

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

Official Report
(Hansard)

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Speaker*

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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.
JENNISSEN, 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

Friday, March 10, 2006

The House met at 10 a.m.

PRAYER

Mr. Leonard Derkach (Official Opposition House Leader): I guess I rise on a point of order.

Mr. Speaker: On a point or order.

Mr. Derkach: I am not sure if we can use it as such, but it has come to my attention that someone in our Chamber is celebrating a very important day today. I think Madam Clerk is celebrating a birthday, as a matter of fact, and I was wondering if all of the members in the Legislature might want to rise and join in a happy birthday song.

Happy Birthday was sung.

Mr. Speaker: Well, that was a very nice touch, but I do not think we should ring the bells to celebrate that, should we? Anyway, we will now move on to routine proceedings.

* (10:05)

ROUTINE PROCEEDINGS

PETITIONS

Crocus Investment Fund

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

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 did happen.

Signed by J.E. Walker, Donna M. Walker, Douglas Walker, and as the Member for Steinbach (Mr. Goertzen), would often say, many, many, many more.

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

Funding for New Cancer Drugs

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, I wish to present the following petition.

These are the reasons for this petition:

Cancer is one of the leading causes of death of Manitobans.

Families are often forced to watch their loved ones suffer the devastating consequences of the disease for long periods of time.

New drugs such as Erbitux, Avastin, Zevalin, Rituxan, Herceptin and Eloxatin have been found to work well and offer new hope to those suffering from various forms of cancer.

Unfortunately, these innovative new treatments are often costly and remain unfunded under Manitoba's provincial health care system.

Consequently, patients and their families are often forced to make the difficult choice between paying for the treatment themselves or going without.

CancerCare Manitoba has asked for an additional \$12 million for its budget to help provide these leading-edge treatments and drugs for Manitobans.

Several other provinces have already approved these drugs and are providing them to their residents at present time.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier (Mr. Doer) of Manitoba and the Minister of Health (Mr. Sale) to consider providing CancerCare Manitoba with the appropriate funding necessary so they may provide leading-edge care for patients in the same manner as other provinces.

To request the Premier of Manitoba and the Minister of Health to consider accelerating the process by which new cancer treatment drugs are approved so that more Manitobans are able to be treated in the most effective manner possible.

This petition is signed by Marc Phaneuf, Patrick Huberdeau, Jason Marchadour and many, many others.

ORAL QUESTIONS

Crocus Investment Fund Public Inquiry

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, it is very disturbing to me and members on this side of the House that this Premier refuses to be accountable for the Crocus scandal. As a result, Manitobans have been left with a black eye that can only be cleared by calling an independent public inquiry into this scandal.

Will this Premier today finally have the courage to do the right thing and call for an independent public inquiry?

Hon. Gary Doer (Premier): Mr. Speaker, the members opposite have called for a number of inquiries before. Certainly today I noticed that the members of the opposition were alleging that this is the first time ever they were together. Members on this side, by the way, know that about 90 percent of the votes, there is no difference between the Conservatives and Liberals.

I remember, Mr. Speaker, the sky is falling, the sky is falling opposition to the new arena that we built downtown with those members opposite opposed to the new arena. So I am surprised that they are trying to make statements that are factually incorrect.

I would also point out, Mr. Speaker, that in light of this excellent budget—again today the unemploy-

ment numbers indicate that there are close to 8,700 more people working in Manitoba than a year ago, which is very important, dealing with the question raised.

* (10:10)

Point of Order

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

Mr. Leonard Derkach (Official Opposition House Leader): On a point of order, Mr. Speaker.

Mr. Speaker, in the Premier's response, I think he should also pay attention to the fact that his answer should be relevant to the question that is posed. I know he tries to slither and slide his way away from the public inquiry, but I think he has to be relevant to the question that was asked.

Mr. Speaker: The honourable Government House Leader, on the same point of order?

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, of course there is a clear understanding and a practice in this House of leaders' latitude on questions and answers. I would trust that the Opposition House Leader would entrust to his leader and expect that he would have the ability to respond to any remarks raised by the Premier and let the give and take of Question Period proceed.

Mr. Speaker: On the point of order raised by the honourable Official Opposition House Leader, we do have leaders' latitude and the First Minister had not concluded his comments, so I cannot predict what he will say in the future, so I have to rule that the honourable—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I have to rule that the honourable member does not have a point of order.

Mr. Doer: Mr. Speaker, there is going to be public accountability at the Manitoba Securities Commission. I would point out that the legislation that was established by previous members and the prospectus of Crocus, none of the security administrators or any department or agency of the government has assessed the merits of an investment in the fund. The security administrators and the governments make no recommendations concerning such an investment and assume no liability or obligation to any investor of the fund.

In other words, the prospectus of Crocus makes it very clear that this is a fund that is independent of government. That is why the prospectus was written that way. That is the legislation that was written by members opposite and, Mr. Speaker, that is why there will be accountability in the form of a 245-page report presented by the Auditor General. There is accountability at the Securities Commission, and there may be further accountability in the courts for anybody charged with any potential criminal offence.

Mr. Murray: When this Premier was sworn in, he took an oath of office that indicated that he was responsible for all of the departments, all of the Crowns within government and all of the financial responsibility that is involved in government. Yesterday we heard this First Minister stand in his place in response to a question and said: We always do the right thing, Mr. Speaker.

Well, then, Mr. Speaker, in light of the black eye that Manitoba has because of his inability to act properly, will he do the right thing and call for an independent public inquiry?

Mr. Doer: I would point out that you cannot retroactively change the legislation. The legislation was brought in, in 1992, in the Speech from the Throne by Gary Filmon. In fact, he went on to say that no New Democratic government has ever brought in a labour-sponsored fund; it takes a Conservative government to bring in a labour-sponsored fund.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker, and I would quote Clayton Manness: The fund should be privately managed. Let us look at it in a different way. Let us take our best business minds, and members opposite hired those business minds, Mr. Umlah, et cetera, and heads within our community and, rather than entrust somebody within the civil service and rather than entrust the political interference that sometimes can swirl around decisions, let us trust our community leaders, our business leaders, to make the right decision. They are the people that are skilled. That is why the Crocus investment fund was established by—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. That is why the Crocus Investment Fund was established as a labour-

sponsored mutual fund. That is what the Auditor said in 1998, and the government of the day is not the nanny of the mutual fund.

* (10:15)

Mr. Murray: Mr. Speaker, the issue of this Crocus scandal is a very important issue to all Manitobans. We on this side of the House are united, and we are going to take a message on behalf of all Manitobans to ask this Premier to do the right thing. Now will he stand in his place, will he show some courage—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Murray: —show some leadership and do the right thing and call for an independent public inquiry today?

Mr. Doer: Mr. Speaker, members opposite, I assume, are united against this budget as they have been for six out of seven years. The members opposite were united against the building of the new arena. That does not mean to say they are right.

I would point out that we have \$2 million set aside for a public inquiry in this budget. It is set aside for a public inquiry dealing with the Driskell affair. I would point out that the Sophonow inquiry cost \$4.5 million. I would point out that Mr. Rosen, who is the forensic accountant with the lawsuit legal team—this should have been caught, first by the officers of the company, then, secondly, by the directors of the company and, thirdly, by the auditors and, fourthly, by the underwriters, Mr. Speaker, Wellington West. Those are all the parties, I believe, before the Manitoba Securities Commission, so Mr. Rosen's information is correct.

I would also point out that the Liberals are now asserting that this is the first time since the telephone debate where opposition parties are united. That is incorrect. They were opposed to the arena together. But I would point out the Liberals had three members at the time, Mr. Speaker, and they had three different positions on the telephone system; one was yes, one was no and one was abstaining. We were the only party that opposed the theft of the Manitoba Telephone System.

Crocus Investment Fund Public Inquiry

Hon. Jon Gerrard (River Heights): Mr. Speaker, the Premier says Crocus was independent and that he never provided any support for people investing in

Crocus shares. Did the Premier not think when he said in this Legislature, July 2, 2002, in very positive terms that Crocus was an engine for employee ownership in Manitoba, that his reference would lead many Manitobans to believe that he held Crocus in high regard?

Mr. Speaker, alarm bells about Crocus had already been raised in the Industry Department and publicly. In many ways, the Premier continued to provide support for Crocus. I ask the Premier today: We need a public inquiry. When will the Premier call a public inquiry into the Crocus Investment Fund?

* (10:20)

Hon. Gary Doer (Premier): Mr. Speaker, one of the reasons why post-Monnin that all parties agreed to change the election finances law was we allowed independent investigative bodies that are independent of the Legislature but that report to the people of Manitoba, we allowed Elections Manitoba to follow the money.

We then in 2001 changed the legislation for the Auditor General to allow the Auditor General to investigate—[interjection] Well, the member opposite was involved in Isobord and the federal government lost \$12 million, Mr. Speaker. This provided the legal authority for the Auditor General not only to investigate direct government matters but any matter dealing with financial matters, directly and indirectly, dealing with government entities.

Mr. Speaker, when the then Crocus authorities in February, I believe, or January of 2005, said they were going to go to court to stop the Auditor General from investigating all the money transactions, it was this government with its legislation that backed up the Auditor General because we are accountable.

Mr. Gerrard: Mr. Speaker, the Premier has continued to say that Crocus was independent and that he never gave Manitobans any reason to invest in it. Did the Premier not think when there was a co-investment between Crocus and his own government's MIOP loan program that the government was saying that it was supporting the Crocus investments, the very specific Crocus investments that they were making?

Many Crocus shareholders felt that the government was condoning and supporting the Crocus investments and the Crocus funds and that they were investing in the province and yet they lost millions of dollars collectively. We need a public

inquiry into why this happened. When will the Premier call the public inquiry?

Mr. Doer: Mr. Speaker, I would assume that the member opposite before he potentially buys any shares in any fund or any company, I would assume that people read the prospectuses because they are the legal document that is filed. It is, first of all, certified by the underwriter. I would point out that the underwriter, Wellington West, certified to the Securities Commission on the validity of the Crocus investment shares. Wellington West is not the provincial government.

Pricewaterhouse also properly presented the financial statements, and as the Auditor General said in committee in December, why would anybody second guess a financial audited statement. We certainly did not.

I would point out that the prospectus states, and I assume the member opposite if he invested in Crocus, would read the prospectus. None of the security administrators or any department or agency of government has assessed the merits of an investment in the fund. The security administrators and the governments—federal, provincial—make no recommendation concerning such an investment and assume no liability or obligation to an investor of the fund. This is the legal prospectus.

That is why, Mr. Speaker, all the entities that potentially breach this provision of the prospectus, that is why they will be before a public quasi-judicial—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: They will be before the public process called the Manitoba Securities Commission. If we had muddled and meddled and interfered in any of the matters, Mr. Speaker, we would be before the Securities Commission ourselves. We kept to the letter of the law, and when I say do the right thing it is keeping to the law of the land.

Mr. Speaker, the member opposite, I have his press release when the former government put money into Isobord and the Minister of Western Economic Diversification, Jon Gerrard, invested \$12 million of federal taxpayers' money in Isobord. I would like to get that money back but you cannot. It is gone.

* (10:25)

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I will remind all honourable members, when addressing other members it is by their constituency or ministers by their portfolios.

Mr. Gerrard: Mr. Speaker, is the Premier trying to say that they never did any due diligence on MIOP loans when there was a co-investment with Crocus?

I would ask the Premier why he did not stand up in 2002 and tell people that this was a very high-risk investment. I would ask the Premier why he did not stand up when he was making a MIOP loan and say this is a very high-risk loan for the taxpayers of Manitoba. I would ask the Premier why he did not stand up when there were red flags and call for an investigation. I would ask the Premier why he had a member on the board of directors, and did he not believe that having a member on the board of directors gave people to believe that this had government support?

I ask the Premier to call for a public inquiry. He needs to do this today. Please, Mr. Premier, call a public inquiry.

Mr. Doer: Well, Mr. Speaker, perhaps we had better get a couple more copies of the Auditor General's report. The 245 pages have obviously not been read by the member opposite. I would point out that the matter—*[interjection]*

Mr. Speaker: Order.

Mr. Doer: Thank you, Mr. Speaker. I would point out that the matter of government-appointed directors was dealt with fully in the Auditor General's report. It was dealt with in various places. The allegation made that the person answered to the government is incorrect in the report, the fiduciary responsibilities to the shareholders. That is the way the law was established by members opposite.

We made that statement in the House a year ago. The Auditor General supported that in his report of 10 months ago. So, if members opposite want to second guess the Auditor General, I think that—*[interjection]*

Mr. Speaker: Order.

Mr. Doer: If members opposite want to second guess the Auditor General, they just contradicted the Auditor General's finding. If the member opposite is smarter than the Auditor General in this regard, I do not agree with him, Mr. Speaker.

I would point out, in terms of due diligence, in the MIOP programs that we have invested in, we have done quite well. Again, we got lots of criticism for Flyer. It made money and we saved jobs. We got lots of criticism for Motor Coach. They have just added 300 more employees. It is making money for the people of Manitoba and is keeping people working, companies like Vansco that supply parts to Motor Coach. I would put our MIOP loans against the Isobord loan that was made by the member opposite any day of the week, Mr. Speaker.

Crocus Investment Fund Government Handling of Allegations

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, in the fall of 2000, Pat Jacobsen, the former president and CEO of the Workers Compensation Board, requested a meeting of then-Minister of Labour, Becky Barrett, to discuss serious concerns that she had about the concentration of power between the Crocus and WCB investment committee and the lack of fiduciary responsibility to the shareholders to get the best return. The minister cancelled that meeting and told Ms. Jacobsen instead that she should deal with the former WCB chair.

In January of 2001, a red flag was raised by a Department of Industry official regarding potential liquidity problems at Crocus. This government, Mr. Speaker, did nothing.

In March 2001, Ms. Jacobsen sent a letter to then-Minister Becky Barrett asking for an independent audit of WCB investments. When that red flag went up, Mr. Speaker, Ms. Jacobsen was fired.

In January of 2002, an official from the Department of Finance also raised a red flag suggesting that an independent review of Crocus operations may be in order. Again, Mr. Speaker, this NDP government and Premier ignored the red flags. Time and time again this Premier and his government have ignored warning signs knowing full well that taxpayer dollars were at risk.

I ask this Premier (Mr. Doer): Why did he ignore all of those red flags?

* (10:30)

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, for the first time in history we have had a Public Accounts meeting where deputy ministers give direct testimony. At that meeting, it was verified by the deputy minister and by the Auditor General

that the e-mail never went beyond the civil service level to any minister. In addition, it is protected and privileged communication as put in place by a Freedom of Information by-law by the members opposite, so the members today are manufacturing the facts in contradiction to the testimony of the Auditor General and the Deputy Minister of Industry. They should be ashamed for the way they are conducting themselves today.

Mr. Murray: It is very clear in the Auditor General's report that, in January of 2001, an Industry Department official did their job and raised red flags about liquidity concerns at the Crocus Fund.

Mr. Speaker, in March of 2001, the president and CEO, Pat Jacobsen, did her job raising red flags about the use of Workers Compensation investment fund for government purposes. In January of 2002, officials in the Finance Department did their job raising red flags and asking for an independent review of Crocus. All of these people did their jobs. They trusted that this NDP government would listen to them and do something.

My question to the Premier: When all of those people did their jobs, why did you not do yours?

Mr. Selinger: Mr. Speaker, the Leader of the Opposition persists in putting inaccurate information on the record. It has been made very clear at Public Accounts by the Auditor General that the privileged communication, communication privileged by their own by-laws, was not made available to ministers. That information is on the public record. It is verified by offices of the Legislature. The question is: Why do members of the opposition not hear that and understand it? Why do they persist in putting misinformation on the record unless they are conducting only one thing today? They are conducting a witch hunt against the evidence.

Public Inquiry

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, if members opposite are concerned about something called "misinformation," then clearly the best way to clear it up is to call for an independent inquiry.

The Auditor General did an investigation into the Crocus scandal under this NDP government and showed that there were red flags that were raised by the Department of Industry and the Department of Finance. They came forward to this Premier. He sat on his hands and did nothing, Mr. Speaker. The president and CEO, Pat Jacobsen, came forward with

allegations and concerns and has signed an affidavit that there were concerns with respect to the way that funds were being spent from WCB.

A red flag came forward, Mr. Speaker. Clearly there were concerns about the way that the investments were being made, including Crocus and the WCB. The former minister is prepared to stand and swear in front of an independent inquiry. Pat Jacobsen, the former CEO, is prepared to stand in front of an independent inquiry. Three major newspapers in the province of Manitoba are asking for an independent inquiry. All of Manitobans are asking for it. The only person who does not want an independent inquiry is the Premier.

The question is: What is he hiding? If he has nothing to hide, he will do the right thing and call for an independent inquiry today. Do the right thing.

Hon. Gary Doer (Premier): Mr. Speaker, first of all, the claim that members opposite are united for the first time when they were totally united against the arena, you know, I know they are trying to fool the media, but they cannot fool members on this side because we have dealt with their sky is falling allegations over and over and over again.

Secondly, there are two reasons that the two members of the opposition have invoked for calling an inquiry. One was the issue of the board member and who they reported to, and the second issue that has been raised today was the issue of the e-mail in the department. The Auditor General testified at committee, with the deputy minister who also testified at the Public Accounts Committee in public, that the e-mail never went to a Cabinet minister, let alone Cabinet, so that argument is fallacious.

Secondly, the Auditor General testifies in the report that the board of directors' person appointed by government did not report to the government because the fiduciary responsibility was to the shareholders. The two arguments they have just raised fall like a house of cards when you look at the actual testimony, Mr. Speaker.

Maple Leaf Distillers MIOP Loan

Mr. Glen Cummings (Ste. Rose): Those e-mails are still not public, Mr. Speaker. For the past couple of days I have been asking the Minister of Industry about his due diligence on the Maple Leaf Distillers agreement, and he is giving me nothing but non-answers. In the meantime, headlines were literally screaming that there were concerns that should be

raised around this company. This minister claims that he did his due diligence with respect to the Maple Leaf agreement. For some reason he did not see these articles, he did not see that the firm was being asked to have a third-party intervention in their business operations.

Is that his idea of due diligence?

Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines): As one knows, our department under the former government, under our government continues to do appropriate due diligence before, and that ensures looking at the company's finances, looking at their investments and also making sure that the proper protection and proper security is taken under all loans. This was done under the former government and continues to be done.

In fact, if the members opposite take note, it happened under Shamray where \$7 million was invested under the former government. There was an auditor's inquiry, and when there were issues that were raised they were sent to the RCMP. Right now there is a \$50-million fraud case. Again, that is how the system worked, proper due diligence. If there is fraud or any issues, it is taken to—The Auditor did a report and—

Mr. Speaker: Order.

Mr. Cummings: Mr. Speaker, this Premier (Mr. Doer) and this minister want to just disregard the facts of what was occurring. In this deal that was being made with Maple Leaf Distillers, a building valued at \$6.4 million was sold for \$2.5 million, and then the government provided a loan towards the purchase of it for \$1.5 million. Meanwhile, we have Crocus saying it was married to Maple Leaf.

Mr. Speaker, this is a sham, and I want that minister to explain how this possibly qualifies as due diligence.

* (10:40)

Mr. Rondeau: Mr. Speaker, I would hope that in the future the member opposite starts to listen to what actually is said in the answers. Firstly, I had said last session that it was not a \$1.5-million loan; it had been a \$1.2-million loan. There have been regular loan payments paid down. There had been appropriate due diligence, and the loan is secured against legitimate assets. This is what proper due diligence is. Please pay attention, it was not \$1.5 million. Get your facts straight; the original loan was

\$1.2 million. Regular payments were made, and now what we are doing is ensuring that the interests of Manitoba taxpayers are protected. That is appropriate due diligence.

Premier's Involvement

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, I believe there is a \$700,000 outstanding debt to the government. There are a lot of other debts associated with loans that this government has made in relationship to Crocus investments that are now going to cost the taxpayer a lot of money.

Now I am well aware that the Premier is very understanding of the art of making a deal. He understands that, but I find it disturbing that, in this particular deal, the Premier has gone beyond art into being quite actively involved. He stated at the time and announced that he is very secure about this secured loan. The principals of the company commented that the commitment of this government under the leadership of Premier Doer is quite remarkable. Unprecedented support that this Maple Leaf Distillers has received from the Government of Manitoba and, in particular, Premier Doer has rendered possible what otherwise would not have been achievable. That is a direct quote—

Mr. Speaker: Order. The honourable member, please put your question.

Mr. Cummings: My question is to the Premier. Does he believe that he was too close to this deal?

Mr. Speaker: Before recognizing the honourable First Minister, I want to once again remind members when addressing other members in the House, it is by their constituencies or ministers by their titles. If the term is to making their reference to the area of a government then that is acceptable, but a stand-alone reference to a member, whether it is quoting or whether it is quoting from a newspaper or printed material, that has always been the Manitoba practice.

I ask the co-operation of all honourable members to address each other by constituencies or ministers by their titles.

Hon. Gary Doer (Premier): I think rhetorically one could ask did members opposite, were they too close to Isobord when they said they were going to turn straw into gold, and it turned into major losses for the federal government, the provincial government and for the Crocus Fund.

So far, there have been other press releases that have been similar in nature on Flyer, Motor Coach.

So far, we have not had a Shamray. So far, we have taken risks. We have had Motor Coach increase their employment considerably. We have had the disentanglement of the Palliser Furniture operation and it got criticized more by the Member for Springfield (Mr. Schuler). In fact, he criticized Motor Coach, and every one of these agreements have been criticized.

So far, in the last five years the members were in Cabinet, including the member opposite, they lost \$39 million. That is on the public record. So far, we have made money on MIOP loans and maintained the jobs. Obviously the Maple Leaf situation, there is a building that we are partially secured on, and it is our goal to always do well on these proposals. It is still pending.

Crocus Investment Fund Public Inquiry

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, it is no secret that the Premier of this province likes to play fast and loose with taxpayer dollars, but enough is enough. The Premier was warned time and time again, but he chose to turn a blind eye to the red flags that were raised time and time again.

How much are taxpayers on the hook for this government's willful blindness in ignoring the red flags that were raised time and time again?

Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines): I am pleased with the record of the MIOP loan program. In the MIOP loan program, we have made \$186,000. What we have done is invest in a number of companies to maintain jobs, to improve productivity and grow the economic pie. This is what has happened under our government and the previous government.

The difference is, Mr. Speaker, their program cost \$39 million and, in other words, they lost. There were write-offs, there were loans below the cost of borrowing and they ran the program like that. We run it as an effective, economic tool to grow the economic pie, and so far we have been successful in growing the economic pie, investing in real jobs, real productivity and moving that forward. Under yours, it cost \$39 million. Under our program, so far, \$180,000 profit—

Mr. Speaker: Order.

Mrs. Stefanson: Mr. Speaker, the very fact that nobody on that side of the House can answer how much taxpayers have been fleeced of their money is

exactly why Manitobans and the opposition and the media are asking for a public inquiry.

I would ask: What are they afraid of? What are they hiding? If they are not afraid of anything, if they are not hiding anything, then call for a public inquiry today. Will they do the right thing?

Mr. Rondeau: When people ask about what we lost, I cannot say exactly what happened under your watch, but under our watch we have not lost money on the investments in the MIOP program. In fact, if you look at the record, Isobord lost \$7 million for Crocus and the Province lost almost \$30 million under your watch. Westsun: Crocus lost \$21 million and the Province lost about \$3.5 million under your watch; Winnport Logistics: Crocus lost \$6.7 million and the Province lost \$5.6 million under your watch.

Please note that we have had a good record of economic growth. We have been making legitimate investments under the proper due diligence and we will continue to do that.

Crocus Investment Fund Public Inquiry

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, a government that has nothing to hide has nothing to fear from a public inquiry. Manitoba allows it, the public wants it, and the rules of good government demand it.

Mr. Speaker, I am asking the Minister of Justice to instruct staff in his department to compile a list of retired judges from here in the province of Manitoba or in other jurisdictions if he wishes and to table that list so we can begin negotiations on the appointment of a commissioner of inquiry.

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, the budgeting exercise, when it comes to public safety, is one that requires a careful analysis of what can make a difference for public safety in this province. We are on the side of investments in more police, investments in stronger prosecutions, stronger investments in prevention. That is our top priority.

Mr. Goertzen: The minister clearly does not want to answer the question, but section 83(1) of The Evidence Act of Manitoba provides the government the ability to call an inquiry on any matter that affects the good government of the province or conduct of any part of public business thereof, which would include Crocus; the conduct of any provincial institution or any institution within the province

receiving provincial aid, which would include Crocus; or any matter which is of sufficient public importance to justify an inquiry.

I ask the Minister of Justice again to instruct his staff to put together a list of retired justices from the province of Manitoba or any other jurisdiction in Canada and let us begin negotiations on who is going to conduct the inquiry, Mr. Speaker.

Mr. Mackintosh: Mr. Speaker, I can assure the House that what I have instructed my staff to do is to ensure that there are robust initiatives that are put together to ensure greater public safety with the rare dollars that taxpayers have entrusted us with to better protect public safety.

So, as a result, I am very pleased that we are able to put together, for example, the Manitoba Meth Strategy, which has many components that will go to work to fight back against the threats of this scourge that we want to keep out of the borders of this province.

Mr. Speaker, those are our priorities and they will remain our priorities.

Mr. Goertzen: Mr. Speaker, this government's priority is trying to cover up a scandal. That is what his priority is here today, is trying to cover up a scandal. If they have nothing to hide, they have nothing to fear from an inquiry.

Section 88(1) of The Evidence Act of Manitoba gives an inquiry commissioner the power to summon witnesses and gives them the power to take public testimony under oath. The minister clearly does not want to have those powers exercised here in the province. They do not want to have the Premier summoned. They do not want him to have to give testimony under oath.

I want to ask him: Will he not put together a list of retired justices from Manitoba, from other jurisdictions, and let us appoint somebody, and if the Premier gets called to testify, then he gets called to testify and he should do it under oath, Mr. Speaker?

*(10:50)

Hon. Gary Doer (Premier): Mr. Speaker, I would point out to the member opposite that when Elections Manitoba was unable to follow the money, or in this case follow the ripped up cheques, it was important after Monnin to change the election laws so Elections Manitoba could have the—*[interjection]*

Mr. Speaker: Order.

Mr. Doer:—Elections Manitoba could deal more effectively with the money flow. We, in 2001, changed The Auditor General Act. We changed it to make all of government, including the Premier, and every minister more accountable, Mr. Speaker. We have brought in more accountability. We brought that act in to follow the money to make every one of us, the Premier, the Minister of Finance, the Minister of Industry, every minister of government and every funding decision that is available to government, directly and indirectly, we amended that act to provide greater authority.

Then, when the Crocus Fund said, oh, we are going to take this to court, we backed up the Auditor General. We backed up the Auditor General because we believe in accountability. But we believe that the accountability is there in the 245-page report of the Auditor General. We have just proved that today because the two allegations they made have already been dealt with in the Auditor General's report. Their false allegations are actually redundant.

Mr. Speaker: The time for Oral Questions has expired.

Is the honourable member rising on a point of order or a matter of privilege?

An Honourable Member: I am rising on a matter of privilege.

MATTER OF PRIVILEGE

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

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise today on a matter of privilege. As you are aware, a matter of privilege is a very serious circumstance and it depends on two conditions. First, there must be established a prima facie case of privilege. Second, the item must be raised at the first opportunity. My case is specific, but involves certain detail, and I will try to make my points in order as clearly as possible.

First, I will refer to Marleau and Montpetit on page 67: The House claims the right to punish as a contempt any action which though not a breach of a specific privilege tends to obstruct or impede the House in the performance of its function, obstructs or impedes any member or officer of the House in the discharge of their duties or is an offence against the authority or dignity of the House.

Mr. Speaker, the matter I raise is, I believe, a serious offence against the dignity of the House. I will first start with the nature of the offence against

the dignity of the House and I will go on, after I establish this, to talk about why this has been raised at the first opportunity.

Now, in order to do this, I must first describe with a brief description of our provincial floral emblem, the prairie crocus. The crocus is a very important symbol of our province. It is not only our floral symbol; it has a prominent place on the front and centre of our coat of arms. Furthermore, on our Manitoba coat of arms near the top, the beaver, a symbol of Canada, holds a prairie crocus, the official flower of Manitoba. As the Speaker is well aware the coat of arms is used in many different ways in this Legislature and by members of the Legislature on a daily basis. The crocus is therefore one of the most important symbols of our province and of our Legislature.

Mr. Speaker, it is particularly important to note that this year is a very special year in the history of the crocus as our floral emblem. Indeed, it is the 100th anniversary of the year 1906 when the crocus became the provincial flower of Manitoba. I could go on about the prairie crocus, known botanically as an *Anemone patens*, and how it became our provincial symbol. I am not going to go into details except to say that it happened as a result of a vote by school children in Manitoba. This was a decision which, in the final result, was in support of our children.

Mr. Speaker, the week ahead is a very special week in the life of our Legislature and in the history of the crocus as a symbol for our province and our Legislature because it was on March 16, 1906, that the crocus became the floral emblem of Manitoba. Thus, we have a particular responsibility in this Legislature as we enter the week to ensure that the dignity of the crocus, of our coat of arms and provincial emblem is an important part of this Legislature and that its dignity is maintained.

Mr. Speaker, I am now going to provide evidence that one of the members of the House, the Premier (Mr. Doer), supported by his Cabinet, has acted in ways that undermine—

Mr. Speaker: Order. I do not want points of orders or privilege to get out of hand. When a member is rising on a matter of privilege, it is to point out to the Speaker that it is the earliest opportunity and that there is a *prima facie* case. It is to convince the Speaker to hear whatever the privilege is, so I would ask the honourable member to address if there is a *prima facie* case in that fashion.

Mr. Gerrard: Mr. Speaker, exactly as you request, I am doing, and I would refer to page 95 of Marleau and Montpetit where it is very clear that the Legislature enjoys very wide latitude in maintaining its dignity and authority through its exercise of contempt power. I believe it is within these rules, procedures and guidelines set out by Marleau and Montpetit that I am acting.

I think I do not need to go into exhaustive detail about how the crocus has been undermined, but let me make some specific points. One, the name of the Crocus Investment Fund is the same as the crocus flower. The Crocus Investment Fund was supported by government through special legislation and in many, many ways since then. Yet the action of this Premier and his government to uphold the dignity of the crocus as our symbol and in our coat of arms by failing to adequately support and ensure that things were going properly at the Crocus Investment Fund, has put the dignity of this very House in peril.

As early as 2001, the Industry Department provided the government a detailed analysis of Crocus's cash flow problems, predicting that the fund would face a liquidity crisis. In January 2002, an official in the Finance Department independently wrote an e-mail memo warning of possible mismanagement of Crocus. In February 2002, there was a public call by an MLA from this Legislature with concerns about Crocus.

Yet, in spite of all these concerns, the Premier (Premier) in this Legislature on July 2, 2002, stood up to talk about Crocus as an engine. He referred to it as an engine of employee ownership that we all interpret as an engine of economy when the Premier is speaking. The Premier also talked in very negative terms of anybody who would cast aspersions on the Crocus Investment Fund. Clearly, the Premier failed to alert people that this was a high-risk investment and that they should be concerned about their money.

Mr. Speaker, I am going to wrap up quite quickly now. In many ways, the Premier failed to act and, indeed, the Finance Minister (Mr. Selinger) talked about Crocus as a success in his budget of 2003 instead of calling an investigation inquiry to make sure that the situation did not deteriorate and to make sure that Crocus would not get a bad name. Well, we all know what has happened. We had an Auditor General's Report that Crocus has a very bad name as a result of the poor management and poor actions of this government.

* (11:00)

Now, I think what is clear, Mr. Speaker, and this became clear to me on Wednesday evening—and I am now getting into the point of why this has been raised at the first opportunity—that more than 600 shareholders, perhaps 700 shareholders, were at the Victoria Inn, and it was very clear that these shareholders, when they were investing in Crocus, believed that they were investing in the province, that this was supported by the government because it was in part named after our provincial flower as a very important symbol of Manitoba and what we stand for as Manitobans.

Now, my argument in terms of why this is the first time this could have been raised—and I just have a few more words, Mr. Speaker. First of all, we are talking about a cumulative effect and there was a tipping point. That tipping point has occurred in the last 24 hours, overnight, and it has occurred as a result of very carefully looking at and considering what happened on Wednesday night. It has occurred as a realization last night, Mr. Speaker, that next week is very, very important in the history of the crocus as our provincial flower, that next week is the 100th anniversary, on March 16, of the crocus being called a provincial flower, and we should be celebrating and honouring the crocus flower.

This government, instead of allowing us to celebrate and honour, as we should be doing, has affronted the dignity of this House, has offended the people of Manitoba as well as the people of this House by calling all sorts of concerns into question about Crocus as we have seen it laid out by the Auditor General and in this House discussed on many occasions in the last few days. So that is why this has been raised at the first possible occasion.

I want to stand today, and I have a motion here in just one minute, but I want to say here that I am here to defend the name of our provincial flower, the crocus, the prairie crocus. I am here to stand up against the deeds perpetrated by the government which undermined the dignity and the stature of our provincial flower and our provincial coat of arms which has the crocus prominently on it.

We have a beautiful and wonderful provincial flower, the prairie crocus. We have a good coat of arms, and it is important to me as a member of the Legislature and to all of us as members of the Legislature that the dignity of our floral emblem, the dignity of our coat of arms, be maintained.

That is why I stand up today and I move, seconded by the MLA for Inkster, that this matter of

privilege be referred to a standing committee of the Legislature.

Mr. Speaker: Before recognizing any other members to speak, I would remind the House that contributions at this time from honourable members are to be limited to strictly relevant comments as to whether an alleged matter of privilege has been raised at the earliest opportunity and whether a prima facie case has been established.

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, the member's so-called matter of privilege I do not think deserves the dignity of a response hardly. It is nothing but silliness to get up in this House to suggest that a Manitoba flower be the basis of a matter of privilege.

If members opposite are trying to rally a cause, Mr. Speaker, the Member for River Heights (Mr. Gerrard), through his silliness, is certainly undermining what they are attempting to do.

Mr. Speaker: The honourable Official Opposition House Leader, on the same privilege.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, I think what the Leader of the Liberal Party was doing today was just underlining how this government has simply ignored and thumbed its nose at Manitobans, at the loss of money by not only taxpayers but indeed by the unit holders at Crocus. All of this gives this province a black eye in terms of the investment climate.

I think, in essence, Mr. Speaker, this is an issue that needs to be underlined, needs to be brought to attention. Indeed, the crocus is, as a matter of fact, an emblem of our province.

I could go on to say that, as a matter of fact, there was a fine lady back in my constituency, in the community of Shellmouth, who used to do a lot of painting, and her signature painting was the crocus. If we look in the Legislature, there are many offices that, in fact, have a picture of the crocus as painted by Belle Busch.

When the Leader of the Liberal Party talks about tarnishing, it is this government that has tarnished not only the investment climate but, indeed, the symbols of this province that make us proud to be Manitobans. It is for that reason that I would support this.

Mr. Speaker: A matter of privilege is a serious concern. I am going to take this matter under

advisement to consult the authorities and will return to the House with a ruling.

MEMBERS' STATEMENTS

River East Collegiate Kodiaks

Mr. Harry Schellenberg (Rossmere): Mr. Speaker, it is with great pleasure that I rise to congratulate the River East Collegiate Kodiaks for becoming the city champions of the Winnipeg High School League for the fifth time in their 12-year history. As a former teacher at River East Collegiate, I am especially proud to see them win over the defending champion St. Paul Crusaders 6 to 5 in overtime.

Matt Romanychyn scored three of River East's goals, including the game winner at 4:08 of the overtime period. Jordan Mirwaldt provided a hat trick of his own to round out River East's scoring and was named player of the game for the final. A.J. Naumiuk provided excellent goaltending to ensure a Kodiak victory. Congratulations to Cory Ball who was name MVP of the playoffs. Jordan Mirwaldt and Cory Ball finished first and second in scoring for the regular season play for the A Division with 53 points in 22 games and 46 points in 19 games respectively.

Mr. Speaker, I congratulate the rest of the 2005-2006 Kodiaks who all played an excellent game. They are: Frazer Allford, Ryan Buffie, Justin DeLeeuw, Jordan Gogal, Reid Hastie, Dan Hrabowych, Tyler Kamp, Mike Kurtas, Ross Kurz, Dustin Liebrecht, Adam Lonsdale, Rorie McLeod, Steve Olivier, Ryan Peasgood.

Congratulations must also go to the Kodiak coaching staff which includes Paul Stastook, Ben Zajac, Scott Zieba, Dave Townsend and to their manager, Dana Gordon. Likewise, Mr. Speaker, congratulations must also go to the parents and families of all the players. Their hard work and support are key to making our athletes among the greatest in the world.

On behalf of all members, I wish all the participants in the upcoming provincial hockey championships success. The Kodiaks will attempt to take the double crown for the fourth time in their history. I encourage all members to be in attendance for the first game of the provincial final, Friday night at 8 p.m., River East versus the Kelvin Clippers at Keith Bodley arena. Go Kodiaks.

Crocus Investment Fund

Mr. Peter Dyck (Pembina): I rise today on behalf of 33,000 Manitobans who invested in the Crocus

Investment Fund. These hardworking Manitobans want to know what happened to their \$60 million investment, and the only way to do this is to call on an independent public inquiry. Mr. Speaker, red flags were raised about the Crocus Investment Fund back in 2001. Manitobans are demanding to know why this government chose to do nothing. The only way to find out is to call an independent public inquiry.

In January 2002, an official in the Finance Minister's own department suggested that an independent review of Crocus would be in order. The media have called for an independent public inquiry. Members on this side of the House have been calling for an independent public inquiry into the Crocus Investment Fund scandal for months. Most importantly, Manitobans are calling for an independent public inquiry. Manitobans deserve to know why this government and this Premier (Mr. Doer) are refusing to find answers for the people to whom they are accountable. Manitobans hired this government to act in the best interests of Manitobans, to show some accountability, to show some integrity and to call an independent public inquiry into the Crocus Investment Fund. Thank you very much, Mr. Speaker.

Provincial Exhibition of Manitoba

Mr. Drew Caldwell (Brandon East): Mr. Speaker, it gives me great pleasure to rise in the Manitoba Legislature today to recognize and commend the Provincial Exhibition of Manitoba for their excellent work in building this province. Tracing its origins to 1882, the Provincial Exhibition of Manitoba is a national jewel celebrating Canadian agriculture and those who labour in the agricultural field.

*(11:10)

Mr. Speaker, I recently had the pleasure of attending the 9th Annual President's Dinner hosted by the Provincial Exhibition of Manitoba. Joining me at the dinner were a number of colleagues, including the Deputy Premier (Ms. Wowchuk) and my friend the MLA for Brandon West. I highlight the President's Dinner in this statement, commending the Provincial Exhibition of Manitoba, as proceeds from the event will be used to develop an endowment fund for students pursuing their post-secondary education at Brandon University and Assiniboine Community College. The legacy from this endowment fund will benefit young students for generations and is testimony to the vision of the Provincial Exhibition of Manitoba.

I am also very, very proud that our government joins with the Provincial Exhibition of Manitoba and all members and, in particular, western Manitobans in supporting education in the region as evidenced by the inauguration of Assiniboine Community College at Brandon Mental Health Centre in this year's budget, Mr. Speaker, an investment that will benefit this province forever into the future.

On behalf of the government of Manitoba, I congratulate the Provincial Exhibition of Manitoba and commend them for their contribution to the future of this province.

Crocus Investment Fund

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, I rise today on a rather sad day in Manitoba history. As opposition, we have gathered together to call for a public inquiry on the Crocus scandal, and, quite frankly, I want to speak to the mismanagement of this government, this NDP government. Clearly, this government has shown a lack of ethics going forward. The moral compass of this government has gone due south. It is just incomprehensible what this government has done for Manitoba.

Mr. Speaker, not only is this government trying to bankrupt Manitoba financially but also the moral authority of this government is bankrupt as well. It has been one incident after another with this particular government. Thirty-three thousand Manitobans have lost over \$60 million and this government continues to turn a blind eye to Manitobans. Red flags were raised time after time with this government and they turned a blind eye each time.

In January of 2001 there were issues regarding liquidity of Crocus. In March of 2001, Pat Jacobsen, the chief executive officer of the Workers Compensation Board, raised very serious allegations about the board of governance, the investments in Workers Compensation and also how it might relate to the Crocus Investment Fund. What happened to Pat Jacobsen when she raised these concerns? She was fired three days later, Mr. Speaker. Incomprehensible.

Mr. Speaker, I want to read a quote. It is an affidavit signed by Pat Jacobsen, the CEO of the Workers Compensation Board back in 2001. This document has been tabled in the House. It says, Pat Jacobsen believes that had the government conducted an independent audit in 2001 of the Workers Compensation Board, as I requested from the

Minister responsible for the Workers Compensation Board in 2001, both Crocus and the Workers Compensation Board would have not lost millions of dollars and eight senior executives of the board would not have been fired in the subsequent year. This NDP government failed to act when these serious issues were raised to their attention in 2001 despite the fact that my allegations were widely known to government.

Quite clearly, this government turned a blind eye. It is a sad day for Manitobans. Will the Premier (Mr. Doer) call an independent public inquiry? *[interjection]*

Mr. Speaker: Are you on a point of order?

An Honourable Member: Mr. Speaker, I would just ask for leave to allow him to complete his statement.

Mr. Speaker: Does the honourable member have leave?

An Honourable Member: No.

Mr. Speaker: It has been denied.

Vietnamese Community

Mr. Andrew Swan (Minto): Mr. Speaker, on January 20, my wife and I had the honour of attending the Vietnamese New Year's celebration at the Ramada Marlborough Inn. The celebration also commemorated the 30th anniversary of the arrival of the first Vietnamese refugees in Canada.

Manitobans my age have only distant recollections of the story of the boat people who fled the chaos of postwar Vietnam. More than one million people left behind their families, friends and homeland. Many perished from drowning, disease or starvation on the open sea or in refugee camps where many remained for months or even years.

Those who made it to Canada have truly enriched our society. The Vietnamese community in Manitoba is strong. I have the good fortune of dealing with many Vietnamese businesses along Ellice Avenue and Sargent Avenue. Saigon Centre, a hub of activity within the Vietnamese community, is located at the corner of Ellice Avenue and Balmoral Street, renamed Hung Vuong Street for the week of the commemoration. I have been privileged to meet Vietnamese-Canadian educators, doctors, pharmacists, lawyers and other professionals who are proud Manitobans but also proud to serve their Vietnamese community.

The struggles and challenges of the early Vietnamese immigrants to Manitoba are properly remembered. The lessons learned in the 30 years since the boat people first arrived should guide us as we continue to welcome other refugees to our province, not now from Vietnam but from countries such as Somalia, Sudan, Ethiopia and Eritrea where people also seek refuge from war, famine and chaos in their homeland.

I congratulate the Free Vietnamese Association of Manitoba, under the leadership of Mr. Ba Nguyen, for a successful event attended by more than 600 people. The Vietnamese community in Manitoba has come a long way since its humble beginnings 30 years ago, and I ask all members of this Legislature to wish this great community continued prosperity and good fortune. Thank you.

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

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, on a point of order.

Point of Order

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

Mr. Derkach: Mr. Speaker, it is with regret that I rise today on this point of order because we have for days now attempted to illustrate to this government that there is a responsibility on behalf of this Premier (Mr. Doer) and this government to do what it is Manitobans are demanding. Manitobans, both unitholders and taxpayers have joined with media, have joined with the opposition parties to demand for the Premier and for this government to do the morally correct thing, and that is to call a public inquiry into the Crocus scandal.

Mr. Speaker, this is a scandal in this province that has implicated a wide range of people. But more importantly it has implicated the hands of this government. In this scandal we see that the operatives of this government have indeed had their hands in the cookie jar, if you like. If the Premier had nothing to hide, if he was not afraid of what the consequences of a public inquiry would be, he would do the honourable thing and he would call for the public inquiry.

Mr. Speaker, today, in the face of the Premier, we finally saw the fear that is written all over his face as it relates to calling a public inquiry. The Minister of Agriculture (Ms. Wowchuk), who should

be tending to her affairs as far as agriculture is concerned, makes light of this issue. I do not think that the 33,000 Manitoba unitholders and the taxpayers of this province would take this matter as lightly as the Minister of Agriculture is taking it. I do not think that they would mock it like the Minister of Justice (Mr. Mackintosh).

There have been times in the history of this province where there has been a need to call for clearing of the air through a process that is legitimate, through a process that is allowed under the laws of this government, laws of this province, and that is to clear the air when we have a very unfortunate circumstance like a scandal in front of us.

We saw what the former Prime Minister of Canada did with respect to the Gomery inquiry. He knew that he was not responsible personally for anything that went on in the Gomery inquiry. So he was not afraid to stand in his place as Prime Minister and say we need to clear the air for Canadians to have some confidence in government, in the government institutions, if you like. That is what is important here, is that we protect the democratic institution of this province which is this Legislature. If you have not got the courage to call the public inquiry, I say you have a choice: call the election.

Well, Mr. Speaker, let us put it to the test. Now, the other day the Premier (Mr. Doer) mused about it. But that is, indeed, what is incumbent upon a government; you either step aside or you call for the public inquiry.

* (11:20)

Now, Mr. Speaker, the Premier uses all kinds of excuses why he cannot call for a public inquiry, but none of it is washing. None of it is selling out there. Manitobans are still demanding a public inquiry. No matter where I go, and I have been to several communities this week and no matter which community I go to, people are talking about it. People are engaged. People are saying, you are doing the right thing, Len. Keep on your track to force the government to call a public inquiry. When you talk to people about the budget, they say overshadowing all of this is the importance of calling for the public inquiry.

Now, the Attorney General (Mr. Mackintosh) thinks this is great humour. Mr. Speaker, we have seen his record. We do not have to rehearse his

record but I go back to one thing. Remember when this Attorney General, this esteemed politician in this province, when he was in opposition, do you remember the antics in this House by this individual? Now, he was less accountable then. During the MTS debate, he would march up and down the floor here in front of the Clerk and then he would come in front of the Premier and he would shake his fist at the Premier and utter all kinds of obscenities. He was less respectful of the processes then because he was in opposition.

Mr. Speaker, we are not going to do that. I am not going to stand in front of this Premier, I am not going to stand in front of him and shake my fist at him and shout all kinds of obscenities, but I will hold him to account. We will use every tool that is available to us as legislators to make sure that we hold this government to account. We will be the conscience of this government and together with the Liberal Party in this province, we will stand up for Manitobans. We will do the right thing. We will be the conscience of the government and we are not going to relent because this is the most important issue before Manitobans today. The government says we have deadlines. The government says, well, we cannot move legislation ahead. We cannot move the budget ahead. Well, the reality is call the inquiry and everything can move ahead. It is as simple as that.

Mr. Speaker, can you imagine the state of this province when an esteemed administrator comes forward and says to the government: Something is wrong at the Workers Compensation Board; we need to have an independent audit, Madam Minister, because there is something going wrong; if I am accountable to the people that I represent at the Workers Compensation Board, I am telling you something is rotten here?

But what is the response from the Premier and his close advisor, Mr. Eugene Kostyra? The advice is, fire her. Get her out of here. She is giving us a hard time. Get her out of here.

Well, Mr. Speaker, people know. Manitobans know. They are not fools. They understand where this is all at and they are saying to us, stay on track. Continue the pressure. Make the Premier call an independent inquiry, and you know what? In the next days, I would not be surprised to see Manitobans join us here. I would not be surprised. Not at our invitation, not at anything we are orchestrating, but I think Manitobans are getting a message and the

message is that this autocratic-style government is not what we need in this province.

They boast about what they do. The reality is, Mr. Speaker, it is costing Manitobans \$3.5 million a day for interest on a debt that they are responsible for. I do not know how much more of this government Manitobans can afford because first we had Howard Pawley and his gang, which the Premier (Mr. Doer) was a member of, drive this province into billions of dollars of debt.

We as a government tried to control it as much as we could in a very difficult economic time, and then we got the good economic times and back comes the current Premier of this province. Once again he continues that tradition that is so well known throughout Canada, a characteristic of the NDP's, drive us further into debt, drive us further into the hole, and today we as Manitobans are paying \$3.5 million every day just for the interest.

Now, Mr. Speaker, we will deal with that, but overshadowing all of this is the conduct of this government, the conduct of this Premier, the conduct of the Attorney General when it comes to the scandal that is before Manitobans today.

Mr. Speaker, people have lost their entire savings, the hard-earned dollars that they invested in Crocus because it was supposed to be secure, as best as it could be. Now, sure, it is venture capital, but if everything is managed properly there are losses, everybody knows that, and sometimes losses are offset by gains, but when you have government meddling into the affairs of the investments and how those investments should be done, then you are on a very slippery slope.

When the labour-sponsored fund was set up by the former administration, it was done—

Mr. Speaker: Order. I have been very patient and I have allowed a lot of latitude, but points of order should not be used for debate. They should be to point out to the Speaker a breach of a rule or a departure of practice.

I have been waiting patiently to hear where the point of order is, and I would encourage the honourable Official Opposition House Leader to address his point of order.

Mr. Derkach: Yes, Mr. Speaker, I want to get to the very point of order and the motion because the point of order is that there is a complete disregard by this government for the legislative processes that we have

in front of us here. We as members of this Legislature have an obligation to respond and to bring forward and to represent the wishes, the needs, the desires and the concerns of Manitobans.

That is what we are doing on this side of the House, all of us as opposition parties, to try to bring attention to this matter using every kind of tool that we can in this Legislature to force this government to do what is right, and that is to bring in a public inquiry into a scandal that they created, a scandal that is on the heads of every minister and every government MLA in this Chamber, Mr. Speaker.

They collectively have forced the losses of millions of dollars of Manitobans, Mr. Speaker, and they will not answer for it. The Premier refuses to answer for it. That is a significant issue and the point of order is that the Premier and his Cabinet and his MLAs are ignoring the cries of Manitobans to do what is right, to clear the air and to make sure that, after the air is cleared, after the inquiry is held, proper processes are put in place so that this never, ever happens again.

We cannot afford to have a situation like this happen in this province again, Mr. Speaker. How can we ever expect to have Manitobans trust any program, any initiative that is put forward by a government if, in fact, this cloud continues to hang over this scandal, over this government, over our Premier?

Everywhere he goes, everywhere the Premier goes this cloud is going to follow him. Everywhere every Cabinet minister goes this cloud, this scandalous cloud, is going to hang over them.

* (11:30)

They have lost, Mr. Speaker, I subject to you that they have lost the trust of Manitobans. So that is why my point of order is that this government has ignored the legislative processes, the provincial laws, the provincial processes that have been put into place to hold them to account and it is ignoring the will of Manitobans and it is abrogating its responsibility.

Mr. Speaker: The honourable Member for Inkster, on the same point of order?

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Speaker, on the same point of order. I appreciate the Opposition House Leader's emphasizing what I

believe are some very critical points. Our rules facilitate the opportunity for engagement of all MLAs to cover a wide variety of issues. What I see is a Premier or a government that is starting to frustrate the process. I think that is definitely worthy of note from your office in taking a look at what is happening as a direct result of the government not doing what is right and maybe what might be absent from our rules that would allow for the opposition to put more pressure on the government to do what is right. What the opposition is doing is responding to the pressures of the public, of shareholders, of a wide variety of stakeholders in ensuring that the Premier (Mr. Doer) does the right thing.

Mr. Speaker, I do believe that the Opposition House Leader does have a valid point of order and would ask that you rule in his favour.

Mr. Speaker: On the point of order raised by the honourable Official Opposition House Leader, he does not have a point of order. I would rule it as a dispute over the facts. That is my ruling.

Mr. Derkach: Mr. Speaker, you have kind of shocked me. But having said that, I have to challenge your ruling.

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

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. Derkach: Mr. Speaker, I have to ask with respect for a recorded vote.

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

* (12:30)

Mr. Speaker: Order. Sixty minutes has expired.

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, Bjornson, Brick, Caldwell, Dewar, Doer, Irvin-Ross, Jennissen, Jha, Korzeniowski, Lemieux, Mackintosh, Maloway, Martindale, Melnick, Nevakshonoff, Oswald, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith, Swan, Wowchuk.

Nays

Cullen, Cummings, Derkach, Dyck, Eichler, Faurschou, Gerrard, Goertzen, Lamoureux, Maguire, Mitchelson, Murray, Penner, Reimer, Stefanson, Taillieu.

Madam Clerk (Patricia Chaychuk): Yeas 29, Nays 16.

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

The hour being past 12:30, this House is adjourned and stands adjourned until 1:30 p.m. on Monday.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 10, 2006

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