

## STATEMENTS BY THE MINISTRY AND RESPONSES

<b>Drug system reform</b>	
Mr. Smitherman.....	2963
Mrs. Witmer.....	2966
Mr. Tabuns.....	2966
<b>Youth intervention centres</b>	
Mrs. Chambers.....	2965
Ms. Horwath.....	2967

## ORAL QUESTIONS

<b>Hydro rates</b>	
Mr. Yakabuski.....	2967, 2968
Mr. McGuinty.....	2967, 2968
<b>Nuclear energy</b>	
Mr. Tabuns.....	2969
Mr. McGuinty.....	2969
<b>Property taxation</b>	
Mr. Prue.....	2970
Mr. Gerretsen.....	2970
<b>Municipal infrastructure funding</b>	
Mr. Sterling.....	2971
Mr. Duncan.....	2971
Mr. Gerretsen.....	2971
<b>Social assistance</b>	
Mr. Prue.....	2971
Mrs. Meilleur.....	2971
<b>Drug system reform</b>	
Mr. Flynn.....	2972
Mr. Smitherman.....	2972
<b>Homestead legislation</b>	
Mr. Hudak.....	2972
Mr. Duncan.....	2972
<b>Southwestern Regional Centre</b>	
Mr. Bisson.....	2973
Mrs. Meilleur.....	2973
<b>Heritage conservation</b>	
Mr. Brownell.....	2973
Ms. Di Cocco.....	2973
<b>Assistance to farmers</b>	
Mrs. Elliott.....	2974
Mrs. Dombrowsky.....	2974
<b>North Leslie lands development</b>	
Mr. Tabuns.....	2975
Ms. Broten.....	2975
<b>Amateur sport</b>	
Mr. Peterson.....	2975
Mr. Watson.....	2975
<b>OPP funding</b>	
Mr. Dunlop.....	2976
Mr. McGuinty.....	2976
<b>Assistance to Hamilton</b>	
Ms. Horwath.....	2976
Mr. Gerretsen.....	2976

## PETITIONS

<b>Cafeteria food guidelines</b>	
Mr. Klees.....	2977
<b>Child protection system</b>	
Ms. Horwath.....	2977
<b>Long-term care</b>	
Ms. Mossop.....	2977
Mr. Chudleigh.....	2977
Mr. Milloy.....	2977
Ms. Scott.....	2979
<b>Aggregate extraction</b>	
Mr. Flynn.....	2977
<b>Education funding</b>	
Mrs. Elliott.....	2978
Mr. Ouellette.....	2979
<b>Health care</b>	
Mr. Berardinetti.....	2978
<b>Organ donation</b>	
Mr. Klees.....	2978
<b>Border security</b>	
Mr. Sergio.....	2979
<b>Community mediation</b>	
Mr. Delaney.....	2979

## SECOND READINGS

<b>Budget Measures Act, 2006, Bill 81,</b>	
<i>Mr. Duncan</i>	
Mr. Duncan.....	2980
Mr. Arthurs.....	2982, 2985, 2996
Mr. Berardinetti.....	2984
Mr. Milloy.....	2984
Mrs. Witmer.....	2984
Mr. Prue.....	2985, 2995, 2996
Mr. Hudak.....	2985, 2996
Mr. Kular.....	2995
Mr. Chudleigh.....	2995
Debate deemed adjourned.....	3001

## OTHER BUSINESS

<b>Visitors</b>	
Mrs. Van Bommel.....	2963
Mr. Ramsay.....	2967
Mr. Flynn.....	2967
<b>Business of the House</b>	
Mr. Phillips.....	2980

Continued overleaf