

**Fifth Session - Thirty-Eighth Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**  
**Official Report**  
**(Hansard)**

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authority of  
The Honourable George Hickes  
Speaker*

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Eighth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
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, Hon.	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.
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	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.
VACANT	Kirkfield Park	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 5, 2007

**The House met at 1:30 p.m.**

**PRAYER**

**MATTER OF PRIVILEGE**

**Mr. Speaker:** The honourable Member for Inkster, on a point of order or a matter of privilege?

**Mr. Kevin Lamoureux (Inkster):** On a matter of privilege, Mr. Speaker.

**Mr. Speaker:** The honourable Member for Inkster, on a matter of privilege.

**Mr. Lamoureux:** Mr. Speaker, I'll try to be brief and concise, and get right to the point as to why it is I do have a genuine matter of privilege to present.

If we look at *Beauchesne's* 6th Edition, page 25, citation 93, it states: "It is generally accepted that any threat, or attempt to influence the vote of, or actions of a Member, is breach of privilege."

Mr. Speaker, I do believe that this particular citation does apply to me and some actions from the Premier's Office that came about the last day of the session in December. As we all know, the session ended in December, or we had recessed in December. Once the House was adjourned for the day, I went down to my office. Under my door there was a letter that was sent to me, hand-delivered. It was actually dated for December 7, and it was a threat against me for comments that I had made.

I think it is really important for all of us to realize that, as legislators, Mr. Speaker, we have a responsibility. Some of our responsibilities are a little bit different. You might be on the government benches one day, you might be on the opposition benches another day. As a member of the opposition, part of my responsibility is to raise issues that I hear about that I believe the government needs to address. Sometimes it is proven to be very difficult to do so.

Well, Mr. Speaker, I did just that. I raised an issue which was really important that went right to the Premier's Office. After the House was adjourned, when everything was said and done, this is the letter. I am going to table a copy of the letter and I will read from it. This was addressed to me signed by the legal counsel of Michael Balagus, I believe it is. I'd like to quote directly from the letter: "Your conduct is aggravated..." and, in part—

Mr. Speaker, it's on page 2 that I'm referring to; "Your conduct is aggravated by the fact that in making those allegations, you appear to have relied solely on allegations made by third parties without making any inquiries whatsoever as to the merit of the allegations.

"We hereby put you on notice that it is the intent of Mr. Balagus to proceed with an action against you in defamation. In order to reduce the damage for which you will be liable, we demand that you immediately issue a written retraction of the allegations made against Mr. Balagus, as well as an apology directed to him."

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. The honourable Member for Inkster has the floor.

**Mr. Lamoureux:** Mr. Speaker, I had taken and received this letter as a form of intimidation from the chief of staff to try to silence me on what is a very important issue. Manitobans have a right to know when there is inappropriate behaviour that's coming from the Premier's Office.

I had raised the issue in a number of Question Periods, and the Premier (Mr. Doer) chose to ignore the question and just kind of say, well, it's off to Elections Manitoba, I've tabled it to Elections Manitoba—never addressing the issue in which I had brought up because he wanted to keep it silent. Then, when the session comes to an end or the recess finally comes, this letter is slipped under my door. There was an attempt on my part to bring it up. Well, Mr. Speaker, what led to this letter was comments that I had made inside this Chamber and also outside this Chamber.

Outside this Chamber, Mr. Speaker, I was talking about allegations of intimidation, allegations of bullying, inappropriate behaviour, the possibility of a bribe. I was basing it on what I believe was good, solid information. I had heard from more than two reliable sources that this was, in fact, happening. I raised it, I challenged the Premier to it. At the time, I didn't have a copy of the letter, and the government exploited that fact, even though I knew the letter was there.

Well, Mr. Speaker, I'd like to table the letter that I had drilled the Premier on but the Premier refused

to even acknowledge any sort of a problem. So, again, I'll ask for the pages to come forward and get a copy of the letter. It's a lengthy letter, and I'm not going to attempt to read the entire letter, but I do want to highlight a couple of points.

This comes right from a candidate who was seeking the nomination in The Maples electoral division. He addressed this letter to the Premier of the province. It's interesting the way it was signed off as a "diehard NDPer, Kaur Singh Sidhu." The content of the letter is pretty convincing, I must say. Let me just take a couple of the quotes. "This is an example of political intimidation and bullying." It goes on: I am being bullied to withdraw my name and support Cris, and the nomination process is on the way to being fixed. Further, he also said that Cris will be inducted into Cabinet soon, and I will be embarrassing the government by running against him.

Mr. Speaker, this is the question he's putting forward: Do the party brass such as Mr. Balagus have any code of ethics under which they are subject to discipline or censoring their behaviour for unethical and undemocratic actions and deeds?

Mr. Speaker, this is an example of corruption and bribery, and I expect you to address—

\* (13:40)

**Mr. Speaker:** Order. When members raise a matter of privilege, at that point it's to convince the Speaker that it's a prima facie case and that the Speaker should be dealing with it.

If the Speaker allows and sees there is a prima facie case, that's when members would be debating it. This is not the time for the debate. This is to convince the Speaker that you have a prima facie case. So I ask the honourable member to come forward to show a prima facie case.

**Mr. Lamoureux:** Mr. Speaker, we have the chief of staff, from the first I can tell in the history in the province of Manitoba, threatening to sue a member of the opposition. I stand to be corrected and I look forward to the government's response. I believe that is a first when you have a chief of staff of a Premier's Office threatening to sue a member of an opposition.

I raise the issue in regard to this. I didn't have the letter at the time. Now, Mr. Speaker, I tabled the letter that re-affirms the comments that I put on the record back then. Not only can I say that the letter is

proof in itself, but the meeting took place twice. Twice the candidate met with Mr. Balagus; the second time there was a witness. So it goes beyond just one person talking to another person.

The Premier has been quiet. There's a flaw in our system, Mr. Speaker. Elections Manitoba, by law, cannot tell us what they're doing. They cannot tell us. I cannot tell whether or not I'm ever going to receive any sort of justice, or Manitobans, more importantly than me, that Manitobans will never find out potentially what took place because Elections Manitoba, by law, is prohibited from sharing what's gone on.

The Government House Leader is right. I did say I would resign my seat on this issue, Mr. Speaker. You know, the question that I would have is: Would that member or this Premier resign their seat if I'm right? Let's see a single member of this government—

**Mr. Speaker:** Order. When addressing a matter of privilege, it's to convince the Speaker that you have a prima facie case and not to get into debate. All the responses of members who have the floor, please direct them to the Chair.

**Mr. Lamoureux:** Thank you, Mr. Speaker. I'll try to make it as concise as I can by indicating that in the hours that led to the recess, after there was no recourse for myself to come back the following day to address this particular letter—a letter that I believe all members should be concerned about because I can assure members opposite that you are not always going to be in government and you would like to believe that the Legislature and the MLAs will put the rights of MLAs ahead of their own political party's best interest.

I would suggest to you, Mr. Speaker, that I was conducting myself in such a way that was in the public's best interest because I believe the public has a right to know if there's inappropriate behaviour that's coming from the Premier's Office. I had asked that question in the best way that I could, as you know. And to this day I still have not received any satisfaction other than a threat from the chief of staff from the Premier's Office.

I believe that is a first. I believe that is a prima facie case that clearly demonstrates, especially if you take into consideration, Mr. Speaker, citation No. 33 in *Beauchesne's* 6th Edition, that it is a threat against an MLA inside this Chamber. I have received this letter as a threat. A threat of a lawsuit is just that, a threat. I brought it forward because I had good solid

evidence, and that evidence continues to mount and the Premier (Mr. Doer) refuses to answer the questions.

Mr. Speaker, what I would like to do at this point in time is to move a motion, seconded by the Member for River Heights (Mr. Gerrard) that the Premier shows respect for the role of opposition members and the duties they perform and apologize for the behaviour of his chief of staff.

**Mr. Speaker:** Before recognizing any other members to speak, I'd remind the House that contributions at this time by 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. Dave Chomiak (Government House Leader):** Mr. Speaker, the member has raised a number of serious but inaccurate—inaccurate, but I would go so far as to say spurious allegations in this Legislature. One of the greatest rights that we as—*[interjection]* If the member would let me speak, perhaps—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

**Mr. Chomiak:** We in this Chamber have immunity and the ability in this Chamber to make allegations to make points, Mr. Speaker. We also have a responsibility not to abuse what is a hard-won right of privilege. It is a right of privilege. It was won over the centuries to protect, to protect the physical integrity of members of the Legislature. It's a right that we have and we ought to use that right very carefully.

We are given, as are lawyers, as are doctors, as are members of the cloth, particular powers to have privilege. But, Mr. Speaker, we have a responsibility to exercise those powers correctly and prudently. It does not give us the right to make spurious, inaccurate allegations, third-party allegations, of documents members haven't even seen. It gives us the right to do it in the House but I don't think that's responsible.

The member did that. He made spurious allegations about a document he hadn't seen, he had heard about, that he sat on, he took no action on. Said he knew it. Didn't send it to Elections Manitoba, raised it over and over again in the Legislature, was tossed out of the Legislature and then had the tenacity—*[interjection]*, had the temerity to go in the

hallway and to make defamatory comments, defamatory comments, alleged against an individual.

Well, Mr. Speaker, the member can make defamatory comments in here and be protected, but he's not a super power. We have to exercise those rights carefully. Those rights have to be carefully exercised. It does not give him the right to make spurious allegations in here and then go in the hallway and make defamatory and libellous allegations, alleged, and then expect individuals who he's defamed or who he's libelled to say: Oh, that's fine because Kevin Lamoureux—*[interjection]* Oh, pardon me, the Member for Inkster.

The Member for Inkster had trouble with where he was sitting. He raised a privilege. He's worried about his seat. There are Liberal allegations about Elections Manitoba, et cetera. That's on the record. When the Leader of the Opposition had concerns about individuals politically, he raised a complaint with Elections Manitoba. The Leader of the Liberal Party raised it with Elections Manitoba. They investigated it.

When the Member for Inkster had a concern, he said nothing to Elections Manitoba. He stood up in the Legislature, day in and day out, and made allegations, spurious allegations, and then he had the lack of responsibility to go out in the hallway and make alleged libellous and defamatory statements.

(13:50)

Now, Mr. Speaker, he gets a letter from a lawyer saying: "The entire interview referred to concerned the alleged conduct of Mr. Balagus. During the course of the interview, you alleged there was corruption," et cetera, et cetera.

Mr. Speaker, we've all been sued in some way or the other, mostly for—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

**Mr. Chomiak:** Mr. Speaker, as government, as opposition members, we are constantly sued in class action or related suits.

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. I want to remind honourable members that privileges and points of orders are very, very serious matters. If a member rises on a matter of privilege or a point of order, I need to hear all the words that are spoken because at the end I have to make a ruling.

The honourable Government House Leader has the floor.

**Mr. Chomiak:** Thank you, Mr. Speaker. I know, getting back to the '70s and providing advice to government, that happens regularly. My point is that I've never heard of a member standing up and saying: Because I've been sued for defamation or libel, I've been intimidated. That's the point.

The responsibility the member has is to bring responsible, accurate information here, not third-party information. It then goes to the point of irresponsibility when you go outside of this Chamber and make defamatory and libellous comments against individuals. Then you're on your own and you'd better have your facts right. You better have your evidence right if you're going to make allegations against anyone, and anyone of us is in that same position, Mr. Speaker.

None of us are above the law. The Liberal Member for Inkster (Mr. Lamoureux) is not above the law. His federal party was not above the law on the sponsorship scandal. We know what happened to the federal Liberal Party when they tried to go above the law, and we know what tactics the members employ in trying to go above the law. He's not bigger than the law of this Chamber. He has a responsibility to this Chamber to bring his facts correctly to this Chamber. If he goes into the hallway and makes defamation and libellous statements, he better have his facts right or else the individual for whom he makes these allegations can write and say, you ought to apologize and withdraw those remarks or you're open to defamation or slander.

Mr. Speaker, the many Manitobans out there, there are 57 of us in here, we have the right to privilege in this Chamber. Those rights of privilege do not extend to allow us to go out and make allegations against individuals in the hallway, particularly allegations that are of the criminal or of that kind of a nature. He had the opportunity to go to Elections Manitoba. He did not go. He had the opportunity to raise it in the Legislature. He did and he was tossed. He had the opportunity to go in the hallway and say, these are allegations I've heard. No, he made direct statements that appeared to be defamatory, appeared to be libellous and being sued with a letter to say, apologize or else you may have to answer in court. Your privilege doesn't extend, your right doesn't put you above the law. Just because you're in trouble in your seat, just because you want to make a political issue doesn't give you

the right to go in the hallway and attack everybody you want all the time.

It is not a matter of privilege. It's never been a matter of privilege. It's an abuse of this member's right of privilege to try to extend it outside this Chamber. I suggest it is more politics and more desperation from an individual and duplicity than anything else. The member is in a fight for his life in his riding. He will do anything. He will do anything in order to try to win that seat, including the tactics that we've seen in this Chamber day in and day out.

I'm sorry to say that, because, as a member of this Chamber, Mr. Speaker, we have responsibility to bring accurate information here. When I was in the opposition, I always had two sources before I brought information. Once I came in here with one source and I was wrong, and the Minister of Health stood up and said, you were wrong. I went out and confirmed, and, in fact, I was wrong. I stood up and I apologized. I stood up and I apologized because I was wrong. I didn't go in the hallway and make that claim. I told the media I was wrong.

I have yet to hear the Member for Inkster (Mr. Lamoureux) even admit that he has provided a letter. He did not direct that letter to Elections Manitoba. He's made the allegations over and over again. He's provided information from one side, one side of an allegation, third-party information. He's gone in the hallway and defamed someone. He's not above the law. None of us are above the law. We have responsibility we ought to exhibit in this Chamber, and I suggest to the member that he ought to rethink his strategy of turning an issue and taking his own privilege and responsibilities that he got as being elected to this Chamber to think about it carefully before he goes out and recklessly, and recklessly deals with all of our rights in this Chamber. Because we have a very special right, and we ought to exercise it with care and caution, keeping in mind that the electors who put us in this Chamber give us that responsibility and expect us to exercise it appropriately. Thank you, Mr. Speaker.

**Mr. Kelvin Goertzen (Official Opposition House Leader):** Mr. Speaker. I listened intently to the Government House Leader. I hope there remains some oxygen for me to use still in this Chamber after listening to him.

I will refrain from addressing the issues that were raised by the Government House Leader specifically. I know it was interesting to hear that

he's been constantly sued, but really, I think the issue that needs to be addressed here is whether or not this rises to be a prima facie case of a matter of privilege. Certainly, I know that there are two issues that need to be addressed immediately, the first being whether or not this was raised at the earliest opportunity. I know that the honourable Member for Inkster (Mr. Lamoureux), I would take him at his word that this is his earliest opportunity. Perhaps it's because yesterday wasn't a suitable opportunity or perhaps there was new information that was brought to the Member for Inkster at some point between yesterday and today, but I would certainly take him at his word that he did raise it at his earliest opportunity.

The second issue that needs to be addressed, as you are aware, Mr. Speaker, and all members would be, is whether or not it is in fact a breach of the privileges of this House. You have had opportunity to rule on that particular issue many times in your own tenure as Speaker, but I think that there are two issues, one which the member raised and one which he didn't point to specifically. On the issue of interference, I think it is important that all of us here in this Legislature feel free to bring forward issues of importance to us individually or to those that our constituents represent, that we take more responsibility than just going forward and ensuring that we're representing the wishes and concerns of our constituents, but that we are, in fact, defenders of democracy here in this Legislature. I think that that is the reason why the Member for Inkster brought this forward, because he does see this as an issue of democracy and his ability to speak to this issue here in the Chamber and elsewhere within the province.

One might have considered that this was a dispute over the facts prior to the new information that's been tabled or at least new to this House has been tabled here today, the letter, the handwritten letter which the Member for Inkster has brought forward. In fact, we know, as members of our party, we heard the allegations that were raised by the Member for Inkster during the chorus of the last session, and we certainly wondered whether or not a letter would be forthcoming at some point. Had he raised this issue at that time, Mr. Speaker, I think you might have been right in ruling that, in fact, it was a dispute over the facts. But now the Member for Inkster has brought forward information regarding the particular individual with whom is involved in these unfortunately dark set of circumstances that have been raised. So that in fact takes it out of that sphere and out of that spectre of a dispute over the

facts because of the new information that's been brought forward.

\* (14:00)

He also has tabled for us and for all members of this Legislature a letter from a local law firm which purports to ask the Member for Inkster (Mr. Lamoureux) to withdraw comments and presumably not to speak on this issue any more. We know that we've seen in Marleau and Monpetit that we have, as individual legislators, a freedom of speech, and it's also certainly one of the issues that you can address in dealing with a matter of privilege. It is important that all of us have the ability to come to this Legislature and to speak freely and not just simply, I would argue, that it's not just to be free from liability and to be free from prosecution or the civil liability because of the words that are here, but that we feel free to bring forward issues on behalf of all Manitobans without a sense of intimidation or a sense that our words are being restrained outside of this Legislature.

It's important, I think, in dealing with a prima facie case, Mr. Speaker, that you look at the importance of the issue, whether or not, in fact, it is important enough to be part of a matter of privilege. I would say, given the seriousness of the allegations, and it's important to remember that the allegations revolve around a senior staff person at the highest level in the Premier's Office allegedly asking or offering a government job paid for with taxpayers' dollars to an individual for not seeking a nomination in a particular riding in Manitoba, which we know may, in fact, not only violate the rules of Elections Manitoba but if proven correct, would also violate certain sections of the Criminal Code which we all operate under.

So, in fact, in talking about a prima facie case, we do acknowledge that this is a very serious issue that the member has brought forward, and whether it breaches his freedom of speech or whether he, in fact, feels intimidated, then it goes to section 33 of *Beauschene*. It is an issue that is worth considering and raising here in the Legislature because, Mr. Speaker, we would hope on this side of the House, and we know there've been a number of scandals that have touched the Premier's Office, whether it's Crocus, and I know that you have some issues under advisement on that issue as well, so I won't talk about the pith and the substance of the two particular motions which are before the Legislature today.

But what I would say is there are obviously, when scandals come forward—and there are a number of them that are facing this Premier (Mr. Doer) prior to a potential election campaign—they do need to be addressed and they need to be addressed seriously. Mr. Speaker, I think one of the reasons that we're in this difficult position here today in the Legislature is because the Premier himself hasn't addressed these allegations, that he's remained silent on the allegations, that he hasn't made an effort to deny the allegations, that he's said nothing on them.

I think the Member for Inkster (Mr. Lamoureux) wouldn't perhaps be in this situation if the Premier would come forward and tell all that he knows about the issue so that Manitobans and not only us here as individual elected members of the Legislature would again have confidence in the office of the Premier, at least in regard to this particular issue, but that all Manitobans could believe in the integrity of the office of the Premier and that integrity could be returned to that office which we hold in esteem regardless of who is filling the office at that day.

So, Mr. Speaker, I would say that we certainly support the matter of privilege that's been brought forward by the Member for Inkster. We share many of the concerns that have been raised regarding these allegations and the circumstances which surround them. We would have hoped that the Premier would have come forward and addressed these issues so that you wouldn't have to take it under your consideration and your office, but given that the Premier refuses to deal with the allegations and bring forward information in terms of what he knew regarding this potential scandal, we leave it to your good discretion and your good offices and your decision. Thank you very much.

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

## ROUTINE PROCEEDINGS

### INTRODUCTION OF BILLS

#### **Bill 17—The Employment Standards Code Amendment Act (Leave for Reservists)**

**Hon. Nancy Allan (Minister of Labour and Immigration):** I move, seconded by the Minister of Family Services and Housing (Mr. Mackintosh), that

Bill 17, The Employment Standards Code Amendment Act (Leave for Reservists); Loi modifiant le Code des normes d'emploi (congé à l'intention des réservistes) be now read a first time.

#### ***Motion presented.***

**Ms. Allan:** Mr. Speaker, this bill, which implements the consensus recommendations of the Labour Management Review Committee, provides Manitobans who are members of Canada's Reserve Force with unpaid leave and job protection when they leave their civilian employment for training or active duty in service to our country.

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion? [*Agreed*]

## PETITIONS

### **Crocus Investment Fund**

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

The background to this petition is as follows:

The government needs to uncover the whole truth as to what ultimately led to over 33,000 Crocus shareholders to lose tens of millions of dollars.

The provincial auditor's report, the Manitoba Securities Commission investigation, the RCMP investigation and the involvement of our courts, collectively, will not answer the questions that must be answered in regard to the Crocus Fund fiasco.

Manitobans need to know why the government ignored the many warnings that could have saved the Crocus Investment Fund.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier (Mr. Doer) and his NDP government to co-operate in uncovering the truth in why the government did not act on what it knew and to consider calling a public inquiry on the Crocus Fund fiasco.

This is signed by J. Maitre-Morton, A. Morton, R. Hilton 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.

### Headingley Foods

**Mrs. Mavis Taillieu (Morris):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The owners of Headingley Foods, a small business based in Headingley, would like to sell alcohol at their store. The distance from their location to the nearest Liquor Mart, via the Trans-Canada Highway, is 9.3 kilometres. The distance to the same Liquor Mart via Roblin Boulevard is 10.8 kilometres. Their application has been rejected because their store needs to be 10 kilometres away from the Liquor Mart. It is 700 metres short of this requirement using one route but 10.8 kilometres using the other.

The majority of Headingley's population lives off Roblin Boulevard and uses Roblin Boulevard to get to and from Winnipeg rather than the Trans-Canada Highway. Additionally, the highway route is often closed or too dangerous to travel in severe weather conditions. The majority of Headingley residents therefore travel to the Liquor Mart via Roblin Boulevard, a distance of 10.8 kilometres.

Small businesses outside Winnipeg's perimeter are vital to the prosperity of Manitoba's communities and should be supported. It is difficult for small businesses like Headingley Foods to compete with larger stores in Winnipeg, and they require added services to remain viable. Residents should be able to purchase alcohol locally rather than having to drive to the next municipality.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister charged with the administration of The Liquor Control Act (Mr. Smith), to consider allowing the owners of Headingley Foods to sell alcohol at their store, thereby supporting small business and the prosperity of rural communities in Manitoba.

This is signed by J. Henteleff, L. Pankratz, R. Henderson and many others.

\* (14:10)

### MINISTERIAL STATEMENTS

#### Flooding in Selkirk

**Hon. Steve Ashton (Minister of Intergovernmental Affairs):** Mr. Speaker, as Minister

responsible for Emergency Measures, I'd like to make a statement to the House.

As you may be aware, a rapid cold snap mixed with ice-jamming and frazil ice formation resulted in a sudden rise on the Red River at Selkirk last night, leading to flooding. Manitoba Water Stewardship issued a flash flood watch in the area yesterday which was extended north this morning from the PTH 4 bridge to near Breezy Point. The City of Selkirk opened their emergency operations centre and are managing with support from Manitoba EMO, Family Services and Housing, the Office of the Fire Commissioner, Health, Conservation and Water Stewardship.

Flooding occurred at the two Kiwanis condominiums, seniors condominiums, in Selkirk. Approximately 100 people were evacuated. Two residents required lodging assistance, and emergency social services were provided. The emergency operations centre in Selkirk has also confirmed Gateway Park, the Marine Museum and one house have been hit with flooding. Extensive flooding of low-lying properties is underway in the Selkirk area and will continue until the ice-jam moves north, likely in the next day or two. Current levels in the south portion of Selkirk are very close to the record high set in 1996.

Although the Amphibex spent nearly a month of work on the Red River, an unavoidable natural ice-jam has occurred. The current situation is not appropriate for deployment of the Amphibex, given safety implications for its operators and the extensive and high-impact nature of the jam. Levels of the ice are currently stable.

The Minister of Water Stewardship (Ms. Melnick), the MLA for Gimli and the MLA for Selkirk were all on the site last night. I was out there today along with the Minister of Water Stewardship and the MLA for Selkirk. We met again with municipal officials this morning. Provincial staff continue to work closely with municipal staff as we deal with this situation and as we prepare for yet another sign of spring in Manitoba, spring flooding, Mr. Speaker.

**Mr. Jack Penner (Emerson):** We want to stand and commend the Department of Water Stewardship, the Emergency Measures people, the Family Services and Housing officials, the Fire Commissioner's office, as well as Health, Conservation and Water Stewardship for taking immediate and quick action in this sort of situation. Ice-jams along the Red River

and other rivers in this province are very often a natural occurrence when spring break-up does occur.

There are times when communities must kick into action very quickly, and that obviously has been the case here. We believe, Mr. Speaker, that because there are local organizations that help neighbours when neighbours are in difficulty is a true demonstration of what Manitoba and Manitobans are all about, the co-ordinated effort that has to be put in place when flooding does occur; especially when this kind of quick flooding does occur, and damages such as flooded basements and vehicles being underwater and all of those kinds of things do occur, and especially when emergency needs are met and need to be met, it is important that government must recognize its responsibility and take action when action is required. We commend the government for taking the action as quickly as they did in this case.

**Hon. Jon Gerrard (River Heights):** I ask leave to speak to the minister's statement.

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

**Some Honourable Members:** Leave.

**Mr. Speaker:** Leave has been granted.

**Mr. Gerrard:** I rise to express concern over what has happened in Selkirk, concern for the residents who've had to be evacuated, concern for the buildings, the Marine Museum and the other structures and people who are impacted. Certainly, this is a matter which concerns all of us. I want to also express thanks to those who have volunteered, who have come forward in any way to help this situation and to lessen or mitigate the impact of the flooding.

Certainly, this is a surprise to all of us, with the Amphibex there and breaking up the ice, that this sort of flooding would still occur. Although it is probably a full natural phenomenon, I would hope that the Minister of Water Stewardship (Ms. Melnick) would undertake a very careful look at this to make sure that there wasn't anything that was done that actually made things worse. When we are trying to protect people from flooding with machines like the Amphibex, we should look very carefully to make sure that maybe next time there may be better ways to protect from flooding and from ice-jams. Clearly, when an action is taken, with good intentions but is not as effective as it was proposed to

be, we need to take a careful look. This is not to suggest that there's any particular problem or blame, but it is to say that it needs to be looked at carefully. Thank you, Mr. Speaker.

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of honourable members to the public gallery where we have with us today nursing students from the University of Manitoba. These students are under the direction of Linda West.

On behalf of all honourable members, I welcome you here today.

### ORAL QUESTIONS

#### Maternal Newborn Services Ministerial Working Group Report

**Mr. Hugh McFadyen (Leader of the Official Opposition):** Just at the outset, I would like to express, on behalf of my colleagues, the good wishes of our party and caucus to all those people of both Jewish and Christian faiths in our province today who are in the midst of celebrating solemn and important occasions today and over the coming days in our province.

Mr. Speaker, my question today is to the Premier. It relates to another example, a troubling example that we've seen of this government ignoring red flags. We saw it with Crocus. We saw it with the Workers Compensation Board, Hydra House, Aiyawin, a crisis in our child welfare system. These are all examples of cases where the Premier and/or his ministers were warned about serious issues and turned a blind eye.

Recently, we received a leaked copy of the report of a Ministerial Working Group on Maternal Newborn Services, and the report is alarming in several respects. The content of the report points to serious problems in maternity care in Manitoba. It indicates that Manitoba women and babies are not doing well compared to those in other provinces. Its findings were not made public at the time the report was received, and other than simply handing it over to the regional health authorities, no action was taken. No leadership was shown by the minister or the Premier with respect to the very serious issues raised in the report.

I want to ask the Premier: Why, for two years, under successive ministers of Health that he has shuffled in and out of the portfolio, why did his

government keep the report quiet? Why did they ignore its recommendations?

**Hon. Gary Doer (Premier):** The report was made public to all the regional health authorities, I believe, in June of '06.

**Mr. McFadyen:** Mr. Speaker, the report was prepared by doctors, midwives, members of the Faculty of Medicine and experts from other provinces. It was presented to his government in May of 2005, 13 months before he indicated it was handed over to the RHAs, apparently for inaction.

So I want to ask the Premier why they sat on it for 13 months and why it took a leak of the report to prompt the mildest of actions, the establishment of a task force by his Minister of Health (Ms. Oswald).

**Mr. Doer:** I believe the previous Minister of Health met with all the Regional Health Authorities on the contents of the report and on the findings. It was used as a report to improve health care services.

I would point out that there were also comments on the issues of challenges of nursing and nursing staff. Members opposite will know that just this last month, the 1,500 nurses who were fired by members opposite have been returned here in Manitoba—*[interjection]*

**Mr. Speaker:** Order.

**Mr. Doer:** We're also evaluating Health Baby program that is related to child and maternal health, a program that we've brought in, the first one in North America to deal with underweight babies, FAS-potential babies and mothers. The implementation of that benefited, if you will, or that investment was made about four years ago. We didn't decide to have it only in provincial jurisdiction but rather across jurisdictions.

So, Mr. Speaker, there's a number of areas we're working on. We're hearing very good feedback. When I was in the Island Lake region, I heard from the public health nurses that there were a lot less underweight babies since we announced that program. The recommendations of their committee are being dealt with on an ongoing basis with the regional health authorities in a constructive way to improve services to mothers and babies across Manitoba.

\* (14:20)

**Mr. McFadyen:** The report contains several very disturbing findings, including that Manitoba has the

highest rates in the country of post-neonatal deaths, of hospital re-admissions for mothers and newborns and it has the second-highest rates for neonatal deaths and premature births, obviously significant issues brought to this government's attention in May of 2005, almost two years ago. In response to the report, his current Minister of Health (Ms. Oswald) said: Well, there's no time like the present, when asked by the media as to why they hadn't dealt with the issue until now.

I wonder if the Premier, given the Minister of Health is relatively new in the post but the Premier has been responsible or at least nominally responsible for this government through the entire period of time, I wonder if the Premier will, for a change, because he's been Premier for eight years, start accepting responsibility for what's going on under his watch, the government that he's been responsible for eight years. Stop trying to play politics with important issues like mothers and babies.

**Mr. Doer:** Mr. Speaker, we have been in office for seven years and a bit, and in terms of responsibility, we are responsible for the commitments we made to start rehiring and retraining nursing personnel that are so crucial to child and maternal health.

I would point out that we did bring in the midwifery programs and legislation. We also would point out that we brought in the Healthy Baby program. We brought in Healthy Child Manitoba. We improved the prenatal benefit. We also reinstated the clawback that was made by members opposite to children and families living in poverty. We put in place \$64 million in early childhood development. The members opposite were part of a government that disbanded the Maternal and Child Directorate in 1994.

In the report—the members opposite; when you talk politics—there are some very, very important recommendations to us. There are criticisms to us, but there are also major criticisms about the funding reductions that took place, the reduction of staff. Fewer nurses were available to assist women during labour and childbirth. Areas of the province experienced subsequent nursing shortages because more young people were not being involved in nursing and more people weren't being trained.

We have taken the training program of nurses from 200 to 600 to 800 to 900 in this budget per year. We have now, only this week, it took us seven

years to take the 1,500 people whom the Tories fired as nurses in Manitoba and get that back. We've only caught up in seven years to the 1,500 who were fired. More work to do in maternal and child health, we acknowledge that. But, Mr. Speaker, this document was being used by health care professionals for over 18 months now—not over 18 months, in June of '06. We think it's a very, very important document, and we're accepting the recommendations and the challenges contained within.

### **Maternal Newborn Services Ministerial Working Group Report**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, only the NDP would clap over an issue like this. A working group of experts was struck in 2003 to look at maternity care in Manitoba. That report was completed in May of '05 and given to the Minister of Health. Front-line health care workers who leaked that report to us have said that the Minister of Health sat on this report till the fall of '06, when it was given to the RHAs with absolutely no expectations from this government about what to do with it.

Can the Minister of Health tell us or tell these very upset front-line health care workers why no action has been taken on this report for two years?

**Hon. Theresa Oswald (Minister of Health):** I'm pleased to receive this question to have an opportunity to put some accurate information on the record.

As the Premier (Mr. Doer) just stated, the report was received. The Minister of Health met with the chairs of the committee to address what admittedly are very serious issues for mothers and for babies. I will say that every member of this Chamber, indeed every member in the gallery today, every member of the media cares deeply about the children and the mothers and the families.

Everybody cares about getting better outcomes. That's why this report was shared with the regions almost a year ago. This notion of a leaked report; it's not accurate, Mr. Speaker. It's not the first time; it won't be the last.

**Mrs. Driedger:** Mr. Speaker, it was leaked by front-line workers who are very upset that this government did nothing. This Minister of Health sat on it, as did the previous Minister of Health. Passing on a report is not action, it's just evasion.

This report says that 500 babies died over a five-year period, 500 babies. So I would like to ask this Minister of Health: Why did she not demand action on a report that had statistics like this in it, where 500 babies are dying over a five-year period? How can they sit on a report like that for two years?

**Ms. Oswald:** Again, I must take exception with the member opposite suggesting that members of the Regional Health Authority that have engaged in a multidisciplinary, collaborative primary maternity care project fostering collaborative practice—they've been working on this for nearly a year, and the member opposite is suggesting that they're doing nothing.

The members of the working group are putting forward best practices in issues like prenatal care, postnatal care, breast-feeding. To suggest that they're doing nothing, it seems that the member opposite is cross because we didn't seek her advice on this report, but firing nurses and cutting seats to medical school is advice Manitobans don't need.

**Mrs. Driedger:** Mr. Speaker, I would remind the minister that it was front-line nurses that brought this to me. It is front-line nurses who have said this government is doing nothing and this Minister of Health is doing nothing, and they're upset at this Minister of Health.

I would like to ask why this minister would put, in a knee-jerk reaction, another task force together to look at the work of the first task force, and now we're going to be waiting a total of three years before anything is going to happen with a report that holds some extremely alarming statistics.

Why is she not doing something now?

**Ms. Oswald:** Mr. Speaker, I'll do the best I can to let the member know once again, as I did on my previous answer, that action has been taking place, including the education, the prenatal, the postnatal care, actions we've been taking since 1999 with the prenatal benefit, with the reinstatement of the National Child Benefit they clawed back.

Indeed, one of their recommendations in the report she references is a provincial network. We've announced that network with Dr. Brian Postl, a pediatrician himself, dealing with very challenging cases all the time, and with Marie O'Neill, who is the CEO of the Burntwood Regional Health Authority, who will act as a standing committee to help coordinate that, also one of the No. 1 recommendations

of the report that she's criticizing no work is being done on. She doesn't even really understand that work is being done. We just didn't ask her for her advice.

### **Job Creation Manitoba's Record**

**Mr. Hugh McFadyen (Leader of the Official Opposition):** Mr. Speaker, the numbers released today in the monthly labour force statistics from Stats Canada speak for themselves in terms of job creation year over year. They tell a story of Manitoba falling further and further behind within Canada.

We see from the recently released numbers that Alberta came first; Saskatchewan, second; B.C., third; P.E.I., fourth; Newfoundland, fifth; Québec, sixth—we're almost there—and Manitoba, seventh place in terms of job creation last year, Mr. Speaker, behind the national average of 2.4 percent, Manitoba now ranks seventh on the list, and with yesterday's budget, we know we're falling even further behind in terms of our tax position compared to other provinces in the country.

So my question to the Premier is: Through his budgetary, financial, and economic policies, why is he allowing Manitoba to fall further and further behind? This is a great province. We should be doing better than we are. Why is he burdening Manitobans with taxes that are dragging down our economic performance?

\* (14:30)

**Hon. Gary Doer (Premier):** Mr. Speaker, we continue to work on making Manitoba a more competitive place for all our families to live in. Let me go through the list. The middle-income tax rate was 16.7 percent when we came into office. It went down to 13 percent this January 1, 2007. It's down to 12.75 percent, effective next year. That's well over a 24-percent decrease. It exceeds the so-called, back-of-an-envelope plan on the 50-50 plan. It was never in a Tory budget. It was put together after they had a tough time in the first week of a campaign.

The corporate tax was 17 percent when we came into office, the highest in Canada. For the first time in 50 years, it's down to 14 percent. It's going down to 13 percent next year, and it's planned to go down to 12 percent. Members opposite never touched that tax.

When we came into office, Mr. Speaker, the member opposite and the now-president of the

independent business group—the small business tax was 8 percent, tied for highest in Canada. When New Brunswick raised their small business taxes, our tax rate was tied for the lowest in Canada at 3 percent. This budget goes from 3 to 2 and from 2 to 1, and the members opposite in the House must know that.

Young people were leaving the province, a negative growth of young people between the ages of 15 and 25. We have positive growth now in terms of young people staying here. Not enough. We have now introduced for the first time ever in Manitoba an income tax credit targeted to recently graduating students in Manitoba. We will continue to have more young people staying here.

I find it passing strange, Mr. Speaker. Yesterday, they were asking me questions about the hockey and the MTS Centre. They voted against that. They voted against the new Millennium Library. They wanted the Hydro headquarters to be in the suburbs, on Waverley. Members opposite had no vision for this province. They still don't have any vision for this province, and we continue to build a strong constitution.

**Some Honourable Members:** Oh. Oh.

**Mr. Speaker:** Order.

**Mr. McFadyen:** Thank you, Mr. Speaker. I see the Premier still has 34 supporters in the province of Manitoba when it comes to his economic policies, and they're all sitting in the House here today. But if you'll listen to what people are saying outside of this Chamber, it's a very different story. This morning's papers are filled with criticism, and the fact is that the irony of the Premier standing up after massive NDP tax hikes in the 1980s and the budget that was defeated because of that economic mismanagement by his policy guru, Mr. Kostyra, in 1988, and then the years of hard work to restore balance, the first balanced budget in 20 years, in 1995, under a Conservative government.

When the Conservatives left government in 1999, the lowest unemployment rate in the country; we're now the fourth. We've slipped from first to fourth in the span of eight years under this government, Mr. Speaker. Now we've gone to seventh place in terms of job creation and everything he's done has been from the benefit of massive federal transfer payments paid to Manitoba. The worse you do economically, the more you get from the federal government. They take the money; they hand crumbs to Manitoba families at the same time

as they hike spending without getting results. The results are showing up in the job numbers; seventh place.

Mr. Speaker, we all get, we can all understand why it is that Manitoba might be behind Alberta, but we're behind Newfoundland and Saskatchewan. Shame on this Premier. When is he going to start to turn around the trend of decline that he's put Manitoba on?

**Mr. Doer:** Mr. Speaker, you know, there's stats again today about a 6,500-person increase in the employment numbers. It's more than triple what average happened in the 1990s. You know people actually do know what's going on in the economy. I have stats I can throw back at the member opposite—*[interjection]*

You know, Mr. Speaker, I don't ever remember the housing industry and the construction industry complaining about the lack of skilled workers because things were booming so well. I never remember the housing industry saying, you've got to zone more land for housing because everybody was leaving Manitoba under the Tories.

We have a problem now of growth. It's a pleasant problem. Everybody I know had no increase in the value of their homes in the 1990s. Why? Because nobody was moving here. We now have a situation where your neighbours, your friends, your parents, your grandparents are now seeing some real economic activity and real equity in their homes, in their condos and in their communities. People actually know that.

The member opposite talks about previous years. Negative youth growth in the 1990s. Negative. It is positive, not high enough, right now. It has gone from negative to positive, and with this budget again, and building an exciting downtown and exciting communities, exciting ACC in Brandon, exciting University College of the North. Building as opposed to destroying is the best way to go for Manitobans.

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

**Mr. McFadyen:** The 34 are still with him, Mr. Speaker, but let's be clear about what's happening. The massive government spending—

**Mr. Speaker:** It's 34, I'm 5. It's 34.

**Mr. McFadyen:** Oh, Mr. Speaker, I want to correct that. It's 33, the Speaker is neutral, of course.

**Mr. Speaker:** No, no, it's 34.

**Mr. McFadyen:** Oh, 34 thank you, Mr. Speaker.

We all know that there has been a lot of government spending in Manitoba over the past seven years and that's an undeniable fact. Massive public sector expenditures next to no private sector investment on a significant scale in Manitoba over the past seven years, I just want to know if the Premier is proud of the fact that Manitoba created only half the jobs of Saskatchewan last year.

**Mr. Doer:** Well, Mr. Speaker, I think Saskatchewan is doing very well and I think we're doing extremely well. I think all of western Canada is doing well and I think that's very, very good for Canada. I think the stronger that western Canada does—and each one of our provinces are doing extremely well. I would point out the average loss in the 1990s for members opposite was about 1,500 to 1,600 young people per year, ages 15 to 25. The negative growth took place under them. We have not got it as high as we'd like it. We're going to continue to work on it and continue to improve the situation.

We know that the economy is growing. We know that when the member opposite was on the Board of Governors at the University of Manitoba and implementing cuts to the University of Manitoba, the enrolment went down 15 percent at the University of Manitoba. The tuition went up 52 percent.

Now he may flip-flop on tuitions, but we know enrolment in Manitoba in universities and colleges has gone up 35 percent. Students are voting with their feet, thousands of them going to universities and colleges in Manitoba. Negative enrolment under the Tories; positive growth under the NDP. Negative youth retention under the Conservatives; positive under the NDP.

But I would say that we never rest on our laurels. We get up every day working to have more young people here and that's why the 10 percent targeted income tax cut for university students and college students is even going to have more young people staying in Manitoba in the future.

\* (14:40)

**Crocus Investment Fund  
Referral to Manitoba Securities Commission**

**Mr. Gerald Hawranik (Lac du Bonnet):** Cabinet was briefed as early as November 2000 that Crocus was operating offside and outside its prospectus. The Minister of Finance, the Premier and indeed all Cabinet ministers knew that Crocus had not done what its prospectus had said it would do. Yesterday, in Question Period, the Premier stated the Minister of Finance referred the issue to the Securities Commission and, at the last Public Accounts Committee hearing, the Minister of Finance further stated that he also admitted referring the matter to the Securities Commission.

So I ask the Minister of Finance: When did he notify the Securities Commission that Crocus was operating outside the terms and conditions of its prospectus?

**Hon. Greg Selinger (Minister of Finance):** I was really hoping for a question on the budget, but the document—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

**Mr. Selinger:** Mr. Speaker, we could pass the budget right now if they wish and let's get on with it. I'd be happy to do that. Let's just call a vote on the budget.

The document the member refers to is very clear that the Securities Commission was involved with in the meetings with respect to the matters that were identified in the document. The document was primarily focussed on a potential liquidity problem. The member well knows that. They've distorted, bent and twisted all the facts from day one on this matter. The document speaks for itself. I'm quite happy it's in the public domain.

**Mr. Hawranik:** Mr. Speaker, the prospectus is the only document that Manitobans can rely on before making investment decisions in Crocus. Investors depend entirely on the accuracy of a prospectus. The Premier (Mr. Doer), the Finance Minister and the government ministers knew it wasn't accurate in November of 2000, and from that time on, Manitobans continued to invest in Crocus to the tune of \$97 million. They invested believing it was accurate.

So I ask the Minister of Finance once again, the question is: When did he report Crocus to the Securities Commission?

**Mr. Selinger:** Mr. Speaker, I just answered that question and the member's repeating it, but I would point out to the member opposite that on October 14, 2004, the broker for Crocus, Wellington West, said to the best of our knowledge, information and belief that the foregoing amendment, when read together with the prospectus dated January 1, '04, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus of the company in question, Crocus. This is what the broker said on October 14, 2004—[interjection] You're right. The people who are responsible at the fund, the board, the managers, the auditors and the brokers are supposed to put the facts on the table. That's what they said was the case in October of '04.

**Accuracy of Prospectus**

**Mr. Gerald Hawranik (Lac du Bonnet):** The Finance Minister, the Premier, all the government ministers knew, but other Manitobans didn't know that the prospectus was inaccurate. The Finance Minister, the Premier, all the government ministers, they knew not to invest in Crocus but other Manitobans weren't given that information and they continued to invest.

The NDP participated in this cover-up when two years later, their own appointee to the Crocus Board, John Clarkson, signed off on the prospectus, certifying that it was a full and true disclosure of all material facts and that the prospectus did not contain any misrepresentations. I table this document for the benefit of the minister.

I ask the Minister of Finance: Why did he allow his own government appointee to represent that the prospectus was accurate when he knew otherwise? Why did he do that?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, the member is, as usual, trying to build a case with no facts to back it up. The member likes to slag public officials. He has done that in the House many times. He likes to go after civil servants. He likes to criticize various folks. He has got a document that I've just had presented to me, January 23 of '03. It's superseded by the document of October 14, '04, signed by Wellington West Capital which says the document, the prospectus, is "full, true and plain disclosure." That's what the broker said, that's what the agents said that were selling the fund, that's

what the auditors for the fund said. The members opposite know full well they had put in place a private corporation with private management and private governance—

**Mr. Speaker:** Order.

**Minister of Agriculture  
Support for Value-Added Initiatives**

**Mr. Ralph Eichler (Lakeside):** Mr. Speaker, the eighth budget of this NDP government has chosen to ignore agriculture, one of Manitoba's key economic drivers. We have seen nothing new in this budget to allow farmers to take advantage of the wealth of new value opportunities within this province. These opportunities are there. It only needs support and encouragement from government.

We would hope that producers would have enhanced their economic sectors through value added, but when this budget refuses to address it, this minister is not doing her job.

**Hon. Gary Doer (Premier):** I think we've got the best Minister of Agriculture (Ms. Wowchuk) in the history of Manitoba, Mr. Speaker. You know, the difference between the members opposite and this minister, they talk a lot, she gets a lot done. Members opposite raised the taxes on farmers because they raised the portioning for farmland. The members opposite swagger into coffee shops and raise the taxes. This minister has lowered the education tax on farmland 50 percent, 60 percent and, in this budget, it goes to 65, 70, 75 percent and 80 percent. Tories raised taxes for farmers on farmland; this minister lowers them. I know who I would choose.

**Mr. Eichler:** Mr. Speaker, I'd be embarrassed by this minister. Four years, BSE, and not one increase in slaughter capacity. The Premier is wrong. She hasn't a good record to stand on.

All around us provinces and countries are moving to support value added because they recognize the tremendous potential it represents in the agricultural industry. Meanwhile, Manitoba continues to lag behind while value-added sectors like every other agricultural sector because this NDP government cannot bring forward a single workable plan for our farmers.

What evidence is there in this budget that the Minister of Agriculture is providing real support for value added in this province?

**Mr. Doer:** Mr. Speaker, I would strongly encourage the member opposite to pay attention to the Maple

Leaf expansion in Brandon. I strongly urge the member opposite to drive down the Trans-Canada Highway, west of the potato plant. I would ask the member to go to Minnedosa and check out the new ethanol plant. I'd ask him to go up to Arborg where we're going to have a new biodiesel plant, nine others. I'd ask him to go to St. Leon.

Under the leadership of the Member for Carman (Mr. Rocan), we've got windmills going on, Mr. Speaker, and you know what? How can Conservatives opposite stand a question that only can be written by the separatists in Québec about the future of the Canadian Wheat Board? Can't we get an up-or-down question from Tories? Are they that duplicitous?

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

**Federal Farm Support Program**

**Mr. Ralph Eichler (Lakeside):** Obviously, I hit a nerve there. What we saw was a \$2-backdoor tax of which they did nothing with either. Nothing to show, Mr. Speaker, just like his hallway medicine, a big, fat zero.

Farmers are faced with intense competition from other provinces and countries throughout the world. Mr. Speaker, they are unable to compete effectively without bankable and predictable support from their government. The federal government has announced \$1 billion for agriculture to assist with the high cost of production similar to those through the previous NISA program.

Mr. Speaker, will the minister today commit to supporting our farm families in the agriculture industry by providing 40 percent of the provincial share to the new federal farm support program?

\* (14:50)

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** I will tell the member that he has one thing right. There is zero hallway medicine.

Mr. Speaker, I would stand beside this budget—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

**Ms. Wowchuk:** Mr. Speaker, as I look at this budget, I am very proud of what we have done here. I'd imagine the members opposite are going to vote

against an over 11 percent increase in an agriculture budget. If you vote against that, shame on you.

Our government has stepped up to the plate each time there has been a need for it in the enhancements program. We've reduced taxes for farmers, as the farmers have asked for.

Mr. Speaker, the member opposite should be listening to his federal leader who said the billion dollars was a federal program. But I can also tell the member that the federal minister—we will have an ag provincial meeting very shortly—

**Mr. Speaker:** Order.

### **Provincial Fiscal Record Management of Funds**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, since the NDP government took office, the annual provincial spending has ballooned by \$3 billion, from \$6 billion to \$9 billion. That is a 50 percent increase. Have we got 50 percent more government services? No. Have we got 50 percent better health care? No. Have we got 50 percent better Manitoba Housing units? No. A 50 percent reduction in greenhouse gas emissions? No. A 50 percent less toxic algae in Lake Winnipeg? No. Manitoba's environment and social safety net are in worse shape today than they've ever been.

To the Premier: Why is he continuing this type of NDP mismanagement?

**Hon. Gary Doer (Premier):** Mr. Speaker, it is always interesting to get a question from a member opposite about spending and investments in the province because, you know, we're not perfect.

**Some Honourable Members:** Oh, oh.

**An Honourable Member:** In Swan River.

**Mr. Speaker:** Order.

**Mr. Doer:** At least Swan River hospital is perfect.

**An Honourable Member:** It has no hallway medicine.

**Mr. Doer:** We still have more work to do. You could have two forks in the road. Members opposite chose to deal with the future of Canadians, and when the member opposite was in Cabinet, they cut health money. They cut post-secondary education money. They cut and capped the money for Aboriginal children under child welfare. They cut, they cut, they cut.

We have balanced the budget for eight years, a record that nobody else has exceeded over the last number of years, decades. But, Mr. Speaker, we have done so by growing the economy, not by cutting health care services and education services. We still haven't got out of the hole, and I thought we would this time around. With the \$2.5 billion that was cut out of post-secondary education, \$74 million was cut out of universities and colleges in Manitoba by that minister when he was part of the former Liberal government.

Mr. Speaker, we believe that we have a lot of work ahead of us, but we are investing through growth. The member opposite cut the vital services across Canada, and the public reacted accordingly. I would also point out he cut services. He cut the services on Lake Winnipeg. He cut the environmental staff on Lake Winnipeg. He had no programs in place. The federal government cut the money for the research vote. We had to backfill the federal Liberal government. They said, spend money on Lake Winnipeg and we'll give you some support. Then they said, oops, there goes the cheque.

Mr. Speaker, I know the member opposite can prance around the lakes. It's too bad he didn't do it with investment.

**Mr. Gerrard:** It's too bad that the Premier can't answer for why he's not able to get results. The tax money comes in from people in this province. The NDP shovels it out the back of a truck, but there are no results. That's exactly what happened at Crocus. The government today is as overvalued as a folder of Crocus shares was in August of 2004. When you start running that kind of a financial scheme, well, we all know where you're going to end up. The government took down tens of thousands of Manitoba investors with their financial poor management.

Why is this Finance Minister doing the same with all of Manitobans?

**Mr. Doer:** Mr. Speaker, I would point out that it is useful, I suppose, for the member opposite to be self-righteous, but I remember he invested money in Isobord and said this was an excellent investment. What signal did he give the Crocus shareholders at the time when he put money into Isobord along with the former government? Again, you know, perfection is very careful to be alleged.

I would also point out that the only person I know who asked us to interfere in Crocus was the

member opposite who said we should override the law of Crocus that was passed by the former government and make social return a higher priority than rate of return. He asked us to interfere with Crocus. Thankfully, the Minister of Finance (Mr. Selinger) did not do so in 2000 when the member opposite had a press conference.

**Mr. Speaker:** Order. Time for Oral Questions has expired.

### House Business

**Hon. Dave Chomiak (Government House Leader):** Mr. Speaker, I just want to remind the House and remind yourself that we did have an agreement in the House yesterday that we would waive private members' statements yesterday and that we intend to make up for all the waived statements for yesterday and today. That was by agreement.

**Mr. Speaker:** I need a little clarification. Are you proposing to do the members' statements as of yesterday or, because you are allowed five a day, are you looking at doing 10 today?

**Mr. Chomiak:** Yes, Mr. Speaker, we're looking to have the opposition, the third party and ourselves have the members' statements we would have had yesterday and today take place this afternoon.

**Mr. Speaker:** And today. Okay. So, for the information of the House, the private members' statements will be—first of all, is there agreement of the House to have yesterday's members' statements and today's members' statements for today? Is there agreement? *[Agreed]*

So we will have two—*[interjection]* Order, please.

We will have two members' statements from the government's side, two members' statements from the official opposition's side, and we will have one members' statement from one of the independent members. That would be what we would have done yesterday. Today's order would be three members' statements from the government side and two members' statements from the official opposition side. So is that clear? *[Agreed]*

So I'm going to call members' statements, and we will do yesterday's members' statements first. Okay.

## MEMBERS' STATEMENTS

### World Women's Hockey Championships

**Mr. Hugh McFadyen (Leader of the Official Opposition):** It's a pleasure today to rise to celebrate the event that Manitoba's currently playing host to. This week our Team Canada is fighting once again for supremacy in our national sport, and we Manitobans are lucky enough to be able to watch this battle take place in our own backyard here in Winnipeg.

This week the Canadian Women's National Hockey Team is facing a challenge that they never had before in that, for the first time since the creation of the tournament, they are not returning as defending champions. It's the United States who defeated Canada for the title in 2005, and now our women's team is poised to take that title back for our great country.

I'd also like to congratulate those members of the team who are not only fortunate enough to be part of this elite group, but who have the opportunity to represent their home province of Manitoba at the same time. Jennifer Botterill, Delaney Collins and Sami Jo Small are all wonderful role models for Manitobans. We're extremely proud of their accomplishment of being part of this tremendous team.

\* (15:00)

Of course, Mr. Speaker, this tournament would not have come to Winnipeg without the hard work and dedication of the many volunteers and workers that always create a world-class atmosphere for any international event that Manitoba plays host to. We have seen it many times through our history, whether it be national curling championships, world curling championships, Pan Am Games, and so many other great events that we've had over the years.

In the case of this tournament, I'd like to single out the work of Polly Craik, who served as the organizing committee chairperson. It is her work in organizing and promoting the tournament that has already made it a great success with over a hundred thousand tickets sold.

I'd also like to congratulate our province's minister of sport for his support of this great event for Manitoba and the federal Conservative government for their own commitment to sport by accelerating funding for the Own the Podium

program for elite winter athletes and support for Canadian heritage sports.

Mr. Speaker, I'd like to wish our Canadian women the very best of luck in reclaiming the title that they've owned for the better part of the last 17 years and encourage all Manitobans to take in this display of sporting excellence first-hand and to cheer Canada on in their quest for gold. Thank you.

### **Kelowna Accord**

**Mr. Rob Altemeyer (Wolseley):** Mr. Speaker, I rise today to speak in support of the Kelowna Accord, the agreement that was made less than two years ago between the provinces, territories, Aboriginal groups, and the previous federal government.

The Accord, Mr. Speaker, was meant to help close the gap between Aboriginal people and non-Aboriginals in areas such as education, health, housing and economic opportunities. Closing the gap would not only increase the quality of life for over 120,000 Manitobans, it would also pave the way for self-sufficiency.

The Kelowna Accord and the meetings that contributed to its formation prove that our government and Aboriginals can work together for positive change not only in our province, but also throughout the country. Goals were set to improve, amongst other things, housing, water quality and access to early childhood education.

Mr. Speaker, the current federal government praised the Kelowna Accord only when it was politically advantageous while our government and our Premier (Mr. Doer) have supported the Kelowna Accord ever since its inception, publicly denouncing the federal government for failing to respect this commitment. Our work with Aboriginal people continues. Just in the last few days, we had an historic signing of an agreement for the east side of Lake Winnipeg and its pursuit of a UNESCO World Heritage site, and just this morning, we also had an announcement of the first stage for a permanent, all-weather road on the east side, stretching 90 kilometres from the communities of Hollow Water to Bloodvein.

Since we were elected, Mr. Speaker, I can add we have established the University College of the North. We have given Métis and First Nation child authorities responsibility for developing culturally sensitive child and family services, and we have created a multi-million dollar fund for pre-project

Hydro training that will benefit over a thousand northern Aboriginal people.

The federal government has failed to provide the scheduled funding for the Kelowna Accord in either of its budgets. Despite this, the Manitoba government remains committed to improving the lives of the people of this province in partnership with the Aboriginals that have been neglected by our federal counterparts. Thank you very much.

### **Support for Victims of Crime**

**Mr. Kelvin Goertzen (Steinbach):** I rise today to put a member's statement on the record. I, first of all, want to commend Senator Di Nino in Ottawa who has undertaken an initiative to ensure that there are statements across Canada on victims of crime this week and the week previous.

*Mr. Conrad Santos, Deputy Speaker, in the Chair*

Anyone, we know, Mr. Deputy Speaker, can be a victim of crime. Three out of 10 Canadians over the age of 15 are victimized in some way. If members of this House have not experienced crime first-hand, they know someone who has been a victim of crime. The effects of crime are far reaching, leading to significant physical, emotional, and economic consequences for the victims. Victims often live in fear, unable to feel safe in their homes and communities. Their lives can be permanently disrupted, and we all pay for the cost of crime.

The onus should not and must not be on the victim. Measured and meaningful consequences for offenders are only the first step, Mr. Deputy Speaker. Victims of crime are affected in both the short and the long term. If the offender is caught, even through prosecution, sentencing, and parole, victims can continue to be adversely affected. Victims should not feel alienated from, or mistreated by, the criminal justice system. Strategic use of proactive crime control along with research and advocacy can assist survivors of crime and prevent others from becoming victims of crime.

We all have a responsibility to protect victims, but also to their and our family and friends in communities, Mr. Deputy Speaker. We certainly, on our side of the House, are committed to ensuring that victims are treated appropriately in the criminal justice system, but also to ensuring that those who have victimized them are treated appropriately with measured but meaningful consequences so that the victims don't feel that they have been victimized a second time. I want to again commend Senator Di

Nino in Ottawa for this initiative, and I certainly look forward to hearing the government statements on this as well.

#### **Volunteer Income Tax Preparation Program**

**Ms. Marilyn Brick (St. Norbert):** Mr. Deputy Speaker, it gives me great pleasure to speak today about the Community Volunteer Income Tax Preparation Program. Tax season can be a difficult time: the frustration of tracking down all the documentation and the effort of preparing our taxes ourselves or dealing with the cost of paying someone else to do them. Accordingly, this annual program is set up to provide help to people who are unable to complete their income tax returns by themselves and cannot afford professional assistance.

I have been organizing this program for the last three years, and I feel it is of tremendous benefit to the people in my constituency of St. Norbert. It is targeted at seniors, low-income individuals, students, and newcomers to Canada. This program provides a free income tax preparation service to individuals who earn less than a pre-defined income from volunteers trained by the Canada Revenue Agency. This year, over 95 people took advantage of the program in six separate sessions organized at the Trinity United Church in Fort Richmond and the Eagles Hall in St. Norbert.

I would like to thank the volunteer tax coordinator, Rick Romsa, as well as volunteer tax preparers Trudy Gaudry, Louise Pryslak, Abdul Premji, Kris Qin, Brenda Senecal, Henry Friesen and Hilde Ilmer for their hard work and contributions to this program. Without their help, the Community Volunteer Income Tax Preparation Program would not be possible. I would also like to thank the Trinity United Church and Eagles Hall for their generous donation of the use of their space.

Mr. Deputy Speaker, I have seen how successful this program is in helping members of my community complete their income tax returns. I would like to thank all my constituents of St. Norbert who participated in the program. Thank you very much.

#### **Federal Budget**

**Hon. Jon Gerrard (River Heights):** Mr. Deputy Speaker, the recent federal Conservative budget was a bad budget for Manitoba. The budget was atrocious in its treatment of Aboriginal people. As Grand Chief Ron Evans and other Aboriginal leaders have

indicated loudly and accurately, there has been very poor treatment in this budget by First Nations people in the Conservative federal budget.

The recent federal budget was also a very bad budget in providing only paltry support for child-care spaces at a time when more child-care spaces are so badly needed in Manitoba. The federal budget was a disaster in its treatment of Lake Winnipeg. Why even the much, much smaller Lake Simcoe in Ontario got \$12 million in the federal budget while Lake Winnipeg, Canada's sixth great lake, received only \$7 million.

The federal budget failed to provide operating funding for the Canadian Museum for Human Rights, which is so important for Manitoba and Manitobans.

The federal budget provided poor support for low-income housing and for research and development, which are important to Manitoba. It's strange that the Premier of Manitoba (Mr. Doer) has praised Stephen Harper's budget. Indeed, it seems he stepped in bed with him to support the federal budget.

Mr. Deputy Speaker, in contrast to the Premier, Manitoba Liberals see the recent federal budget for what it really is: a bad budget for Manitoba.

#### **Child-Care Funding**

**Ms. Bonnie Korzeniowski (St. James):** Mr. Deputy Speaker, I'm proud to rise today to recognize that this government has listened to Manitobans and have made affordable quality child care not only a priority but a reality in St. James and across the province. Since we came into government, we have funded 6,668 more child-care spaces and increased funding for child care by over 100 percent.

Most recently, Budget 2007 included an investment of more than \$14 million in early learning and child care to support Manitobans. This investment was made in light of the withdrawal of federal funds, part of the negligence that the federal Conservative government has shown in all aspects of child-care policy.

Since we have come into government, we have listened to Manitobans' priorities concerning child care. The overwhelming majority cited the importance of affordable, accessible, high-quality and universal care. Since that time, much has been done, including increasing the salaries of early childhood educators by 15 percent and increasing the

incomes for family child-care providers by 12 percent. In order to keep pace with rising demands, we have implemented a recruitment grant of up to \$3,000 and have implemented a public campaign to encourage new educators to join and former educators to return. We have also provided tuition support for the last three academic years of up to \$4,000 for first-year early childhood education, ECE students enrolled in a Manitoba college diploma program.

\* (15:10)

Affordability is key to building an equitable child-care system, and we have frozen maximum daily parent fees to make child care more accessible. We have also provided a new income-based subsidy for families, including those with a stay-at-home parent, who want to enrol their child in nursery school. In addition, we have approved enhanced funding for 12 nursery schools, so that they may operate with a reduced parent fee of no more than \$5 a session.

The future of Manitoba is bright, and the children that form that future deserve a strong, well-supported early childhood education system. The partnership between people and the government of Manitoba has brought about these—

**Mr. Deputy Speaker:** The honourable member's time has expired.

**Some Honourable Members:** Leave.

**Mr. Deputy Speaker:** Leave granted.

**Ms. Korzeniowski:** —encouraging and noteworthy results, despite funding withdrawals at the federal level. Thank you, and thank you.

#### **Vimy Ridge 90th Anniversary**

**Mr. Ralph Eichler (Lakeside):** Mr. Deputy Speaker, with the Easter weekend approaching, I would like to acknowledge on behalf of the PC caucus members, a sombre anniversary, the 90th anniversary of the Battle of Vimy Ridge. On April 9, 1917, the Battle of Vimy Ridge began, ending on April 12, with over 10,000 casualties. Over 3,500 brave Canadian soldiers lost their lives. The battle was well planned and an historic turning point in World War I. It marked the first time in Canadian history that all four divisions of the Canadian Corps fought together. This proud legacy is remembered and carried on by today's members of the Canadian Forces.

*Mr. Speaker in the Chair*

On February 2 of this year, myself and other members of the Legislative Assembly attended the public unveiling of a snow sculpture portraying the Vimy Monument in France. This event is a tribute to the snow sculpture where part of the annual Festival du Voyageur celebration standing in front of the Legislative Building. It honoured the 90th anniversary of the Battle of Vimy Ridge. Mr. Speaker, the beauty and realism of the snow sculpture was truly amazing. It was a profound and educational reminder for all Manitobans, especially younger generations, of the sacrifices made during times of war. I would like to thank all parties involved in constructing and organizing this work of art.

The Battle of Vimy Ridge and the sacrifices of our veterans will not be forgotten. Thank you, Mr. Speaker.

#### **Spence Neighbourhood Population Growth**

**Mr. Andrew Swan (Minto):** Mr. Speaker, the 2006 census has much good news for Manitoba. One of the most positive stories for Manitoba is the growth of population in the Spence neighbourhood. The Spence neighbourhood, one of the original areas designated as a Neighbourhoods Alive! community in 2000, has benefited greatly from this government's commitment to revitalizing inner city neighbourhoods.

To date, our government has invested over \$2 million in the efforts of the very successful Spence Neighbourhood Association. This upward trend in population growth is even more impressive taking into account the number of families choosing to convert multi-unit rental properties into single-family homes, as housing prices continue to rise and more families see the benefit of living close to Winnipeg's downtown.

In particular, I would like to congratulate the Spence Neighbourhood Association for its ongoing work to improve the area. Although its major priorities are housing, safety and neighbourhood beautification, the SNA works on all fronts to improve this fascinating part of the province. Other partners working in the area help to strengthen the fabric of this incredible neighbourhood.

New Democrats know that the government can and should play a vital role in encouraging the growth and development of urban neighbourhoods

and know that our investments in people pay great dividends. As the first home for many immigrant families and as the first home for many Aboriginal people moving to urban centres, we know these investments are critical to our province's future. New Democrats are working hard to prevent Conservatives from turning back the clock on the progress in our urban neighbourhoods. People will not forget the declining house values, empty storefronts, underfunded schools and increasing crime which mark the last Conservative government in Manitoba.

People living in Spence have voted with their feet in support of the NDP government. I hope they will have another chance to vote very soon. Thank you, Mr. Speaker.

#### **Morden's 125th Anniversary**

**Mr. Peter Dyck (Pembina):** Mr. Speaker, the Pembina constituency is full of communities with proud and rich histories. Today, I would like to recognize Morden's 125th anniversary. The town of Morden was founded in 1882, attracting hardy settlers with the Canadian Pacific Railroad, and has grown into a vibrant community. Throughout 2007, the Morden 125 Committee has planned a variety of enjoyable and unique events. I would like to thank the committee co-chairs, Pat Plett and Lenore Laverty, in addition to all of the volunteers and the Morden citizens involved in these events. Festivities will include baseball tournaments, picnics, photography exhibits, craft sales and so much more. The one I'd like to especially mention is the one going to be taking place on April 21, which is entitled "Here Come the Judges". It's going to be featuring former judges of Morden: His Honour Judge John Menzies, His Honour Judge Ken Hanssen and His Honour Judge Jack Duncan. Everyone is welcome to come this event.

The parade theme for the annual Morden Corn and Apple Festival will honour the 125th anniversary. Numerous come-for-a-walk-in-Morden events will introduce participants to Morden's history up close and personal. Block parties are planned for the summer that will bring neighbours closer together. I look forward to attending many of these events and invite my fellow members and all Manitobans to enjoy Morden's fine hospitality. This community has a proud past and an exciting future.

Congratulations to the town of Morden on this historic milestone.

#### **Manitoba Hydro Power Smart Program**

**Mr. Gerard Jennissen (Flin Flon):** Mr. Speaker, I rise to speak today about the Manitoba Hydro Power Smart programs. Manitoba has a reputation as a clean and green province, mainly due to our proactive approach to developing green energy through wind, biofuel, geothermal and hydrogen and encouraging the domestic and commercial use of energy efficient measures to reduce emissions.

This year we will introduce climate change legislation that will set out our greenhouse gas reduction target. Power Smart is Manitoba Hydro's energy conservation strategy designed to assist customers in using energy more efficiently. Power Smart initiatives promote a wide variety of energy efficient products, services and programs which deliver energy savings to Manitobans. Since Power Smart programs were first introduced, 150,000 Manitobans have participated in them, reducing their energy bills and saving close to 300 megawatts of power. That's the equivalent of one and a half times the megawatt output of the future Wuskwatim dam. Power Smart also promotes the use of geothermal heating and cooling. Manitoba also has three times the national average of geothermal installations, reaching 5,000 last month.

In Flin Flon, we do our own part to protect the ozone layer and reduce harmful emissions. We received a \$20,000 grant from the Waste Reduction and Pollution Prevention fund to pilot a convenient and environmentally sound way to dispose of white goods such as refrigerators, freezers and air conditioners and ensure the recovery of the ozone-depleting substances they contain. A licensed technician will remove and recover the refrigerants from white goods delivered to the landfill in Flin Flon.

Mr. Speaker, I am proud of my constituents who are actively working to reduce greenhouse gas emissions, and I am proud of Manitoba Hydro's Power Smart programs, programs that lead the nation. You could call it pride of ownership. Manitobans are keenly aware that Manitoba Hydro belongs to them. Let's keep it that way, because never again will Manitobans allow another essential Crown corporation to be sold down the river at

bargain basement prices as MTS was just to appease a few extreme right-wing ideologues. Thank you.

**MATTER OF URGENT PUBLIC  
IMPORTANCE**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, in accordance with rule 36(1), I move, seconded by the Member for Steinbach (Mr. Goertzen), that the regularly scheduled business of the House be set aside to discuss a matter of urgent public importance, namely the desperate state of maternity care in the province of Manitoba, as outlined in the Report of Manitoba Health's Ministerial Working Group on Maternal Newborn Services, which has sat on the shelf of the Minister of Health (Ms. Oswald) since May 2005.

**Mr. Speaker:** Before I recognize the honourable Member for Charleswood, I believe I should remind all members that, under rule 36(2), the mover of a motion on a matter of urgent public importance and one member from the other parties in the House is allowed not more than 10 minutes to explain the urgency of debating the matter immediately.

As stated in *Beauchesne's* citation 390, urgency in this context means the urgency of the immediate debate, not of the subject matter of the motion. In their remarks, members should focus exclusively on whether or not there's urgency of debate and whether or not the ordinary opportunities for debate will enable the House to consider the matter early enough to ensure that the public interest will not suffer.

\* (15:20)

**Mrs. Driedger:** Mr. Speaker, I rise this afternoon to seek leave of the House to set aside the regularly scheduled business of the Assembly to deal with a matter that is of urgent and public importance. There are two conditions that must be satisfied for this matter to proceed. The first requirement is to file a motion with the Speaker's office at least 90 minutes prior to the routine proceedings. I believe that requirement has been satisfied. The second condition is that the matter is of an urgent nature.

Mr. Speaker, we are facing a crisis in the provision of maternity care in Manitoba and we are about to head into a four-day long weekend. The Minister of Health has been made aware of serious problems facing Manitoba mothers and newborns, and the health of these mothers and newborns may indeed be at risk. The fact that yesterday's budget included nothing to improve the state of maternity

care in our province makes this a very serious and urgent matter.

Mr. Speaker, based, too, on the answers given today in the Legislature by the Minister of Health, it has become even more alarming in terms of the inaction by this government to deal with this particular issue. I do believe that what needs to happen is action on a more prudent, timely basis from this government than what we have seen based on the information that came to us in this report, information, actually, that this government has had since 2005, since the spring of 2005, and has done nothing with it. Once we got that report a few days ago, it became very troubling to us that this government has been ignoring the information that is in there. Considering the statistics that are in there, considering the number of stillbirths, the number of neonatal deaths, it becomes prudent of this government to act sooner than later.

In fact, what we've seen is a delay by this government to not want to do anything to address this report for another year. They, in fact, now have struck another task force to look at the first task force which was struck in 2003 and came up with some good recommendations. Now, instead of acting on this report, this government has basically pushed it off for another year, struck a second task force to look at the first task force and basically are not expecting any responses or any actions for another year. So we've lost three years. Mr. Speaker, that is very, very disconcerting when we see that 500 babies have died over a five-year period, and this government is basically sitting for three years and not specifically getting in there to deal with anything.

Mr. Speaker, this leaked report came to us from front-line workers, very, very concerned front-line workers. I tried very hard to get this report. For several months now, actually, I've been trying very hard to get this report. I have never got such a runaround from the Minister of Health as I have on this particular report. We have made at least a dozen phone calls to the minister's office to get that report after front-line people were warning us that that report was in existence and that this government had shelved it and it was collecting dust. We were told that the government had it for over a year before they even gave it to the RHAs, and then these front-line experts are saying that the RHAs were doing nothing. I found it very troubling today that the Minister of Health basically called these front-line workers liars, that they, in fact, were not putting the

right information forward. I find that very, very troubling because the Minister of Health—

**Mr. Speaker:** Order.

**Point of Order**

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

**Hon. Dave Chomiak (Government House Leader):** Yes, Mr. Speaker, I believe the member just said that the minister called the front-line workers liars. I think, firstly, that she's wrong. Secondly, it's inappropriate for her to use that term, and, thirdly, in fact the minister praised the front-line workers, as opposed to the member opposite who fired them.

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

**Mr. Kelvin Goertzen (Official Opposition House Leader):** Mr. Speaker, I understand why the government is sensitive on this issue. This clearly is one that's troubling to many Manitobans. But being sensitive on the issue doesn't rise to the level of it being a point of order.

I was listening intently to the very good comments that were put on the record by the Member for Charleswood (Mrs. Driedger). She indicated that the Minister of Health was basically suggesting that another party was lying. So she wasn't implying that the minister was lying, but that, in fact, the implication went that the minister was implying that someone else was lying.

I don't believe that that is in violation of our rules. While the former Minister of Health clearly had some stake and some sensitivity in this issue, it doesn't rise to the level of being a point of order.

**Mr. Speaker:** On the point of order raised by the honourable Government House Leader, the words "lie," "lying," have really not been accepted by the House when referring to individual members. It has not been used. I would be careful on the words we use in the Chamber as a whole.

The honourable House Leader does not have a point of order.

\* \* \*

**Mr. Speaker:** The honourable Member for Charleswood has the floor.

**Mrs. Driedger:** Thank you, Mr. Speaker. Considering the alarming statistics that come out of this report, it was very disconcerting to me, the hoops I had to jump through with the Minister of Health's office to try to actually get a copy of this report.

Finally, we became aware that there was a lot of stalling going on. So we put in a Freedom of Information. When the deadline for that Freedom of Information passed, we phoned the office again about three more times and we were told it's in the mail. What actually came in the mail was a note saying that we were not going to be getting the report at that particular time. We were now sitting at about a three-month span where the government was trying to buy time and not have this report out there. I'm sure they were trying to keep it buried until after an election because, certainly, there are some alarming statistics out of it.

I would indicate to you, and the reason I think this should be debated today, it is not only because the minister has been hiding the report and denying Manitoba women critical information about that report and about the health of babies and moms in Manitoba, but the report explicitly states that Manitoba women and babies are not faring well compared to those in other provinces.

The report also makes one other comment which is very alarming, Mr. Speaker. The report itself says, and I quote: Nor is there anyone providing leadership to resolve these issues, end of quote.

Mr. Speaker, that's in reference to this government and this Minister of Health (Ms. Oswald). The people that put this report together are doctors, nurses, midwives, Department of Health staff, and they are the ones that are saying there is no leadership in this government to resolve these issues. That's why I think it's critical and it is a matter of urgent public importance today that we debate this particular report.

The report talks about troubling trends, troubling regional disparities, and they identify a very real crisis. A very real crisis means we should be having more of a discussion instead of the evasive answers that were given today in Question Period by both the Premier (Mr. Doer) and by the Minister of Health.

Mr. Speaker, in this report it says that out of all the Canadian provinces Manitoba has the highest teen pregnancy rate, the highest stillbirth rate, the second highest pre-term birth rate, the second highest

rate of neonatal deaths—and those are babies in the first month of life—the highest rate of post-neonatal deaths—and those are babies two months to a year old—the highest rate of neonatal hospital readmissions, the highest rate of maternal hospital readmissions. All of these are very, very troubling statistics, and as the experts are saying, there are troubling trends, troubling regional disparities and no leadership in Manitoba to address this.

They also talk about troubling regional disparities within Manitoba. Again, that information has been sitting on a shelf collecting dust by this government. Some of it should have been something that were red flags, actually, to this government. All of these were red flags. All of these statistics were red flags. The regional disparity is a red flag, and yet this government, once again, has ignored red flags. I don't know how many red flags you have to wave in front of them. I don't know how bright the colour red needs to be before this government acts on a report that has alarming statistics in it.

\* (15:30)

When 500 babies are dying over a five-year period, this government should be doing more than what it's doing. Mr. Speaker, all they've done now is they set up a second task force to look at the first task force. It's going to take another year, and we've got three years where there's been no action, and we don't even know in those years what the statistics are like. Have they gotten really, really bad? I think the Minister of Health (Ms. Oswald) should be putting on record maybe what these statistics have been in the last three years. Give us some reassurances that there are some things that might be happening. But the front lines, the experts, are saying there is so little happening in this province to address this issue. There is no leadership in this province to address the issue, and that moms and babies are at risk, and there is a very real crisis.

Mr. Speaker, this is not going to be getting better. This is going to be getting worse, because as long as there is inaction by this government, it can't improve. As we look at what is going to be happening in the future years, this government needs to act and it needs to act now and not a year from now, and it is extremely irresponsible and negligent for them to do nothing. That's why I believe that we need to discuss this, this afternoon.

**Mr. Chomiak:** I'm very pleased to have this opportunity to rise to deal with this matter. I note that this appears to me to be another tactic from members

to avoid talking about the budget and avoid having to vote against more support for health care, more support for nurses. Fifteen hundred nurses hired back after the member opposite was part of the government that fired 1,500 nurses; more doctors, Mr. Speaker, after members opposite lost 200 doctors during their period, we've hired back. And members are afraid to vote for the budget, they're stonewalling the budget. They're afraid to deal with a budget that provides more resources to maternal health care.

Mr. Speaker, I had a chance to look at that report, and I find it passing strange that pregnancy rates have gone down from when the member opposite was assistant to the Minister of Health, the member whom she admired and said in a speech was the best Health Minister ever, Mr. Stefanson. The rates have gone down since she was in power. The rates for teenage pregnancies of 18- to 19-year-olds have gone down since the member was in power. The rates for stillborns, while too high, have gone down since the member was in power. The very report that she's referring to, albeit there are problems, is better than when the member was the assistant to the Minister of Health and did nothing; when they brought in Connie Curran, when they got rid of 1,500 nurses, when they froze the food and fired the doctors and fired the nurses.

And now the member stands up when there is a budget going on, when they could debate the budget, when they are afraid to deal with the budget; the member who avoided discussion when babies died, 12 baby deaths and they hid the report and we had to get it out. When members opposite hid that report, we had to get it out. They stand up today and say, a report that you put out for implementation, that you're hiding. It was exchanged and shared with front-line workers, was leaked to the member.

Mr. Speaker, the member opposite has made more use of FIPPA. There may as well be a FedEx office in the Conservative caucus office. Ever since we expanded FIPPA to cover health care, which members opposite didn't, ever since we started covering wait-lists which members opposite didn't, there may as well be a FedEx office that just goes right into the member's office. We give her the information, she distorts it and stands up and says: There's a crisis, there's a crisis. I don't think a day has gone in this House when the member opposite hasn't said there's a crisis. They have no sense of proportion. They have no sense of balance. Every issue is a crisis. Every issue is over the top.

Mr. Speaker, the budget is going on. They have the opportunity to talk about this. They're not. They haven't even talked one word on the budget. The budget debate is before us. The document that deals with spending, increased spending to health care, increased maternity resources, increased resources to single parents, increased resources to single moms, increased resources to children—all in this budget. I suggest they're not only going to vote against it, they are shying away from speaking about it. They are shying away from speaking about a budget that provides more resources to the very people the member purports to represent.

Mr. Speaker, I'd like to ask the member to go to any meeting of any group of health care providers and say: Do you remember what it was like in the 1990s when we fired you, when we dismissed you? The members opposite cancelled the medical technologists program. Imagine. We're short medical technologists. The member opposite was part of the government that cancelled it.

We're going into a long weekend. We're going into a long weekend where we've hired back 1,500 nurses that that member stood up for a government and fired. We're going into a long weekend where we've increased the college and the number of seats for physicians, where we've increased the seats for nurses, where we've increased the seats for nurses' aids, where we've increased the seats for nursing assistants. Mr. Speaker, 80 percent of the health budget is to provide resources for people that provide the care. Members opposite slashed and hacked and Connie Curraned all of those people out of the province. We've brought them back. We're proud that we've hired those people back and that we have the resources in place.

I might add, Mr. Speaker—

**Mr. Speaker:** Order.

#### Point of Order

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

**Mr. Hugh McFadyen (Leader of the Official Opposition):** On a point of order, Mr. Speaker. I'm not sure that Connie Curraned is a verb. I'm wondering if the member could be called to order.

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

**Mr. Chomiak:** Yes, Mr. Speaker, Manitobans are so familiar with Connie Curran and it's become so part of the linguistics of Manitobans that I suggest one only needs to say the word "Connie Curran" whether it's a verb, a noun, a pronoun—people know that Connie Curran and Tories mean slashing nurses, slashing and cutting and firing nurses is a verb.

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

**Mr. Goertzen:** Well, Mr. Speaker, I unfortunately am young enough to remember when crocus used to be about a flower.

**Mr. Speaker:** On the point of order raised by the honourable Official Opposition House Leader, he does not have a point of order. It's a dispute over the facts.

\* \* \*

**Mr. Speaker:** The honourable Government House Leader has the floor.

**Mr. Chomiak:** Yes, thank you, Mr. Speaker. The so-called leaked report that the member had that was shared with health care professionals and shared for implementation with other individuals, the so-called leaked report said: one of the consequences of funding reductions and associated reductions in staffing was that fewer nurses were available to assist women during labour and childbirth.

Now, Mr. Speaker, when did that happen? When were 1,500 nurses fired? Fired, gotten rid of?

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

#### Point of Order

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

**Mrs. Driedger:** On a point of order, Mr. Speaker. This government has been out there talking about firing 1,000 nurses and now it's 1,500. I wonder if they could provide an actual written document backing up all of these numbers showing that they were actually fired and not rehired.

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

**Mr. Chomiak:** Yes, Mr. Speaker. I don't believe the member has a point of order. But in fact, I have documentation from a 1998 report that indicates

nearly 1,500 nurses were fired by the Conservative government of which that member was a part of.

**An Honourable Member:** Show me the documentation.

**Mr. Chomiak:** I got it.

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

The honourable Member for Portage la Prairie, on the same point of order.

**Mr. David Faurshou (Portage la Prairie):** Same point of order, Mr. Speaker. It wasn't quite clear. I was listening to the debate. Was that a "yes" that the government will provide documentation or "no" they will not provide documentation?

\* (15:40)

**Mr. Chomiak:** Yes, Mr. Speaker. The document is quite public, and I am prepared to share the document that shows the Conservative government fired close to 1,500 nurses during their tenure in office, of which the Member for Charleswood was assistant to the Minister of Health. It was during the era of Don Orchard and Connie Curran.

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

**Mr. McFadyen:** Mr. Speaker, does the same document that the minister is referring to also make mention of the fact that the nurses were immediately rehired because it was part of a transfer of nurses from one employer to another?

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

**Mr. Chomiak:** No, Mr. Speaker. In fact, they actually eliminated 1,500 nursing positions, and if you look at the stats from the college of nurses, it actually shows that, and those stats have been tabled in the House. So, as usual, members opposite are wrong. They got rid of over a thousand nurses. We've just, this year, got back to the level of nurses that were fired, that were gotten rid of, that were slashed by the mean-spirited government during the 1990s, of which that member who just made the point of order was chief of staff, I believe, to the then-Premier Filmon and, I think, worked in a senior capacity although he said he might have just delivered pamphlets during by-elections. I'm not sure.

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. For the information of all honourable members, we should be now convincing the Speaker the urgency of debating the issue, and we shouldn't be using points of order as a means of debate back and forth. I would strongly discourage that.

The point of order raised by—the honourable member does not have a point of order. It's clearly a dispute over the facts.

\* \* \*

**Mr. Speaker:** The honourable Government House Leader has the floor.

**Mr. Chomiak:** Thank you, Mr. Speaker. I'll just reiterate the point that I agree with you. We ought to be debating the budget where we expand services, not talk about the miserable, awful days of the 1990s when 1,500 nurses were fired, when doctors lost their jobs, when the largest hospital in the history of Manitoba was closed, when members opposite did not expand the Brandon Health Centre, when we only had two MRIs, where services closed down on weekends, where Filmon Fridays applied to hospital workers.

We don't want to return to those days. We're back to the building days where we have a new Health Sciences Centre, new health sciences critical injuries, where we have rebuilding Selkirk Hospital, Swan River Hospital, Boundary Trails Hospital, MRIs outside of Winnipeg, both in Boundary Trails and in Brandon Hospital, the first time in history. Nine or 10 CAT scans outside of Winnipeg, Mr. Speaker, expanded ambulance services, a midwifery program that did not exist when the member opposite was assistant to the Minister of Health. It did not exist. They didn't have it, although I admit the Member for River East (Mrs. Mitchelson) worked on that program. But I was happy that we brought in that program even though members opposite did not.

The Member for Charleswood (Mrs. Driedger), I think, has ample opportunity and should take advantage of the opportunity in the budget speech to talk about why she and her government are voting against this budget that helps young Manitobans, that helps employment, that builds our province and provides a rebate to students who stay in Manitoba, that pays for more doctors, pays for more nurses, provides services to medical students, expanded spaces for nurses, expanded resources for maternal resources, services to moms and children. Why are they voting against it? Why are the Member for

Charleswood and her colleagues not only voting against the budget, but refusing and filibustering to speak about the budget?

I suggest, Mr. Speaker, they're afraid. They're afraid that Manitobans are going to cast judgment on the fact that they did not hire doctors. They fired them. They did not hire police officers. They didn't expand them. They did not hire nurses. They cut places. They closed hospital beds. They shut down hospitals. We've done the opposite. They're afraid to face that fact. They're afraid to go out and talk to Manitobans about the expanded resources we're—and I suggest that's why, today, on budget debate day, after privileging, oh, maybe "privileging" isn't a verb. Maybe the member will want to do a point of order.

After doing three privileges yesterday on budget day, Mr. Speaker, they're standing up today on a MUPI when they can talk about anything they want and perhaps apologize for the inaccurate statements about the budget. But, instead, they put together a MUPI when the member knows that her leader could stand up any minute and deal with the budget. But, no, they're afraid to talk about the budget. They're afraid about the fact that we're going to talk about their lack of support for this budget, talk about the lack of resources.

Mr. Speaker, I suggest that the member has ample opportunity to apologize, to actually read the budget and to perhaps reconsider the support of herself and her party for a budget that provides to all Manitobans and helps build this province and keeps it going on the growth that it's had since 1999. Thank you.

**Mr. Speaker:** Order. If the honourable Member for River Heights is rising to speak to the MUPI, the honourable member will have to have unanimous leave of the House.

**Hon. Jon Gerrard (River Heights):** I have a short comment. I ask for leave to give that comment on this matter of urgent public importance.

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

**Some Honourable Members:** Leave.

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. I need order because I thought I heard a "no" here. Order. Does the honourable member have leave?

**An Honourable Member:** No.

**Mr. Speaker:** No? Okay, leave has been denied.

#### Point of Order

**Mr. Gerrard:** I rise on a point of order, Mr. Speaker.

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

**Mr. Gerrard:** I know that it would be unusual for the government to be so little concerned about maternity and child health that they would deny me the opportunity to put a few short words on the record, my point being that if I had had a chance to speak, then I would have said that this is important enough that we should proceed.

**Mr. Speaker:** Order. I am sure all members know that when a member rises on a point of order, it is to point out to the Speaker a breach of our rule or departure from our practice. It is not a time for debate.

So the point of order raised by the honourable Member for River Heights, he does not have a point of order.

\* \* \*

**Mr. Speaker:** Order. I have to make a ruling on the MUPI that was just before us.

I thank the honourable members for their advice to the Chair on whether the motion proposed by the honourable Member for Charleswood (Mrs. Driedger) should be debated today. The notice required by rule 36(1) was provided under our rules and practices. The subject matter requiring urgent consideration must be so pressing that the public interest will suffer if the matter is not given immediate attention. There must also be no other reasonable opportunities to raise the matter.

I have listened very carefully to the arguments put forward. However, I was not persuaded that the ordinary business of the House should be set aside to deal with this issue today. I do not believe that the public interest will be harmed if the business of the House is not set aside to debate the motion today.

Additionally, I would like to note that there are other avenues for members to raise this issue which include the budget debate, questions in Question Period and also members' statements.

Therefore, with the greatest of respect, I must rule that this matter does not meet the criteria set by our rules and precedents, and I rule the motion out of order as a matter of urgent public importance.

**ORDERS OF THE DAY**  
**GOVERNMENT BUSINESS**  
**ADJOURNED DEBATE**  
**(Second Day of Debate)**

**Mr. Speaker:** Resume debate on the proposed motion of the honourable Minister of Finance (Mr. Selinger), that this House approve in general the budgetary policy of the government, standing in the name of the honourable Leader of the Official Opposition.

**Mr. Hugh McFadyen (Leader of the Official Opposition):** Mr. Speaker, I am pleased to rise today to debate the budget introduced yesterday by the Minister of Finance after that lengthy filibuster by the government attempting to delay our ability to debate the budget. So I am pleased to rise on this Thursday afternoon at 10 minutes to four before the long weekend.

\* (15:50)

I know that this week can't come to an end soon enough for members of the government, Mr. Speaker, and the reasons are very obvious. It's been a disastrous week for the governing party after a clumsy opening foray in their election campaign with a disastrous negative attack ad. The minister of fizzle introduced a budget yesterday that was one of the biggest letdowns that we have seen as a province. It was the lead balloon that was introduced yesterday by the Minister of Finance (Mr. Selinger), known in some parts of the province as the minister of fizzle after yesterday's presentation. I'm pleased to—

**Mr. Speaker:** Order. In this Chamber, we've always directed comments to other members by their constituencies or by the portfolios they hold and we've kind of left it at that.

**Mr. McFadyen:** Mr. Speaker, I do take that point and will refer to the minister as the Minister of Finance henceforth. I want to, before I begin my comments, thank those members of our opposition caucus for their input and constructive comments as we have moved through the proceedings of this House since this session of the Legislature was recalled. In particular, the Member for Lac du Bonnet (Mr. Hawranik), our party's Finance critic, who has done such an excellent job over the years of

holding this government to account for its record of spending without results and of taxing Manitobans out of our province. I also want to thank other members of our team who have done such an exemplary job of analyzing this budget. They'll certainly have comments to put on the record as we move forward. But their advice and support has certainly been excellent.

Mr. Speaker, it's been said many times that the budget is the most important policy document that a government releases in the course of a year. The intent of a budget is to lay out the detailed plans for the government's expenditures and its revenues. But also the purpose of a budget has been elevated in many respects. A budget, a good budget should present a vision for the future of our province, a bold and courageous statement of the great challenges that we face and great opportunities as a province and the government of the day's plan to meet those challenges and seize those opportunities.

If you look back through the 127-year history of our province you'll see over the course of that history many bold, forward-looking initiatives, many of which were contained in provincial budgets, that dealt with major questions and major challenges and issues of the day. It was 127 years ago and our province's history goes back much further than that, Mr. Speaker, as we all know that this land was settled centuries ago. *[interjection]*

**Mr. Speaker:** Order. I had not recognized the honourable Member for Fort Rouge at that time when you were speaking. So, if you were up on a point of order, you must wait until I recognize you so your comments can be recorded for *Hansard*.

**Point of Order**

**Mr. Speaker:** The honourable Member for Fort Rouge, on a point of order.

**Mr. Tim Sale (Fort Rouge):** I apologize to you, Mr. Speaker, I thought you had recognized me. I was simply asking that you ask the member opposite to check his math. I believe it's 137 years, not 127 years. The years that he missed may have been the Filmon decade.

**Mr. Speaker:** Order. On the point of order raised by the honourable Member for Fort Rouge, he does not have a point of order. It's clearly a dispute over the facts.

\* \* \*

**Mr. McFadyen:** Mr. Speaker, I know that there are some members of this House who have no recollection of the 1960s and there are other members of the House that also have no recollection of the 1960s, but for completely different reasons. I know the member opposite who raised the point probably falls into the former category as I know many of his colleagues do. I did inadvertently leave out the dark Pawley years when I was adding up the math. I have to say I'm feeling particularly youthful this week. I know in reality I'm 39 going on 40, but after that budget I felt like I was 29 when I feel the energy on this side of the House as we look forward to a great campaign in the weeks to come.

So, Mr. Speaker, I do want to say that over the 137 years of the history of our province—and I thank the member for that point, and I do acknowledge that it's 137 great years in our province's history. But it goes back even further than that, that this was a place, this was a land that was settled by people initially of Aboriginal descent, people who then in subsequent centuries came to this place from lands around the world and worked very hard in adverse conditions to scratch out a life here on this great plain in the middle of our continent.

We know that over the 137 years since our province was founded in 1870 that there have been many great statements and many great budgets introduced over those years. If you go all the way back—and they come from parties of all political stripes, Mr. Speaker—if you go back to look at the leadership of some of our province's early premiers, go right back to the late 1800s where Premier Norquay of the day fought for Manitoba in the boundary dispute and battled the Canadian Pacific monopoly in order to ensure that Manitobans, agricultural producers in our province and people who wanted to build businesses, had the opportunity to transport their goods in a way that did not make them subject to the abusive railway monopoly of the time. We had great battles in those days under the Premier of the day, Norquay.

If you move forward to the turn of the last century, the first Conservative Premier of the province, Premier Macdonald, introduced a new agricultural college and introduced for the first time in our country's history a workers compensation act which provided fairness and justice for workers who were injured on the job under a Conservative government at the turn of the last century.

Mr. Speaker, if you move ahead to the other great challenges that we faced as a province and the great moments right into the 1930s and 1940s, bold measures taken in the face of depression and then war. In the face of depression and then war in the 1930s, Premier Bracken, who went on to become the first Progressive Conservative Leader of the federal Progressive Conservative Party of Canada, took bold measures at that time in the face of war. He introduced measures that fought depression and fought the misery that people were dealing with at the time throughout our province.

In the wartimes, Premier Bracken led our province through a period of sacrifice that was made by many great Manitobans. He faced adversity in making many decisions, but he carried on bravely in the face of those great challenges and then those great victories that we all celebrated as Manitobans in the post-war period.

After the Second World War, we had the leadership of Premier Douglas Campbell who led the way on rural electrification in the face of criticism and condemnation from many who thought that it was impractical and too expensive, but he led the way. He was a Liberal premier, Mr. Speaker, and he was a premier who oversaw one of the greatest eras of growth in our province's history. We had population growth of 18.7 percent in the 10-year period during which he was premier after the end of the Second World War. That compares to the most recent decade analyzed by Stats Canada and a period that has been presided over by this current government of growth in the range of 5.7 percent over nearly a 10-year period. Dramatic growth, three times the growth in that period under a government that trusted people to spend their own money and trusted entrepreneurs to build our great province, totally a different attitude from what we see today.

Then, Mr. Speaker, we had the golden era, the era of progressive expansion under the leadership of Premier Duff Roblin. Duff Roblin led the way on many important initiatives and did so in the face of opposition and criticism from many parties who weren't prepared for the rapid modernization that he took this province on through that great period from 1958 to 1967.

Premier Roblin introduced French language instruction in our schools. He modernized our hospitals. He expanded our post-secondary educational institutions, and he went forward in the face of

criticism and condemnation with Duff's Ditch, the floodway project which has saved countless lives and countless millions of dollars for Manitoba.

\* (16:00)

During that period, we had over 13 percent population growth, more than double the population growth that we've seen taking place in the most recent years. Those were years of leadership. They were years of bold decision making in the face of adversity and criticism.

These were premiers who were prepared to stare down their opponents of the day. They were prepared to set aside short-term obstacles. They were prepared to go beyond the headline of the day in terms of doing what was right for Manitoba. They were prepared to do what was required to move Manitoba forward, even as the negative nabobs chirped away on the sidelines.

So, Mr. Speaker, there has been much innovation over the years and as we fast forward then to the late 1960s and the onset of NDP governments in Manitoba, we saw the beginning of the era of stagnation as government grew to record levels. Taxes reached record levels under two NDP governments that were elected in the period after 1969.

We had the NDP payroll tax. We had the NDP tax hikes on everything from income to property to businesses, and we knew we had the greatest tax grab in Manitoba history under the Pawley NDP government. This is a period where we, I think, as Manitobans have a sense of relative decline. We've seen our population growth stagnate over several decades and we've seen that happen as government grew to an unprecedented size and taxes rose to unprecedented levels.

Now we had a brief period of progress toward re-instilling our sense of entrepreneurship and our sense that Manitobans had within their own ability and power the skill and the ability to build a great province. There was a period from 1977 to 1981 where steps were taken forward to trust Manitobans with their own money. There was also a period where there were great constitutional issues before the country. The premier of the day dealt with those issues on behalf of Manitobans, and the premier of the day spent a great deal of his time and political capital in dealing with those important constitutional issues.

Mr. Speaker, we then entered into the period of the great steps backward from 1981 to 1988, unprecedented tax increases, many of which were engineered by the former Minister of Finance of the day, a Mr. Kostyra, who is the closest adviser and the right-hand man to our current Premier (Mr. Doer) of Manitoba. That premier was ultimately defeated. That Finance Minister's budget was defeated. Many of us remember that day, even some of us who were relatively young at the time remember that day when a member of the opposition stood up and said no to more taxes, said no to the continued decline of Manitoba and said no to a budget that was leading Manitoba back to the dark ages.

So, Mr. Speaker, we had through that period of time unprecedented spending without results, tax hikes and a sense of increasing decline here in Manitoba, a sense that we weren't the great province that we had been at the turn of the century.

At the time this building was built, Mr. Speaker, it was expected that Manitoba's population within a short period of time would reach three million people. At the time this building was built all those years ago, the people of that time, the leaders of our province and our civic leaders saw the great potential that lay ahead for Manitoba and for our great city of Winnipeg. They saw us moving toward a population of three million people within a period of decades from that time.

We've seen in that period rapid growth through the various eras, but in more recent years, particularly as the NDP has risen to ascendancy in our political system, we've seen relative decline under a series of NDP governments. Luckily, Mr. Speaker, we have a democratic system in our province that every now and then sets things right. That's what the people of Manitoba did in 1988 when they elected a government that was prepared to do the hard work of restoring Manitoba back to a path of fiscal sanity, back to a path of economic growth, back to a position where values of hard work and personal responsibility were respected and back to a time when Manitoba could hold its head high on the national stage.

I think, Mr. Speaker, it was a historic time in other respects. We had a premier who had grown up in the North End of Winnipeg of Polish and Ukrainian roots who worked hard to get to where he was. I think it's shameful that today, as of this week, we have the governing party of Manitoba running

attack ads on a former premier of Manitoba who did so many good things for our province.

I can tell you, Mr. Speaker, that I am quite prepared to say—and this is in the hands of the people of Manitoba—but if at some point down the road we're given the opportunity to govern, what I can tell you, I will never lead a government that will run attack ads on the current Premier of Manitoba (Mr. Doer) in order to try to score points against his successor. It is absolutely shameful.

Never in the history of Manitoba have we had a current provincial premier launch attack ads against his predecessor. We've had a history in this province, Mr. Speaker, of premiers and leaders showing respect for those who have come before them, and we see the contradictions. We see the current Premier having run on a platform of keeping all the great things that Premier Filmon had done, but making only one change. There was only going to be one difference between the NDP government and the former government. Can somebody refresh my memory? What was he going to—

**An Honourable Member:** End hallway medicine.

**Mr. McFadyen:** Thank you, Mr. Speaker. They were going to end hallway medicine. That was the one thing he was going to do different, and here we are. More than seven and a half years later, hallway medicine is still with us. The most fundamental promise on which the current Premier was elected has been broken, and he has the temerity to run attack ads against a former premier of Manitoba, a former premier who currently sits on the oversight board for Canadian Security Intelligence Service, a member of the Privy Council of Canada, one of the most important and respected offices in our country. *[interjection]*

Mr. Speaker, the Premier (Mr. Doer) from his seat continues to trash-talk about former premiers, and I can tell you that we could all handle the give-and-take in the current political context between a Leader of the Opposition and a current Premier. That's fair game. It's a competitive process; it's a democracy. We would expect us to hold each other to account. But it is beneath the belt to see a current Premier, supposedly the dean of premiers in the country, the longest-serving premier in Canada, the new Ralph Klein, running attack ads against his predecessor. I can tell you it will never happen again. I will not run attack ads against this Premier when his successor is chosen because it's beneath contempt, and we simply won't go there.

Mr. Speaker, much work was done, and I just want to give the Premier credit for a second. I want to just say that the Premier, earlier in Question Period, admitted that he wasn't perfect, and we know that no premier of this province has ever been perfect and premiers have made mistakes. Mistakes have been made under all governments, including governments through the 1990s, including the government that is elected in Manitoba today. So I think that level of humility is called for, and mistakes will be made.

But I think the measure of leadership, Mr. Speaker, is the willingness to stand up and take responsibility for one's own government. When one is in the office of the Premier, one is put in a position of having tremendous power and the ability to make great change. I think all great leaders—I think it was Rudy Giuliani, the former Mayor of New York, whom the Premier praised when he came to Winnipeg for the City Summit for his leadership. The Premier (Mr. Doer) got up and praised Rudy Giuliani, the former Mayor of New York, running for the Republican nomination in the United States right now. I know the Premier gets a lot of his inspiration from Republican American politics, and he stood up after Mr. Giuliani's speech, and he praised him. One of the messages in that very good speech that was given by the former Mayor of New York was that everybody is accountable all of the time. That was one of the messages that he delivered. He said it's a fundamental rule of leadership that even when things go wrong, as a leader you have to be prepared to stand up, take responsibility for fixing the problem, and lay out a plan for how the problem is going to be addressed.

\* (16:10)

But that is not something that we've seen very much of under the current government. We see a government that takes credit for spending federal money and runs for cover every time something goes wrong. They play the blame game, Mr. Speaker, every time something goes up. We see them attacking Manitoba businesses; we see them attacking former governments; we see them attacking and hanging civil servants out to dry every opportunity that they get. I think that that is not leadership. It's not accountability. It's old-style politics, as usual, and it's disappointing.

We know that over a period of 11 years, there were hard decisions made through a recession, through federal transfer cutbacks, and in cleaning up

the mess of the previous NDP government there were decisions made. There were decisions which I think we would never want to have to revisit in our current context, as revenues are rising and our economy is expanding. We're in a new era, Mr. Speaker, and that brings me to the legacy of the past seven years.

The legacy of the past seven years, Mr. Speaker, after strong leadership through much of our province's history, and I've been through many of those examples of strong leadership under different parties, from different political parties. We've seen strong leadership and tough decisions that have moved our province forward. Well, the story of the last seven years is a story essentially of a government that, through the benefit of massive handouts from Ottawa, massive increases in transfer payments, has spent a lot and gotten very little in return.

Mr. Speaker, the Premier (Mr. Doer) takes great pride. He calls them negotiations, and I know that it's quite a negotiation when one party holds all the cards and the other party, i.e., the Premier of Manitoba, comes grovelling on his knees asking for every scrap of handout he can get. I will say that there's one element of this government's legacy that will stand out, that they have been exceptionally good at getting handouts from Ottawa.

But that's been the story for much of Canada. We've been in a period of uninterrupted economic expansion ever since the late 1990s, and that expansion has carried on right through until today. That economic growth through Canada, through North America, through the western world, in fact, almost all of Europe, India, China—much of the world has experienced an era over the past eight to nine years of unprecedented economic expansion.

This is a very good thing. It's a good thing for our world. It's been a good thing for Canada and, in some respects, it's been a good thing for Manitoba. But it's been a good thing for Manitoba not because of the policies of this government but in spite of the policies of this government.

So what we've seen is thanks to the generosity of federal governments, both Liberal and Conservative, the most generous being the Conservative government that was recently elected in Ottawa with a \$400-million increase in transfer payments to Manitoba from last year's budget to this year's budget. We've seen a massive level of increased help.

So, Mr. Speaker, the question one might ask is, what great bold steps have been taken over the last seven years with the benefit of these unprecedented handouts to Manitoba? What great bold steps have been taken to move Manitoba bravely into the future? I know if you happen to luck into a situation where you have a rich uncle who gives you a big allowance, it's awfully easy to be popular with your friends. If you've got a rich uncle who's generous with his spoiled nephew, it's very easy for that nephew to be popular with his friends. He can run around buying candies for his friends all day long and just seem like the greatest guy ever. That has been the story of the past seven and a half years. There's a rich uncle in Ottawa handing out the allowance and the nephew here in Manitoba handing out the sweets.

But, at the end of the day, what do we have to show for it, Mr. Speaker? That really is the story that we need to get to today. What do we have to show for it? Well, the *Winnipeg Free Press* may have said it very well in today's editorial: Water Under the Bridge, the Thursday, April 5, the *Free Press* editorial response to yesterday's budget. The editorial says as follows, and I quote, "Finance Minister Greg Selinger tabled his eighth budget on Wednesday, and for the eighth time—"*[interjection]*

The Premier (Mr. Doer) doesn't want to hear, he's chirping from his seat. I hear the Premier continues to "filibuster" from his seat, Mr. Speaker. I wonder if I can just be given an opportunity to read the quote. I know he doesn't want to hear it, but the *Winnipeg Free Press* today says, and I quote, "Finance Minister Greg Selinger tabled his eighth budget on Wednesday, and for the eighth time it set a record for spending."

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. I'm having a very difficult time hearing. Also, I want to take this opportunity to remind members that when making reference of other members to do it by constituencies or ministers by their portfolios.

The honourable Leader of the Official Opposition has the floor.

**Mr. McFadyen:** Thank you, Mr. Speaker. So the article says that the Finance Minister "tabled his eighth budget on Wednesday, and for the eighth time it set a record for spending—\$9.2 billion, up \$600 million from last year's budget and up \$3.3 billion from his first budget seven years ago." Although the

Finance Minister "has spent more than \$61 billion as finance minister, about \$15 billion of which is new money. That's a lot of water under the bridge, and it is fair to ask what Manitoba has to show for it. The answer is not much."

That's what the *Free Press* says today, Mr. Speaker, and we couldn't agree more. For all of this spending by the Minister of Finance (Mr. Selinger) and the Premier (Mr. Doer), where has it gotten us? Where has it taken us as a province? Where are the bold decisions? Where is the forward-looking action for Manitoba?

Well, Mr. Speaker, it's not there. It's more of the same. This budget is more of the same. It's coasting for the eighth budget in a row. We're coasting on the basis of increased handouts from Ottawa. We're spending without results and with these record levels of handouts, what do we get from the government but complaints. Oh, we didn't get enough from Ottawa. I'm sorry, we're not able to deal with issues in child care. We're not able to bring in meaningful tax reductions. We're not able to really take any action on Lake Winnipeg. Four hundred million dollars isn't enough is effectively what they've been saying for the last 24 hours.

Mr. Speaker, I can understand why it is that the federal government would be frustrated by these responses. Like any generous parent or any generous aunt or uncle might be when the spoiled nephew criticizes the uncle for not giving them enough money, it's a frustrating position to be in. It's not fair, frankly. It's not fair to the government of Canada. It's not fair to the people of Manitoba.

Mr. Speaker, we've seen—and I want to go through some of the examples of spending without results—we've seen record spending in health care and what has that gotten us? Last place. Dead last in Canada, 10th out of 10 according to the Conference Board of Canada.

**An Honourable Member:** Newfoundland. Nova Scotia.

**Mr. McFadyen:** Mr. Speaker, the Member for Steinbach (Mr. Goertzen) raises a good point. He's asked since we came 10th out of 10 whether Newfoundland finished ahead of us, and it seems clear to me that we finished behind even Newfoundland and Nova Scotia, P.E.I., Québec. Never mind Alberta. Never mind B.C. and Ontario. We finished behind every other province in Canada in health care under the government that was elected

to fix health care almost eight years ago. It's a sad, sad record.

Mr. Speaker, we have a situation today where emergency rooms are in crisis—the Grace Hospital emergency room, which is an important place of service for many, many people in our province. Many people who live in the west end of Winnipeg and surrounding communities ranging as far as Portage la Prairie, Morris, and other communities rely on the Grace Hospital for service in a timely way. People have been put in jeopardy as a result of decisions by this government which has failed to plan in advance, has failed to listen, frankly, to the people who are working on the front lines, and address their issues in a timely way. So we have a crisis in our emergency room system which has been ongoing and which seems to flare up each and every year.

\* (16:20)

Mr. Speaker, we have a crisis in maternity health care in Manitoba. There is a leaked document that came out last week, leaked because people working in good faith, working hard each and every day within our health care system, front-line workers, were absolutely appalled and disappointed at the lack of action on the part of this government in response to a report prepared by experts on maternity care two years ago, a report that was delivered to the Minister of Health (Ms. Oswald) and handed off without follow-up. It is part of a pattern of ignoring warnings and ignoring red flags. At the end of the day, it's about a lack of accountability, a lack of doing the right thing when they get information brought to their attention.

The list of examples within health care goes on and on. In our rural communities we have hospitals closing, Mr. Speaker, hospitals closed under the NDP government outside the Perimeter. I know they don't particularly care much about what happens outside the Perimeter of Winnipeg, but if they want to take a drive around Manitoba, they will know the pain and anxiety that they are inflicting on residents of rural Manitoba who need timely health care systems right there in their communities.

We've also seen a thousand doctors under this government's watch leave the practice of medicine, a thousand doctors. They talk about nurse numbers, but a thousand doctors who have left the practice of medicine under the watch of this government, Mr. Speaker. Now, that's a lot of doctors to leave medicine in the short span of seven years under this

government's watch. I know they like playing fast and loose with the numbers, and I want to say that the destabilization that's been created within our health care system by their mismanagement of that system is creating great hardship for Manitobans and frustration on the part of front-line workers.

Speaking of frustration on the part of our front-line workers, a constituent of mine, about a year ago, who's a general surgeon within our system—I know it's a vindictive government so I don't want to identify the individual—said to me that they had made a request because of a simple, basic piece of surgical equipment that they were using, they made a request to the Winnipeg Regional Health Authority to get that piece of equipment replaced. It sat on a bureaucrat's desk for a year. It was a minor piece of equipment. It was impairing his ability to do his job, and in frustration that physician has been seriously considering leaving the province in search of other opportunities.

Now, this is not a problem that physicians should have, Mr. Speaker, in our province. It's not about money. It's about management. It's about leadership. It's about common sense within our health care system. Instead of common sense, what they've given us is bureaucracy, piles and piles of bureaucracy, floors being added almost by the day within the Winnipeg Regional Health Authority, and we see, as bureaucracy has expanded, decision making has been slowed down and front-line workers have been frustrated. That's why they're leaving our province. It's not just about money. It's about management. It's about innovation. It's about trusting people on the front lines of our health care system to do their jobs.

We have great faith. We have great faith in the doctors, nurses and other health care practitioners of Manitoba to exercise good judgment when it comes to making the decisions that are right for their own patients. We know, Mr. Speaker, that in the day when we didn't have this massive bureaucracy looking over the shoulder of every health care worker in our province, we had a situation where a doctor like the one that I was talking to could have gone to the administrator within the hospital and said, I need this piece of equipment replaced, and it would have been replaced almost immediately because it's common sense.

Now they've got to fill out reams of paperwork, and that paperwork gets passed up a chain of command to a faceless bureaucrat somewhere in the

health care authority who has no direct responsibility or accountability to patients in Manitoba in the way that my constituent does, Mr. Speaker. Then he waits. It goes into the black hole, and then he waits for a decision, every day growing in frustration and more and more thinking that Manitoba is the wrong place to practise medicine. That's just the wrong—the wrong signal.

**An Honourable Member:** We just had a doctor come back from the burn unit, Edmonton.

**Mr. McFadyen:** All right. The Premier (Mr. Doer) says in the face of a thousand doctors giving up the practice he got one back, Mr. Speaker, so let's give him credit for that one. So it's 999. *[interjection]*

Mr. Speaker, we are happy to debate health care, and there's a reason. There is a reason that he made his great pronouncement at his party's annual general meeting: Environment trumps everything else; health care's not the issue anymore. I wonder why that is. He's looking at the polls, and he saw the same polls that Manitobans saw as reported by the CBC just two weeks ago, reporting that a majority of Manitobans think that health care in Manitoba has either stayed the same or gotten worse over the past four years. That's a majority of Manitobans. That's not an opposition political party making that statement; that's regular Manitobans, a majority of whom think health care's gotten worse over the last four years, so it's no wonder he doesn't want to run on health care. It's no wonder he doesn't mention hallway medicine in his budgets or his speeches anymore, because he needs to run away from his dismal record on health care. It's not just about the political blame game when it comes to health care. We know that this is a complex system. We know that the fixes aren't easy. But we do know that it is possible to make progress when you trust your front-line workers, when you put the resources into doctors and nurses. It defies common sense to continue to put our money and our faith in building up bureaucracy when what Manitobans need is care.

That, Mr. Speaker, has been the singular failure of this NDP government on health care, and it's why the Premier doesn't want to run on health care in the coming election and I don't blame him. If I had his record, I'd be running away from it too. We're talking on the theme of spending without results, so that's health care.

Post-secondary education, Mr. Speaker, we have a situation today in Manitoba where we've got administrators and students alike talking about the

fact that they're losing their best-qualified staff to other universities who are approaching them. They're losing highly specialized, highly educated people to other universities on the matter of post-secondary education. There was a day in the history of Manitoba when the University of Manitoba was regarded as western Canada's premier university. That was a great time in the history of our province. It was a Conservative government that established the agricultural college that led to the eventual establishment of the University of Manitoba. It was the leading university in Canada in its heyday.

Mr. Speaker, we've got other great institutions in Manitoba. We have, in the University of Winnipeg and Brandon University, two outstanding institutions, institutions that have the potential, under the right policy framework, to become gems among the small universities in Canada. Many Canadians think about state universities like StFX and others like it, which are outstanding smaller universities in our country which provide a first-class education in liberal arts, in areas like basic sciences and so many other important specialized and general areas of education within their respective provinces. We've got the potential to create great smaller universities here in Manitoba. The problem is that the government has enacted a policy framework that, on the one hand, caps tuition and, on the other hand, doesn't meet the needs within those institutions with appropriate levels of public funding.

Mr. Speaker, policy choices have been made in other jurisdictions, Ireland being an example. In Scotland and others decisions have been made to hold tuition down or to eliminate tuition altogether. But the difference between those places and Manitoba under this government has been the governments have made the conscious decision to invest the resources required to create world-class post-secondary institutions. You can't have one without the other. You can't have the level of underfunding from the public sector coming at the same time as funding is reduced on post-secondary education.

\* (16:30)

The Premier (Mr. Doer) is talking about demographic trends in the 1990s when there was a decline in the university age population. That's fine; I mean, that's not a disputed fact. There was certainly a decline in university age population in the 1990s. Enrolment went down in every university in the country during the 1990s. You've got fewer people;

you've got fewer students, Mr. Speaker. I'm not sure what part of *Boom, Bust & Echo* the Premier hasn't read yet, but it's a pretty standard trend across the country.

So, Mr. Speaker, the Premier with all the spoils of the transfer payments—I know that the Premier has an issue with tuition. I know he had challenges of his own repaying his student loans, and I guess Harper didn't give him enough money to pay off his student loans. In any event, we know that our post-secondary institutions where they've been successful in other countries, it's been because governments have made the choice to make them a priority, and you don't need to just take my word for it. Take the word of people like Lloyd Axworthy and Eموke Szathmáry and Lou Visentine, presidents of our three Manitoba universities, who have very eloquently laid out the case against this NDP government for their lack of attention to post-secondary education at the same time as they try to look like heroes for the tuition freeze but fail to follow through and put their money where their mouth is when it comes to excellence in post-secondary education.

So, again, Mr. Speaker, massive increases in spending and universities falling behind. So 10th out of 10 in health care. We've got universities that have fallen in their rankings across the country relative to other universities, and this is a shameful legacy. We have a budget today that barely deals with the issues and concerns of our post-secondary institutions.

Mr. Speaker, we've seen so many other examples of spending without results. We've seen \$50 million wasted, \$50 million in overspending on the floodway expansion project because the government decided that they would put their political friends ahead of the taxpayers of Manitoba. They made the decision to impose a union agreement on the floodway that chilled—there was forced unionization that chilled the bidding process, that drove legitimate bidders out of the process for working on the floodway. They cost Manitobans \$50 million. That's \$50 million we'll never get back.

Mr. Speaker, we have seen under this government now eight budgets, and we've seen under this government a lack of results for all of the spending. We couldn't agree more with the *Winnipeg Free Press*.

One of the most troubling stories that we've seen under the watch of this government has been the explosion in criminal activity here in Manitoba that's taking place. If anybody had moved to Winnipeg in

the past four weeks, if they'd come here from some other place and had started reading the front pages of our newspapers, they would be wondering what they had done. It's a horrifying story. We see examples of somebody shot while sitting in their vehicle at the side of the road. We see sexual assaults. We have seen over this period of time home invasions of Crown prosecutors. We have seen joggers run over, Manitobans simply out trying to get some exercise on our streets, who for every good reason would have had the right to believe that when they went running or walking down our streets would be free from the threat of being hit by a vehicle. We were all shocked by those events and troubled, and we see an absolute lack of commitment under this government to dealing with the issues of crime in our community.

Now, Mr. Speaker, we know that the Hells Angels moved into Manitoba in 2000 under this Premier's (Mr. Doer) watch, because they know—

**An Honourable Member:** It's in the book.

**Mr. McFadyen:** Well, it's in the book. There's a book written by an expert on organized crime in Canada that refers to the fact. It's been tabled before. The Premier doesn't like this fact, which is why he chirps from his seat. But the Hells Angels moved in under his watch. Mr. Speaker. The Hells Angels looked around the country and they looked at the NDP Manitoba advantage, and they said they decided to come and set up shop here in Manitoba because they knew a government that was open for business and soft on crime when they saw one. There's not a person in this province who believes that this government has been effective in fighting crime and that's why, like health care, they got a failing grade from Manitobans in the recent Probe Research poll, which indicates that a strong majority of Manitobans believe that crime has gotten worse under this government's watch, under the past four years.

Now, they pay lip-service to it; certainly we've had a lot of announcements. We saw just about under two weeks ago this government's seventh annual war on auto theft, Mr. Speaker. It's the seventh annual roll-out, the news conference when they pretend to be concerned about auto theft. They issue news releases, they get a headline and then they move on to something else. I don't know what it is they move on to, but they go back to sleep and they go back to playing politics. They put all of their energy into playing politics, getting front-page stories just like that famous news release that generated those great

headlines back in 2001. I think it was Costas Ataliotis who said, quote, "I want to personally thank the Premier for his great leadership in arranging financing for Maple Leaf Distillers." That was one of my favourite news releases coming out of this government, and we're just waiting for the Hells Angels to issue a news release saying that they too want to thank the Premier for providing such a soft spot for organized crime here in Manitoba.

So they move from one problem to the next. They issue a news release, they try to convince Manitobans that they've solved the problem, and the problem doesn't go away; it just gets worse, Mr. Speaker. So, in all of these areas—health care, crime, education—we've fallen behind even as this government has increased spending by record amounts. It's a record of lost opportunities, a record of spending without results.

Now, Mr. Speaker, we also know that the government has suddenly woken up to the fact that we've got infrastructure problems here in Manitoba. They've been swimming in federal cash for seven years, and they finally got around to issuing some big announcements just as bridges are being closed because they face the threat of imminent collapse. That is the point, that is the lack of a vision, the lack of long-term planning, the lack of care that has gone into infrastructure here in Manitoba.

So, Mr. Speaker, it's a record of disappointment; it's a record of spending without results; it's a record of trying to look good spending the money of others. Certainly, there are some skilful politicians, we will acknowledge, on that side of the House. The spin doctors are skilful, and we will acknowledge that. They've done a good job of generating headlines and government taxpayer-funded advertisements over the years.

Now, Mr. Speaker, we have also seen the—*[interjection]* There's some good stuff there.

Mr. Speaker, there are so many examples, the Member for Arthur-Virden (Mr. Maguire) has a list that's about five pages long and it's hard to know even where to go next. Let's just go to the issue of the management of Manitobans' tax dollars when it came to the issuance of tax credits for labour-sponsored investment funds in Manitoba. Let's take a look at the value for money, or lack of value for money that Manitobans have gotten in the period under this government's watch on labour-sponsored

venture capital fund tax credits, in particular those issued for Crocus.

\* (16:40)

We think, certainly, ENSIS has a very good and a very different track record, but the Crocus Fund, as we know, has been an unmitigated disaster. What we didn't know was that this government was hiding the fact that it was an unmitigated disaster going all the way back to November of 2000.

This is one of the most disappointing and one of the most shameful elements of this government's record over the past seven years. We've raised the issue of the false statements contained in the Finance Minister's budget in 2003, when he claimed that Crocus was doing a good job of investing in Manitoba's economy, when that same minister and that same Premier (Mr. Doer) had received information indicating that Crocus was no longer in a position to invest in the Manitoba economy and was simply using the money from new investors to pay off old investors. It was a classic Ponzi scheme, Mr. Speaker, as it has been described by many people who are experts in this area, and 34,000 Manitobans have paid the price. But it is not just those 34,000 that we have concern about. All of us as taxpayers in Manitoba are today at risk in a \$200-million lawsuit. It is a \$200-million lawsuit. The lawsuit claims \$200 million. *[interjection]*

Mr. Speaker, the Attorney General, who is supposed to be the lead lawyer for the Province of Manitoba, from his seat is indicating he doesn't know what the amount of the claim was in the class action lawsuit. I guess it's because he is so constantly being sued and he is facing so many class action lawsuits, he can't keep them all straight anymore. I better be careful what I say. He may get Tony Marques to send me a letter after I get out of the House—I know they don't like being criticized—Tony Marques, no relation to that other Marx that they like so much, by the way, but Tony Marques, who is threatening members of the Legislature with defamation letters because the government doesn't like being criticized. I guess that is just the risk all of us run in trying to hold this government to account for its shameful record.

But the fact is, Mr. Speaker, that when it comes to the Crocus matter we had a situation where \$100 million, current estimate, has been lost by

34,000 Manitobans. There is a \$200-million lawsuit. I want to just break it down for the Attorney General because he may not understand how the claim works. The way it works is that there is a \$150-million claim for compensation. We think it's probably too high, but the lawyers are not taking any chances, and there is a \$50-million claim for punitive damages. The punitive damages relate to a claim on behalf of these 34,000 Manitobans that this government has acted in an arrogant and high-handed manner when it comes to the management of the Crocus Fund issue. Now, I don't think that there has ever been a government in the history of our province that has been so arrogant, so reckless and so negligent that they've brought on a \$200-million lawsuit, a lawsuit that puts in jeopardy the well-being of Manitobans.

Mr. Speaker, \$200 million is not pocket change, as we know. All of us, as Manitobans, are in the face of this lawsuit—*[interjection]* The Premier says from his chair that he could sue me tomorrow and nothing would surprise me, the intimidation tactics that this government attempts to use, and the fact is nobody buys it anymore. The phony huffing and puffing and the mock indignation that this Premier has perfected is wearing thin. People are catching on to the shtick. It was a pretty good act for a few years, but it's not working anymore.

Now, Mr. Speaker, coming back to this very important issue of the \$200-million lawsuit. We know that there is interest running on this lawsuit today at the rate of about 5 percent in prejudgment interest, which means that Manitoba taxpayers are on the hook for the potential of millions of dollars in additional payments in interest on the claim that's been brought forward by Crocus shareholders. Now, if this is how they define responsible management of our public resources, then it is a shameful attitude that this government brings to their responsibility to Manitobans.

Mr. Speaker, the government could have chosen a different course. They could have chosen a different course when it came to Crocus. The course that they could have chosen would have been to call a public inquiry immediately upon the collapse of the fund in 2004 instead of having class action lawyers from Vancouver—not even Manitoba lawyers—class action lawyers from Vancouver stand to collect a contingency fee that is likely in the range of 25 to 33 percent of the claim. That's the typical range for contingency fees. These are the same lawyers who

represented hep B plaintiffs in that class action lawsuit. They collected contingency fees in the range of 25 to 33 percent of the claim.

Mr. Speaker, these plaintiffs' lawyers stand to take from Manitoba taxpayers, if they're successful, potentially in the range of \$50 million in fees, \$50 million. So the Premier worries about lawyers making money off of government decisions. Well, the lawyers that are going to cash in as a result of his government's negligence are Vancouver lawyers on contingency fees, and it could have been avoided if they'd had the courage to come clean when they had the opportunity two years ago.

When the fund collapsed in 2004, the government had an option. They had the option to say, we are prepared to come clean. We're prepared to tell what we know. We're prepared to go under oath and tell the truth. We're prepared to disclose all the documents that are required so that we can find the facts and do what is right.

Mr. Speaker, the government has put us in this position. They could have avoided the lawsuit if they were prepared to be honest in the first place but because of their dishonesty, because of their deliberate cover-up with respect to Crocus, because of the stonewalling, because of their refusal to call an inquiry, the plaintiffs were put in a position of retaining lawyers and suing the government. This is the position that we find ourselves in today.

So now, given the injustice that has been done to 34,000 Manitobans, given the legal risk that has been created, the government has a responsibility to disclose the facts immediately, to do it through a public inquiry and be honourable, negotiate a tough but fair settlement with those 34,000 Manitobans who have lost because of this government's negligence. Let's stop the losses. They have a chance to stop the losses today, to get the facts, to minimize—we're in a situation today where, because of the government's negligence, we are in a position—the only responsible thing to do is cut our losses. The only way to cut our losses is by coming clean, being honest with Manitobans, and a good starting point—

**An Honourable Member:** We don't have any losses.

**Mr. McFadyen:** I'm not sure—now this is the same Premier who said we have zero patients in hallways has just said from his seat that we have zero losses on the Crocus matter, Mr. Speaker.

The receiver has indicated that Manitoba investors have \$100 million in losses. So, if he says that the losses on Crocus are zero, when in fact they're \$100 million, and he says that the patients in hallways is zero, does that mean we have 100 million patients lying in the hallways of Manitoba hospitals? Because the Premier is so far removed from reality in terms of what's going on in this province and under his watch, we cannot rely on a thing that he says, quite frankly, and that is extremely disappointing.

\* (16:50)

Mr. Speaker, we are, as a province and as taxpayers, put in jeopardy as a result of this government's negligence. It's up to them to do the right thing by coming clean, and a good starting point for that might be if the Premier would indicate what role he played with respect to the Maple Leaf Distillers' transactions. I wonder if the Premier wants to discuss the 529 gang that got together to talk about financial transactions between Crocus the Government of Manitoba and Maple Leaf Distillers. I wonder if he wants to share the discussions and the negotiations that led up to the famous Maple Leaf Distillers news release where Costas Ataliotis praised the Premier for his leadership on the matter of putting money into Maple Leaf Distillers.

So we have a situation today, Mr. Speaker, where Crocus shareholders are on the hook for losses because the government stepped in line ahead of Crocus shareholders in the dissolution of Maple Leaf Distillers. So he talks about the government getting in line first. You know who else was in line first at Crocus? Who got in line first at Crocus? Solidarité. Does anybody remember an organization called Solidarité? You may recall Solidarité, the employee—the pension fund managers from Québec came in to Manitoba with a phony bailout disguised loan to Crocus in order to stave off the impending liquidity crisis.

Now, Mr. Speaker, there are certainly important questions about that Solidarité transaction. Ten million dollars infused. Described at the time as an equity investment with a view toward fooling Manitobans into thinking that Solidarité had confidence in Crocus, and so that people should invest in Crocus, because why else would you make an equity investment unless you believed in Crocus, when it turns out that it was a phony disguised loan? That loan was given with a high rate of interest and security that ranked ahead of the regular Manitobans

who invested in the Crocus Fund. Hardly a sign of confidence. In fact, the exact opposite.

It was akin to a payday loan, Mr. Speaker, provided to the Crocus Fund with security ranking ahead of those regular Manitoba investors, 34,000 of them who in good faith believing that they were doing a good thing for their province; 34,000 of them believing they were doing a good thing for their province, who were put the last in line by this government who put Solidarité, the big Québec fund, in line ahead of them. Put their own government loans ahead of Crocus shareholders in order to try to spin Manitobans into thinking that they were good managers on the Maple Leaf Distillers transaction.

Another good place for the Premier (Mr. Doer) to come clean would be on the issue of his role with respect to several other transactions, including the sound stage transaction, Mr. Speaker. There's another interesting one that Manitobans would love to know more about in terms of his personal role as the main financial decision maker for this government.

Now the Premier's hurling personal insults again from his seat, again as the longest-serving premier in the country, the dean of premiers, the new Ralph Klein hurling personal insults from his seat simply because the opposition's attempting to hold him to account for his own role in the Crocus scandal.

Now, Mr. Speaker, Manitobans would like answers to other questions. They would also like to know about the various certificates that were signed by the Crocus Investment Fund over various years, certificates that indicated under The Manitoba Securities Act that the prospectus contained full, true and plain disclosure of all material facts related to Crocus, signed by Robert Hilliard, Director; Peter Olfert, Director; Janice Lederman, past President of the NDP, Vice-President Corporate Development, and many, many others.

Here's the one from 2003, two and a half years after the Premier and his Cabinet were warned about problems at Crocus. Here's the certificate that was signed by John Clarkson, his government's appointment to the board of directors of Crocus, Mr. Speaker, his government's appointment to the board of Crocus, signing under part 7 of The Securities Act that the prospectus constitutes full, true and plain disclosure.

So, Mr. Speaker, we have a sad record of mismanagement. We have a record of overspending, we have a record of Manitoba taxpayers being put at

risk as a result of the mismanagement of this government and their refusal to come clean, their refusal to do justice for those 34,000 Manitobans. We, in looking at this budget, see more of the same. We've seen eight budgets now from this government and, frankly, eight is enough. We've seen in this eighth budget from this Premier and the Minister of Finance (Mr. Selinger) a smattering of initiatives but no directed effort to deal with the major challenges of our day. Unlike the leadership shown by past premiers of Manitoba who took on tough challenges and made tough decisions and made bold statements and took bold initiatives under different budgets, we have a budget today that spreads crumbs around the province.

Now, Mr. Speaker, this budget reminds me of a really bad buffet. I don't know if you remember Uncle Willy's Buffet. Forty feet of fabulous food was the way they used to advertise it, and I remember as a kid going there. I think I was about a first-year university student right around the time that the Premier was a minister in the Pawley government. You know, there were individual items on the buffet that looked pretty darn good, and there are some individual items in this budget that look pretty darn good. Just like Uncle Willy's Buffet. Forty feet of little morsels. Some of them look pretty tasty. The problem is when you try to digest the whole thing it leaves you with a bad case of indigestion.

We know, Mr. Speaker, there are some things in this budget that we like. There are some things in this budget that we support. We think it's time to move on with the clean-up of Lake Winnipeg, and we are glad that they've finally acknowledged it. After seven years of neglect, they've finally acknowledged it.

We think it's time to move ahead with the redevelopment of the Victoria Hospital, Mr. Speaker. We're pleased to see, after seven years of phony announcements, what appears to be a budget commitment to move ahead on that project. We're pleased to see initiatives for women's health, movement on an idea that we had put forward a number of weeks ago on vaccinations for young women to help prevent the onset of cervical cancer later in life. There are good things in this budget. There is a range of initiatives here that we look forward to supporting when the time comes.

I can tell you, Mr. Speaker, that I want to say that the government has done things—new pension income-splitting measures following on what the federal Conservative government has done. This is a

good measure, and we support it. A rebate for environmentally friendly initiatives in the purchase of hybrid electric vehicles: a good initiative, our idea, we support it.

The small-business tax reduction, Mr. Speaker, it's slow, it's piecemeal, but it's moving in the right direction, and we support it.

Mr. Speaker, the expansion of the Northern Healthy Foods Initiative, supporting family and community gardens. We know, and I know from my travels in the north, the cost of food is prohibitive and has a tremendous detrimental impact on the well-being of people in our northern communities. We support efforts to make food more affordable for our northern residents.

We see a funding increase of 7 percent for universities and colleges, a little tiny step to try to rectify seven years of neglect, seven years of neglect of our universities, Mr. Speaker. But it is a step in

the right direction, and we support it.

Mr. Speaker, we see in this budget, a major renewal initiative of the Manitoba Museum. We see promises of capital improvements at the Winnipeg Art Gallery and we see promises of a new partnership of the Royal Winnipeg Ballet. Good initiatives, and we support them.

We see public libraries for Selkirk, Swan River and other places around our province. Good initiatives, Mr. Speaker—

**Mr. Speaker:** Order. When this matter is again before the House, the honourable Leader of the Official Opposition will continue as he has unlimited time.

The hour being—*[interjection]* Order. The time being 5 p.m., this House is adjourned and stands adjourned until 1:30 p.m. on Tuesday. Have a good weekend.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 5, 2007

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