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LEGISLATIVE ASSEMBLY
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RESPONSES TO QUESTIONS AND ORAL QUESTION PERIOD
(PRELIMINARY PROCEEDINGS)

FOR

FRIDAY, 21 NOVEMBER 2014

Responses to Questions Taken As Notice

Speaker: The hon. Minister of Transportation and Infrastructure Renewal.

Highway 2 intersection (further)

Mr. Vessey: Yesterday, Madam Speaker, in Question Period, I was asked a question by the Member from Tracadie-Hillsborough Park on the Northridge intersection on the St. Peters Road.

A little information I got from the chief engineer yesterday. It is in the capital plan to have an overpass put at the intersection of St. Peters Road in the bypass, and then we will be able to construct a roundabout at Northridge Parkway, and that will develop the flow of smooth traffic in there. We'll be taking the lights out at the intersection that are currently there, Madam Speaker.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Minister of Community Services and Seniors.

Home repair program (further)

Ms. Docherty: Madam Speaker, yesterday the hon. Member from Souris-Elmira had been asking some questions about the home renovation program, and one of his questions was in regards to how many applications were received on the first day.

My response was something like 561. Actually the number of applications that we received on the first day was 531 applications of a total of 643 received that whole week.

Thank you, Madam Speaker.

Questions by Members

Speaker: The hon. Leader of the Opposition.

FEMA minister's London trip (further)

Leader of the Opposition: Thank you, Madam Speaker.

Question to the treasurer: Did you figure out who paid for your gambling junket to London yet?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

As I spoke about yesterday, a number of times I'll make trips, different locations, paid by other groups. In this case, very much was the case, this was the gaming initiative that we worked at for a number of years that we're in partnership with the Mi'kmaq Confederacy run through a group of consultants, and that indeed is where the numbers are that the hon. member is looking for. Not disclosed because they're not taxpayers' dollars.

Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

I just want to reiterate, then, what you told the House yesterday and you told us again today, that it's quite common to have other groups pay for a minister's travel. So you stand by that statement?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

As I laid out yesterday as examples, I went up to Toronto to speak to CARP, the Canadian Association of Retired Persons, to talk about my CPP plan that I put forward to our finance ministers. Did the same thing with the Canadian Labour Congress. Did the same thing to go to Boston to talk about the pension issue.

Each of these organizations pay for the associated costs that would be for ministerial, for deputy ministers, bureaucrats, to go and speak on a certain subject matter, so this is common practice. When it is the business that's initiated by my office, for instance, of course it would be on

the taxpayers' bill and therefore disclosed inside my quarterly numbers.

Thank you very much, Madam Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

The funny thing about the travel for CARP and the travel for the Canadian Labour Congress is that you included them on your ministerial disclosures, so both of those trips were on it. Do you find that strange?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Madam Speaker, very clearly, what happens in some cases – and this happens with my former deputy minister of finance when they go to lottery meetings.

When they go they're billed, we pay for the costs, and then they are paid back. That's what would happen in the case of CARP or for Canadian Labour Congress. Depending on whether they pay for your trip in advance or you pay for the things yourself out of our ministerial budgets, and then you'd see that we were reimbursed after the fact. That's what would happen in the case of CARP and the Canadian Labour Congress. We get the bills, submit them to the organization, and they reimburse us.

Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

For both of those trips that we're talking about in the minister's disclosure, it was noted that flight, hotel and other trip expenses were covered by a third party.

Question to the minister: What made your London gaming junket so special to warrant all this secrecy?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

As I had said, there's a number of trips that sometimes we pay for them in advance and some of them aren't. If they are not paid for in advance, of course they have to go on the disclosure and then we show where they're reimbursed. If they're paid for in advance, then of course they don't go on our disclosure. There are no taxpayers' dollars advanced in this case so they wouldn't go on.

As I said, this entire trip to the ICE conference, where we were working at this initiative for a number of years, it was all paid for under the initiative.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

For the paid trips that you did happen to come clean on on your disclosure you were the guest speaker at both events.

Question to the minister: Were you also a keynote guest speaker at the international gaming conference that you attended in London?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: No, Madam Speaker.

We were there trying to initiate some different business with the proponents that we needed to organize the entire platform that we would be looking for to take on this gaming initiative on Prince Edward Island. As I've said many times in this House, there are billions of dollars going offshore across Canada.

Now, this was a level of discussion at the 2010 finance ministers' meetings, at the 2011 finance ministers' meeting, again in 2012. We need to find a way to regulate, police and tax this industry. We can't continue to put our heads in the sand and pretend this issue is not here. In a time of tight financial situation all of us have to be

looking for best ways to ensure that our constituents are covered, that they are protected inside regulated performance by provincial and federal forces.

This is an issue that we're all working at. Right now we have all turned it over to our lottery corporations and we're hoping to see some real work and progress made this year.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

The minister says that he wasn't a guest speaker at this conference, which was all I really asked. So he wasn't a guest speaker at this conference, but the two that he did disclose to the public he was a guest speaker at.

Were you a secondary guest speaker at this event?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

This is a conference that takes in probably 1,200 participants. There would be hundreds of exhibitors. These are gaming companies. These are people that have gaming platforms. This is software companies that are all there engaged in this multi-billion dollar industry. It is much like a home show at the Civic Centre.

We're there discussing a number of issues with a number of proponents and looking to establish a gaming initiative here on Prince Edward Island. There are millions of dollars at stake for the Province of Prince Edward Island, and we have to make sure that we are regulating, policing and taxing different activities to protect constituents of our province.

Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

So the minister wasn't a speaker at the London conference, and I guess we already knew that.

Question to the minister: Who did you meet with on your secret London gaming junket?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Again, the Leader of the Opposition is trying to make a story out of something that is not here. This is a gaming initiative that we have talked about many times in this House, we've talked about in the public with the media, one that has to be addressed. We have to find solutions.

To this point, there are Criminal Code issues federally that have to be addressed so that we can actually bring these gaming companies – and there are a number of them that are good corporate citizens. We look at the Mats Sundin PokerStars, for instance. These are corporations that actually advertise inside our country, but they do not have any funds, any of their gaming funds, come in to the coffers of federal or provincial governments and they are unregulated by our provinces or our federal government.

In order to do that that Criminal Code change must take place, Madam Speaker, and we could therefore put them on our sites, make sure that the gaming that's taking place will be policed, regulated and taxed.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

The minister doesn't want to tell the House who he met with. It seems to be an awful big secret here. He's got an awful big secret. It seems like this minister's got a really big

secret. I think we know he's got a really big secret.

The minister says there's nothing wrong with the secret trips abroad to London being paid for by gaming companies.

Question to the minister: Do you think Islanders, who are struggling to put food on their table, to put oil in their oil tanks, agree with you?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Again, Madam Speaker, the taxpayers of Prince Edward Island did not pay for this trip, and that's the point that the opposition leader is trying to make here.

I'm saying to you that it did not come from taxpayers' money. That's why it is not put down on my disclosure. It is paid for through our gaming initiative project monies. This was something that we worked diligently toward, finding a solution to make sure we could do this.

This is not paid for by a gaming company. If it was, if they're a legitimate company that we could have brought here and is set up and done business with, so be it. But it's not the case. It was financed through our project dollars that we were trying to make this work.

The opposition leader should be on side with these types of initiatives when we're looking at development inside our province that would bring millions of dollars into our coffers so that we can do exactly what he's saying: to make sure there's oil in people's tanks, to make sure that we have the best in hospitals and education systems. That's the type of government that we lead over here.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

What I do know is this minister has a really big secret. He's got a really big secret.

FEMA minister and *Conflict of Interest Act*

He thinks it's okay for trips to be paid for by somebody else to take him to London. He thinks that Islanders think that that's okay.

Question to the minister: Is this minister familiar with the *Conflict of Interest Act*?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

If I could, just so that the public and the people in the gallery, people watching at home, are very clear, there are no secrets here. We've made this all very clear from the beginning.

Leader of the Opposition: I tabled the report (Indistinct).

Speaker: Order, please!

Mr. Sheridan: Madam Speaker, the Mi'kmaq Confederacy came to us in our first year in our first mandate and we had very good talks with them at that time.

They were looking to have a piece of the revenue of our gaming, as many other First Nations do in other provinces. Of course, they don't want to give into the actual revenues we have today, so they were looking at new initiatives, one of which was e-gaming.

So we started at that time. In a relationship with the Mi'kmaq Confederacy, we brought in consultants that we thought would help out in trying to garner a solution to this issue that I'm speaking about here today. None of this is a secret. For three years we looked at what proponents we would need to bring this to a reality here on Prince Edward Island. We worked diligently with the federal government, as I said. Three years in a row it was on the agenda with the finance ministers of Canada, including the late Mr. Flaherty.

This is a big issue and we worked very clearly, very openly and transparently on this. There are no secrets attached to this whatsoever. This gaming initiative was run

through the consultancy with the Mi'kmaq Confederacy. All the dollars that were associated with the trip that the member is speaking about are very clearly inside this gaming initiative. There are no secrets attached.

Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

Speaking of a big issue, Section 13 of the *Conflict of Interest Act* states that a minister shall not accept a fee, gift, or personal benefit that is connected directly or indirectly with the performance of a member's duty of office.

Question to the minister: Are you familiar with this section of the *Conflict of Interest Act*?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Of course, I am very familiar with the conflict of interest and I meet with Neil Robinson each and every year with regard to this very clearly.

What we have to be clear here on the floor, for everyone to hear at home is that the work I was doing on this initiative was for the goodness of all Islanders. Number one, to protect their interest in plain and a regulated space. We have thousands of people on Prince Edward Island, and hundreds of thousands playing across the nation, on non-regulated sites, many of which are very good corporate citizens. No question about this. So we must find a way to regulate, police and tax that.

There was no personal gain whatsoever on these trips. This is for the good of Islanders to protect their interests and, of course, bring new monies in for hospitals, schools and transportation.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

So this minister decided to not disclose this trip to Islanders. He didn't disclose it in his personal disclosures. So he accepted a trip.

Section 13 of the *Conflict of Interest Act* also requires you to file a disclosure statement with the Conflict of Interest Commissioner within 30 days of receiving a benefit greater than \$500.

Question to the minister: Did you comply with that requirement under law of your secret London gaming junket?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Madam Speaker, all we have to do is to relate this back to any of the other trips that I was talking about through CARP, the Canadian group for retired persons, for the Canadian Labour Congress.

Those trips are for the greater good of my population, the population of Canada. We're talking about Canada Pension Plan. In this case we're talking about a gaming initiative that would provide coverage of our individuals here that play online and provide dollars for programs like health care and education. Very clearly these are not trips, neither the ones for CPP or for the gaming initiative, that benefit this minister whatsoever. This is for the greater good of the population, and if you looked at the conflict of interest laws it very clearly states when it's in the interest of the population I am nowhere near those files.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: I can't believe he just said that. I can't believe you just said it.

You have to disclose when you travel for business. You did with CARP, you did it the labour congress. You didn't do it when you snuck away to London. You didn't do it. So

you have to disclose it through the Conflict of Interest Commissioner because somebody else paid for you to go there.

Question to the minister: Did the total tally of your secret trip to London exceed the \$500 minimum that the conflict of interest states?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Again, just for the clarity of the House, for those that are listening at home, there are two ways in which this happens. Some trips, we pay for it up front through the department. This happens for ministers, deputies and bureaucrats right throughout the system.

If you are being paid for by another source to go and speak, to present, to be part of a discussion, and are paid, it appears on our disclosures and then we're given the money after the fact. If in fact they pay for you up front, of course it's not put on disclosure because there are no taxpayers' dollars associated with it.

That's the only reason it doesn't appear on the disclosure. It has nothing to do with what the hon. member is speaking about.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

The minister knows that he has to disclose his trips through their own government policy or through the *Conflict of Interest Act*. There's one or the other and he has to disclose them.

What he's saying here is not the case. He absolutely has to disclose these trips as he did with CARP, as he did with the labour congress. That's why, because it's government policy. Either that or he accepted a free trip, which it appears that he did, and did not disclose it to the Conflict of Interest Commissioner.

Question again to the minister: Did your trip exceed \$500?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

The hon. member is trying to paint a picture of a trip being paid for by a third party that I personally had some stake in, that it was my trip. This is simply a business trip. Business development for the island of Prince Edward. This is what we do. We're on business trips to make sure that we can make this the greatest place in the world to live. That's what we're doing. We always are looking for ways to better finance education and health care on Prince Edward Island, and that's exactly what took place here.

Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

As the minister doesn't seem to want to answer it, let's figure it out for him. Between the flight, your hotel, the conference fees, the meals, your odd expenses that would come along with it, there's no question you racked up over \$500.

Question to the minister: At any time in the last two years did you file a disclosure statement with the Conflict of Interest Commissioner with regards to your secret London gaming junket?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Again, let's be very clear, there is nothing secret about this trip. This is a very open business development trip. We're there trying to establish a gaming initiative on Prince Edward Island and this is the only reason that we're going there. There is nothing for this minister to be gained from it, and, of course, there's no conflict of

interest. This is paid for by the gaming initiative of Prince Edward Island.

What we were trying to establish here was something very special that every province in this nation is trying to find a solution for. We're getting closer through a number of initiatives through Quebec and Ontario. Quebec has just released a major report, and they are suggesting that we do exactly what we were trying to achieve here on Prince Edward Island, and that is to bring in four or five of the most reputable firms, bring them in, regulate them, police them and tax them. Then, of course, we get the goodness of what's taking place from these good reputable corporations, as I said, such as PokerStars, that would transmit many millions of dollars into all of our coffers.

Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

Question to the minister: Do you feel like you're above the law?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Very important that the hon. member brings this forward. That's exactly what we're trying to do is to bring these corporate giants inside the law of Canada and Prince Edward Island.

Very important that we do it for two reasons: one, we have to protect those who are playing on unregulated sites, and it's happening every minute of every day, so if we bring them inside and they're playing inside a regulated site, we can protect their interest, we can make sure they do not lose their money, we can regulate each and every bit of it, we can police their activity, and we can collect tax on every one of these transactions. That's very important.

As equally important is that we can take these millions of dollars and we can make sure that we can have the doctors that we're

looking for, we can make sure that we can have the number of teachers that we think are appropriate.

Those are the important decisions of the day and that's what we should be talking about here in this House.

Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

It looks like this minister needs to get his house in order because his spin is writing cheques that, quite frankly, facts can't cash.

Simplex report re: gaming

Question to the minister: Have you read the Simplex report prepared for you as part of your online gaming gamble?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Very clearly what we need to do here is to make sure that the innuendo is gone, that this is fully out here for everyone to see.

We had an established relationship with the Mi'kmaq Confederacy of Prince Edward Island to try to establish an online gaming initiative here on Prince Edward Island. We talked to many proponents to try to make this a reality.

Simplex International was commissioned by the Mi'kmaq Confederacy, as we talked about in this House before, to put forward a report on a platform which we would require to house the PokerStars of the world. Simplex International is already in that realm. They were in that realm.

So it's very important that we have the actual facts out here. Mi'kmaq Confederacy commissioned this report. It was part of what we were trying to establish. What the hon. member is mixing up is a company called CMT, Capital Markets Technologies, which has no affiliation with Simplex

International whatsoever, no affiliation with our gaming initiative, and they have an order placed upon them for securities breach here with the commission on Prince Edward Island and now in Ontario.

The two of them are not mixed.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

Speaking of mixing up facts, what I'm talking about is a Simplex report that was prepared for you, and the actual facts are it was prepared for you.

On the front cover of the Simplex report, in the title, it states: Prepared for the Prince Edward Island Government.

Question to the minister. Do you stand by your statement that this was not your project?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Yes, Madam Speaker, very clearly and again, let's get the facts on the table very clearly.

This report is commissioned by the Mi'kmaq Confederacy of Prince Edward Island. We're not denying that we were part of this. Very clearly they approached myself and my former deputy minister of finance, Paul Jelley, in the first year of our first mandate. For three years we worked at this.

Simplex International put the Province of Prince Edward Island's name on the front of the cover of that report because that's where the initiative was taking place. Mi'kmaq Confederacy of Prince Edward Island has paid for that report and was commissioned by them. That's how this all took place. We talked about this a year ago in the House and the facts remain the same as they were then. It's exactly as we proposed.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

This is quite a hole the minister's digging for himself because on the front cover it says: Prepared for the Prince Edward Island Government. The inside cover of the Simplex report, it contains the wordmark of government and the other partners that were involved. Simplex as the creator of the report and the provincial government as the recipient of the report.

Question to the minister. Are you sticking by your story that you weren't the key player in this?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

As I've said many times in this House and in the media, I was part of this initiative. I'm not hiding anything here.

This is an initiative that is very important for Canada and Prince Edward Island both on a financial basis and a security basis for our constituents. There are thousands of people that play online every day on unregulated sites. We must find a way to protect those people, and at the same time we can regulate it and police it. We can also tax it. I make no bones about the fact that we work very diligently to try to find a way in which to bring this gaming initiative to Prince Edward Island so that we could give a boost to education and health care in our province.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

I know the minister's probably not familiar with government policy on use of the provincial wordmark, and I'm going to tell him. The policy clearly states that the provincial wordmark may not be copied, reproduced, altered or distributed for use or

otherwise used in whole or in part in any manner without the government's written permission.

Question to the minister: Did you authorize the provincial wordmark to be used in the Simplex report?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Again, trying to make an issue out of something that doesn't exist.

Let's be very clear. This report was commissioned by the Mi'kmaq Confederacy of Prince Edward Island in connection with initiative that we were clearly associated with. I'm not denying any of that. Very clear. We worked for a long period of time at this, three full years to try to bring this to fruition, but unlike or much like every other province in this nation we haven't been able to find a way to bring this home.

Right now we have turned it over to our lottery corporations right across this country. Atlantic Lottery is talking to Ontario lottery as well as Loto-Québec. We're trying to find a solution. It is long enough that we have been burying our heads in the sand with regards to this issue and we have to take a stand. We did all we could to make that a reality here in Prince Edward Island.

Thank you.

Speaker: The hon. Member for Charlottetown-Lewis Point.

Daycare at Beach Grove Home

Ms. Casey: Madam Speaker, my question today is to the Minister of Education and Early Childhood Development.

Minister, a space has become available when the dialysis unit left the Beach Grove Home. Health PEI and the administration at Beach Grove Home have explored an innovative approach for learning by putting a daycare in this vacant space.

Would you update the House on this innovative, inter-generational project?

Speaker: The hon. Minister of Education and Early Childhood Development.

Mr. McIsaac: Thank you very much, Madam Speaker.

I am well aware of the request. We have, in our province, an excellent early years initiative program that came in in 2010 and we fund it very heavily, and it is meant for our young people to get, from the earliest days, the best start before we prepare them for kindergarten and for our school system.

Right now in the system we have 45 early year systems and we have 21 private centres as well. In the Charlottetown area at the present time there are approximately, I think, 49 to 50 empty spaces in those units. At the present time we do not see any need for another centre.

Thank you very much, Madam Speaker.

Speaker: A supplementary question, the hon. Member from Charlottetown-Lewis Point.

Ms. Casey: Minister, fewer children are growing up with grandparents, and emerging research shows there are great learning opportunities by pairing children and seniors in nursing homes, and I'm aware that there are many early learning centres, but this is an innovative project.

In fact, research shows when a kindergarten is located in a seniors' home students standardized test scores in reading improve, and medication rates were lowered in seniors and their quality of life has improved.

Will this innovative project, which will provide revenue to an otherwise vacant space, receive a reconsideration from your department?

Speaker: The hon. Minister of Education and Early Childhood Development.

Mr. McIsaac: Thank you very much, Madam Speaker.

Again, I think it's a terrific idea, the inter-generational piece, and we will certainly look at that when the other spaces are filled.

We do not want to jeopardize the early years centres that are there at the present time. We fund them heavily, and if there's a draw away from them to the new centre we may jeopardize their operations. We can't do that. But we're interested in looking at this new concept, I think it's a fantastic idea, and when time and numbers warrant we'll certainly give it a second shot.

Thank you very much, Madam Speaker.

Speaker: The hon. Member from Charlottetown-Sherwood.

HST exemptions

Mr. Mitchell: Thank you, Madam Speaker.

My question today is to the Minister of Finance, Energy and Municipal Affairs as well.

Minister, when HST was implemented back in April of 2013 the provincial portion of that tax was exempted from home heating oil, children's clothing and books. At that time there was much discussion on looking at future exemptions as we move forward.

I'm just wondering, in the department, what work has been going on looking at new exemptions maybe, and in particular, exemptions on electricity rates on Prince Edward Island?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Indeed, that is a very good question for House discussion.

When we looked at the harmonization of the sales tax, it was very clearly to make sure –

Mr. LaVie: (Indistinct) good questions all day.

Speaker: Order, please!

Mr. Sheridan: – that we could level the playing field for business here on Prince Edward Island.

We talked at great length about what it would do for small business and the input tax credits that they would achieve, and it's come to fruition, clearly.

Last year we were third in the nation per capita in full-time job creation, 1,200-plus jobs created on Prince Edward Island, and a lot of them can be attributed to the harmonizing of the sales tax. So it has worked exactly as expected.

We have to, after two years, which will be spring of 2015, just a matter of short months away, to review what is paid for and exempted inside of harmonizing of the sales tax. The question from the hon. member is very significant.

One of the points, the shortfalls that were spoken about probably at the greatest length, was the electricity cost of domestic use. Domestic use is what we have to look at inside the department of finance. It is clearly one of our largest inspections on the harmonizing of the sales tax. I can tell the hon. member that we've done an awful lot of research, we do know what it costs now, and the full review will be going on during the budget process this winter.

Thank you very much.

Speaker: A supplementary question, the hon. Member from Charlottetown-Sherwood.

Mr. Mitchell: Yes, thank you, a supplementary to the same minister. Minister, could you maybe also ask your staff to review possible exemptions in regards to maybe gym and fitness memberships in light of recent reports on obesity and provincial diabetes, and as well as kind of a move of Islanders to get healthy as well?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Quite a coincidence that the member would ask that question. I just was talking to the minister of health about this very issue about three weeks ago. We brought it to policy board, which is a sub-Cabinet committee

that looks at this whole incidence of overweight Islanders. One of the issues that came up was the harmonization of the sales tax and was it having any impact on people buying gym memberships and such. We had quite a lengthy discussion about it. It will stay at the top of the conversation ladder inside that one debate and we will keep it in our conversations.

Thank you very much for the question.

Speaker: The hon. Leader of the Opposition.

Simplex report re: gaming (further)

Leader of the Opposition: Thank you, Madam Speaker.

Mr. LaVie: (Indistinct) real questions.

Leader of the Opposition: We know that the government wordmark was on the document and if, as the minister says here, the Mi'kmaq Confederacy was driving this, question to the minister: Why does the report state that it was prepared for the provincial government and contain the provincial government word mark?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

As I stated earlier, this is put together by an international company. When they're doing the work for the Province of Prince Edward Island, knowing full well that we're the one that would have to make the changes that are registered within, very easy that they're going to put the name there.

I'm not saying for a moment that we're not involved. Simplex International is a very reputable firm, one that provides platform services for a number of companies around this world, including some of the biggest banks. Not an issue whatsoever. When they put the name Prince Edward Island on the front of it, I don't have an issue with that at all.

But what I'm saying to the members here is that it was paid for, commissioned by, the Mi'kmaq Confederacy. We're part of a full

contingent that was trying to have a joint project come forward and bring online gaming here to Prince Edward Island so that we could protect our constituents and put millions of dollars in the coffers of Prince Edward Island.

Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

Question again to the minister: If the Confederacy was in fact spearheading this project, can you tell the House why aren't they identified as the recipient of the report?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Again, as I just said, very important that it's the Prince Edward Island government that would have to bring forward these changes that are suggested inside this report. This is an international firm knowing who they're dealing with fully, with a group from Prince Edward Island. They don't determine between the Mi'kmaq Confederacy, Prince Edward Island government, and a number of consultants that have been working on this project.

With the name on the front of the report –

Some Hon. Members: (Indistinct).

Speaker: Order, please!

Mr. Sheridan: – it is insignificant and of no recourse. That is all that we're talking about in this case and we make no bones about that.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

The doubletalk is stunning. The doubletalk here is stunning. How could an international company not know the difference between a government of a province and a separate group? This minister is saying that an international company couldn't tell the difference. The doubletalk is completely ridiculous here.

If the Confederacy was spearheading this project, minister, why wouldn't their wordmark at least be contained in the report?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Again, the allegations that are coming from the other side of the floor – I've clearly laid out for you who makes up this group. We had a full gaming initiative for –

Leader of the Opposition: (Indistinct).

Speaker: Order, please!

Mr. Sheridan: – three and a half years. The Mi'kmaq Confederacy came to myself and my late deputy minister, Paul Jelley, and proposed this project. I'm not saying they spearheaded any harder than the Province of Prince Edward Island did after the fact. We're together as a full group and we were going to share revenues on this project.

There isn't anything that is hidden here. We did it very much in conjunction with the request from the Mi'kmaq Confederacy. I'm not saying that they spearheaded, as the Leader of the Opposition says. I'm saying that they were a full partner in this objective to ensure that we could protect Islanders and that we could bring millions of dollars to the coffers of Prince Edward Island to provide health care and education to our constituents.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

This minister did say the Confederacy was spearheading it. He said it was for them, that they were leading the way. This is what he told us.

Question to the minister: Yes or no, were you the driving force behind this project?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Madam Speaker, if I was the one that came up with the idea I would take all the credit for it.

This is not my idea. Did I work very diligently with the Confederacy on this? Absolutely. Hand in hand we worked at this for three and a half years trying to find a solution that has stayed away from anyone's solution across this nation and into the United States of America. This is something that we've all been struggling with for over 10 years.

When the Confederacy came to us with that idea we said this is something that is worthwhile. Where I first brought it to the finance ministers, it was in June of 2010 right here in our own province, and we talked about it at great length, and we talked about the billions of dollars that are going offshore. We talked about each of the provinces and how much they're losing.

This is an issue right across our country and yes, we worked at it diligently to find a solution. It did stay away from our final touch, but we've turned it over to our corporations to see if the lottery corporation can bring this thing home and make sure that we can protect the constituents of Canada and Prince Edward Island, as well as bring millions of dollars into the coffers of both of our constituencies.

Thank you.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

In that little soliloquy of his he said, first, he had nothing to do with it and then he had everything to do with it. In July of 2010 he

had everything to do with it, so I don't know which it is. No, wait, I do know which it is.

Gaming file

Question to the minister: If this gaming file was such a good news story, why all the secrecy?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

There is no secrecy. Please let that be known to everyone that's in the House today and everyone that's listening.

This is something that every jurisdiction across Canada and in the United States has been trying to achieve for over 10 years. This is something that has gone on unchecked. They are located in the Isle of Man, in Gibraltar, in all other kinds of jurisdictions, and they play inside our land.

They come in, play unrestricted, unregulated, and they take the cash offshore. None of it is taxed, none of it is regulated, and it is time that it stopped. It is time for us all to put our collective minds together, find a solution, and make sure we can keep those dollars here for education and transportation and health care.

Thank you.

Speaker: The hon. Leader of the Opposition.

FEMA minister's London trip (further)

Leader of the Opposition: Thank you, Madam Speaker.

Question again to this minister: If this file was such a great idea, why did you try to skirt the disclosure policy around ministerial travel?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Again, for the fifth time in this House today, there is nothing to be hidden here. There is nothing to be hidden on a disclosure. When a trip is not paid for by the taxpayers of Prince Edward Island – and in this case it's a gaming initiative that the Mi'kmaq Confederacy and the number of people that were working on this file – we had a gaming initiative. All of the expenses connected to that file – and I believe five of us went on that trip – all of it was paid for inside this initiative.

There is no personal gain for this individual, there's no gain for any of the individuals that went on this trip. All of it was for the greater good of the constituency of Prince Edward Island.

Thank you.

Speaker: The hon. Leader of the Opposition.

FEMA minister and *Conflict of Interest Act* (further)

Leader of the Opposition: Thank you, Madam Speaker.

Question again to the minister: If this was such a good news story, why did you flout your obligations under the *Conflict of Interest Act*?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

There is nothing to show to the Conflict of Interest Commissioner. Obviously this is doing business development for the Prince Edward Island government. There is nothing to hide here, there are no secrets. It is paid for inside the gaming initiative and we did everything we could to bring this initiative home to Prince Edward Island.

Thank you very much.

Speaker: Final question, the hon. Leader of the Opposition.

Gaming file and Mi'kmaq Confederacy

Leader of the Opposition: Thank you, Madam Speaker.

We heard quite a variety of stories out of this minister today and it's certainly interesting to hear his take on something where he finally takes credit for something that for so long he was trying to say it was only the Confederacy alone.

Question to the minister: If you were so proud of your actions on this file, why are you trying to use the Confederacy to hide your involvement?

Speaker: The hon. Minister of Finance, Energy and Municipal Affairs.

Mr. Sheridan: Thank you very much, Madam Speaker.

Again, just to close this House today, let's be very clear on how this happened. The Mi'kmaq Confederacy came to myself and the late Paul Jelley to bring forward an idea. Together, hand in hand, we worked at an initiative for three and a half years. Proud of the fact that we tried, but I am disappointed that we failed, that we could not bring it home. But we're only one of many jurisdictions that have failed to do this.

We need to harness this industry, we need to make sure that we protect the constituencies of Prince Edward Island and Canada, and we have to make sure we regulate, police and tax this industry so that we can get the dollars that are going offshore today, that we can pay for health care, that we can pay for education, and make sure that this Island continues to prosper under a great government.

Thank you very much.

Some Hon. Members: Hear, hear!

Speaker: End of Question Period.