

Fourth Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

*Published under the
authority of
The Honourable George Hickes
Speaker*

Vol. LVII No. 34 - 1:30 p.m., Wednesday, March 8, 2006

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	P.C.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garry	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McFADYEN, Hugh	Fort Whyte	P.C.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 8, 2006

The House met at 1:30 pm.

PRAYER

ROUTINE PROCEEDINGS

PETITIONS

Mr. Kevin Lamoureux (Inkster): I was hoping the Premier (Mr. Doer) would be here to hear this, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Lamoureux: I withdraw that comment, Mr. Speaker. My apologies to the Premier.

Crocus Investment Fund

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wish to present the following petition.

The background to this petition is as follows:

The Manitoba government was made aware of serious problems involving the Crocus Fund back in 2001.

Manitoba's provincial auditor stated "We believe the department was aware of red flags at Crocus and failed to follow up on those in a timely way."

As a direct result of the government not acting on what it knew, over 33,000 Crocus investors have lost tens of millions of dollars.

The relationship between some union leaders, the Premier (Mr. Doer) and the NDP seems to be the primary reason as for why the government ignored the red flags.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider the need to seek clarification on why the government did not act on fixing the Crocus Fund back in 2001.

To urge the Premier and his government to cooperate in making public what really happened.

Signed by Doug Goodman, Jeannette Goodman, Helen Ezinicki and many, many others.

Mr. Speaker: In accordance with our Rule 132(6), when petitions are read they are deemed to be received by the House.

Grandparents' Access to Grandchildren

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

It is important to recognize and respect the special relationship that exists between grandparents and grandchildren.

Maintaining an existing, healthy relationship between a grandparent and a grandchild is in the best interest of the child. Grandparents play a critical role in the social and emotional development of their grandchildren. This relationship is vital to promote the intergenerational exchange of culture and heritage, fostering a well-rounded self-identity for the child.

In the event of divorce, death of a parent or other life-changing incident, a relationship can be severed without consent of the grandparent or the grandchild. It should be a priority of the provincial government to provide grandparents with the means to obtain reasonable access to their grandchildren.

We petition the Manitoba Legislative Assembly as follows:

To urge the Minister of Family Services and Housing (Ms. Melnick) and the Premier (Mr. Doer) to consider amending legislation to improve the process by which grandparents can obtain reasonable access to their grandchildren.

This petition is signed by Vivian Cameron, Ross Cameron, Pauline Shacklady and many, many others.

* (13:35)

MINISTERIAL STATEMENTS

International Women's Day

Hon. Nancy Allan (Minister responsible for the Status of Women): Mr. Speaker, I have a ministerial statement for the House.

Today, I invite Manitobans to join with women and men around the world as they gather to celebrate International Women's Day.

This year, for International Women's Day, our government is celebrating the 90th anniversary of the year women in Manitoba first obtained the right to vote. Manitoba became the leader in Canada's suffrage movement in 1916 when women obtained the right to vote and run for office in provincial elections. This historic event laid the stepping stones which eventually led to the recognition of all women's equality rights under the law. Not all women enjoyed the early victories of the suffragist movement. Just like men at that time, women were excluded on ethnicity, religion and property ownership.

Although Manitoba was a leader in women's suffrage, restrictions existed against First Nations men and women. Those participating in elections had to give up treaty status. This stipulation remained until it was lifted in 1952 for Manitoba provincial elections and 1960 for federal elections. A woman's right to vote, and later the recognition as persons under the law, resulted from the tireless efforts of many women. Perhaps the most widely recognized of these are the members of the Famous Five, which included one-time Manitoban, Nellie McClung.

The government of Manitoba remains committed to recognizing and acting on social issues which primarily impact women and their families.

Today, as we celebrate the advances made towards women's equality under the law, it is important that we acknowledge and work to address the challenges which still lie ahead.

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I rise today as well to acknowledge International Women's Day. Around the world today celebrations are being held about women, for women, and by women. We are celebrating the successes of women, the steps women have made, both individually and collectively.

Manitobans this year are celebrating the 90th anniversary of first women's voting rights in our province. We are proud of the fact that we were the first province in Canada to have women receive the right to vote. But, sadly, Mr. Speaker, not all women were granted that right at the same time. Women's political participation and specifically their right to vote has evolved over decades and have now become all encompassing.

Mr. Speaker, a few years ago, we were pleased to be able to table a private members' bill that passed in this House to set up the Nellie McClung Foundation in honour of the efforts of those women that sought the vote for women in Manitoba. I am pleased to indicate that that foundation has received its incorporation status and that we are awaiting charitable status before we can proceed with anything. We were very pleased to be able to do that.

Mr. Speaker, in listening to the comments of this government though, this scandal-plagued government is not helping women's issues in this province. We have the biggest debt in Manitoba's history that is affecting women and the money that is in their pockets. A female whistle-blower, Pat Jacobsen, came forward with very, very serious allegations from WCB. They ignored her allegations and then they turned around and they fired her. How many women are affected by the loss of Crocus dollars, the investments there? How many women teachers are affected because this Minister of Education (Mr. Bjornson) ignored a very serious letter that came to him about funding at TRAF?

* (13:40)

Hon. Jon Gerrard (River Heights): Mr. Speaker, I ask for leave to speak to the minister's statement.

Mr. Speaker: Does the honourable member have leave? *[Agreed]*

Mr. Gerrard: Mr. Speaker, I rise with my colleagues around the House to celebrate the 90th anniversary of women getting the vote in Manitoba. It was an occasion back in 1916, of which Liberals were very proud, because it was a Liberal government under Tobias Norris working with Nellie McClung who brought in the vote for women. It was also, interestingly enough, a Liberal government under D.L. Campbell who made the changes which the minister referred to in 1952, which again helped women as well as Aboriginal people in Manitoba.

So this is a time to celebrate. It is a time to be justly proud. It is also a time, and I think it is fair to say, that just after a budget, to make some pointed comments. You know, the government of today's NDP has missed an opportunity to advance the status of women in this budget. The budget largely ignores the feminization of women and poverty among women, and poverty among women is at a 20-year high. It makes the budget make a token effort to stop the violence and sexual abuse of women, and reported sexual assaults are up 50 percent. It leaves

families insecure about child care for only one in seven kids aged birth to 12. There could have been much better in this budget to celebrate, but sadly that is not the case. We will celebrate today the anniversary of the great event that occurred in—

Mr. Speaker: Order.

ORAL QUESTIONS

Budget Economic Initiatives

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, this Premier refuses to be accountable to Manitobans for his overspending and mismanagement of his government. Manitoba's best and brightest are leaving this province for greener pastures in Alberta and B.C. Manitoba families are the highest taxed west of Québec. Manitoba's private sector job creation only accounts for 25 percent; 75 percent is being driven by the public sector. Under this Doer NDP government Manitoba has lost its competitive edge and continues to fall further and further behind other provinces in Canada.

When will this Premier be accountable for his failure to make Manitoba competitive?

Hon. Gary Doer (Premier): One of the serious challenges we have had in the past of losing our best and brightest has been in the whole area of not having a postgraduate scholarship in place, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. One of the bits of advice we received, a very good bit of advice we received over our first term in office, was to introduce a pledge to have, I think, close to a million dollars at the end of our term in postgraduate scholarships.

Today we announced the second part of keeping that commitment. We think some of our best and brightest now will be eligible for postgraduate scholarships in Manitoba. I am pleased to say the minister of post-secondary education furthered our election promise today with a great promise that Red River College is retaining 94 percent of youth after they are trained here in Manitoba.

* (13:45)

Mr. Murray: For seven years, this Premier has had his hands in the pocket of hardworking Manitobans.

The only growth that we have seen in Manitoba under this NDP Premier is debt; \$21 billion is the debt of Manitoba under this Premier.

The per capita taxes of Manitobans have increased by nearly \$1,000 since 1999. So, Mr. Speaker, a Manitoba family of four is now paying \$3,700 more in taxes than they did in 1999. In times of unprecedented revenues, why is this Premier content to let Manitoba fall behind the rest of the Canadian provinces?

Mr. Doer: I understand that today and yesterday a person named Evelyn Jacks from The Knowledge Bureau has indicated that this is a budget that shows this government is open for business, and, of course, we are seeing that with the results.

The Toronto Dominion bank stated that Manitoba's budget maintains a prudent course of fiscal action. Now members opposite will want—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. Members opposite may or may not recall that the last two years they were in office the Auditor General would not attest to the books. Part of the reason for that was health capital was not in the books. Housing capital was amortized over a 60-year period rather than a shorter period of time. There was no consideration of unfunded liabilities of pension. The purchase of Centra Gas was not on the books.

The one great change that has been made, Mr. Speaker, is that everything is on the books in Manitoba. That is why we have received two credit rating upgrades since we have been elected. I would point out that, in spite of the fact that we have shifted some of the debt repayment to pension liabilities and have for the first time a 40-year plan in that regard, borrowing costs in 1999 were 13 cents on the dollar. Today, it is 8 cents on the dollar in the budget.

Mr. Murray: Mr. Speaker, it is very, very clear the facts are that we have had unprecedented revenues in this province, and what do we see? We see that Manitoba is the last have-not province in western Canada under this Premier. This Premier has made Manitoba hardworking families the highest taxed west of Québec. Unprecedented revenues; with those unprecedented revenues, this Premier has made Manitoba's health care system dead last in the country.

Manitobans are not and should not be satisfied with last place. Maybe this Premier is, but Manitobans are not, Mr. Speaker. This Premier has no long-term strategy for strengthening Manitoba's economy and making Manitoba a have province. Manitobans deserve better and they are asking for better.

When will this Premier do better?

Mr. Doer: When you have more people coming to the province, you get a growing economic picture. When you have more businesses locating in Manitoba, you have a growing picture. When you have more housing starts, you have a growing economic pie. That is what economic growth does, Mr. Speaker. That is what it does.

We do not have the—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. I could not help but pick up that the leadership candidate the member opposite is supporting—oh, no, I guess it is—what party is she in now? I cannot remember, but anyways the—

Mr. Speaker, I would point out—

Some Honourable Members: Oh, oh.

* (13:50)

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker, when we came into office, the corporate tax rate in Manitoba was the highest in the country at 17 percent. These people talked a good game, but they did nothing. The small business tax rate was 8 percent. Just look at the Bank of Nova Scotia's comments about Manitoba in relationship to Ontario. We have gone from 17 percent to 14 percent in this budget, which is at Ontario's rate. We were way above it before in terms of corporate tax rates. In next year's budget we go down to 13 percent. The small business tax, which 90 percent of the people paid, the second-highest tax in the country, was across the way. We have now got a budget to go to 3 percent. That is the tax that 90 percent of the businesses pay in Manitoba. That is moving ahead and moving forward Manitoba.

Budget Service Fee Increases

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, this NDP government in spite of

\$486 million of new revenue, the second-highest increase in revenues in Manitoba's history, plans to increase sneaky, backdoor taxes by another \$2.9 million this year. A whole variety of fees, licences and permits are increasing, including Property Registry fees and Building Code contract fees.

I ask the Minister of Finance: When is enough, enough? Why would he increase these sneaky, backdoor taxes at the time when he has record high revenues?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, I am going to table the publicly made available documents as the budget came out. I just want to table these for the members.

The member will note in there, just like he does on finances, he has his own unique definitions of everything which do not accord with any commonly accepted principles or standards. This is a government that made all of its fees available through press announcements, through public disclosure, and now he is saying that a press release is sneaky.

Well, all I can say is that if the members opposite would disclose their agendas as publicly as we disclose ours, we would have a much clearer sense of where they propose to take the province. We have an economic growth plan. We have over \$600 million of tax cuts. We have no idea where they would like to take the province except into the abyss like they did in the nineties.

Mr. Hawranik: Mr. Speaker, let me remind this Finance Minister I am using his numbers. Record high revenues, but it is not enough. The Finance Minister has to sneak into the pockets of Manitobans to take more. Since 1999 the Minister of Finance increased taxes through the front door, the backdoor, indeed every door possible, and he has increased taxes to Manitobans by a total of \$1.2 billion since 1999.

I ask the Minister of Finance: When is enough, enough?

Mr. Selinger: Mr. Speaker, if the member opposite would just take a moment to catch his breath and read the budget papers, he would actually get the facts made available to him. I would direct his attention to page D11 where, if you look at single individuals at variety of income levels from \$10,000 to \$100,000, their tax reductions since '99 start at 69 percent reduction in taxes for an income earner of \$10,000. It is 14 percent plus for income earners of

\$20,000 to \$40,000, and it is 17 percent for an income earner of \$70,000. A senior couple has seen their taxes go down 93 percent. A family of four at \$40,000 has seen their taxes go down 28 percent. A family of four with two earners at \$30,000 has seen their taxes go down 49 percent.

Mr. Hawranik: Mr. Speaker, this minister can say what he wants, but since 1999 the Minister of Finance has in fact increased taxes to Manitobans. Some are increased up front, others are sneaky, backdoor taxes. The overall cumulative effect is that Manitoba families now pay \$3,700 more to this NDP government than they did in 1999.

I ask the Minister of Finance: Why have you increased taxes to Manitoba families?

*(13:55)

Mr. Selinger: This is the member that was \$9.5 billion out on the size of the debt in Manitoba, Mr. Speaker. It was not a trivial error.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I cannot hear a thing. I ask the co-operation of members. I need to be able to hear the questions and the answers. Members that wish to ask a question or answer a question will have the opportunity. The person who has the floor is who I need to be able to hear.

Mr. Selinger: Thank you, Mr. Speaker. As I pointed out on page D11, there is a factual record of what the reductions are for families in all income classes.

The members opposite cut the education property tax credit. We increased it by over \$55 million to \$400 per family. The members opposite increased taxes on farm families. We have reduced taxes on farm families. The members opposite did nothing on the small business tax rate. We have taken it down by 63 percent. Every category of taxpayer in this province is better off today than they were seven years ago. They are better off every single year that we have been in power. There has not been one single year where taxpayers have not been better off in this province on the affordability side and not better off in terms of the investments we have made.

Maple Leaf Distillers MIOP Loan

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, after that performance by the Minister of Finance, I think I see the shadow of Jim Walding.

Mr. Speaker, my question is to the Minister of Industry: On October 28 last year the Minister of Industry stated relative to the Maple Leaf Distillers loan, and I quote: "This was subject to the regular due diligence that was set for any company." At that same time, Astra Credit Union had requested the review of the financial position of Maple Leaf Distillers. This does not demonstrate financial due diligence on the part of this minister. I give him an opportunity to correct the record.

Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines): Mr. Speaker, all groups, when they are making an investment in any organization, will conduct financial due diligence, and what we did is we as an Industry ministry went in and conducted financial due diligence. We are, right now, working to make sure that the interests of Manitoba taxpayers are looked after. We are making sure that we are having appropriate responses to the issue in question.

Mr. Cummings: Mr. Speaker, just three days later this same minister stated that the MIOP loan provided to Maple Leaf Distillers was well secured despite the fact that it did not have any personal guarantees. That very same day, Maple Leaf Distillers agreed to Astra Credit Union's request to have Ernst & Young begin a review of their financial position.

Mr. Speaker, this minister has deliberately misled the House, and I know I should not—

Mr. Speaker: Order.

Mr. Cummings: I withdraw that, Mr. Speaker.

Mr. Speaker: I accept the honourable member's withdrawal of the word "deliberate."

Mr. Cummings: Mr. Speaker, my frustration on this matter is, as I demonstrated, within a period of three days, twice this minister said they were doing due diligence when it appears that they did not.

Does the minister still believe that he can hide behind the false statements that he made?

Mr. Rondeau: Mr. Speaker, I am shocked at the member opposite. The MIOP loan is secured against the building. The MIOP loan has personal guarantees, and as I said, up to December, the loan was current.

Mr. Cummings: Mr. Speaker, at the very time that the member was making his statements, there were two significant articles in the *Winnipeg Free Press*

that would have flagged attention to anyone who was looking at the current news about concerns that were being raised.

So I say to this minister, as we saw the chronicling of concerns being made publicly, this minister was still smiling and telling everybody he was doing due diligence and he was tripping over red flags, literally tripping over them. Was he compromised? I want to know. Was he compromised by a higher authority that told him to close the deal, or is he just not too smart?

* (14:00)

Mr. Rondeau: Mr. Speaker, if one looks at the MIOP program under the members opposite, under their intelligence, under their direction, it cost or lost \$39 million.

Under this government, under the direction, intelligence and due diligence of this government up until December made \$183,000. Under that government it lost Isobord, Westsun, CalWest, Daycon, multiple losses. Under ours, we charge a market rate or better. Under theirs, they gave away and lost money time after time.

Civil Service MGEU Telephone Survey

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, civil servants play a significant role in maintaining the uninterrupted daily operations of government, regardless of the political stripe of the government of the day.

We on this side of the House were extremely concerned to learn that members of the civil service were being polled by their union, the MGEU, and asked who they would vote for if an election were called tomorrow.

My question is for the Premier, the self-appointed ethics commissioner for this government, Mr. Speaker. Does he support this practice?

Point of Order

Hon. Gord Mackintosh (Government House Leader): On a point of order, Mr. Speaker. It is well-established practice—

Mr. Speaker: Order. The honourable Government House Leader, on a point of order.

Mr. Mackintosh: Mr. Speaker, it is well-established practice, rule and precedent that questions from the opposition to the government must be dealing with

matters within the administration, the jurisdiction of the government. The question is about the actions of a union. We should remind the member opposite that in fact this government is the employer.

Mr. Speaker: The honourable Official Opposition House Leader, on the same point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Well, Mr. Speaker, I wonder how asleep the Government House Leader was yesterday when the question was asked regarding this practice. In fact, it is up to the government to ensure that our civil servants are not exposed to political interference and to political manipulation by any government that is in charge of civil servants.

So the question, Mr. Speaker, is very appropriate to the First Minister. He has a responsibility to answer this question as has been posed by the Leader of the Opposition. I do not know what he is hiding behind again. This is just another attempt to hide the Premier behind these kinds of issues.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. On the honourable Government House Leader's point of order, *Beauchesne* 409(6) makes it very clear "a question must be within the administrative competence of the Government. The Minister to—" *[interjection]*

Mr. Speaker: Order. "The Minister to whom the question is directed is responsible to the House for his or her present Ministry and not for any decisions taken in the previous portfolio," and also for the actions of outside of government activities. It must be directly related to the functions and the duties of a minister related to their portfolio. So I have to rule—

An Honourable Member: Unbelievable.

Mr. Speaker: Order. So I have to rule the honourable member does have a point of order— *[interjection]*—and I will give the member an opportunity to reword his question.

* * *

Mr. Derkach: Mr. Speaker, I am sorry, with respect to this issue, I have to challenge your ruling.

Voice Vote

Mr. Speaker: The ruling of the Chair has been challenged. All those in support of sustaining the ruling of the Chair, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to sustaining the ruling of the Chair, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Formal Vote

Mr. Derkach: A recorded vote on this one, Mr. Speaker.

Mr. Speaker: A recorded vote having been requested, call in the members.

Mr. Speaker: Order.

The question before the House is shall the ruling of the Chair be sustained.

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Aglugub, Allan, Altemeyer, Ashton, Bjornson, Brick, Caldwell, Chomiak, Dewar, Doer, Irvin-Ross, Jennissen, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Melnick, Nevakshonoff, Oswald, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith, Struthers, Swan, Wowchuk.

Nays

Cullen, Cummings, Derkach, Driedger, Dyck, Eichler, Faurschou, Gerrard, Goertzen, Hawranik, Lamoureux, Maguire, McFadyen, Mitchelson, Murray, Penner, Reimer, Rocan, Rowat, Schuler, Stefanson, Taillieu.

Madam Clerk (Patricia Chaychuk): Yeas 33, Nays 22.

Mr. Speaker: The ruling of the Chair has been sustained.

* (14:40)

* * *

Mr. Speaker: We will go back to Question Period and the honourable Leader of the Official Opposition to rephrase your question.

Mr. Murray: Thank you, Mr. Speaker, and thank you for the opportunity to rephrase.

Civil servants play a significant role in maintaining the uninterrupted daily operations of government regardless of the political stripe of a

government of the day. We, on this side of the House, were extremely concerned to learn that members of the civil service were being polled by their union, the MGEU, and were asked who they would vote for if an election was called tomorrow.

My question is for the Premier. As the self-appointed ethics commissioner of the government, does he support this practice or will he ensure that whistle-blower legislation protects civil servants from this kind of activity?

Hon. Gary Doer (Premier): Mr. Speaker, I would point out that there is an ethics commissioner who has been appointed and the individual's name is Mr. Bill Norrie. I would point that out for the record just in terms of accuracy.

I think you will find the people we have appointed to the public service and the senior levels they have obtained are extremely consistent with the principles of an independent non-partisan public service. I just note that recently we appointed Linda McFadyen to Deputy Minister of Intergovernmental Affairs. We appointed Arlene Wilgosh, a long-time employee of the Department of Health, as Deputy Minister of Health. We appointed Tannis Mindell to the position of Secretary to the Treasury Board. There are other appointments pending, Mr. Speaker, that will all be consistent with independent public employees.

Mr. Murray: Mr. Speaker, it is the responsibility of the minister to protect members of the Civil Service Commission and that is what his proposed whistle-blower legislation is intended to do. That is why it is a great concern on this side of the House that a union is conducting political polling of members of the civil service and polling, with this government's track record, may jeopardize their careers.

My question for this Premier, who has said on many occasions that he is the self-appointed ethics commissioner for the government: Does this pass his sniff test or will he ensure that proposed whistle-blower legislation provides protection of civil servants from this type of activity?

Hon. Greg Selinger (Minister responsible for the Civil Service): Mr. Speaker, since the issue was raised yesterday, I have determined that the polling has not been done with any members of the MGEU during the course of their work activities. These are calls that have been made by an independent body to their membership at home. As the House Leader has pointed out, this is something the members, if they

are unhappy with the performance of their union, they can deal with that as members. It is a democratic organization, unlike the Manitoba Club, where people actually have a say over who their leadership is. In this case, we have determined that it does not in any way interfere with their work.

Mr. Murray: Well, this Doer NDP government has a dubious history of firing whistle-blowers. Pat Jacobsen, who was the former president and CEO of the Workers Compensation Board and a highly respected and regarded civil servant, was fired. They fired her, Mr. Speaker, when she raised concerns about questionable investments and governance of the WCB. Public sector unions should not be allowed to ask their employees about their voting tendencies.

Mr. Speaker, will the Premier ensure that whistle-blower legislation will include protection for members of the civil service?

Hon. Gary Doer (Premier): I do not believe any member on this side of the House has received any condemnation from the Civil Service Commissioner in the exercise of their duties as ministers. I think we have a very, very excellent record. I just pointed out the senior civil servants that we have appointed. I would point out the law, and I know the law very specifically says that the board of directors of the Workers Compensation Board shall hire the CEO of the corporation. The law also provides for it. I can provide, I think it is 59(1) and (2), it also provides that that individual will serve at the pleasure of the board for the period of time that the board determines.

Mr. Speaker, I think that we have clearly followed the law. I know that is a foreign concept to members opposite, but it is not to this government.

Civil Service MGEU Telephone Survey

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, yesterday the minister responsible for civil servants, the minister who is supposed to be responsible for civil servants, said he knew nothing about this particular poll. We know today that the polling company, Viewpoints, was phoning Manitoba government employees at home asking them who they would vote for in the next provincial election, and it was all paid for by government money. You do not have to be from Denmark to know that something smells in this state of affairs.

Today, knowing the facts, does the minister responsible for protecting civil servants, government

employees in this province, not recognize that this is wrong, and will he not bring forward legislation that is going to protect these employees with some more legislation, Mr. Speaker?

Hon. Greg Selinger (Minister responsible for the Civil Service): I would like to thank the Member for Steinbach for confirming that the calls were made at home. That is the information I received as well. So we actually have a rare occasion, Mr. Speaker, where there is an agreement on the facts.

The fact is that the poll was conducted on behalf of the union with members in their homes, outside of their workplace activities. We have ensured that their workplace is not interfered with, that civil servants are free and unfettered in carrying out their public responsibilities. Anything that happens between the members and their elected officials, I am sure the members will deal with it through the democratic process if they are unhappy with the way they are being treated.

Mr. Goertzen: If the minister responsible thinks being harassed at home and asked who you are going to vote for is some kind of comfort, it is very cold comfort, Mr. Speaker. It is the role of the Minister responsible for the Civil Service to help protect the air of neutrality that the civil service operates under. Civil servants should not be subjected to identifiable polls about their political preference.

Will the Minister responsible for the Civil Service and for the proposed whistle-blower legislation ensure the provisions are brought into place to restrict public sector unions from polling on voting intention, Mr. Speaker?

Mr. Selinger: Mr. Speaker, we will carry out our responsibilities to make sure the civil servants can operate free and unfettered in the undertaking of their public responsibilities. It was just a few months ago that contrary to the by-law that the members opposite put in place, their own regulation for freedom of information, members were demanding that I release e-mails between civil servants, privileged communication. So now the member wants us to interfere in the public service on one hand. In this case we have determined that there is no interference with the professional undertakings of our civil service, and I know that members of the MGEU, if they are unhappy with their leadership, being a democratic organization they will change the leadership.

Mr. Goertzen: Section 41(1) of The Elections Finances Act prohibits contributions from unions and corporations, and it prohibits in-kind donations that benefit a political party. MGEU admits that the polling that was done was political and, therefore, it would benefit a political party. Quite understandably, the Premier (Mr. Doer) has publicly admitted that he sometimes seeks political advice from his spouse, but The Elections Finances Act is not exempt from him. The union is paying for political polling and the Premier seeks political advice from the pollster.

Will the Minister of Justice at least acknowledge that there is a potential breach under this Elections Finances Act, Mr. Speaker?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, I believe this is a government that has a record of strengthening the election laws, not undermining them and not breaking them.

* (14:50)

Crocus Investment Fund Public Inquiry

Mrs. Bonnie Mitchelson (River East): Mr. Speaker, the Premier, the self-proclaimed ethics commissioner for this NDP government knows that every MLA in this room represents constituents who lost money in the Crocus scandal. By refusing to call a public inquiry he is denying Manitobans and their elected representatives the ability to uncover the truth.

Mr. Speaker, I am sure I speak on behalf of all MLAs who have constituents that have been harmed by the Crocus scandal. I am sure they would all stand and join with me and pressure this Premier to call a public inquiry. Will he do the right thing? Will he do the ethical thing and call a public inquiry today?

Hon. Gary Doer (Premier): Mr. Speaker, I am not sure whether the member opposite was at the committee where for six hours a number of the follow-up questions that all MLAs were interested in were before the Auditor General, the minister, the deputy minister of the department. For the first time ever, I might point out, a deputy minister was before a committee being asked a number of pointed questions on evaluations, on issues dealing with the Price Waterhouse audits and, furthermore, the brokerage firm that was involved in terms of preparing the prospectus. Those comments were well on the record.

I would point out that one of the areas that we did involve ourselves in very early on was amending The Auditor General Act. We felt that the ability to follow up on loans, directly and indirectly, or investments was inadequate. The ability for the Auditor General to follow the money was amended in 2001. In some ways, Mr. Speaker, we know that the major losses in Crocus, Isobord, Westsun and other companies preceded us.

But the bottom line is, Mr. Speaker, all of us are accountable. The Auditor General now has the ability to hold all of us accountable. That accountability is in a report. There will be accountability to the Securities Commission and there may be accountabilities in terms of justice follow-ups, just as I believe there was in a company that is coming before the courts now that had three MIOP loans in the 1990s. What is it? [*interjection*] CalWest.

Mr. Speaker, accountability, whether it is legal or financial, is there and available for the people of Manitoba.

Mrs. Mitchelson: But the only thing that is not on the record is what political interference there was in the whole Crocus scandal and what the Premier knew when. The Premier, again the self-proclaimed ethics commissioner for this NDP government, knows very well that every MLA in this House, every single one of them, has taxpayers who will be on the hook to foot the bill for the Crocus scandal as a result of this government's turning a blind eye to the warning signs that were there.

Mr. Speaker, will this Premier do the right thing? Will he do the ethical thing and call a public inquiry today?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, one of the first things we did when we came into office is we overhauled The Auditor General Act in 2001, and we put in section 1(c), which authorizes the Auditor to investigate a business entity or organization that has issued a share, debt obligation or other security if a person is eligible for a tax credit under a Manitoba law in respect of ownership or acquisition of the security.

This clause specifically gave the Auditor General of Manitoba powers not available to any other Auditor General across the country to investigate specifically situations like Crocus. The Auditor General has done that. He has issued a 235-page report. We have followed up on the

recommendations of the report, and at the Public Accounts meeting the Auditor General said: I would be hard pressed to think of what more could have been done in the last few months than has been done to respond to what was a very complex and difficult situation—

Mr. Speaker: Order.

Mrs. Mitchelson: Mr. Speaker, changes to The Auditor General Act do not allow the opportunity for the Premier to stand up under oath and indicate what he knew and what happened through this whole Crocus scandal.

In three Question Periods, we have seen arrogance and incompetence on the part of the Premier and his ministers. They have put misleading information on the record regarding due diligence at Maple Leaf Distillers. They have condoned the firing of credible, highly respected civil servants in order to protect their government's friends. They have supported unfair questioning of civil servants regarding their voting intentions.

Mr. Speaker, will the Premier, the self-proclaimed ethics commissioner for his government, stand up today, indicate that he will call a public inquiry, put his hand on the Bible and indicate what he knew?

Hon. Gary Doer (Premier): Mr. Speaker, the Auditor General in the committee hearing that took place was accountable to all MLAs for six hours. I am just going by memory, but he made it very clear that he would expect that any person dealing with any of these matters would: (a) rely on the audited financial statements, and (b) rely on the fact that the prospectus that is legally filed with the Securities Commission, the prospectus that is in the public domain and, obviously, the key legal document, would contain accurate comments on any fund in Manitoba including this fund. I would point out that is appropriate.

When we have been asked this question before, I have always stated that when the prospectus states that the government does not promote, or not promote any investments made by Crocus, that is clearly in the prospectus. The prospectus, which is prepared by Wellington West corporation, clearly states the veracity of the statements and all the institutions are accountable for that. The Premier is accountable for all the actions in government, and, certainly, the prospectuses that are filed with the Securities Commission should be relied on by

Manitobans and should be relied on by their government.

Crocus Investment Fund Public Inquiry

Hon. Jon Gerrard (River Heights): Mr. Speaker, it is abundantly clear from the record, from the red flags the Auditor General and others raised, that this NDP government was made aware of concerns about the Crocus Investment Fund as early as the spring of 2002. Yet, a year later, on April 22, 2003, this Minister of Finance continued to crow about the success of Crocus, praising Crocus in his 2003 budget speech for being a successful part of the Manitoba economy. With warning bells ringing in their ears, this government continued to pump Crocus to the public. Thanks to this incompetence, Manitobans continued to invest in a shaky investment scheme blessed by the Finance Minister.

I ask the Finance Minister to stand up today to admit to his role in contributing to the losses of Crocus investors and to support a public inquiry.

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the member tries to thread together information which is not actually accurate. The government has never endorsed, one way or the other, investing in the Crocus Fund. That has always been made clear and it has also been made clear by the Securities Commission as well.

As I have said earlier, we put in place the most rigorous legislation in the country for the Auditor General to investigate these measures. Also, this government has provided consumers with the best class-action law legislation in the country so that they can take action when they feel they have been aggrieved as a class of investors. They have the ability to proceed through the courts with the direction of the judge as to the amount of fees that can be remunerated and court supervision to ensure that consumers are protected. All these measures never existed before we became government.

* (15:00)

Mr. Gerrard: Mr. Speaker, the record is there. April 22, 2003, the Minister of Finance said Crocus was very successful.

The problem here is that the NDP government does not get it. We are talking about a government which clearly is plagued by managerial incompetence, a government that not only refused to act when whistle-blowers first came forward but

continued to promote a shaky investment scheme to the public.

One of the key attractions of this fund was the generous tax breaks that the government offered to those investing in Crocus. The government did not discourage investment in Crocus. In fact, it paid people to invest with our tax dollars, millions of our tax dollars.

Manitoba taxpayers deserve an answer to why this government actively promoted Crocus. Will the Minister of Finance come clean and request and support a public inquiry?

Mr. Selinger: As the member knows, this government put in place the kind of legislation which lets the Auditor General follow a tax dollar wherever it may go and get to the bottom of how a tax dollar is used. This is, as I repeat, the most thorough legislation in the country.

With respect to taking responsibility, the member opposite who just spoke was a member of the Cabinet that developed the sponsorship scandal, Mr. Speaker. He has never taken responsibility for that. He was a secretary. He was a member of Cabinet. *[interjection]*

Mr. Speaker: Order. The honourable Member for River Heights, on a point of order?

Mr. Gerrard: No, on a matter of privilege.

Mr. Speaker: On a matter of privilege, okay. The honourable Member for River Heights, on a matter of privilege.

MATTER OF PRIVILEGE

Hon. Jon Gerrard (River Heights): The Minister of Finance (Mr. Selinger) has publicly suggested by his words and I think you will find if you check Hansard when it is available that he suggested that I was part of a Cabinet which actively promoted the sponsorship scandal.

Mr. Speaker, this is absolute nonsense. What is true, and let us be very clear, is that I was part of the Chrétien Cabinet from '93 to '97. I played a significant—*[interjection]*

Mr. Speaker: Order.

Mr. Gerrard: Mr. Speaker, as a member of that Cabinet, we worked very hard to do a lot of positive things for this country, and sometimes, when the members opposite want to blame me for everything that went wrong, they should remember that from

time to time there were a lot of things that were done well.

But what is very clear—and let us go back to the '95 referendum which, indeed, was very close, and there was clearly discussion at the time as to how to keep Canada together and make sure that we were all going to have a country that we could be proud of.

There was a program that was developed and we know what happened to that program. Any discussion around the Cabinet table of what should happen to keep the country together was made in good faith in building the country. There was never, never around the Cabinet table, ever, discussion of promoting a scandal. That is absolutely nonsense. That is what the minister is trying to imply.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. A matter of privilege is very serious, and I need to be able to hear every word that is spoken to make my ruling here.

The honourable Member for River Heights has the floor.

Mr. Gerrard: I think that the Member for St. Boniface and Minister of Finance (Mr. Selinger) should recognize that in a Cabinet, as he well knows, there are decisions which are made by individuals as part of their ministerial or prime ministerial responsibility and there are decisions which are made collectively. Clearly, what was discussed there was how to build the country and how to keep the country together. There was never a discussion of trying to manipulate money in an inappropriate way. That is totally false for the minister to imply that was the case.

Mr. Speaker, I will get, in due course, to the motion. I will get to the two facts which are important, one of which that this is raised at the earliest possible matter, and indeed it has been. I will get to the other point of the matter, which is that, in suggesting that I actively promoted a scandal in some way, the minister has gone so overboard in what his remarks are that he should withdraw those remarks and take them back and apologize.

I spent from '93 to '97 as a federal minister for the first part of that, and indeed for all of it, as the Minister of Science, Research and Development, and it is important to get the facts on the record. I was, from January '96 to the election in the spring of '97, the Minister for Western Economic Diversification as well. In those roles, I made and led the way in

making major changes to what was happening in terms of science and research in this country. We made some major progress on the information highway and Internet access. We made major progress in many other areas of science and technology and moving a lot of important initiative forward, and I am very proud of the work that was done in that respect.

When I was the minister responsible for western diversification, I made sure that the Community Futures Development Corporations included all areas of western Canada. We brought in programs to help people with disabilities. We brought in programs to help young people. We helped the Community Futures Development Corporations with many aspects of technology to help them provide better services to entrepreneurs, to build a culture of entrepreneurship, not only in Manitoba, but across western Canada. Indeed, those are things of which I am very proud.

The fact is that in what I did when I was in Ottawa, on many occasions I worked hard to promote the unity of the country.

J'ai travaillé fort pour l'unité de notre pays parce que c'est très important.

Translation

I worked hard for the unity of our country because it is very important.

English

It is vital for Manitoba that we keep our great country together. It is vital, in my view, for all Canadians that we keep our great country together. I have throughout my career done what I can in this respect.

What is clear is that from time to time the good intentions of Cabinet can sometimes go very wrong, that, in this case, Mr. Gomery has looked at where the responsibility was, and we have seen that there were indeed some rogue civil servants and there were some individuals who misbehaved. But what I want to make very clear is that, throughout my tenure in Ottawa, throughout my activities, I worked very hard to do what was honest and with integrity. To have this kind of slur from the Minister of Finance (Mr. Selinger) is totally intolerable.

So, Mr. Speaker, I now move, seconded by the Member for Inkster (Mr. Lamoureux), that the

Minister of Finance be asked to apologize and withdraw his remarks.

* (15:10)

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I just want to respond to this very odd moment. I thought for a while there I was channel flipping and I ended up on CPAC and the Gomery inquiry. I think the Member for River Heights (Mr. Gerrard) doth protest too much. I just heard him apologizing for the sponsorship scheme. I just heard him explaining his complicity in that particular scheme. I just heard him apologize for the Chrétien government.

I would conclude by suggesting, Mr. Speaker, that what he just said was nothing to do with a matter of privilege. It was a matter of thin skin, or worse. I would suggest it is a dispute on the facts, and I suspect that the member has a challenge in taking what he dishes out.

Mr. Leonard Derkach (Official Opposition House Leader): Well, Mr. Speaker, what we are witnessing here is the low level to which this government will stoop in its attack on members of the public service. This is International Women's Day, and should I even mention the fact that they dismissed a very prominent administrator who was a woman and who raised a red flag about this government's corruption?

Mr. Speaker, today I witnessed the Minister of Finance personally attack a member of the opposition about promoting a scandal. Well, if we have ever seen a scandal, all we have to do is take a look at the government and its involvement in Crocus, its involvement in the Workers Compensation Board and, indeed, the Premier's (Mr. Doer) wife herself.

Mr. Speaker, I was in the House when the current Minister of Justice (Mr. Mackintosh), in his protest against the MTS sale, stood in front of the then-Premier shaking his fist at the Premier. This is the kind of conduct that we are witnessing from this now-government. Those kinds of antics have no place in this House. The kind of conduct we have seen from the Minister of Finance today has no place in this House.

The federal Liberal government paid the price for the Gomery issue. Mr. Speaker, I have never pointed at the Leader of the Liberal Party in this House and accused him personally of promoting a scandal, and neither would any member of this party do that. It is indeed a dark day in this House when

we have the Minister of Finance pointing to a member of the House and saying, you are personally responsible for a particular scandal. That is abhorrent and the minister should know better and should rise in his place and apologize to the member and withdraw his statements.

Mr. Speaker: Order. The directions given under our rules are that a member who raises a matter of privilege is heard and any other member directly involved and usually only the House leaders. If the Member for Inkster is rising with new information, we will entertain it for a brief period of time.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I think it is important for me to stand because of the comments from the Government House Leader and I think we have to put things into perspective.

While the Leader of the Liberal Party was in the federal Cabinet, he had an immense responsibility and conducted himself with a great deal of integrity and honour. One has to understand why it is when a minister of the provincial Crown stands up and takes the type of shot that he had taken given the background of what has actually taken place which the Member for River Heights (Mr. Gerrard) tried to detail so that the Minister of Finance (Mr. Selinger) would have a better understanding. Then, Mr. Speaker, we saw the Government House Leader, in essence, make a mockery of the comments that the Member for River Heights was saying. I think it is worthy of noting that the Member for River Heights was prepared to put his hand on a Bible on this whole issue of what was happening at the time.

Is that not something that we are trying to challenge the Premier (Mr Doer) to do in regard to the Crocus file, Mr. Speaker? We have seen the integrity of my leader. I do not see the integrity coming from the government benches here in the Province, and when the Leader of the Liberal Party posed the question in terms of the issue of the Crocus file, as opposed to addressing the question, he takes the cheap shot, which is something which is not appropriate, as our rules themselves will say, that you cannot impute the motives and you always have to take the context in which things are being said. That is why it is the Member for River Heights took the opportunity to express some of the details, so that all members would have a better understanding of what took place there.

But we all inside this Chamber have an excellent understanding of the Crocus fiasco, and if Paul Martin can call the Gomery inquiry, the Premier of

this province can call the Crocus inquiry. The Crocus inquiry cost Manitobans more than the Gomery inquiry and the cost that happened there. The per capita dollar costs are greater. Manitobans deserve a public inquiry. Why does the Premier not have just as much integrity as the Leader of the Liberal Party has and call for a public inquiry?

The Government House Leader, Mr. Speaker, was out of his place to stand up and put a comment that this is absolutely irrelevant, I am flicking through the channels, and it is like Gomery all over again. Manitoba needs a Gomery inquiry on the Crocus Fund, and I ask and I suggest in reviewing what has been said that there is merit, and if the Minister of Finance (Mr. Selinger) wanted to acknowledge that he has made a mistake here and he has lost focus on the Crocus Fund—and that is what the question was all about—he should do the honourable thing and apologize to this Chamber and withdraw his comments. If he wanted to get a standing ovation inside this Chamber, he would announce that there is a need for a public inquiry regarding the Crocus Fund. Doing that, he will get the standing ovation. Thank you.

Mr. Speaker: A matter of privilege is a serious concern. I am going to take this matter under advisement to consult the authorities and I will return to the House with a ruling.

Mr. Speaker: We were in Question Period, and the time for Question Period had expired, but our normal Manitoba practice is to let the question be completed. The honourable Minister of Finance, he has exactly 12 seconds remaining if he wishes to use it; otherwise, time for Oral Questions has—do you wish to use your 12 seconds? [*interjection*] Okay, time for Oral Questions has expired.

I have a ruling for the House.

Speaker's Ruling

Mr. Speaker: I have a ruling for the House.

Prior to members' statements on December 6, 2005, the honourable Opposition House Leader (Mr. Derkach) rose on a matter of privilege regarding statements made by the honourable Minister of Health (Mr. Sale) regarding the Maples Surgical clinic.

The honourable Official Opposition House Leader noted that he was dealing with an unusual matter and did not want the situation to be viewed as

a precedent regarding the provisions of accurate information in the Chamber. He asserted that the Chamber should not be setting a precedent where members can make statements that are erroneous and be aware that the statements are erroneous and not correct the record. He concluded his comments by moving "that the matter of the Minister of Health's statements as not receiving a letter from Maples Surgical clinic, dated May 12, 2005, and then his quoting from the very same letter in this Chamber and as recorded in Hansard, be referred to the Committee on Legislative Affairs."

The honourable Government House Leader (Mr. Mackintosh) and the honourable Member for Inkster (Mr. Lamoureux) also offered advice to the Chair on the matter.

I took the matter under advisement in order to consult the procedural authorities. I thank all members for their advice to the Chair on this matter.

There are two conditions that must be satisfied in order for the matter raised to be ruled in order as a prima facie case of privilege. First, was the issue raised at the earliest opportunity, and, second, has sufficient evidence been provided to demonstrate that the privileges of the House have been breached in order to warrant putting the matter to the House.

Regarding the first condition, the honourable Opposition House Leader did not address the issue of timeliness in his remarks to the Chair.

Regarding the second condition, the honourable Opposition House Leader raised the issue immediately after a vote had been conducted to sustain the ruling of the Chair regarding a matter of privilege moved by the honourable Member for Tuxedo (Mrs. Stefanson) which dealt with the issue of the Minister of Health purposely misleading the House in answers provided to the House. In that ruling, I had noted for the House that it is not the role of the Speaker to adjudicate on matters of fact, nor, according to the rulings of previous Manitoba Speakers and to *Beauchesne* Citation 31(1), are allegations of members misleading the House matters of privilege.

I can appreciate that this is an issue that is of serious concern to the member. However, I, as Speaker, am obligated to follow the guidance of procedural authorities, as well as the precedents of previous Manitoba Speakers. It could potentially be a very dangerous state of affairs if presiding officers

disregard established practice and precedents and autonomously set their own practices.

In my view, the most that a presiding officer could do, without a member admitting on the record that he or she on purpose set out to mislead the House, is to encourage the ministers, as I did on September 15, 2003, that, if they have inadvertently provided incorrect information, to advise the House accordingly and correct the error as soon as possible.

In terms of a remedy, if the honourable Official Opposition House Leader (Mr. Derkach) is not satisfied with the precedents that have been established in this Chamber and by the procedural authorities, he may wish to raise the matter at Rules Committee and encourage the committee to adopt or recommend new practices for the House to follow regarding the provision of incorrect information to the House.

I therefore rule that there is no prima facie case of privilege.

* * *

Mr. Leonard Derkach (Official Opposition House Leader): Thank you, Mr. Speaker, and, in following your advice, I would move a dilatory motion that this matter be referred to the Committee on Rules of the House.

Mr. Speaker, I believe I require a seconder for that motion. So, I move, seconded by the Member for Emerson (Mr. Penner), that this matter, as recommended by the Speaker, be referred to the Rules Committee of the House.

Mr. Speaker: The honourable Official Opposition House Leader has moved a motion, but a proper notice had not been provided. So the honourable member would have to have unanimous consent of the House for the motion to be put. Is there unanimous consent?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Mr. Speaker: No? Unanimous consent has been denied.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader, on a point of order.

Mr. Derkach: Mr. Speaker, on a point of order, I indicated that this was a dilatory motion, and that under the rules a motion of this nature does not

require notice. Secondly, if you were to check with *Marleau and Montpetit*, dilatory motions are superseding motions designed to dispose of an original question before the House, either for the time being or permanently, and they must be ruled on immediately.

Mr. Speaker: For interpretation of the rules, you would have to have a substantive motion in place first before you could move the dilatory motion. So you cannot move that before the substantive motion. The substantive motion has to be in place first. Then you could move the dilatory motion after the substantive motion has been agreed to.

* * *

*(15:30)

Mr. Derkach: Mr. Speaker, on a point of clarification then. In your ruling you had advised that, should the Official Opposition House Leader require further action, he may wish to have this matter then referred to the Rules Committee. There is only one way for me to be able to do this officially, and that is to move a motion which would move this from the House into the Rules Committee. So that is exactly what I intend and want to do, on your advice. So, therefore, I seek clarification on what it is I need to do in order for this matter to be dealt with by the Rules Committee.

Mr. Speaker: The proper procedure is for the honourable member to file notice. Once the notice has been filed, because the member is a private member, it would have to come under Private Members' Business, and that Private Members' Business does not come up in the Throne Speech debate. The other option is to have unanimous consent by the House to waive that rule to deal with it immediately. Those are the only two options.

Mr. Derkach: Mr. Speaker, on that advice, I am going to ask whether or not you would amend your ruling then to advise in that matter because, indeed, you made it very clear that an option in which I could deal with this was to have this moved into the Rules Committee. Now, if I require to go through the process that you have just outlined, then I think that should have been made clear in your ruling, and that advice would have been helpful in us disposing of this matter.

Mr. Speaker: For an interpretation for the honourable Official Opposition House Leader, I gave you the two different options. There is another way, but you would have to work it out with the

Government House Leader (Mr. Mackintosh), and, if there is agreement by the House, you could bring it into the Rules Committee.

Point of Order

Mr. Speaker: The honourable Member for Portage la Prairie, on a point of order.

Mr. David Faurschou (Portage la Prairie): On a point of order, Mr. Speaker, I do believe that we are still considered in session as it pertains to the Speaker's ruling, and it has been noted that the MLA for Elmwood and the MLA for St. Norbert, as well as the minister responsible for post-secondary education or advanced education, have left this Chamber.

Mr. Speaker: Well, my trouble is that I had dealt with the ruling, but now we are just trying to find ways of how you want to move the motion. I have already dealt with the ruling. That is complete. Now you are trying to find ways of dealing with the recommendations of the ruling. [*interjection*]

The reason I make that statement is because there are only two options. Once the Speaker makes a ruling, it is either accepted by the House or it is challenged by the House. But now we have moved beyond that. We are going now to the next process in how do we encompass the recommendations of the ruling into something that is workable to meet the recommendation that was made. That is my understanding of it.

Mr. Derkach: Mr. Speaker, I understood that I had two options. One was to make a motion to advance this to the Committee on Rules. The other option was to challenge your ruling. I have enough respect for you as Chair of this Chamber that, instead of simply moving to challenging of the ruling, you offered me an option in your ruling to have this move to the Rules Committee.

So, in my view, we have not dispensed with this matter until it is clear what direction I should follow. In my view, the process that we have just gone through is part of the ruling. I will take that under advisement and then we can dispense with it.

Mr. Speaker: If that is the interpretation of the House, I have no problem. I am just trying to correct something that is before the House. All members, I will remind again, if the interpretation of the House is that we are still dealing with the ruling, when we

are dealing with the ruling, members are supposed to stay seated in their seats, if that is the interpretation of the House.

My interpretation was that we had concluded this. Now we are trying to find some kind of an avenue to assist the member to address taking it to the Rules Committee. The two options that were made available by the member independently, independently by the member, was through—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Well, my interpretation and the House interpretation and the Minister of Health (Mr. Sale) is that we are not concluded with this matter. So I ask if you would not mind taking your seat until we deal with this.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The interpretation so far is that we have not dealt with the matter. So we are going to conclude this matter. The honourable member has the option, independently, of moving a motion with proper notice or dealing with the House Leader and negotiating it to be taken to Rules Committee. Those are your options. So that should clarify it. So now we will move on, hopefully, to—*[interjection]*

Order. We have finished. We are dealing with a new issue.

An Honourable Member: We still have a point of order on the floor that we need to deal with.

Mr. Speaker: Well, I thought I had dealt with that point of order when I reminded all members that when we are dealing with rulings members should be in their seats. I had presented that again to the members. I can remind members of that, and I have done that. So, hopefully, that will take care of it.

Point of Order

Mr. Speaker: The honourable Member for Inkster, on a point of order.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, it is on a point of order which is somewhat relevant to a number of rulings that you have made. The issue of misleading the House is something which you have brought up on numerous occasions. The Opposition House Leader (Mr. Derkach) has attempted to try to seek a remedy to that particular issue. I think it is quite serious because we see it even in the budget that just recently came out.

Let me give you a specific example of how government actually misleads. If you take a look at the budget speech itself that the Minister of Finance (Mr. Selinger) delivered, when you go to, well, this one does not have page numbers on it—I am sorry, yes, it does, page 24 of the minister's statements, he indicates that there were 1,680 fewer auto thefts last year. Yet the minister responsible for MPI, back in January, gives somewhat different numbers. I am going to attempt to explain this the best way I can, even so that New Democrats will understand it.

An Honourable Member: Arrogant.

Mr. Lamoureux: You say I am arrogant. He is the one that heckled that I am Liberal. Listen to some of the heckles and you will understand. You tell us who is arrogant; it is the government of the day that is arrogant, like wow—*[interjection]*

Mr. Speaker: Order. The honourable member is up on a point of order, and points of order are very serious matters. I have to, at the end, make a ruling, so I need to be able to hear all the words that are spoken.

* (15:40)

Mr. Lamoureux: Okay, Mr. Speaker, I have my numbers, received from the Winnipeg Police Service, in which I went back to 1999 annual reports. In 1999, they reported 8,710 vehicles were stolen. In 2000, they said 9,464 vehicles were stolen. In 2001, 10,663 vehicles were stolen. In 2002, 9,321 vehicles. Now here is where it gets a little bit trickier, and I am glad that the Minister of Finance and the Minister of Justice (Mr. Mackintosh) are paying very close attention to this. In 2003, there were 10,133 vehicles stolen. Well, in one sense there was, because 3,277 were actual attempts, and there were 6,856 where the vehicle was driven off—*[interjection]* Successful thefts, as one would put it.

Then you look at 2004. If you look at 2004 you will see that there were 13,306 vehicles that were stolen. Out of that, 4,588 were attempts; 8,718 were successful. Well, then, and it took me quite a while to get this particular number, I must say, so that you have to really watch the numbers on this one, in 2005, 11,841 vehicles were stolen in Winnipeg. The breakdown was: 4,086 attempts, 7,755 actually stolen. The Minister of Justice, Mr. Speaker, said, and I believe quoted the essence, that there were actually 7,360 vehicles that were stolen. Well, 7,360 in Winnipeg, coming from MPI and that minister,

and the police are saying 7,755. That is several hundred more vehicles that were stolen.

Now, when we talk about the misrepresentation, in the budget it says 1,680 fewer vehicles were stolen from the previous year. Well, that tells me that the Minister of Finance, again, now I have to speculate here because it is hard to tell for sure, but it would appear that he is using the total number, the attempts plus the thefts, not only in Winnipeg but also in rural Manitoba, which would make sense, and I am giving him a bit of the benefit of the doubt.

The point is, Mr. Speaker, that the government is using that figure because it makes it look as if the government is a little bit more effective because there were 1,680 fewer vehicles stolen. That is not true. That is not true. *[interjection]* No, if the member would have been listening, right, in Winnipeg, 2005, there were technically 7,755 vehicles that were stolen. In 2004, 8,700 vehicles were stolen. That is not a 1,680 difference. But the minister uses that number in here to give the impression that the government is doing a better job than it actually is.

Then, on the other hand, you have the Minister of Justice telling the public that there were 7,360 vehicles stolen, again, Mr. Speaker. Now he is not including the attempts. You have one minister that chooses to do it because it is politically advantageous during a budget presentation, and then you have the Minister of Justice that uses, on another opportunity, different numbers. Is there any wonder why the public does not have an idea of how many vehicles are actually stolen, whether it is in Manitoba or the city of Winnipeg?

So the government opposition, and you know a member brings up a valid point, this is just one area in one department. The same principle could be applied to a number of different, if not, some would argue, all of the departments. That is why you have made numerous rulings on the issue of dispute over the facts. What I saw was an idea, and I like your recommendation, Mr. Speaker, that says let us take it to the next step. The next step is to try to address it so that we do not continue to see this sort of misrepresentation of the facts.

Mr. Speaker, I talk about it today and chances are it is not going to draw any media attention. That is fine. I do not have a problem with that, but I will tell you something. The provincial auditor has caught the government doing the very same thing on its

budget where the government said, we have a surplus, when in reality they had a deficit. That was the reality. So you get the government misrepresenting the facts and this is a very valid point of order. *[interjection]*

You know, I think the government just needs to be very patient. I am concluding my remarks. They will be happy to hear that, but, Mr. Speaker, the idea of government being able to mislead and use different numbers, some of those numbers are just wrong. They are just wrong numbers. I do not know where the minister got that number from.

As an example, I could ask the Minister of Justice (Mr. Mackintosh) how many vehicles were stolen in Winnipeg. Is he going to affirm that there were 7,360? Is he going to say that there are 11,841 or is he going to say there are 7,755? I believe it will be one of the three, Mr. Speaker, but there is only really one answer. I think that we need to get one answer from government that is consistent inside this Chamber and outside the Chamber, and the example I use is dealing specifically with the budget that was just presented earlier this week because that number is not right.

So that is misleading this House and that is the reason why I am standing on the point of order. I am doing it today, Mr. Speaker, because I believe that this is really the opportunity that is best fit for me to do it, given you just made a ruling about the importance of misleading this House.

With that, Mr. Speaker, I look forward to other comments, or at least this matter being adequately addressed. I support what you are suggesting, that it go to committee. In fact, I would suggest that maybe we ask for leave for the Member for Russell's (Mr. Derkach) motion to be passed, and then we can get on to other business. Thank you.

An Honourable Member: On the same point of order.

Mr. Speaker: I have heard enough of the point of order to make my ruling. I want to remind members that I think I have been very patient with points of order. But points of order are to draw to the attention of the Speaker a breach of a rule or a departure from practice. Points of order should never, never, never, because of the very seriousness of conducting the business of the House, should never be used for opportunities for debate.

So I have to rule on the honourable Member for Inkster's (Mr. Lamoureux) point of order that it is not a point of order. It is a dispute over the facts.

* * *

Mr. Lamoureux: Mr. Speaker, I would challenge your ruling.

Mr. Speaker: Okay, the ruling of the Chair has been challenged.

Does the honourable member have support?

An Honourable Member: No.

An Honourable Member: Yes.

Mr. Speaker: Okay, you may be seated.

Voice Vote

Mr. Speaker: All those in favour of sustaining the ruling of the Chair, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to sustaining the ruling of the Chair, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Formal Vote

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, in respect of the fact that it is extremely important that facts be brought to this House and that all honourable members can count on those facts, I would ask for Yeas and Nays.

Mr. Speaker: A vote having been requested, call in the members.

Order. Sixty minutes has expired.

So the question before the House is shall the ruling of the Chair be sustained.

* (16:50)

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Aglugub, Allan, Ashton, Bjornson, Brick, Caldwell, Chomiak, Dewar, Doer, Irvin-Ross, Jennissen, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, Melnick, Nevakshonoff, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith, Struthers, Swan, Wowchuk.

Nays

Cullen, Cummings, Derkach, Driedger, Dyck, Eichler, Gerrard, Goertzen, Hawranik, Lamoureux, Maguire, Mitchelson, Murray, Penner, Reimer, Rocan, Rowat, Schuler, Stefanson, Taillieu.

Madam Clerk (Patricia Chaychuk): Yeas 30, Nays 20.

Mr. Speaker: The ruling of the Chair has been sustained.

* * *

Mr. Speaker: We will move on to Members' Statements.

MEMBERS' STATEMENTS

Women of Distinction

Mr. Drew Caldwell (Brandon East): Mr. Speaker, it is a privilege to rise today in the Manitoba Legislature to commemorate International Women's Day and to recognize the number of women of distinction in our province who were recently honoured in Brandon.

On March 2, I had the pleasure of attending, in the company of the honourable Minister responsible for the Status of Women (Ms. Allan), the MLA for St. James (Ms. Korzeniowski) and other colleagues from the Manitoba Legislature, the 19th Annual Women of Distinction Awards dinner in my home constituency of Brandon East.

The Women of Distinction Awards, which are promoted by the YWCA of Brandon, recognized achievement and the community contributions made by women in the Westman and Parklands regions.

Mr. Speaker, I would like to formally recognize in the Manitoba Legislature Isobel Basso, Linda Wilson, Helen Lewandoski, Penny Gilson, Eileen Hooke, Geraldine Kroeker, Karen Morrow-Penner, Lara Scott, Cindy Skanderberg, Mara Somersall, Iris Anderson, Rita Cullen, Shannon Gadbois, Kathleen Nicol, Lynda Stiles, Kelly Birch, Laine Mosset and Carla Howard, all of whom were honoured for their work and deeds as women of distinction in their communities.

On behalf of the Government of Manitoba, I would like to express our heartfelt appreciation to all women of distinction in Manitoba building a future for our province.

Senior Women's Curling Champions

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, I rise today on International Women's Day to recognize an outstanding accomplishment made by some amazing women from my constituency, the constituency of Minnedosa. Joyce McDougall and her curling foursome displayed great talent and determination this week in winning the Pace Setter Senior Women's Provincial Curling Championship.

Joyce McDougall of Nesbitt, Manitoba and her rink of Pam Horn of Brandon and Helen Fenwick, Karen Dunbar and Lynn Locke, all from Souris, were able to emerge victorious despite stiff competition, and will now have the honour of representing Manitoba at the Canadian Senior Championship this March in Summerside, Prince Edward Island.

I had the pleasure of spending some time with these women, who were my roommates for the past week during the provincial curling championships. I have known the Souris women for well over seven years, Mr. Speaker, and each has shared their friendship and support for me and my family.

Knowing these women personally, as I do, I am fully confident that they will do our province proud. Their sportsmanship, skill and dedication to the sport of curling is something that the whole province should be extremely proud of.

All of these women are not only great athletes, but they are community role models who lead in various organizations within their communities. These women are heavily involved in co-ordinating the hosting of provincial curling events in our communities, curling camps for our youth, youth baseball programs and various other community organizations. These women provide the leadership that is greatly welcomed in their respective communities.

Mr. Speaker, I cannot think of a better time to recognize the efforts and accomplishments of these outstanding women than on International Women's Day. I would like to, once again, congratulate them on their curling success and wish them continued success as they represent our province at the national championships.

Alan K. Vowles Merit Award

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, it is with pleasure that I rise to recognize the achievements of Alan K. Vowles, who recently

received the Merit Award from the Association of Professional Engineers and Geoscientists of Manitoba. Mr. Vowles is a Flin Flon constituent and a professional geoscientist. He was recognized for his many contributions to advancing borehole geophysics and mine surveying technology and for his contribution to research in renewable ocean energy technology.

Mr. Vowles is an accomplished project geophysicist with the Hudson Bay Mining and Smelting Company in Flin Flon. Under his leadership, the Flin Flon Geophysical Department can be directly credited with several important mineral discoveries, including HBM&S's Chisel North Mine. Mr. Vowles can also be credited directly for developing the technology that enables geoscientists to survey horizontal holes and "up" holes from underground drill stations to depths in excess of 1,000 metres. This technology was adopted by Hudson Bay Mining and Smelting, Falconbridge and other mining companies.

As well, Mr. Vowles has been working for the last 15 years to develop an efficient, cost-effective means to harness the energy of ocean waves. In 1996, his ocean technology received the Canadian Industrial Innovation Centre's Invention of the Year Award. Since then, he has been working with co-inventors, Heather Acres and Brian Kurczaba of Flin Flon, and with the technical support of Dave Koop, also of Flin Flon, to develop, patent and commercialize under the trademark WET EnGen a new technology that can be used to produce electricity or to desalinate seawater. WET EnGen has been highly successful in tests so far. An ocean test is planned for this coming summer.

I congratulate Alan K. Vowles on this deserved recognition. His hard work, ingenuity and resourcefulness are a credit to Manitoba. Thank you, Mr. Speaker.

Manitoba Agricultural Hall of Fame Inductees

Mrs. Mavis Taillieu (Morris): On July 15, 2005, in Portage la Prairie, I had the pleasure of witnessing the induction of Gwen Parker into the Agricultural Hall of Fame. Gwen Parker grew up in Deloraine, graduated from Grade 12 at Kelvin High School in Winnipeg and received her Bachelor of Science degree from the Faculty of Agriculture and Home Economics at the University of Manitoba. She began her career as an Extension Home Economist with the Ontario Department of Agriculture before marrying Lorne Parker of Sanford in 1949. They moved to the

family farm near Ste. Agathe in the Morris constituency. Gwen not only raised her four children, but was actively involved in managing the farm operation. In 1966, Gwen became the first provincial executive secretary of the Manitoba Women's Institute, a position she held for 26 years, working with 13 different provincial presidents and a countless number of board members.

Gwen encouraged many women to realize their own strength, as she supported their board participation on committees at provincial, national and international levels. Gwen's work in the Women's Institute extended beyond Manitoba, as she attended national and international meetings to keep Manitoba women aware of the broader issues.

Gwen was also the editor of the Manitoba Women's Institute newsletter. Gwen helped develop programs like Manitoba Farm Vacations, Rural Leadership Training, Ag in the Classroom and Rural Stress Line. She is a valued member of her church, local Women's Institute, University Women's Club and the Manitoba Association of Home Economists. She is also a trained volunteer for Hospice and Palliative Care Manitoba.

Gwen has been a member of the Domain Women's Institute for 53 years, and, through her dedication and tireless energy, has been the source of support for many rural women. It is very fitting that she be recognized today on International Women's Day.

On behalf of the Legislative Assembly of Manitoba, I want to congratulate her on her induction into the Agricultural Hall of Fame.

* (17:00)

Point of Order

Mr. Denis Rocan (Carman): On a point of order, Mr. Speaker, I wonder if there is a willingness of the House not to see the clock to allow the Member for River Heights (Mr. Gerrard) to do his complete member's statement?

Mr. Speaker: Willingness of the House? It is a two-minute statement. *[Agreed]*

Crocus Investment Fund

Hon. Jon Gerrard (River Heights): Mr. Speaker, we know from the Auditor General's report into the Crocus Investment Fund, that red flags were raised as early as 2002, warning of problems with the Crocus Fund. We also know that there were public calls of concern about the Crocus funds again in early 2002, and, although they were later denied under pressure, we know there was sufficient information to alert this NDP government, this Finance Minister, this Premier (Mr. Doer) that they should be carefully looking into the situation with the Crocus Fund. Yet, astonishingly, more than a year later in his 2003 budget speech, the Minister of Finance (Mr. Selinger) praised the Crocus Investment Fund as a successful element in the Manitoba economy. The Finance Minister was clear in attaching the word "successful" to the words "Crocus Fund."

The problem is this: How many investors listening to the Minister of Finance in April 2003 took his words to heart and made investment choices based on this government's public confidence in the Crocus Fund? The problem is this: How many Manitobans, believing the positive signals coming from this NDP government in April 2003, chose to invest in Crocus thinking it was a sound investment because surely the government would not say positive things about a shaky investment scheme? The evidence to date suggests that some, perhaps many, Crocus investors may have lost their money because they made the mistake of listening to and believing the Minister of Finance.

Mr. Speaker, we definitely now know that the Minister of Finance has lost credibility over this. It is a terrible thing to lose one's credibility, but it is even worse when people lose their life's savings because the Finance Minister failed to exert due diligence in protecting the savings of Manitobans.

Mr. Speaker: The hour being past 5 p.m., the House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 8, 2006

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