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**Official Report
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(Hansard)**

**Journal
des débats
(Hansard)**

Tuesday 27 March 2007

Mardi 27 mars 2007

Speaker
Honourable Michael A. Brown

Président
L'honorable Michael A. Brown

Clerk
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LEGISLATIVE ASSEMBLY
OF ONTARIO

Tuesday 27 March 2007

ASSEMBLÉE LÉGISLATIVE
DE L'ONTARIO

Mardi 27 mars 2007

The House met at 1845.

ORDERS OF THE DAY

ORDER OF BUSINESS

Hon. John Gerretsen (Minister of Municipal Affairs and Housing): Mr. Speaker, I seek unanimous consent to move a motion respecting the consideration of concurrences and the Supply Act.

The Acting Speaker (Mr. Ted Arnott): Mr. Gerretsen is asking for unanimous consent to move a motion respecting the consideration of concurrences and the Supply Act. Is it the consent of the House to allow him to do that? Agreed? Agreed.

Hon. Mr. Gerretsen: Thank you very much, Speaker, and thank you to the members of the House for giving unanimous consent.

The motion states:

That, notwithstanding any standing order, the orders for concurrence in supply for the Ministries of Community and Social Services; Finance; Health and Long-Term Care; Health Promotion; Municipal Affairs and Housing; Public Infrastructure Renewal; Training, Colleges and Universities, and order G188, second reading of Bill 188, An Act to authorize the expenditure of certain amounts for the fiscal year ending March 31, 2007, may be called concurrently; and

That when such orders are called, they shall be considered concurrently in a single debate; and

That the time available to 9:20 p.m. this evening shall be divided equally among the recognized parties; and

That, at the conclusion of the debate, the Speaker shall put every question necessary to dispose of the order for concurrence in supply for each of the ministries named above, and to dispose of all remaining stages of Bill 188; and

If a recorded vote is requested by five members, all divisions shall be stacked, and there shall be a single 10-minute division bell.

That's the motion, Speaker.

The Acting Speaker: Mr. Gerretsen has moved that, notwithstanding any standing order, the orders for concurrence in supply for the Ministries of Community and Social Services—dispense?

Interjection: Dispense.

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

CONCURRENCE IN SUPPLY

SUPPLY ACT, 2007

LOI DE CRÉDITS DE 2007

Hon. Greg Sorbara (Minister of Finance, Chair of the Management Board of Cabinet): I move concurrence in supply for the following ministries: Community and Social Services; Finance; Health and Long-Term Care; Health Promotion; Municipal Affairs and Housing; Public Infrastructure Renewal; and Training, Colleges and Universities; and I move second reading of Bill 188, An Act to authorize the expenditure of certain amounts for the fiscal year ending March 31, 2007.

1850

The Acting Speaker (Mr. Ted Arnott): I recognize the Minister of Finance to lead off the debate.

Applause.

Hon. Mr. Sorbara: A rare round of applause from my friend from Barrie, Mr. Tascona.

It's a pleasure for me to begin this debate on supply, which is obviously a unique and important motion because it provides the authority of this Legislature to make virtually all of the expenditures that we make throughout the year. Tonight we are authorizing, if this Legislature approves, expenditures that allow us to make all those payments, scheduled and unscheduled, to hospitals and doctors, municipalities, Ontario Works recipients and children's aid societies, just to name a few of the programs.

But I'd like to be able to use the time available for me to talk about supply within the context of the budget that we recently presented in this Legislature. I said at the time that the budget was one that we could all celebrate, one that was as welcome as spring. On this magnificent, glorious spring evening here in Toronto, I want to spend just a few minutes, if I could, talking about some of the major impacts of the bill.

I don't understand the hand motions from my friend from Barrie. Is it still Barrie?

Mr. Joseph N. Tascona (Barrie-Simcoe-Bradford): Barrie-Simcoe-Bradford.

Hon. Mr. Sorbara: Barrie-Simcoe-Bradford.

Interjections.

Hon. Mr. Sorbara: Well, it sounds to me like members of the opposition are anxious for this debate to wrap up quickly. I am not going to take too much of their

time or your time. I'm simply going to make a few points on the major themes of the budget and let you know how proud we were, as a government, to be able to present this budget, and what a strong and powerful and comforting reception this budget has received in every corner of the province.

As I said during the budget speech, the real theme of the budget is that Ontario has now entered a period of new economic strength. In the 40 minutes during my presentation, I was really making one point, and that is what we are going to do now that we've reached this new plateau of new economic strength.

Probably the first and most important thing is that the province has now regained financial health: We are on the positive side of the balance sheet. We presented a balanced budget and we presented projections for a balanced budget for the foreseeable future—"as far as the eye can see," as one economist said—and that is very good news. It's good news in particular because it represents, really, the culmination of three and a half years of very intense work from the government, the members on this side of the aisle and, I would even suggest, to be charitable and to be frank, the work of the members on the other side of the aisle as well, because, notwithstanding the huffing and puffing, they know, as the people of Ontario know, that to get out of that area of dark and dismal deficits and to move to a period of strong and sustainable surpluses reflects a government that is, I think, doing an A-one job of managing the province's finances. I think that was the most significant piece of news on budget day: that we started off with a deficit of \$5.5 billion three and a half years ago—\$5.5 billion: much larger than anyone had anticipated.

Mr. David Oraziotti (Sault Ste. Marie): No more Magna budgets.

Hon. Mr. Sorbara: My friend mentions the Magna budget, the last budget from the Conservative government. With all the pomp and ceremony that they put in a budget that they presented at an auto parts manufacturing plant, they said, "We're balanced here. We've got a balanced budget." They didn't present that budget here in the Legislature, and that was probably their first mistake. The bigger mistake was the plugging of the numbers.

So we were elected, the former Auditor General did a report, and they brought very bad news to the Premier—who sits right here where my parliamentary assistant is sitting now: a deficit of \$5.5 billion. So we worked every single day to get ourselves out of that very deep hole, and it was just a few days ago that I was pleased to announce that we're finally there. We are finally in an era of much stronger fiscal management in this province. That work has been long; it has been directed; it has been disciplined. The management of our finances has been prudent from day one.

But that's just where we are today. The budget also spoke about what we're going to do as we allocate this new economic strength. There are really three points to make, if I can summarize them. The first is that we're going to continue with the plan that we adopted on the

day we were sworn in. We're going to continue to invest in the public services that the people of this province care about. We are going to continue to make our schools, in every corner of the province, better places to learn. I invite my friends opposite, I invite the people of the province, to take a little bit of time and visit the school in their community. Talk to teachers, talk to vice-principals, talk to principals, talk to administrators—

Mr. John Wilkinson (Perth–Middlesex): To parents.

Hon. Mr. Sorbara: Talk to parents, as my friend from Perth–Middlesex says. I think everyone will agree that our schools today are better places to learn. That was the mission that we were sent to take on on the day that we were sworn in. We've made marvellous progress and we're going to continue down that path.

We are going to continue to make investments in our health care system. I remember back four years ago when the great debate in this province was whether or not Ontario could any more afford, could any more want, could any more manage a universal, publicly funded health care system. The debate was, "Maybe it should just all be privatized." Today, we have a health care system that is a tribute to Tommy Douglas and Lester Pearson and all of the great leaders in Canada who have said that this is the signature of this great nation.

Five hundred thousand Ontarians who didn't have a family doctor three and a half years ago now have a family doctor. The delivery of primary care has been transformed. We are opening community health centres around the province. We're in the midst of an historic period of renewing and building and rebuilding our hospitals in every corner of the province.

So we're continuing to invest in health care, in education, in post-secondary education. In our budget, we had the strength to devote almost \$400 million in new resources to colleges and universities around the province.

We're also using Ontario's new economic strength to add to our economic capacity. We're doing that in a number of ways, but I think one of the most important, and one of the ones that brought the greatest pleasure to me, was the fact that for the first time our government was able to announce a significant reduction in the taxes that the people and businesses of this province pay to government—half \$1 billion of reduction in business education taxes.

I just want to spend a minute to explain why it is that we went after the structure and the unfairness of business education taxes. My friend next door to me here from Perth–Middlesex—his community of Middlesex has a much lower rate of business education tax than the community right next door in London. My own community of Vaughan has a much lower rate of business education tax than all the businesses just across Steeles Avenue in the city of Toronto. It was unfair. It didn't make any sense. Every commentator had made the point repeatedly that it was time to clean up that system, so we decided in this budget to move, over a period of seven years, to a single rate: 1.6% will be the rate when our

program is finally and fully implemented. More importantly—

Mr. Jeff Leal (Peterborough): Right across the board.

Hon. Mr. Sorbara: Yes. As my friend from Peterborough says, right across the province.

Mr. Wilkinson: People are going to vote against that? I can't believe that.

Hon. Mr. Sorbara: My friend Mr. Wilkinson makes a good point. I hope my friends opposite will be standing in their place and voting for that measure. It actually represents for businesses in Ontario a tax reduction of over half a billion dollars.

1900

We also, in the budget, began the initiatives that, as the Premier has said so often, will be part of the defining challenge of our generation, and that is the issue of climate change and global warming. I am not going to get into all of the details of those programs, but I do want to say, before I cede the floor to my friends in the Conservative Party, that one of the most significant things we were able to do in the budget was to finally, appropriately and comprehensively address the issue of poverty in this province. It has been many, many years indeed in this province since a government has stood up and said, "Poverty is our issue and we need to come to grips with it." I listened this afternoon to—you'll forgive my language—the rantings of the leader of the New Democratic Party.

Mr. Tascona: I haven't heard him all night.

Hon. Mr. Sorbara: My friend says, "I haven't heard him all night." That would be a blessing. I am so proud of the fact that the centrepiece of this budget was an allocation of some \$2.1 billion to help kids in this province, kids that—to be very frank, let's use clear language—are living in poverty. Most of us do not see this poverty as we move through the streets of Toronto, London, Ottawa, Thunder Bay, Cornwall, Sault Ste. Marie or Etobicoke. It's too invisible to us, and it's been invisible to government for far too long. In this budget we are transforming social welfare. We are transforming the way we support those of the most meagre means. From now on, there will be no children on welfare. From now on, whether or not we as a government provide support for children will be determined based solely on need. This initiative means that, for the first time, mom and dad—or mom alone or dad alone—who happen to be on assistance from government through Ontario Works and have the opportunity to get a job and begin the climb up the ladder of success will not have to worry about losing benefits because those benefits will continue to flow to those kids until such time as mom and dad are able to support those kids without the support of the state. That was the centrepiece of our budget.

But we didn't stop just with children; we provided additional support for those who are looking for affordable housing. Some 27,000 families will receive additional support, up to \$1,200 a year, to help pay the rent. We're providing additional support for injured workers because for far too long their benefits have not kept pace. We're

providing additional assistance to those who do the most challenging work of anyone in this province, and that is to see to the needs of those who suffer from developmental disabilities of one sort or another in community living situations right around the province.

We're providing significant new resources for our schools, for our hospitals, for our colleges and universities. We're on the right road. We've made great progress with this budget.

As I address the members of this House and ask them to vote in favour of this supply motion, I am really asking them to remember the hundreds and hundreds of thousands of people whose lives will be improved because of the initiatives we have been able to put together, because of Ontario's new economic strength, and I—I'm looking for the right word and I'm not going to find it. I commend this motion in supply and the bills associated with it to this House and all of its members, and I hope all of its members will be able to support it.

The Acting Speaker: Further debate?

Mr. Tascona: I'm pleased to join in the debate. It's quite the occasion here tonight at the Legislature. I just want to put a word in for the Big Brothers Big Sisters of Canada. In Barrie on Saturday, we had a fundraiser for them—it was a bowl-a-thon—and I was pleased to participate in that with my family. They were here tonight giving out certificates of appreciation and I was very pleased to accept one. I think they do a great job and we're very pleased with the work of the Barrie chapter for the Big Brothers Big Sisters.

Mr. Leal: How did you bowl, Joe?

Mr. Tascona: My bowling wasn't as good as it usually is but I was competitive, just like the Colts, unlike the Petes because they're out. The Colts are playing tonight. It's their third game and I hope they'll be going up 3-0.

This supply motion put forth by the member from Vaughan certainly is an interesting twist to the budget. I'd have to say, though, with respect, that we were a little bit underwhelmed in the Barrie area with respect to that budget. I actually presented in front of Mr. Hoy and the finance committee. I don't know whether Mr. Arthurs, your PA, was there at those presentations. I made a very strong pitch for funding for Lake Simcoe. I was pleased to see that Peter Van Loan, who is the member from York-Simcoe, was there. The federal government provided \$12 million towards Lake Simcoe and dealing with the phosphorus. We were very disappointed. I say that to the minister quite straightforwardly. Lake Simcoe needs to be helped. It needs to have funding to clean it up and make it the gem that it is, that serves the area all the way down to Sutton and all the way up to Barrie in that Lake Simcoe body of water.

That was one area where I was fairly disappointed, because if anyone has been to Barrie, you realize that Barrie has one of the premier waterfronts, if not in Ontario, in all of North America. I was very pleased, when I was on council—I served from 1991 to 1995—that we were able to secure from CN all the lands from

the Tiffin boat launch all the way over to Minet's Point to preserve those properties at the Southshore Community Centre to make sure that we had all of the water and waterfront lands. Barrie's waterfront is all in public hands, essentially, and we're very proud of that. I was very proud to be on council to make that happen in terms of protecting Barrie's waterfront. But, as I say, I'm very disappointed that the provincial budget didn't provide any money for Lake Simcoe, and we need that.

Certainly we were a little bit underwhelmed also with respect to the gridlock. I know the minister knows that because he's the representative from Vaughan. I know they're going to be doing some work on the HOV lanes with respect to the 400 down by Major Mackenzie. Quite frankly, the plan we had when we were in government was to have a designated lane for buses and transportation in the expansion of Highway 400 to get more vehicles down quickly to promote public transit. That was the focal point: to promote public transit with designated bus lanes to get the commuters in my area down to Toronto. That wasn't addressed in the budget. In fact, the gridlock that is facing people—and I do that every day, from Barrie down to Toronto—is not going to be alleviated. The budget falls far short in terms of addressing gridlock.

Also, we were very disappointed in terms of dealing with the needs at RVH, which is a regional hospital serving, in terms of its cancer care centre and cancer services, as far north as my good friend from Parry Sound—Muskoka, Norm Miller. We need an expansion of that hospital, and it's not to happen until 2008-09. With the great fundraising that has been going on in the community, we were hopeful that the budget would address the capital needs and push forward the date for that expansion. By the time we get that work done, we're going to need a second-phase expansion of Royal Victoria Hospital to deal with the population growth. The government of the day says that Barrie is a growth area, yet we don't see any funding coming in for our health care services; we don't see any funding coming in to deal with our gridlock; we don't see any real plan to deal with preserving and maintaining the quality of Lake Simcoe.

1910

One of the biggest pressures that we have is court services. We had the Ontario Bar Association up in my area to deal with the court services problem, because there's a shortage of justices of the peace. At least three justices of the peace are needed to deal with the court backlog in my area. One of the fundamental problems has to do with family law, because we have 1.5 judges dedicated to dealing with the family law mediation system that was designed to make sure that the process is expedited to deal with family disputes. Unlike the city of Hamilton, which has five judges dedicated to the family court system, we have 1.5 judges, and that doesn't deal with the problems we face in a rapidly expanding area and the need for the court system to work. It's not working, with the lack of justices of the peace and the lack of judges to deal with family disputes.

We are looking forward to GO Transit. Everyone in our area is looking forward to GO Transit's return. I've worked very hard for that return since 1995 when I was first elected. Actually, GO Transit was removed by the NDP government of the day in their 1992 budget. They stopped the service to Barrie, and we were able to maintain the track. The federal Liberal government of the day in 1996 was going to tear out the track from not only Orillia but down to Newmarket. We were able, with the help of Premier Harris and Finance Minister Eves at the time, to secure the funding to make sure that the track was kept in the ground from Barrie to Newmarket. What we have today is the return of GO Transit to the Barrie area, hopefully in the fall of this year. I know it's going to be very successful with the amount of population growth that we've had since it was first introduced. I think Barrie had about 50,000 in the early 1990s. Now it's approaching the 125,000 to 130,000 range. There's no doubt that it's going to be successful.

Certainly, dealing with the needs of my riding, there are pressures in terms of the environment. I mentioned Lake Simcoe. There are also plans for an ethanol plant in our area, which is causing a lot of concern. There's going to be a meeting tomorrow night at the Southshore Community Centre, which I am planning to attend, which the city of Barrie is looking at. I know the Ministry of the Environment will have to look at this particular project to make sure it meets the standards to deal with this, but certainly there's a lot of concern in my area with respect to that plant. I'm very concerned too in terms of the air quality that's going to be dealt with with respect to that facility. That's what the meeting is going to be about tomorrow night.

Also, dealing with the budget, quite frankly, the budget will be balanced this year if the government doesn't have to use the reserves. There's a striking contingency plan in terms of whether this is a balanced budget: a balanced budget "if." Unlike the comments made by the Minister of Finance, I don't share his view that he couldn't have balanced the budget much sooner than he did. When they took over power in the 2003-04 fiscal year, we were only six months into that fiscal year. They made sure that that deficit was torqued up and they never solved it, to their own political gain.

As far as I'm concerned, one of the biggest promises they broke was the health tax they brought in of \$2.5 billion every year. They broke their promise that they weren't going to increase taxes, and in the one area they bring in—my good friend talks about child poverty. That tax kicks in at \$20,000. For all the families that have to pay that health tax, if that tax was removed, we would have a much better situation for families with young children across the province and even people who are single in terms of the punitive measures with respect to that health tax. That health tax has to be removed. In the wisdom of the Liberal government, when Bob Nixon was the finance minister, he got rid of it. He realized that that was a bad tax and people shouldn't be taxed for their health care. And what do we see? The very first measure

the Liberal McGuinty government brings in is a health tax. They never talked about it during the campaign. They said, "We won't raise your taxes," but they bring in the health tax. That was a major promise broken in that campaign.

In closing—because I only have so much time—I want to talk about that property assessment the minister's talking about. That is going to be a disaster in my area, where we've seen assessment go up between 14% to 16% every year. Four years down the road, people in my area are going to be seeing 60% to 70% assessment tax increases, and the government's going to say, "You've got four years to pay that off." A lot of good that's going to do. What we need is a very stable system with respect to people being able to stay in their homes. The 5% cap that was put forth by John Tory will allow people to stay in their homes.

In my area, we're going to be looking at about a 70% property tax increase by the time this four-year freeze comes off with respect to what the Liberal government's proposing. It's punitive, it's not workable, and I can tell you that a lot of people are going to lose their homes because of this approach to property tax assessment.

I don't support the budget. It did nothing for my riding of Barrie. It did nothing for the hard-working families of this province by keeping the health care tax. It's going to cost a lot of people their homes with respect to this approach to property tax assessment in this province.

Mr. Michael Prue (Beaches–East York): It is a pleasure and a privilege every year to stand here and talk about a budget.

First of all, I should preface my remarks to the actual vote that's going to take place here later tonight. This is interim supply. Interim supply is related to the budget, just so people can understand what's happening tonight. Probably every speaker, including the Minister of Finance, talked about the budget, but in fact the vote tonight will be on interim supply. In interim supply, we are going to be voting on whether or not to fund all of those branches of government, all of those ministries, all of those departments, even the Legislature, the Premier's office and everything else. It's in terms of keeping the government going.

There is no doubt in my mind it will pass. In fact, it probably needs to pass. We have thousands of people who are employed by the government who need to get their paycheques, and the wheels of this province need to keep turning. That's what we are going to debate today. But I am not going to be any different than my Conservative colleagues or the Minister of Finance, because the reality is not to talk about the issue before us today—

Interjection.

Mr. Prue: The member from Brant is a little concerned, but I welcome him to talk about interim supply when he gets a few minutes to do so because I doubt very much that that in fact will happen at all here tonight. The real issue behind interim supply is of course where the money is going to be spent.

This is where I, as a member of this Legislature, have some considerable difficulty. A month ago, people asked me what would be in the budget, and I had to give them the opinion that of course the Minister of Finance never would consult with me. As a member of the finance committee, we would travel across the province. We went to places in the far north, in southern Ontario and here in Toronto, Hamilton and Belleville. We went to Kenora–Rainy River. We went everywhere, talking to ordinary citizens about what they thought should be in the budget. We, as a committee made up of Conservatives, Liberals and New Democrats, spent some considerable time trying to put in the form of motions what we wanted to be contained within the budget. Every year we do this, and every year we present a blueprint, an idea, a platform for the minister to include in his budget.

Quite frankly, I oftentimes despair because those ordinary citizens who come out to depute before our committee, who have earnest desires to be included in the budget, often receive short shrift by the time the minister stands up here in the Legislature and delivers his budget. I say "his" because the minister is a male, and we're hoping in some short time or period to again have a woman as the finance minister. In any event, he stands up and gives very short shrift to what was anticipated by ordinary Ontarians, what was asked for by communities, community groups and ordinary people, and the dreams that they had at the time of the budget process. It has taken a long time, and expectations, I would suggest, have been dashed.

1920

A few days before the budget was released—as always, I get my Toronto papers delivered at home and I look at the front page, particularly at the Toronto Star, which has that unique capacity of knowing everything that the Liberal government is going to do before the backbenchers in this very same government even know what they're going to do themselves. When I read the Toronto Star in the morning, it said that there are going to be great things happening, that there is going to be a \$10.25 minimum wage. The finance minister doesn't stand up to tell me that first; the Toronto Star tells me that first. And the Toronto Star tells me first that there is going to be an end to the clawback, something which I have asked precisely 52 times in questions and in petitions in this Legislature for three and a half years—52 times that has been raised by me and a couple of my colleagues, but mostly me. And I look at that and think, "What a wonderful thing," if you are to believe the Toronto Star. The Toronto Star also announced that the Liberal budget is going to put an end to poverty.

This all happens not at the time when the minister stands up but in the two, three or four days before, because there are some judicious leaks. I must assume that they come from either the Premier's office or from the office of the finance minister, because I do not know who else would be able to put this information forward with any kind of credibility that would cause Canada's

number one, leading, largest newspaper to print it so boldly and so accurately on the front page.

So I have to tell you that for a few brief moments and a few brief days, my heart leapt that in fact this government had found its roots, that the Liberals had gone back to the time when Liberals actually cared about the poor and when Liberals actually did something to alleviate the poverty and the destitution that so often pervades our province.

You can imagine what happened to all of those hopes, what happened to all of those dreams that people in Ontario had and the expectations they had that were highlighted, that were broadcast and that were put on the front page of the Toronto Star when the minister rose in his seat on budget day to announce what they were actually going to do. All of us in Ontario were expecting real action, and we had anticipated that real action through the various leaks, and the Minister of Finance coming forward and saying that he had discovered and that he was championing the issue of poverty reduction. We had some great hopes, but, as I said, those were dashed, they were broken, they fell and they went crashing down as that one-hour litany of what this government stands for and what it wants to do unfolded on budget day.

On budget day, when I walked outside, some people actually said that they thought it was a good budget, people of whom I ordinarily would have thought, "How could you say that? You have been asking for things that have not been delivered and yet you still think it's a good budget."

I want to tell you, the spin was absolutely effective on that day. The spin was absolutely wonderful. I commend the Minister of Finance for the spin on which he put virtually meaningless promises forward. He put on such a spin that people thought that something really wonderful was about to be undertaken and that their lives would instantaneously change. In fact, nothing of that reality was going to happen.

I'd just like to go through 10 of the things that disappointed me most in this budget. The first one, of course, was the \$10 minimum wage. New Democrats have been arguing about that and fighting about that and doing town hall meetings about that and going out to communities and liaising with labour and other groups and immigrant groups, talking about the \$10 minimum wage and how important it was. There I was, sitting there, listening intently to the minister in this very chamber, and all I heard was, "Yeah, we're going to do \$10.25." "One-upmanship," I thought. "That's really good, \$10.25," until I heard the details. It isn't \$10 minimum wage now. It isn't meeting poverty goals now. It isn't giving people an opportunity and a real chance in this wonderful province of Ontario now. It's about doing it incrementally over a number of years to watch inflation take it away. It's okay to leave them at \$8 an hour, which is thousands upon thousands of dollars below minimum wage, and then next year you're going to give them \$8.75, and then you're going to give them \$9.50, and then you're going to give

them \$10.25. Your goal, I guess, is to get there someday, but I want to say to all of you that what you have done is you have condemned those very people to poverty for at least three years until you get around to the goal, which I would have hoped was doable today. I fail to understand.

I have not talked very much in the Legislature—I know some of my colleagues in the NDP have—but the unseemly haste in raising our salaries was pretty fast. The wait for people who earn minimum wage and who live in poverty is excruciatingly slow. I have to ask the Liberals why you think, when you juxtapose one position against the other, that it is okay to raise your own salary by 25% in less than a week.

Hon. John Gerretsen (Minister of Municipal Affairs and Housing): It's your salary too.

Mr. Prue: No, it's not my salary too—your salary. It's unseemly haste to raise the salaries of MPPs in one week but it takes three long years to raise the salaries of working individuals, immigrants, mostly women, mostly young people over a period of some three years. So I have to tell you I was extremely disappointed. Although I had some great hope, I was extremely disappointed in how that played out and in fact how you decided to do it.

The second thing which is very dear to my heart is the whole issue of property taxation. There are many people across this province who feel that property taxes are an abomination in this province. If you look at the statistics for Canada, you will note that Ontarians pay the highest property taxes of any province in this country. We pay the highest property taxes, and there is a reason for that. The reason, quite frankly, is that the former government—that of Mr. Harris particularly, but also Mr. Eves—downloaded onto the municipalities a whole bunch of stuff.

Interjection.

Mr. Prue: Our taxes are the highest, Mr. Minister. If you don't know that, you shouldn't be sitting in that seat, because our taxes are the highest in Canada. You know that's true. You know it's true, and you've done nothing, absolutely nothing, to alleviate anything for the property taxpayer.

So I hoped, when the Minister of Finance stood up in his seat and said he was going to do something, that the Liberals at last had a bold and imaginative plan. I listened to my colleague the member from Erie—Lincoln on behalf of the Conservative Party. He had a plan. I don't particularly appreciate his plan; I don't think it's a good plan. But he had something in which he wanted to cap the taxes at 5%. That was his plan. He has boldly gone around the province and he has tried to argue what a good plan that is, and I leave that to him. I thought that we in the New Democratic Party had a much broader plan, which was a six-part plan. Of course, the minister likes five parts but not one of them. Our plan involved, amongst other things, the freeze of properties until the time of sale. Our plan involved an upload of some \$3.2 billion to take it off the property taxpayers. It involved a plan of giving money and consideration to people who lived in apartments. It involved helping seniors and

others to remain in their homes. It involved a whole holistic policy towards taxation.

1930

So when I listened—and I listened intently to the Minister of Finance and what he was going to do—I have to tell you, I was extremely disappointed again, because in fact he is proposing to do virtually nothing. Instead of doing a yearly upgrade on what the taxes are for individual properties, he promises now to do it only once every four years. Once every four years he's going to raise the taxes and then incrementally raise them over the four-year period until he does it again. In fact, this is a lot of pain for very little gain for most property owners. If that is the plan, it virtually does nothing. So I have to tell you, again, I was very disappointed. I hoped against hope—

Mr. Richard Patten (Ottawa Centre): So what would you do, Mike?

Mr. Prue: They're asking me what I'm going to do. I just explained. You should listen. We have a plan that's going to do a lot of things for a lot of people, but it is not as simplistic as your own. It is a six-part process that needs to be implemented together.

Then I looked at the clawback. I have asked—and I said this 52 times in this Legislature in the last three years, either me individually or my colleagues in conjunction, asking questions of various Ministers of Community and Social Services and the finance minister and the Premier—what they are going to do about the clawback. I had some great hopes when I read the Toronto Star. I thought something was finally going to be done about the clawback, and in fact, I was disappointed again. Because although there is now a plan—if one can believe the plan—it's going to be phased in over five years; not four years, at the end of the next government, but into the government beyond that. That's how long it's going to take to end the clawback.

This is a heinous practice, and I choose my word advisedly. It is a heinous practice for this government to continue what Mike Harris did and take money from the poorest children, take it off them, and for the reality—I know not what that reality is, except that you need the money for other programs. You are taking that money and you are going to continue to do that, albeit at a reduced level, over five years, should you—

Hon. Mr. Sorbara: Four times as much money to twice as many children.

Mr. Prue: “Four times as much money to twice as many children” is the answer that comes from the finance minister. But in the end, Mr. Finance Minister, please do not deny that those poor children who have the unmitigated gall to be born to the families of those on Ontario Works or ODSP are not going to get the full value of what you are doing to the same extent that the children of the working poor are going to get. They are not going to get it. It is going to take you five years, and even at the end of the five years, according to the economists with whom I have consulted since you stood in your place, they are still going to be clawed back by

your government, should you have the opportunity of re-election.

This, to me, is not a thing of which I can be proud. It is not a thing of which any Ontarian can be proud, that a federal government that is intent upon reducing or eliminating child poverty is going to see this government in Ontario continue that practice. It should have been ended; it ought to have been ended. The Premier promised in advance of the last election that it would be ended, and in the entire term of this government, for four years, it will not be ended. In fact, if you are lucky enough to be elected again in October, it will not be ended in your next mandate in its entirety either. That, to me, is a mistake.

Hon. Mr. Sorbara: Four times as much money.

Mr. Prue: He says again, “Four times as much money,” but you're not ending the clawback. Stand up and tell me you're ending the clawback. You can't and you won't, because you are not, and that is the reality. You are not ending the clawback.

As welcome as I would say—and there were people out there in the hall who were talking about your new program. I think your new program is not bad. I think it's not bad, but you're not ending the clawback.

Hon. Leona Dombrowsky (Minister of Agriculture, Food and Rural Affairs): We're going beyond that.

Mr. Prue: You're not going beyond the clawback. You are not ending the clawback to the poorest kids who are born and who live in families of OW and ODSP recipients, and that, to me, is a wrong thing to do. Those are not unequal children; those are children who deserve every bit as much support as the working poor. Those are children with whom I grew up in Regent Park. I know those kids; you know those kids. Mr. Minister, you must know them, and you know that you cannot differentiate between one group and another. That, unfortunately, is what your budget has done.

Hon. Mr. Sorbara: And that is the magic of this system.

Mr. Prue: I'm being told that his system is magic. I do not find it to be magic, because if it was magic I would expect something to be drawn out of a hat, and I do not see anything being drawn out of a hat.

I go on to ODSP and welfare. I was hoping something would happen here, because this was a poverty budget. The Minister of Finance told me that this was a poverty budget. I thought, “Well, finally.” His first budget, I thought, went a little bit of a distance. And I have to tell you: Your first budget, Mr. Minister, wasn't too bad. You increased welfare rates 3% in your first budget, something that hadn't been done for eight solid years in the previous government, which had frozen it, which had reduced it, which had treated welfare and ODSP people with utter contempt. You raised it 3%, and I could say that at least that was something. I remember sitting here in my seat and saying, “Thank God something has been done.”

But then your next budget, your second budget, contained nothing. Your third budget contained 2%, but they

had to wait till November, which meant, in reality, they got 1%, because they got it for half a year. And then in this budget, it's 2% again, but it's in November, which is only 1%. The reality is that unless you have some children, unless there is some other hook that you have within the system, if you are a single person on OW or ODSP, you are worse off in Dalton McGuinty's Ontario than you were in the worst days of Mike Harris. That is what I think is a disgrace.

Hon. Mr. Gerretsen: You don't mean that.

Mr. Prue: I do mean that, and you know it's true, too. Does anyone over there think it's not true? It's absolutely true. If you do not have any children, if you do not have issue, if you do not have an opportunity to get money—because there are other sources—then you are worse off today than you were under the worst days of Mike Harris. So I was disappointed in that aspect of your budget too, Mr. Minister. I'm looking right in your face: I'm disappointed with that too.

I'm very disappointed in what I saw or didn't see in the budget around IBI. I know you're spending some more money and I've seen what you are doing, but I also see that the court cases are ongoing. I also see that you're continuing to take families to court, and that there is an IBI waiting list that is growing, it appears to me, by leaps and bounds.

I've talked to some of my neighbours. I talked to a very nice family who lives in my community who has one child with autism, and he is, at the age of six, in the opinion of the family, being forced out of the safe sinecure, the confines—

Hon. Mr. Gerretsen: No, that's not right.

Mr. Prue: No, it is right; that's what's happening. She feels her son is being forced out, and she is resisting it with all of the force and the strength that she has as a mother. She's not alone; we have received other letters in that regard as well. But I am very disappointed that the government continues to spend untold millions of dollars taking these families to court when in fact it is the children who need the funds.

I looked at child care. The child care people were enthusiastic out there in the hall. I continue to wonder why. I am perplexed. I've asked them, "Why are you so supportive of this budget?" They said, "There's \$25 million in the budget." That would be all well and good if there was \$25 million in the budget. I guess there is, because you are passing on some of the federal monies to them, and I guess they should be thankful for that. But I have to ask—and I have yet to hear from any of your officials or from the minister himself—what happened to the other monies that were given by the federal government. What happened to the \$100 million that was given by this Conservative government in Ottawa to Ontario for child care? What happened to the \$63 million that was contained within the budget? We've seen \$25 million; I'm thankful for that. But what happened to the rest? Where is the other \$137 million? And the child care advocates, who were, on day one of your budget, quite happy to see \$25 million, are now starting to question,

and have questioned me, and I question you: Where is the balance? Where is the money? There's certainly nothing new from you. There is some money being passed down from the federal government—a portion of it. But there's nothing in your government's budget where you are spending any of your own money on this very vital service.

1940

I look to the municipalities. I came from a municipal background, and with all my heart, I have never heard a single person in this government—and I have asked you in committee, I have asked the Minister of Municipal Affairs in committee—dismiss what the Association of Municipalities of Ontario has said about the downloaded services. They put it at \$3.2 billion. Your minister has agreed it's somewhere close to there. I remember asking the former finance minister in the hiatus what it was, and he didn't deny it was \$3.2 billion. And I've asked you the same question in committee, Mr. Minister, whether it's \$3.2 billion, and I had never had a denial that that's the amount of money that is downloaded unfairly to the municipalities.

I looked at this budget, and we had great, huge hopes that something would be done. What I get from Liberals all the time is, "We're doing things, incrementally very small, little, tiny things. We are going to finally pay our fair share of the land ambulance," as if you shouldn't have all the time. "We're going to pay our fair share of the 75% that we're supposed to pay for public health," as if you shouldn't have all the time.

Mr. Patten: Oh, come on. We don't do it, and you're yelling and screaming.

Mr. Prue: I yell and scream because you don't do it.

The question is, what are you doing about the \$3.2 billion that has been very carefully documented by the Association of Municipalities of Ontario and that not one person in your cabinet has ever denied is true—not one person? As many times as I have ever asked the question in as many locations as it has ever been asked, I have never heard once a denial that the municipalities of this province are owed some \$3.2 billion for servicing your programs.

The city of Toronto came out yesterday and I think hit the nail pretty squarely on the head. They talked about the downloaded services that the people in the city of Toronto are going to be required to pay. They put the figure for three programs at \$71 million. I was pleased to see that one of your colleagues, the member from Scarborough Centre, Mr. Duguid, came out and said that there may be some more money, although it was not contained in the budget. If it is going to come, I invite the minister to stand up in reply—because he gets two minutes—to tell the good people of the city of Toronto—the mayor and the council—that \$71 million is going to accrue to them from the province because the city of Toronto is covering off the housing, welfare payments and child care payments to the tune of \$71 million, which are totally provincial programs, where you have not paid what you were supposed to pay. I listened and I read the

newspaper today, where one of the members of the city council put a turn of phrase—and I quote her only. She called the Premier a deadbeat Premier, just like the whole program you have about deadbeat fathers, about deadbeat parents, when they owe but they don't pay. She put it in very succinct and very easy-to-understand terms that in fact your government is not paying what it is supposed to for what is needed for the programs that the city of Toronto is delivering. That can be, of course, expanded by 450 times to every single municipality in this province, because every single municipality in this province is paying, through their property taxation, that \$3.2 billion in total towards provincial government programs which you are not paying for. Quite frankly, I think that if this budget is balanced—and I take the minister at his word that it is—it is on the basis that you are balancing it on the backs of the property taxpayers in those municipalities, because without the \$3.2 billion that you are unfairly making them assess, unfairly making them collect and unfairly taking from the municipalities, that budget would be some \$3 billion in arrears.

I listened intently to the whole issue of jobs and job creations. There wasn't much there. The members opposite, particularly the Minister of Economic Development and Trade, are often talking about the number of jobs created in Ontario. But, quite frankly, we are concerned about the 140,000 manufacturing jobs that have been lost in Ontario in the last two years. These are jobs that are gone and may indeed never come back. We are at a loss to understand the crisis in the farming community and the farmers who often seem to be very much at odds with this government, the farmers who say that they are not getting adequate subsidies or support from this government. We are at a loss to understand the whole crisis in forestry, which seems to be endemic and which this government seems singularly unable to solve. We are at a loss to understand the crisis that is affecting all of northern Ontario, where not only a loss of population but a loss of jobs, a loss of finance and a loss of will appears to be occurring. This government seems unwilling or unable to take the necessary steps.

I looked as well at what was happening in the environment. Again, I was disappointed because those monies that were given by the federal government—some \$580 million—have not been expended. I did read and I do know what the minister has to say and what other government officials are saying: to wait for two weeks; there's going to be a major announcement where that is going happen. But we have taken some \$580 million in federal money. That, in and of itself, is enough to shut down Nanticoke, but we're not shutting down Nanticoke. It is, in and of itself, literally enough money to solve most of the environmental problems in this province, yet there is no indication to date that they will be solved.

So I await whatever is going to be said in a week or two weeks or whenever the Minister of the Environment or the Minister of Finance is going to stand up and say where those monies are going to be expended, and I hope they're expended well. But in the end, I'm also waiting

for something which cannot happen, because the budget is out, and that is for this government to say that they're going to spend some of their own money on the environment. They're not going to spend any of their own money; these are all flow-through dollars that are going to be spent perhaps in a week or two, because there is nothing in this budget that this government has committed any of its own money to in the province of Ontario when it comes to the environment.

I've left the last one to the end on purpose, because I really want to talk about that, if my colleague from Hamilton East will allow me, and that is the whole issue of housing. It is very near and dear to my heart. As I have said many times in this Legislature, and I will say it again, I am a boy from Regent Park. I know what it's like to grow up in public housing, and I know the importance of that public housing to poor people. I know how that public housing can make a real difference to families and how kids, who otherwise would live in hovels and slums, can have an opportunity for decent housing. I am really upset and almost ashamed at what is happening in this province.

The federal government put forward some \$392 million for housing. In this budget, we had a great announcement that \$392 million was going to be spent; that is, the federal money is going to be spent and the province is going to give nothing, absolutely nothing. I don't know how I can be more succinct than that—nothing. But the \$392 million at least is finally going to be spent, because it has been sitting in the bank for about a year while there has been bickering back and forth between the new Conservative government and this Liberal government in Ontario. Finally, something is going to be spent. What's going to be spent is for a few new homes—and we were thankful for that. Thousands of people are going to get some kind of subsidy, and some of our First Nations people are going to get an opportunity for homes. But what isn't going to happen—what I don't see here is the crisis involving public housing in Ontario.

I had an opportunity and I know members of all three parties had an opportunity last year to spend a couple of nights in public housing. I know the Minister of Municipal Affairs and Housing spent at least one night in Moss Park. I had the opportunity of going for two nights to Jane-Finch. I had an opportunity to live in public housing as I had not done since I was a young man. I had an opportunity to go back and to remember, and to live again what it was like to live in public housing. I described in a speech when I came back what it was like to see the urine in the halls or to smell the urine in the halls, to see the cracked ceilings, to see the state of disrepair, to see the holes, to see people in despair, to see the bars on the windows and all those things that make public housing an anathema to people who don't really want to live there but have no choice. I looked to this budget to see if there would be any relief.

1950

The city of Toronto has documented—and I believe with all of my heart that it's correct—that they need \$342

million to repair the sorry state of public housing in Toronto that was downloaded by the previous government, and every member opposite knows it's true. If you were a private landlord of those places, you'd be hauled before every tribunal in this city, every tribunal in this province, to make necessary repairs. Yet the province of Ontario, as the largest landlord, does not do so, and in this budget there's virtually nothing to do so. There is about \$100 million spread out across the entire province, being about \$25 million for Toronto, which is about 10% of what is needed to make that housing decent and affordable and a place where people would want to live.

I welcome the members opposite again, I invite the finance minister again, to go and live where poor people in Toronto, poor people in Ontario, live every single night and see the despair and see the children and see the youth who have nothing to do and see the circumstances in which they live. And then I question why this budget does nothing except pass on the federal largesse. It does nothing at all with our money, and I consider it to be a disgrace.

I want to leave at least a few minutes for my colleague. Again, I started off by saying that we are going to be voting on supply, and that's what the vote is going to be tonight. But as a person who held out so much hope when the previous government was defeated, so much hope that things would happen in the four years of the mandate of this government, four years later, I am standing here saying that virtually nothing has happened.

All we have in this budget is a promise that three years from now, there will be a \$10 minimum wage; seven years from now, there will be property tax reform; five years from now, there will be help for the clawback; 12 years from now, there will be help for the state of housing in the province of Ontario. Quite frankly, it is too little and too late. The minister asked for us to support that budget. If we supported that budget, we would be showing confidence in what this government is doing and, quite frankly, I don't have any.

Mr. Bruce Crozier (Essex): I welcome the opportunity to spend a little time tonight speaking about some good things. Normally, I'm in the chair, captivated by the debate that's going on, and I don't get this kind of an opportunity, so I welcome it.

In this budget—a week ago, or last Thursday, I guess it was—it was an absolute delight for me to be able to call municipalities in my community who are going to benefit from the \$70-million rural infrastructure investment initiative.

Hon. Mr. Gerretsen: It's \$140 million.

Mr. Crozier: Well, I'm telling you the good news from the first part of the budget, and then I'll get on to the good news even beyond that. I was able to phone a town like Amherstburg and say that in this budget there's \$1.6 million for their new water tower. I was able to phone the warden of the county of Essex and say that there's \$500,000 in this budget to fix the Pike Creek Bridge.

I was able, at the same time I was on the phone with the warden, who's the mayor of Kingsville, to say that

there's \$950,000 in this budget for some infrastructure improvement on the old Talbot Road, and then I was able to get hold of my good friend Tout, the mayor of Essex, and say, "You know what? That arena of yours that's in disrepair: This budget contains \$2.8 million to help you with that arena project."

So that's good news for rural Ontario. That was part of the \$70 million that was earmarked for this rural infrastructure investment initiative. In addition to that, in this budget we're going to double that. It's going to \$140 million to help rural Ontario. Do you know what? There are other things we have to do—and I think the Minister of Agriculture, Food and Rural Affairs is going to speak in a few minutes. However, that takes pressure off not only the small rural communities that I represent but also the farm communities that surround them, because it certainly goes a way to minimizing, reducing their property tax that goes to this kind of infrastructure work that needs to be done.

It has also been my pleasure in the last year or so to work with and be successful at having family health teams established in Harrow and Amherstburg. Harrow is the community within a community. There was some amalgamation and the community of Harrow is now part of the municipality of Essex, but Harrow retains its spirit. Harrow retains that small-town spirit that those of us in rural Ontario appreciate—in fact, what keeps us in rural Ontario. Harrow went out and said, "Look, we need a family health team in this community. We understand that there are doctor shortages right across this country, but we want to do something in our own community to correct that. So this little community got together and raised all the capital funding needed to build their new family health team centre. They have two doctors and a nurse practitioner, and they have plans for other health caregivers to join in this family health team. I have always said that Harrow is a town with spirit, and that spirit continues to grow in that community. Our health minister, George Smitherman, through Finance Minister Sorbara, has been able to make this dream come true.

Amherstburg has recently been approved for a family health team. Again, it's going to support the care that needs to be given in a rural municipality that's outside the city of Windsor. The major hospitals in our area—there are two of them—are in Windsor. I'm probably one of the few members of this House who doesn't actually have a hospital in my riding. I think Carol Mitchell from Huron-Bruce said the other day she has eight hospitals in her riding. But my constituents either go to Leamington, which has an absolutely great small hospital in the area, or they go into the city of Windsor, but to help with that, there's even a satellite dialysis centre at the Leamington hospital.

Some really good things have been happening in rural Ontario. I'm quite proud to say that it has been our government in the last three years—and we continue. This budget is one that's going to take us through the next four years and beyond, and we have to plan well into the future. We can't do everything at once. I think

there are some good things that are happening in rural Ontario. There are certainly some good things that are happening in my riding.

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I just want to conclude with the fact that Harrow high school is open and thriving, a small community high school, a student population in the area of 300, but something that's vital to that community.

Finally, there's the Highway 3 bypass improvement: some safety improvements, widening to four lanes. The first stage will start this summer. In fact, a design is underway now. They've been out working on parts of the highway, clearing brush, getting ready to start an \$80-million project on Highway 3, to run from Leamington to the great new border crossing that we're going to have in the area of Windsor.

So rural Ontario has had some good things happening. I'm pleased that they're happening in my area, and I'll continue to work on those things that we need in rural Ontario.

Mr. Toby Barrett (Haldimand–Norfolk–Brant): As we debate supply and concurrences this evening, I'd like to touch on two issues, really: less than adequate compensation for homeowners in the town of Caledonia and the lack of an announcement with respect to tobacco compensation.

With respect to tobacco, tobacco tax revenue across the Dominion of Canada comes in at something in the order of \$9 billion, if you include federal and the various provincial treasuries. We have a problem with counterfeit, contraband and illicit product, much of it distributed through native communities, and that subtracts \$1.5 billion a year in tobacco revenue. It's important to deal with this, to crack down on the illegal market, additional tax revenue accrued. We see this reflected in the recent budget. Ontario tobacco tax revenue in 2006-07 was \$1.26 billion, and this dropped to \$1.21 billion projected for 2007-08. That's in the context of never-ending tobacco tax increases.

These cheap sources of tobacco undermine the sin-tax strategy of government, and hence we see so many young people continuing to smoke.

There is an unintended partnership of government policy and organized crime. It has put Canadian tobacco farmers and the legal tobacco trade at a competitive disadvantage. Nowhere is this more evident than in Brant county, Oxford, Norfolk and Elgin. I worked in tobacco a number of years ago. There were well over 3,000 farmers. Now we're looking at about 600 active farmers, another 600 quota holders.

Worsening the situation is the fact that legal manufacturing and retail of tobacco continues to suffer at the hands of the illegal production and the smoke shops.

Tobacco is not like any other crop—I know the Minister of Agriculture is here this evening—but it's also driven by policy from finance—I think the Minister of Finance has just left—health and justice.

The Acting Speaker: I would ask you not to make reference to the absence of any member of the House in the context of your remarks.

Mr. Barrett: Police, other law enforcement agencies, health groups and anti-smoking advocates—actually, the Minister of Finance is in the House—concede that the sale and consumption of illicit cigarettes now account for something like 25% to 30% of sales. Hence, manufacturers import product to compete with the illegal market. We have to deal with organized crime. We have to deal with and remove demand for the illegal product, enforce the laws and recoup some of this lost \$1.5 billion in tax revenue.

Both the marketing board and Tobacco Farmers in Crisis have presented an exit proposal to federal agriculture minister Chuck Strahl and provincial agriculture minister Leona Dombrowsky. Minister Dombrowsky has indicated her willingness to discuss a solution: "Ontario will be an active participant." I'm not sure just what the minister means by this phrase "active participant."

The Premier would attribute the drop in tax revenues to Smoke-Free Ontario. That's a drop even with the jacking up of tobacco taxes. Much of this loss of revenue is because of the tax-free black market. These are Ontario tobacco growers, and if this crisis were in any other province, they would certainly be taken under the government's wing. This Ontario government did declare war. All we're asking for is war reparations, essentially. We're looking for action on a plan from the Ontario government and, very simply, funding for compensation.

Tory was recently quoted, "Ontario doesn't need to wait for Ottawa to help tobacco farmers. The province has hiked tobacco taxes several times and pocketed the cash instead of helping farmers with it." As I've indicated, the tax money is there. Even though it has declined somewhat, Ontario still rakes in well over \$1 billion a year in tobacco taxes. We've recently seen a budget that came in at \$91 billion. We know there's a surplus: something in the order of well over \$300 million. I do encourage tobacco farm families, I encourage tobacco growers, I encourage mayors and municipal councillors throughout tobacco country to come to Queen's Park, to lobby, in particular during the final days of this fiscal year. It's very important to fight for an exit strategy. We know of the surplus monies. They could be delivered to tobacco country if this particular government had the political will. A few years back, \$20 million was acquired at about this time in the fiscal year, at the very end, to finance the kiln conversion.

I do not intend to give up fighting at this 11th hour. We need fair treatment for our growers, and it's time now for this Ontario government to step up to the plate, with or without the federal government. The clock is ticking, and I fear that if farmers don't receive some good news soon, then desperate times will truly call for some desperate measures.

The second issue that I mention, Caledonia: A complete lack of leadership seen with respect to the Caledonia Six Nations. There appears to be a weakness

in the political system's ability to resolve aboriginal land claim issues. Very clearly, in my view, land claims are a federal responsibility. The province is responsible for roads, policing, land deeds.

As of last June, Dalton McGuinty—and I see the Minister of Municipal Affairs is here this evening; in fact, it was Minister Gerretsen who promised to compensate Caledonia homeowners affected by the occupation, people—

Hon. Mr. Gerretsen: They got their cheques this week.

Mr. Barrett: The minister has just interjected that people got their cheques this week. In fact, Minister, there's a meeting this Sunday night, April 1. I would invite you to come to that meeting. They do want to discuss those cheques that were announced. You say they've been delivered. I know not everyone is accepting those cheques. Maybe I'll see you April 1. If not, I can bring regrets on your behalf.

Over the past year we've seen some confusion. We've seen some overlapping responsibilities between the federal and provincial governments. Don't use that as an excuse to finger-point or blame other counterparts.

I think back to March 1 last year. I spoke with Minister Ramsay when I first heard of the occupation. I was told at that time—we looked at the briefing books—that it's a federal matter. Two days later, I wrote to the federal Minister of Indian Affairs regarding the occupation. A few weeks later, on behalf of the clan mothers, I delivered documents to Ottawa to the Governor General. Again, at that point, the McGuinty line: federal concern. April 12, a big change: indicated it's a provincial matter. Since then, we have seen the responsibility ping-pong back and forth.

More recently, and this is what is problematic, we have seen this pathetic announcement with respect to the compensation package offered to Caledonia residents. Some residents, if they took that cheque, would be receiving something to the equivalent of one day's pay for Liberal crony Jane Stewart. We've seen some flip-flops. We remember the failed response with respect to road closures. The Premier broke his promise to halt negotiations until the rule of law is respected. More recently, we have seen the pathetic, weak-kneed follow-through on the compensation announcement that was made by Minister Gerretsen on June 16.

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Spring is coming; that exposed Haldimand clay on Douglas Creek Estates will be drying up rapidly. This will enable a lot more movement on that occupied site. I am fearful, given the McGuinty government's willingness to tolerate the lawlessness, that we will be seeing more conflict, a very real spectre of more property damage and—my concern—a very real spectre of personal injury.

Ms. Andrea Horwath (Hamilton East): I want to thank my colleague Michael Prue, who is helping me keep my papers organized here, because they tend to be falling off these slanted desks.

It's an interim supply motion tonight, and we know that's not necessarily about the budget, but of course it is, in a way, because it allows the government to have the opportunity to make expenditures over the next little while before everything is finalized in terms of the budget actually being passed by this Legislature. So really what we do is take an opportunity in debates like this to talk a little bit about the budget and anything else, really, that is of concern or significance to the people of Ontario from the perspective of the members who sit in this Legislature, who were sent here by the people of Ontario to represent their interests. So it's extremely important, and in fact is incumbent upon me as a member from the city of Hamilton, to reflect upon the extent to which the budget did or did not make much of a difference for Hamiltonians overall.

I have to say first and foremost that the biggest disappointment, for the people of Hamilton, anyway, was the fact that this government very specifically chose to give the city of Hamilton a bit of a backhand when it came to their downloading problems. I say that because we know very well that, year after year, the city of Hamilton has come cap in hand to this Legislature asking, requesting, beseeching the government to help out with the fact that the downloading that had occurred under the previous government had caused a revenue inequality or unneutrality—I don't know what the word is. The government of the day called it a revenue-neutral project or a revenue-neutral exercise, but at the municipal level we found out quickly that it was far from revenue-neutral.

The city of Hamilton did some work in trying to figure out what that lack of funding meant in terms of real dollars. I think initially it was something like, if I can recall from my days on council, \$38 million. Some of that was reduced by what was at the time called the community reinvestment fund, which has now morphed into something else altogether, neither of which had anything real in terms of an impact on reducing that deficit, if you will. So the city of Hamilton has spent every year for the last several years coming up with a figure that in some way reflects the philosophical issue around the fact that certain services—I'm not going to talk about some of the broader services, but certain services, from our gut, do not belong on the property tax base. Of course, those are income redistribution services or, if you will, colloquially, social services.

They don't even come here and ask for the entire \$30 million that is the balance that is owed from the downloading exercise; they come asking for just the social services portion, because everybody knows that social services don't belong on the property tax base. Every year, the government opens up the purse a little bit and gives them a little bit of money and pats them on the head and sends them away. But I have to tell you, the people of Hamilton are absolutely fed up with the fact that, over the term of the government—they have chosen, in fact, not to fix the problem in a systemic way.

The government members, particularly the ones from Hamilton, like to pat themselves on the back and say, "Oh yes, but we answer your call every year," but they're only answering a portion of the call, because the big part of the call that they're not answering is the fact that we need a permanent solution so that that city knows every year what to expect in terms of their social services costs and having it off of the responsibility of the property taxpayer.

I have got to tell you, I was pretty surprised, because my colleagues around our table sometimes say, "People don't really get what downloading means." I can tell you, the people of Hamilton get it, and they got it; they got it like a knife in their back from this government with this budget because they refused, once again, to deal with this problem in a systemic way.

This very past weekend I was out with my partner. We were looking at shrubs for our garden, and lo and behold, at the garden centre a woman approached me and the first thing she said to me was something to the effect that this government just doesn't get it. She said to me, "What is wrong with them? They just don't understand. Do they know how high my property taxes are? Do they know how burdensome it is that they're not dealing with this ongoing issue?" All I could say to this woman was, "Yes, I think they know. We've told them loud and clear, but they choose to ignore us." They really don't care. They're more interested in York and Peel and Halton, and they're happy to make those well-off communities whole. But for us in Hamilton, we just have to be moving along and not even getting any consideration whatsoever.

There are a number of articles that came out in our news media, a number of things that came forward. One of the first ones that was put on the wire was that the finance director of the city of Hamilton, Joe Rinaldo, said that \$5 million less than the city had been asking for was provided, and it could translate into a property tax hike of 5% per year.

So it wasn't just a sense that people had; it was a knowledge and understanding of the way this government has been shafting the city of Hamilton over the last several years in terms of a permanent solution. The residents know it, and the treasurer of the city of Hamilton was very blunt in his criticism of this budget. People were shocked to learn that the city of Hamilton was once again ignored.

I received an e-mail from somebody in my riding, and here's what he had to say:

"I wanted to let you know how extremely disappointed I am at the absolute lack of consideration for social services downloading that this latest budget has for the citizens of Hamilton. We are overtaxed and cannot afford to fund this transfer disparity any longer. Please advise on your position with respect to this issue," and it goes on to say how disgraced he feels about how Hamilton has been treated by the province. "Voters in Hamilton will respond accordingly to this issue in the fall election as the Liberal government appears to view maintaining or increasing Hamilton's seats as unimportant. Clearly we

need to organize in Hamilton to send a message to this government this fall. We need action and representation on this issue immediately." It was signed "with extreme disappointment" by my constituent Robb.

So clearly, it's not just a matter of the treasurer; it's a matter of everyday people in the community of Hamilton, people who are extremely fed up with the lack of representation by the mega Liberal voices that hold seats in this very Legislature. Every single one of them should be ashamed of trying to sell this budget down the throats of the people of Hamilton, who are much more sophisticated and get it in ways that I'm sure some of those members who are sitting here from that community don't even get. To pretend that it was a fair deal is really a disgrace to all of us.

Here's another article that was in our Hamilton Spectator:

"'We've been treated abysmally by the province,' said councillor Brad Clark," which everybody kind of chuckles at a little bit. "'(We) have to play hardball because they're doing it to us.'

"Council endorsed his tactic to publicly target the province for the shortfall. For example, Clark pictures traffic median signs saying 'Flowers cancelled by Mr. McGuinty'"—in other words, visual representations of what this community can no longer afford to do to make it a positive and good place to live because they have to take the money out of their budget and fund social services and downloaded costs that should be paid for at the provincial level. It's an absolute disgrace.

"Councillors also agreed to withhold money collected for the province. But that simply means it will be deducted from payments to Hamilton.

"Residents are facing a 5% tax" increase, and I could go on in terms of this particular article.

"While staff reported Hamilton fared poorly in the budget," the mayor had some other things to say, for which he got the smackdown from his councillors as a result.

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Here's another one:

"Reaction to the province's so-called poverty budget from poverty advocates"—okay, so now we know that regular citizens as well as councillors, as well as the treasurer of the city of Hamilton, have all said that this is not good enough. In fact, it's an insult, and they're quite fed up with the fact that the provincial government refuses to take Hamilton seriously. Our regular citizens, as well as councillors, are suggesting that the Liberals had better watch it in the fall election if they continue in this disregard for our community.

Not only that, but we know that Hamilton has equal the poverty rate of the city of Toronto. The minister responsible for children and youth said it again today in her statement on their child benefit that they've announced. I've got to say, it's pathetic.

Here's what poverty activists in Hamilton, with one of the highest rates in this province—equal to Toronto—are

saying about the pathetic nature of this government's budget:

"Reaction to the province's so-called poverty budget from poverty advocates" in Hamilton, "low-income families and researchers ranged from the disdainful to the lukewarm.

"'Poverty budget? I think it's a poverty budget because it's going to keep people in poverty,' said a clearly unimpressed Kelly Hayes," an advocate "who helped organize income security and living wage campaigns. Hayes was angry that the province will be taking three years to raise the minimum wage to the \$10 mark."

Here's another one:

"Rev. Wendy Roy, of St. Matthews House"—another food bank and anti-poverty grassroots organization that helps people day in and day out on the streets of Hamilton—said, "I don't think single people in particular and others are gaining much at all—it's one step forward and four steps backward."

That's what people on the ground—not the Toronto Star, maybe, but people who know what's going on in terms of the real poverty that exists in real neighbourhoods in community after community, particularly places like the city of Toronto and places like the city of Hamilton, are saying. They're saying that it is a sad, sad reflection.

In the minister's remarks when he was speaking earlier tonight, I've got to say I was pretty shocked when he was referring to how poverty is hidden and how you really don't see it and how you really have to look. You know what? Open your eyes and look on any street in Hamilton centre and Hamilton East and you'll find poverty right up close and personal. It ain't pretty and it ain't getting solved by this measly budget that has been put forward.

"Craig Foye, a poverty lawyer and member of the Income Security Working Group," said about the budget that "the elephant in the room is the adequacy of social assistance rates. What we really need is an intelligent social assistance rate based on actual costs."

The budget was a farce, it's not going to do anything for Hamilton and it's going to keep people in this province living in poverty for another five to seven years. Unacceptable.

Hon. Mrs. Dombrowsky: I'm happy to stand in the House this evening. We are talking about the supply bill this evening. As has already been explained by a number of our colleagues here this evening, it is an opportunity—when we talk about supply, we talk about monies that have been set aside to do the business of the province, and that does tie this debate to an extent to the budget that was put forward a week ago by my colleague the Minister of Finance.

It gives me an opportunity to talk about the impact of the budget in rural Ontario, for farmers in Ontario.

Mr. Leal: Good news for farmers.

Hon. Mrs. Dombrowsky: It has been good news for farmers. Actually, our government has been good news

for farmers; in addition to the fact that the planned spending at my ministry this year will increase over what we spent last year—as has been the case.

Interjections.

Hon. Mrs. Dombrowsky: I'm so happy that there are members of the opposition here this evening because I'm sure that they would be very interested to know that OMAFRA's spending, the amount of money that is planned to be spent in my ministry for the next fiscal year, is 28% higher than the previous government's actual spending in the last year it was in government. That's quite significant. If you look at our four years in government and our planned spending, we've spent 19% more in four years than the previous government spent in eight years.

What people in rural Ontario want to know, what farmers want to know, is: "What does that mean for me? Where are the investments in agriculture for me?" Well, specifically we have new spending in the area of the Ontario BioAuto Council. We have set aside \$6 million for the Ontario BioAuto Council. This is an initiative that has come to us through the advice of farmers. They've indicated that this would be a very important investment.

We are also setting aside \$2.5 million to support our agrifood partners as they have worked to develop their own marketing and branding strategies for the products, the very fine-quality food products that they produce. To build on that, our government has committed an additional \$10 million to our marketing and branding strategy. So we will be working hand in glove with the agri-food industry to promote Ontario food products. That's going to be good news for Ontario farmers, good news for Ontario rural communities and good news for Ontarians, because they will understand why it is in their better interest to prefer Ontario products.

I live in rural Ontario. There were a number of items in the budget that I believe had a very positive impact for communities in my riding—investments with respect to rural infrastructure. Our Premier had indicated that it would be our plan to spend \$70 million to improve rural infrastructure that had been neglected by the previous government. We doubled that. We doubled that commitment to spend \$70 million. We will be spending \$140 million in rural communities right across Ontario.

I have to say that on the day of the budget, did they appreciate it. I must say that I contacted some of the municipal leaders in my riding the day of the budget.

Mr. Leal: Overjoyed.

Hon. Mrs. Dombrowsky: They were absolutely overjoyed; they were over the moon. This meant so much to, in many cases, very small rural communities. They're going to have their bridge repaired. They're going to have sewage systems upgraded. These were really very, very important investments.

Municipal folks whom I spoke to were also very, very happy with the business education tax announcement. There are a number of municipalities in my riding who were of the mind—and I think that the numbers demonstrated that they were not equitably treated with respect

to business education tax. That is something we are going to deal with.

Of course, the Ontario child tax benefit will help children right across Ontario, including children in my riding and certainly throughout rural communities.

I wish I had more time. I'm sharing my time this evening with my colleagues. We think that it's very important that we enter into the debate some of the good work that the plan of this budget will achieve if passed.

I have other colleagues who are waiting to offer their ideas at this time, but it really is important, I think, that people in Ontario hear the good news that this budget means for the province.

Mr. Bill Murdoch (Bruce-Grey-Owen Sound): It certainly is a pleasure for me to be able to take a few minutes of your time to talk about this budget, especially when we just heard that fairy tale from the Minister of Agriculture. She is a great one—I'm sure in her riding she must have written a lot of fairy tales for people, because this budget is a fairy-tale budget. If you're going to believe the budget, you'll believe anything.

They have the minister of ag and food stand here and tell us how wonderful it was after she cut over \$100 million out of the ag budget and she won't admit it. She, in her mind, thinks that she put money into it. I don't know who she's listening to, whether the Ontario Lottery and Gaming Corp. people are dealing with her or who's dealing with her, but the scandals are so big with the Liberals that now they want to tell us things that aren't even true. There were over \$100 million cut this time, and then she had the audacity to blame the other government: "Oh, it's you guys. I've got more than you guys." Well, wah wah. That's really great that you've got more than us. I just never have seen a bunch that wants to blame everybody else for the silly things that they do.

That's fine if she wants to stand here and try to tell people, but nobody believes her out there—nobody. You would never want to admit that you're a Liberal and then tell somebody something. Nobody would believe you. You just couldn't believe it.

2030

That's why we're here tonight: to talk about the budget they've brought down. That's why we have to have these bills passed: because it deals with the budget, and that's why we're here. But we've heard some wild stories tonight. If people want to put their kids to bed, tune in, because you're going to hear some real fairy tales. Nobody's going to believe them anyway. This is the greatest thing: They say, "And people in my riding are so proud of us." We'll see what happens in the tent. We'll certainly see how proud of it they are.

Hon. Mrs. Dombrowsky: Oh, yes, we will, Bill.

Mr. Murdoch: I've seen cocky people before in this House, and they're not here anymore. We've seen a whole bunch of them over there, and there'll be room for them to sit over on this side. I'm sure that the few of them who are left will have a little spot over here to be able to sit.

Anyway, they brag about it, and they've spent over 20 billion more dollars from when they got elected till now, and we haven't got anything. People are still upset. It took them four years to balance a budget; can you believe that? "I will balance every budget"—I remember McGuinty saying that—and "I won't raise your taxes." Just think of the things they told us.

Mr. Leal: Look at what Janet Ecker did. She balanced the budget too.

Mr. Murdoch: Now it's Janet Ecker's fault, and she's not even here. Can you believe that? These guys would blame anybody just to say that they were right. I have never seen such a bunch in my life, and I've been here for 17 years. The NDP never blamed everybody like that. Certainly for a couple of years we might have, but four years after they're in government, they're still blaming the opposition for their incompetence. I guess that's what you can do if you can't get things right: "Let's blame the other guys." Do you know those three envelopes? They'd better get out the third envelope, because they'll be giving it to the next Premier, that's for sure—and it won't be a Liberal. There's just no way.

To be able to stand over there and look at people and say, "I raised your budget"—I can't believe the Minister of Agriculture can even do that to the people out there. The people out there said, "What kind of a world is that lady coming from?"

That's just one of the things. I want to talk more about the homes for the aged, which they totally forgot about. They're over there bragging about all the money they put into it. What happens for the homes for the aged? They didn't do anything.

Let's read here. Homes for the aged have sent us all kinds of petitions in this House. It says:

"Whereas Ontario will not meet the needs of its aging population and ensure access to hospital services unless long-term-care homes can provide the care and services that residents need...." They didn't give them anything. That's where it starts out. Then it says:

"Whereas staff are now run off their feet trying to keep up and homes are unable to provide the full range of care and programs that residents need or the menu choices that meet their expectations...." They did absolutely nothing for these people, the people who made this country, the people who made Ontario the best place there is to live in the world. Then we get four years of these Liberals and they put us down to last place again across Canada—and they don't want to look after these people. You would think they might have had some compassion to look after the people who are in these homes, but no: "We don't want to give them anything." Then to stand up and say, "We give money here; we give money there," and you look at the budget and they didn't do that. You wonder where these people are coming from. It's so unfortunate that Ontario had to put up with them for four years. But as you know, something will change.

Another thing: They say, "Whereas dietary, house-keeping and other services that residents and their

families value are being put at risk by increasing operating costs....” Again, there’s no money for them. They failed to look after the people in our society who need this kind of care.

Another: “Whereas some 35,000 residents still live in older homes”—this is after this government kept bragging about the money they’ve put out to help the homes—“many with three- and four-bed ward rooms and wheelchair-inaccessible washrooms....” Again, where did we see anything in the budget for that? There was not a thing to help out the homes. I notice they’ve gone pretty quiet about that because they know they haven’t. The Minister of Finance, I guess, doesn’t care about these people. It’s really unfortunate that the Liberals—

Hon. Mr. Gerretsen: Oh, come on, Bill.

Mr. Murdoch: There we hear the Minister of Municipal Affairs: “Oh, come on, Bill.” I can’t help it. It was your budget, not mine. You’d like to blame it on us. It was your unfortunate budget that didn’t give these people any money to look after them. They’ve been crying for help out there, and you people totally ignored them; you ignored the homes for the aged.

Another: “Whereas, on November 23, 2006, this Legislature unanimously passed a private member’s motion asking the government to introduce a capital renewal program for B and C homes”—we passed that in here and, of course, what happened? The Liberals ignored it. That was one of their promises: “We will honour the backbenchers of all three parties. We will listen to them. We will do things.” So we get in this House; we pass a resolution. It’s passed. There must have been some Liberals who voted for it to pass, and they ignored it totally in this budget. Their last budget, and they ignored it. What did they think—it doesn’t matter about these people out there in society? It doesn’t matter if we look after them? Obviously, something is wrong with them. Then they turn around and blame it on the other governments. That is a big joke.

Then they’ve got rot within their own party now. They’ve got a scandal going on over there with the OLG, the biggest scandal. But of course, it’s Liberals. Liberals are used to scandals, aren’t they? The member in front of me will agree to that. They had the scandal of the month up in Ottawa. Now it’s the same Liberals down here getting into another scandal. Isn’t that something? These Liberals—

Mr. Barrett: Patti Starr.

Mr. Murdoch: They had Patti Starr, but that’s going back. We can’t blame these guys for her.

Interjection.

Mr. Murdoch: The Treasurer might have been around in those days. I’m sure he was. He probably got a couple of fridges from her; I’m sure he did. But we won’t blame that on them.

We have a new scandal going on over there in the OLG. Millions of dollars are being siphoned off, and by whom? We don’t know. They don’t want to do an inquiry into it, because look what happened in Ottawa when they did an inquiry on the Liberals. They found out: “Hey,

those guys up there weren’t too good a people. They were scamming money from the people.” We don’t know whether that’s happened, but they’re certainly afraid of finding out. They certainly are afraid. “Hey, maybe we’re scamming a little money here, and the election is coming and we wouldn’t want that to happen.”

But I digress.

The Acting Speaker: I would ask the member for Bruce-Grey-Owen Sound to be careful with his language, and I would ask him to withdraw that particular unparliamentary remark.

Mr. Murdoch: “Scamming money”? I didn’t say they were, Mr. Speaker, but if you’d like me to withdraw it, I will withdraw that.

The Acting Speaker: Thank you.

Mr. Murdoch: We don’t know what they were doing with the money. We have no idea where that money was going because they don’t want to look at it. So maybe something was wrong. People out there are looking and wondering. People out there in television land are saying, “Hey, are these the same Liberals who were in Ottawa, the same bunch only they’re down here now?” We don’t know. We have no idea what these guys are up to, and they don’t want to find out. They don’t want to find out. They’re certainly afraid of opening it up because, hey, something might be wrong there.

Let’s get back to the homes for the aged. They don’t want to help. All those millions of dollars that have gone somewhere and could have gone into helping homes for the aged—they could have done that. We understand there’s over \$100 million. That’s what Trillium gets. Trillium gets \$100 million. What do you think another \$100 million in Trillium would have done to help people out there? But, hey, we don’t know where that went, and we’re not liable to find out because these guys over here don’t want to do anything about it. They’re afraid to open the books, because we know what happened in Ottawa to the Liberals. What’s going to happen to the Liberals in Toronto? We’re not sure what these Liberals down here are up to, and, boy, they’re trying to keep it pretty close. But they may have to open up the books. I know the media love you guys because you’re giving them all kinds of things to write about—another scandal.

They’re so cocky over there. “We don’t have to resign because we’re so good. Everybody believes us.” That’s another one: “Everybody believes us.” But if they had any credibility they would resign, open it up, and see what’s happened. But no, they’re going to stay around; they’re going to try to fight it out. We’ll see what happens there.

Another thing that’s not happening with our homes and that they asked for—they said, “Whereas such a program is required to support the limited-term licensing provisions in the proposed new Long-Term Care Homes Act....” Who knows what these guys are up to? Do they have some homes out there they want to look at for themselves? Maybe that’s where some of them should be. I’m not sure.

I have a bunch here, and I have tons more in here, and everybody every day is reading these petitions in the House which deal with the budget that they didn't want to deal with. It said:

"We ... petition the Legislative Assembly of Ontario to increase long-term-care operating funding by \$390 million...." How much did they have for a surplus? Around that figure. Maybe you could have done that, but they want that surplus as a little bit of a slush fund. That little bit of a slush fund must be going to help you out somewhere, and maybe you might put it back into ag and food—you took \$100 million out of ag and food; or the Ministry of Natural Resources: \$36 million out of them. We don't have any money there for them now. They have to put cookie raffles on to put gas in their cars so they can go out—

Interjection.

2040

Mr. Murdoch: Do I hear something? Do I hear something in the House? Do I hear somebody over there? Is there somebody really awake over there? Because we think you were a little bit asleep over there when the OLG happened. Now maybe they woke up. Do we hear another little voice? Can we hear that again? No, it has gone silent again.

Anyway, "\$214 million in 2008 to provide an additional 30 minutes of resident care." That's all they wanted, 30 minutes, and they got a minute. This would have fit in their scheme, because it was in 2008. Their budget goes up to, what, 2015? They figure they're going to be around that long to implement some of this stuff. Well, I'm telling you, you're not going to be here to do this. As I say, it was a fairy-tale budget that I don't believe anybody even believes in anymore, because we can go back to all those promises they made and all those promises they were going to do—they can't keep their promises. This is a government—

Interjection.

Mr. Murdoch: Now we promised again. It's our fault again. Now they're going to blame us again. I've been here for a long time. I've never heard a bunch who wants to blame somebody else all the time, always saying, "It's your fault, not our fault. Just because we're incompetent and can't do things right, it's not our fault." They are the worst I've seen, and this budget just sort of shows you. As I say, all kinds of promises are in there, and they're all over the map on it. Then to stand over there and say, "We put money in," in places they didn't put money—that's pretty cocky, I have to say.

I guess we just have to put up with it for a little bit longer. I'm certainly glad I had this chance. I didn't know I'd hear from them over there this long. But it's really unfortunate that the homes for the aged didn't receive the money that they deserve. This government certainly let them down big time, and who knows why? All those other promises they made for more housing—the federal government gave them some money to do it and they still didn't know how to handle that: "What are we going to do? We've got this money and we're

supposed to build houses, but our expertise is gone. We had no idea. It must be the other guy's fault. Maybe we'll blame the other guys that we didn't build some houses. Maybe we'll blame them that we didn't do that and we didn't do this." Again, as I say, it took them four years to finally balance a budget they thought they could balance right away; then they blame somebody else. It will be fun in the next election to hear the Liberals go out and blame it all on the other guys and make all these new promises that they want to live with. It will be great.

It's nice to have been able to be here and to say a few words.

The Acting Speaker: Further debate?

Hon. Mr. Gerretsen: Thank you for giving me just a few opportunities to express my opinion about this great budget, especially for the low-income people in our province. But I can't let my good friend opposite, who I know also was a municipal councillor and reeve at one time—of his own government members who are still sitting in his caucus right now, he once said about one of those individuals that he was the worst minister he had ever seen. Those aren't my words and I will not name that particular individual, who is still a member of his caucus. For him to attack us on that kind of a score I think is totally out of line.

Let me just very quickly deal with some facts. First of all, let's deal with the agricultural budget. You may recall that he said we're spending less in agriculture. All he has to do is look at page 166 of our budget book, where it clearly indicates that last year we spent \$809 million in agriculture and food; this year we will be spending \$876 million in agriculture and food, which is an increase right there of about \$67 million. That, of course, is not everything, because what quite often happens during the year, in many, many of the various ministries, is that, because of unusual circumstances, extra money will be allocated to a particular ministry, as has happened in agriculture a number of times over the last number of years. That's exactly why we have the \$1-billion reserve or contingency fund: in order to deal with those kinds of situations. He knows that we're spending a lot more money in agriculture and food than we have this past year.

I always find it fascinating when a Conservative member stands up and says that we're not spending money here, there and everywhere. The reality of the situation is that over the last four budgets, going right back to when we first formed government, the expenditures of this province have gone from \$73 billion to \$91 billion—that's an increase of \$18 billion—with most of the money being spent in extra health care costs, which we all know are needed. We live in an aging society, and we want to make sure that we have the best health care possible available for the people of this province. In education, over \$3.5 billion of additional money has gone into primary and secondary education alone, to make sure that our children have the best possible opportunity in life.

The question that I have of the Conservative caucus is a very simple one. We know that they're for tax cuts and

they're for giving money back to people. Wouldn't we all love to do that? But how are you going to do that when the expenditures of this province have gone up by \$18 billion in much-needed areas that everybody feels are the right places to do it, to look after our health care, education and the other needed programs? What are they going to cut out? That's what I'd like to know. I'd like to know that from Mr. Tory and from all the other Conservative members. It's wonderful to stand up on your feet each and every day and say, "Spend it here, spend it there and spend it everywhere," but what are you actually going to cut if you're going to tell the people of Ontario that you're going to give them some of their tax dollars back?

Now, let me just talk about one other thing that I'm very proud of, and that is our housing program this year. Our housing program will contribute \$100 per month to low-income earners, up to \$20,000, who have a child living with them, for 27,000 families in this province. That program will start later on this year. The NDP undoubtedly will vote against it because, according to them, it's not enough. Perhaps it isn't enough, and we wish we could do more, but it's a heck of a good start for 27,000 families who are in effect going to get \$1,200 per year, who are spending too much of their money right now on rent. It will certainly allow those individuals to utilize the \$1,200, plus the extra child benefits that we are increasing as well to the tune of \$1,100 per child within the next three years, starting off at \$250 come July 1 of this year. That means that low-income earners in this province who are making \$20,000 per year and have at least one child living at home will be getting \$2,000 to \$3,000 more per year, which they deserve, which they need to live on, and I think that's a darn good program. I know that the NDP would love to do more, and I have no idea where they would get the money. For them, whatever we do, it's never enough.

But that isn't the only thing we're doing. We are taking another \$127 million and handing it over to the housing service managers around this province in order for them to determine, together with the municipal councils that they report to, where to put the housing money for their communities. It may go to shelters; it may go to building new affordable housing; it may go into other supplement programs like the ones that we've started provincially here. We believe that municipalities are a mature level of government and that they're in the best position to determine where that money should go in their individual municipalities. At the end of the day, we will have delivered on what we promised to deliver in October 2003 when we said that by the end of our term we're going to build, or make money available to build, 20,000 new units of affordable housing across this province and a housing allowance available for 35,000 families as well. We're going to live up to that commitment. We think it's the right thing to do, and we urge the NDP in particular—because I know that there's absolutely no hope for our Tory friends over there—to take a look at this budget and to do the right thing and pass this

budget for the lower-income people in our province who are really benefiting from this budget.

2050

Mr. John Yakabuski (Renfrew–Nipissing–Pembroke): I'm pleased to join this debate and follow the thin-skinned and very sensitive group of people from the other side of the House. They seem to be very, very worried about the criticism that has been levelled at them this evening. When you're on that side of the House, you've got to accept that when you mess up, people are going to point it out to you, and all across the province, people have been doing just that since the tabling of the budget this past Thursday.

There are so many issues we could be speaking on in the budget. I want to start by putting on my glasses. I was listening to the Minister of Agriculture, and earlier I listened to the member from Peterborough. Actually, while I was listening to the Minister of Agriculture, I could hear the member from Peterborough, because he was doing his job as the dutiful parliamentary assistant to—I think he's environment, maybe. I keep track of you, Jeff. He was encouraging the minister and telling her how wonderful she is and what a wonderful job she has done. But the people in the agricultural community don't agree with you. They're not very happy.

Interjection.

Mr. Yakabuski: I hear the member from Perth–Middlesex saying they're happy there in Middlesex, but we hear differently. Quite frankly, I think a lot of those members from places like Perth–Middlesex and Peterborough and Northumberland should be very concerned. They should be very concerned because the people in rural Ontario are not very happy. They believe that maybe the Premier feels those members and their seats are expendable in order to win that vote-rich area surrounding the city of Toronto.

Anyway, if we look at the agricultural budget, the Ministry of Agriculture, he wants to talk about an increase going back to 2003 and 2004. Well, you know what? Since 2003 and 2004, most things have increased. The price of gas has gone up. That's four years ago. That's when these people came into office. Let's look at year to year. From year to year, depending on what happens with regard to the matching of federal funds, the agricultural budget could be dropping anywhere from just over \$100 million to \$90 million under the watch of this minister and this government. We don't want to hear about what Ron Bonnett thinks of it, as the member from Peterborough was talking about earlier. We want to hear what the current hierarchy of the Ontario Federation of Agriculture thinks of the support from this government for agriculture.

I want to shift gears just a little bit. We know that this is a supply motion, and we do have a certain amount of latitude. One thing I wanted to talk about is money being spent, because it comes down to: Where is money being spent? It was just amazing to hear that this government, under the Ontario Lottery and Gaming Corp., which now is just—they took out the "C." Let me read this, because

we want to get it exactly right. They spent \$629,600 in legal costs fighting a senior citizen, Bob Edmonds—here it says he's 78 years old; I'm not sure if that's his current age—who was swindled out of a ticket. They paid literally over \$600,000 to fight this man in court. At the end of the day, they settled and paid him \$200,000. They paid him \$200,000 because he was swindled out of a \$250,000 ticket, but spent over \$600,000 fighting him in court. You know what that says about this government, what it says about the minister, who, quite frankly, has been abysmal in response to the criticism levelled at him? What it says about them is that the only principle that matters is winning at the end of the day. They were willing to spend 600,000-and-some dollars to fight this man in court, hoping that a senior citizen of nearly 80 years old who had already been wronged egregiously was going to throw in the towel and give up. But you know what? Bob Edmonds didn't give up. Good for you, Mr. Edmonds. I'm sure a lot of people, everybody across this province, says, "Good for you."

What about the minister? What about David Caplan, the Minister of Public Infrastructure Renewal and the man responsible for the Ontario Lottery and Gaming Corp.? He tells us in this House that he knew nothing of the investigation—knew nothing about it. Yet we know that the Globe and Mail knows the truth; we know that all of you folks over there know the truth; and I really do believe that the people in Ontario know the truth. What I am wondering is: When are we going to hear the truth from the minister? When is he going to stand up and do the responsible thing, the honourable thing, and stand there as a man in the Queen's government and say, "I'm going to step aside until this terrible cloud that shrouds the Ontario Lottery and Gaming Corp. is either lifted—and get to the bottom of it, but in the meantime, so that everyone involved can carry on a fair, impartial, non-partisan investigation, I'm going to step aside"? That's what would be the honourable thing.

Mr. Leal: The OPP are investigating, John.

Mr. Yakabuski: The member for Peterborough says, "The OPP are investigating." Do you know what the minister said? He wants the OPP to investigate the OLG. But who's investigating the conduct of the minister? That's what the people of Ontario want to know. Who's investigating the conduct of the minister? That's what the concern of the people across this province is.

Just as this government spent over \$600,000 to defend themselves against the senior citizen in court, God only knows how much they will spend, how much they will stonewall, how much they will deny, how much they will—I can't use the word, but it rhymes with "deny"—to keep the hounds at bay, so that the people won't get to the bottom of this, because, you see, we're in an election year, and this government is going to stop at nothing. They're going to do everything they can to prevent Minister Caplan from resigning. It doesn't really matter if it's the honourable thing or if it is representative of the truth. That's what they're going to do: They're going to do everything they can to protect him because they don't

want to go into this campaign with the baggage of a shamed minister.

How much of this budget will we spend to defend the minister under these circumstances? That is a question I think the people of Ontario would like to get an answer to. What kind of a surplus might we have if he just resigned and we put that money to good use? Maybe we could take some of that \$100 million that has been swindled out of the people of Ontario—maybe that could have gone to some good grants. The Trillium Foundation, of course, is funded through gaming receipts. Maybe we could have had some more money for that—maybe some good projects in my riding. Maybe we could even have helped the good member from Peterborough.

2100

I know that I've slid a wee bit off the topic of supply, but I felt that it was quite important to do so this evening.

Now I want to talk about some of the things that my good friend from Peterborough—he's very nervous. Peterborough is a bellwether riding, and he's nervous. I don't blame him; he's a nice guy. But at the same time, his Premier is not really helping him. You know what his Premier is doing? His Premier is doing his best impersonation of a groundhog, because, you see, it has gotten tough here in the last couple of days so the Premier has run away and hidden and retreated to some kind of a burrow because we haven't seen him. I don't know if we're going to see the Premier tomorrow; I don't know if we're going to see him Thursday. But as the Premier of Ontario, when your government tables a budget, it would be nice to be seen in the Legislature to show the people that you're actually there governing the province.

There's the other thing. I'm curious: Perhaps the Premier is, in a way, sending a bit of a message to his Minister of Public Infrastructure Renewal. Perhaps the Premier is saying, "Look, I think that at some time over the next few days we're going to have to cut you loose. I can't be seen in the House defending you because, good Lord, when we actually do throw you to the wolves, I don't want to have been there defending you." Is that going to happen? I don't know. So the question is, will we see the Premier here to defend the minister? Will we see the Premier here to defend this budget that kicks the hell out of rural Ontario?

My good friends from Perth–Middlesex and Peterborough were talking earlier. My friend from Peterborough mentioned a good friend of mine: Bob Sweet, the former chair of Eastern Ontario Wardens' Caucus—

Mr. Leal: He's going to cut the ribbon on that new bridge in Arnprior.

Mr. Yakabuski: He's not the warden in Renfrew county anymore. You're going to have to keep on top of those things, Jeff.

He was saying how Bob was appreciative when there was a move to move slowly but incrementally to upload some of the land ambulance costs. And he was, and we very much appreciate it. But I had a conversation with Mr. Sweet last week, and he certainly didn't see too much in this budget that was helpful to rural Ontario.

Where is the money? Where is the help that they've been lobbying on so long? He is the past chair of the Eastern Ontario Wardens' Caucus, and you heard it from Doug Struthers this week: "Where is the money for the eastern Ontario prosperity fund? Where is the money for gas tax to support the public transportation systems in rural Ontario, which are our roads and streets? Where is the money?"

Mr. Wayne Arthurs (Pickering–Ajax–Uxbridge): I appreciate the little bit of time that's left. I know the hour is getting late, so I may not use all of the clock, in the interest of the hour.

There are a few things, though, that I'd like to comment on, just to bring us back a little bit to what we're talking about: this supply act. It's an important piece of legislation in and of itself, but it's also an opportunity for us to digress at the time we're doing a budget. The supply act itself does provide the government with certain authority that is necessary to ensure that the programs that have been set out actually get the legislative approval that is necessary. Although we digress during the debate, it is an important piece of legislation. Frankly, in the absence of that, this process that we engage in here would be somewhat meaningless if, in effect, we didn't ultimately authorize the expenditures necessary to operate the province of Ontario.

I've heard some interesting things during the course of this evening. I heard a fair amount about Hamilton, and not all of the perspectives are quite the same on Hamilton. I would like to just draw attention to the following—and I don't know Andrew Dreschel, who has a commentary Monday, Wednesday and Friday in the Hamilton Spectator, but he had some interesting things to say, so maybe it's a little different from some of what we've heard. I'm not going to read it all, but I would like to draw upon a few of the comments. I think it starts off with the headline, "Wah, Wah, Wah. How Soon We Forget.

"What a bunch of unappreciative bellyachers and crybabies. Either that or the lead in their pants has migrated to their brains.

"That's what I'd be thinking if I were a Liberal listening to city councillors whining about how badly Hamilton was treated in the provincial budget.

"There we were, expecting \$17 million to help cover the cost of downloaded social services and all we got from the McGuinty government was a measly \$12 million....

"How soon we forget.

"It looks as if it's time for a lesson in recent history.

"This is the fourth year the city has asked the province for special social service funding, a request made in the name of fairness but now banked upon to stave off municipal service cuts and tamp down property tax increases...."

The refrain began in 2004, the demand for \$19.5 million, "and the province delivered every penny of it."

It goes on from there: "We gratefully viewed the money as windfalls and bailouts and were acutely aware Hamilton and Toronto were the only recipients in Ontario."

I think it's a recognition that Hamilton, like Toronto, has some special circumstances, but the reality is that the

province has continued and will continue, I suspect, to support municipalities such as the Hamiltons that find themselves in special-need situations.

I'd like to turn now to some of the things that are being said out there about the budget from those who are engaged at the community level, and we draw upon them for their expertise, for their knowledge, and seek from them input on what's happening in the province from their organizations and from their businesses. I'm just going to draw upon three or four, some of the folks that I've had the chance to run into over the past three years now and maybe on occasion before that, but more so during these past three years that I've participated here in this process.

Len Crispino, the president and CEO of the Ontario Chamber of Commerce, says, "The reduction in BET rates is a major win for businesses in Ontario and will lead to increased productivity, job creation and output. Over 300 communities across this province will benefit from reduced industrial and commercial tax rates."

Judith Andrew—and I got to know Judith through some small-business agency work and through a task force I did for Minister Phillips early on—is the Ontario vice-president of the Canadian Federation of Independent Business. On the same subject: "The big thing in the budget from our standpoint is the property tax relief; \$540 million applied to business education property tax relief is a real breakthrough from our standpoint. It's something we've been looking for for some time. Property tax relief is so important for small business ... it takes money before you can make profit, so the fact that businesses are so ill-treated under our current property tax system that we extract more money in property tax in this province than anyone else in Canada...." That's a pretty fair and balanced statement. It's a statement that we're doing the right thing and a statement that we still have much to do in this province to be as competitive as we want to be.

Mike Yorke, the vice-president of the Carpenters Union, Central Ontario Regional Council, speaking about training-related money and what we are trying to do on the training, college and university side: "The carpenters union strongly supports this initiative. The investment of \$25 million for upgrading and new technologies for union-employer training centres is the right investment for Ontario and sharpens our competitive edge in a globalized economy."

The last quote I'd like to draw upon is from someone I've had the opportunity to know for a number of years now. As a matter of fact, she was my predecessor here from Pickering–Ajax–Uxbridge and the former finance minister prior to leaving office.

Mr. Leal: Janet Ecker.

Mr. Arthurs: Janet Ecker, former Conservative finance minister and president of the Toronto Financial Services Alliance: "The capital tax is widely understood to scare off investment. By committing to legislation to eliminate the tax by 2010, the government will finally knock down this barrier to investment. We also welcome

the move to reduce business education taxes. These property taxes have added significantly to the cost of office space everywhere, but especially in Toronto, the country's capital for financial services head offices. These taxes have made us less competitive when trying to attract new investment to the city."

2110

So we have a variety of people serving in a variety of capacities—whether it's industry, union, financial services and those who have served in this Legislature—commenting from their perspective on the budget and on the initiatives taken. In each of those instances, those folks out there in Ontario who have a vested interest in the future of the health, well-being and prosperity of this province have spoken positively to key elements of this budget. I can think of no better statement than the statements of the likes of Len Crispino, Judith Andrew, Janet Ecker or Mike Yorke to speak to what we're doing as a government during this budget and to focus attention on the good things that are happening. For that I thank the minister, the consultations that went on—he was out there talking to 19 different consultations—the work we did as a standing committee in providing feedback and the work that his cabinet colleagues and caucus were able to input on for delivering a budget that serves the needs of the province of Ontario in an exceptional way as we head into this fall's election.

Mr. Speaker, thank you for the time. In the interest of being able to wrap up early, I'm going to cede any balance of time that we have.

The Acting Speaker: Any further debate?

Mr. Sorbara has moved concurrence in supply for the Ministry of Community and Social Services. Is it the pleasure of the House that the motion carry? Carried.

Mr. Sorbara has moved concurrence in supply for the Ministry of Finance. Is it the pleasure of the House that the motion carry?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it. The motion is carried.

Mr. Sorbara has moved concurrence in supply for the Ministry of Health and Long-Term Care. Is it the pleasure of the House that the motion carry?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it. The motion is carried.

Mr. Sorbara has moved concurrence in supply for the Ministry of Health Promotion. Is it the pleasure of the House that the motion carry? Carried.

Mr. Sorbara has moved concurrence in supply for the Ministry of Municipal Affairs and Housing. Is it the pleasure of the House that the motion carry?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it. The motion is carried.

Mr. Sorbara has moved concurrence in supply for the Ministry of Public Infrastructure Renewal. Is it the pleasure of the House that the motion carry? Carried.

Mr. Sorbara has moved concurrence in supply for the Ministry of Training, Colleges and Universities. Is it the pleasure of the House that the motion carry? Carried.

Mr. Sorbara has moved second reading of Bill 188, An Act to authorize the expenditure of certain amounts for the fiscal year ending March 31, 2007. Is it the pleasure of the House that the motion carry?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it. The motion is carried.

SUPPLY ACT, 2007

LOI DE CRÉDITS DE 2007

Mr. Sorbara moved third reading of the following bill:

Bill 188, An Act to authorize the expenditure of certain amounts for the fiscal year ending March 31, 2007 / Projet de loi 188, Loi autorisant l'utilisation de certaines sommes pour l'exercice se terminant le 31 mars 2007.

The Acting Speaker (Mr. Ted Arnott): Is it the pleasure of the House that the motion carry?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it. The motion is carried.

Be it resolved that the bill do now pass and be entitled as in the motion.

Orders of the day.

Hon. Greg Sorbara (Minister of Finance, Chair of the Management Board of Cabinet): I move adjournment of the House.

The Acting Speaker: Is it the pleasure of the House that the motion carry?

All those in favour of the motion will please say "aye."

All those opposed will please say "nay."

In my opinion, the ayes have it. The motion is carried.

This House stands adjourned until tomorrow at 1:30 of the clock.

The House adjourned at 2115.

CONTENTS

Tuesday 27 March 2007

CONCURRENCE IN SUPPLY

Mr. Sorbara	7459
Mr. Tascona.....	7461
Mr. Prue	7463
Mr. Crozier.....	7468
Mr. Barrett.....	7469
Ms. Horwath.....	7470
Mrs. Dombrowsky.....	7472
Mr. Murdoch	7473
Mr. Gerretsen	7475
Mr. Yakabuski.....	7476
Mr. Arthurs.....	7478
Agreed to.....	7479

SECOND READINGS

Supply Act, 2007, Bill 188, <i>Mr. Sorbara</i>	
Agreed to.....	7479

THIRD READINGS

Supply Act, 2007, Bill 188, <i>Mr. Sorbara</i>	
Agreed to.....	7479

OTHER BUSINESS

Order of business	
Mr. Gerretsen	7459
Agreed to.....	7459

TABLE DES MATIÈRES

Mardi 27 mars 2007

DEUXIÈME LECTURE

Loi de crédits de 2007, projet de loi 188, <i>M. Sorbara</i>	
Adoptée	7479

TROISIÈME LECTURE

Loi de crédits de 2007, projet de loi 188, <i>M. Sorbara</i>	
Adoptée	7479