

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

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The Honourable George Hickes
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 26, 2006

The House met at 1:30 p.m.

PRAYER

Point of Order

Mr. Speaker: When we adjourned the House at 5 p.m. last night, we were dealing with a point of order that was raised by the honourable Official Opposition House Leader, so that will be the first order of business.

We will now deal with the point of order raised by the honourable Official Opposition House Leader.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, when the House rose yesterday, I was on a point of order regarding the conduct of ministers in the House when questions are asked. When one refers to *Beauchesne* 417, something we have agreed that we will not use during Question Period because we have allowed each other some latitude on supplementary questions to pose either preambles, postambles and that also extended to answers.

We did not contemplate that the abuse of the rules would be so blatant that ministers would refuse to answer questions and would thereby not even be relevant, if you like, to the question that was posed. I think this is an affront to this Legislature. I think it is an affront to the rules that we have and have been governed by, and the practices of this House.

Secondly, Mr. Speaker, when I talk about the conduct of members in this House, one of the practices and basic fundamental rules of the House is that when you rise in your place on a ruling or when the Speaker rises, members are to be seated in their places. Because the bell rang at five o'clock yesterday or because we were at five o'clock and there was just a minute or two left, two ministers, when you were up, rose in their places and bolted out of the House and the House had not adjourned yet. It was the Minister of Agriculture (Ms. Wowchuk) and the Minister of Health (Mr. Sale).

Now to me that is not an affront to the legislative members on this side of the House, but it is an affront to the decorum and you, as Mr. Speaker, in this Legislature. I know that all of us can be chastised and reprimanded on our conduct from time

to time in this Chamber, but there are fundamental principles, rules and decorum that we should all respect. As soon as we begin to disrespect those rules, as soon as we get down the slippery slope of not respecting the decorum in this Chamber and the rules that you set down, that also can be extended to how we conduct ourselves with respect to the rest of society.

Mr. Speaker, people of the province send us into this Chamber to do the people's business in a respectful way. As I said before, I am guilty from time to time of not, perhaps, following the rules to the letter of the law, but I have always tried not to insult and not to cause an affront to the Chair or to Mr. Speaker's position in this House by simply ignoring what is a very fundamental principle. It is on that basis that I raise this point of order.

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

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I note the member said that the Minister of Education (Mr. Bjornson), instead of dealing with the matter raised, decided to bring in some extraneous areas. I just noticed in the Hansard today, the Member for Charleswood (Mrs. Driedger): Well, Mr. Speaker, blah, blah, blah. It is certainly interesting, the letter blah, blah, blah, blah. Mr. Ulrich went on to say, blah, blah, blah, and I quote. So I would like to ask the Minister of Education: Did he blah, blah, blah? Minister of Education: No, I did not.

Mr. Speaker, that is as succinct as it gets: No, I did not.

I know that the opposition maybe cannot deal with the truth and a forthright answer. But it was interesting yesterday. I think there was one minute or two minutes left in the day, and they wanted to go home, of course, as always. We could not even get one minute's work out of the opposition yesterday, and I think what is ironic, it is this opposition that—
[interjection]

Mr. Speaker: Order.

Mr. Mackintosh: It is this opposition that wanted a longer session to enhance government accountability, and when they got it, Mr. Speaker, they just walked out and raised silly points like the point we just heard.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

On the point of order raised by the honourable Official Opposition House Leader: First of all, when raising a point of order, it should be when the occurrence has occurred. It should be at the earliest opportunity. Number two, we have an agreement dealing with the exact issue: that during Question Period we would not be raising *Beauchesne* Citations 409(2), 410, 417, and 408(2).

Also, I have dealt with this matter on a few occasions already in the past and, also, I would like to remind all members that Marleau and Montpetit, on page 433: "The Speaker ensures that replies adhere to the dictates of order, decorum and parliamentary language. The Speaker, however, is not responsible for the quality or content of replies to questions." That is very clear in Marleau and Montpetit.

So the honourable member does not have a point of order.

MATTER OF PRIVILEGE

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, on a matter of privilege—*[interjection]*

Mr. Speaker: Order. May I remind all honourable members that points of order and matters of privilege are very, very serious matters that are raised when there is either a breach of a rule or a departure of the practice of our Assembly. So I need to hear every word that is spoken.

The Official Opposition House Leader has risen on a matter of privilege. The honourable Official Opposition House Leader, on a matter of privilege.

Mr. Derkach: Yes, Mr. Speaker, I rise on a matter of privilege because when we have agreements in this House between the governing party and the opposition, we, in most circumstances, try to honour those agreements. But what is more binding? *[interjection]*—and I thank the government for their applause.

What is more important, though, is that when we have a standing order in the House, one that has been

passed duly by this Assembly, that becomes binding on all of us. It becomes binding on you as Mr. Speaker; it becomes binding on the members in this Chamber.

* (13:40)

Now, Mr. Speaker, to mislead the public in somehow alluding to the fact that the order is to be ignored and that no business can be concluded in this Chamber without the debate that the government speaks about is just false. What it does is it infringes on the rights of members in this Assembly and, secondly, it puts misleading information on the record and to the public of Manitoba.

Now the Premier (Mr. Doer) is no stranger to this, as we know, because he has done this on numerous occasions. He did that when he talked about a signed agreement between the United States and Canada on a filter and then—

Mr. Speaker: Order. I have been listening very carefully to the honourable Official Opposition House Leader's comments, and they are very well, they are exactly the same as the point of order I took under advisement yesterday that was raised. So this matter is under advisement, and until I come back to the House with a ruling, we should not be further raising this in any further matter until I bring back a ruling to the House. I wanted that chance to check all information available to me and also to consult with them. That is why I took it under advisement.

So I am sorry that the honourable member—but this issue is under advisement, and I cannot allow it to continue any further.

Mr. Derkach: Mr. Speaker, this matter of privilege has to do with comments that the Premier spoke today.

Mr. Speaker: Well, okay. The way that the conversation started out on the matter of privilege, it was exactly to do with the comments that were put into the newspaper pertaining to myself as the Speaker, and that is the part that I took under advisement.

To make it a lot easier, to separate the two very, very clearly for me to make a decision, I will state that there is no matter of privilege on the first one. If the member wished to rise on a matter of privilege dealing with totally a different subject, that I cannot prevent because matters of privilege and points of order stop any business of the House. Members in

this Chamber have the right to raise matters of privilege or points of order at any time they wish.

But, just to assist me separating the two, I would kindly ask the honourable member if he wishes to do a separate one?

Mr. Derkach: Well, Mr. Speaker, certainly, and—

Mr. Speaker: On a new?

Mr. Derkach: I will attempt—

Mr. Speaker: On a new?

Mr. Derkach: —to ensure that there is a separation between what you took under advisement.

Mr. Speaker: No.

Mr. Derkach: So this will be a new matter of privilege then.

Mr. Speaker: Okay. The previous matter of privilege has been dealt with and now the honourable Official Opposition House Leader is rising on a new matter of privilege.

MATTER OF PRIVILEGE

Mr. Leonard Derkach (Official Opposition House Leader): Well, Mr. Speaker, I would like to rise on this matter of privilege because comments made by the Premier today were misleading. They have, in fact, infringed on and reflected on this House and on this Chamber.

I do want to table in this House, once again, the standing order that was passed by this Chamber last June.

I want to also extend a copy of this to the Premier (Mr. Doer) personally, Mr. Speaker.

On CJOB this morning, the honourable Premier was interviewed by Larry Updike. This was the program that is commonly referred to as *Breakfast with the Premier*, and CJOB is listened to by many people in the morning. The question by Larry Updike was this, and I quote, "Legislature seems gridlocked. Are you going to get a budget passed, do you think, in the next six weeks?" And the Premier's response, knowing what the order was—and I have placed it in front of his desk. I know he has not spent enough time in the House to maybe read it so that is why I sent a highlighted copy over to him, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would just like to remind members that mentioning the presence or absence of

members is not allowed in our Chamber, so I would just ask members to be a little careful.

Mr. Derkach: Well, Mr. Speaker, the response by the Premier to that question, knowing full well what the order was in the House, he said, "Don't know, don't know, bells are ringing," and then it went on.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Official Opposition House Leader has the floor.

Mr. Derkach: I simply want to raise this matter of privilege because the Premier knows full well what the order in the House is, and there is no question about that, Mr. Speaker. That was signed on in good faith by the government, by the opposition. It was passed in this Legislature, and it was done under good intentions and so we should all respect that.

So I just wanted to raise this as a matter of privilege because I think the Premier is wilfully ignoring what the facts are and is not being truthful even when he goes outside of this Chamber.

Mr. Speaker: The honourable First Minister, on the same matter of privilege?

Order. Yes, the honourable member has to move a motion when it is a matter of privilege.

Mr. Derkach: Mr. Speaker, I move, seconded by the Member for Ste. Rose (Mr. Cummings), that the Premier do apologize publicly to Manitobans for the incorrect comments he has put on the record, both here in the Chamber and outside the Chamber, with regard to the standing order and with regard to what the intention of that is.

Mr. Speaker: The honourable First Minister, on the same matter of privilege? No. The honourable Member for Inkster, on the same matter of privilege?

* (13:50)

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Speaker, I do want to add some words on the record here in regard to this very important issue.

I would suggest that we look at *Beauchesne's* 6th Edition on page 19, Citation 62, and the heading, of course, prior to this citation, is Reflections on the House as a Whole. I quote from section 62 where it states, "The Speaker stated: '... in the context of contempt, it seems to me that to amount to contempt, representations or statements about our proceedings or of the participation of members should not only be erroneous or incorrect, but, rather should be

purposely untrue and improper and import a ring of deceit."

Mr. Speaker, I do believe that if we look at that particular rule, you can see where our Premier has, in fact, breached a very serious rule. We, and as the Leader of the Official Opposition (Mr. Murray) has very well stated, signed an agreement last year. The Premier, on radio, is making statements and trying to deceive Manitobans to believe something that just is not true.

We have seen this Premier (Mr. Doer) and his performance inside this Chamber, Mr. Speaker, where day after day it seems there is an attempt to mislead, where the Premier is not being forthright and transparent. What we saw this morning or what we heard this morning is the Premier once again intentionally misleading the public of Manitoba, and as *Beauchesne* says, "import a ring of deceit."

I believe that there is something to this, Mr. Speaker. The Premier knows full well that his budget will pass unless he does not have his caucus on side on the budget. So, if his concern is that he does not have his own caucus on side, well then, his budget might not pass, but otherwise, the Premier knows full well that his budget is going to pass.

The Premier, as *Beauchesne* Citation 62 is stating, is, in fact, misleading, and I would ultimately argue intentionally misleading the public in order to try to accomplish his political spin, which is a bunch of balderdash. His spin does not carry any wind to it. The reality is if he calls the public inquiry on the Crocus, his budget will, in fact, get under debate. With those few words, we will hope that the Premier will do the—

Mr. Speaker: The honourable First Minister, on the same matter of privilege.

Hon. Gary Doer (Premier): Well, Mr. Speaker, perhaps this is a revelation because the question was: The Legislature seems gridlocked; are you going to get a budget passed, do you think, in the next few weeks? Now members opposite are saying they are going to pass the budget in the next few weeks, so I want to thank them very much.

I want to thank them very much for that because I answered, "I don't know, I don't know," and now I know they are going to pass it in the next few weeks. I would like to thank them very much.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. You are on privilege.

An Honourable Member: I beg your pardon?

Mr. Speaker: You are on privilege. He is up on a point of order.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Speakers have allowed points of order to be raised during privilege and that is to deal with the processes of privilege, but not to get into debating the matter of privilege. It is to assist the Speaker in the process of privilege.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader was rising on a point of order?

Mr. Derkach: Yes, Mr. Speaker. I sent a copy over to the Premier of the order. There are six weeks left in this Chamber after this week, and if the Premier were to—

Mr. Speaker: Order. Privilege is a very serious matter, and when members have the floor they should be dealing with a prima facie case and the urgency. I would remind members that Speakers have allowed points of order to deal with the process, not to get into debate of what a member is saying.

* * *

Mr. Speaker: The honourable First Minister, to continue.

Mr. Doer: Further to my comments, Mr. Speaker, my answer was: I do not know, the bells are ringing.

Maybe members opposite are on some distant planet called Trafalgamor, but I do not know, Mr. Speaker, in terms of the direct question.

Members opposite, by the way, there have been challenges and other challenges to Speakers in the past. I know that the former Deputy Clerk of the Legislature, who is now our House Leader, has said that it is at peril. We do not know, nobody in this House knows and can predict how the challenges will be made and what the rulings will be.

I also went on to say, Mr. Speaker, I would prefer to work as opposed to ringing the bells. I am a person who likes to roll up the sleeves and get work done. I do not mind debating anything with anybody, answer questions in the House. Let us get on with the business of the Legislature.

Mr. Speaker, yesterday we could not even get one minute of business out of these lazing members

of the opposition. We are workers. They are lazy. Let the record show it.

Some Honourable Members: Oh, oh.

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

ROUTINE PROCEEDINGS

PETITIONS

Crocus Investment Fund

Mr. David Faurshou (Portage la Prairie): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Auditor General's *Examination of the Crocus Investment Fund* indicated that as early as 2001, the government was made aware of red flags at the Crocus Investment Fund.

In 2001, Industry, Economic Development and Mines officials stated long-term plans at the Crocus Investment Fund requiring policy changes by the government were cleared by someone in "higher authority," indicating political interference at the highest level.

In 2002, an official from the Department of Finance suggested that Crocus Investment Fund's continuing requests for legislative amendments may be a sign of management issues and that an independent review of Crocus Investment Fund's operations may be in order.

Industry, Economic Development and Mines officials indicated that several requests had been made for a copy of Crocus Investment Fund's business plan, but that Crocus Investment Fund never complied with the requests.

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

As a direct result of the government ignoring the red flags, more than 33,000 Crocus investors have lost more than \$60 million.

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

The people of Manitoba want to know what occurred within the NDP government regarding Crocus, who is responsible and what needs to be done so this does not happen again.

We petition the Legislative Assembly of Manitoba as follows:

To strongly urge the Premier to consider calling an independent public inquiry into the Crocus Investment Fund scandal.

Presented on behalf of Dean Boyd, Jim Cullen, Noel Fisher and many, many others.

* (14:00)

Funding for New Cancer Drugs

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

These are the reasons for this petition:

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

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

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier (Mr. Doer) of Manitoba and the Minister of Health (Mr. Sale) to consider providing CancerCare Manitoba with the appropriate funding necessary so that they may provide leading-

edge care for patients in the same manner as other provinces.

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

This petition is signed by Richard Pattyn, Bill Johnson, Al Levenec and many, many others.

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

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

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

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

To request the Premier of Manitoba and the Minister of Health to consider accelerating the process by which new cancer treatment drugs are

approved so that more Manitobans are able to be treated in the most effective manner possible.

Signed by Carly McGregor, Jeremy Toews, Lauriette Aves and many others.

Civil Service Employees—Neepawa

Mr. Jack Penner (Emerson): Mr. Speaker, I would like to present a petition to the Legislative Assembly of Manitoba, and these are the reasons for this petition:

Eleven immediate positions with Manitoba Conservation Lands Branch, as of April 1, 2006, Crown Lands and Property Special Operating Agency, are being moved out of Neepawa.

Removal of these positions will severely impact the local economy with potentially 33 adults and children leaving the community.

Removal of these positions will be detrimental to revitalizing the rural and surrounding communities of Neepawa.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider stopping the removal of these positions from our community and to consider utilizing current technology such as Land Management Services existing satellite sub-office in Dauphin, Manitoba, in order to maintain these positions in their existing location.

This petition is signed by Patricia Gawazuik, Mary Kirk, Pat Middlemass and many, many others.

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The reasons for this petition are:

Eleven immediate positions with Manitoba Conservation Lands Branch, as of April 1, 2006, Crown Lands and Property Special Operating Agency, are being moved out of Neepawa.

Removal of these positions will severely impact the local economy with potentially 33 adults and children leaving the community.

Removal of these positions will be detrimental to revitalizing the rural and surrounding communities of Neepawa.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider stopping the removal of these positions from our community, and to consider utilizing current technology, such as the Land Management Services existing satellite sub-office in Dauphin, in order to maintain these positions in their existing location.

I read this petition on behalf of Freda Baldwin, Carrie Bradley, Frank Giesbrecht and many, many more.

Crocus Investment Fund

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

The background to this petition is as follows:

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

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

Signed by L. Mirwaldt, S. Gray, L. Schieman and many, many more.

TABLING OF REPORTS

Hon. Stan Struthers (Minister of Conservation): Mr. Speaker, I am pleased to present to the House the 2005 Annual Report of the Manitoba Association for Resource Recovery Corporation.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us today Lorne and Gay Samain from Black Pines, British Columbia. These visitors are the parents of Chad Samain who is special assistant to the Minister of Industry, Economic Development and Mines (Mr. Rondeau).

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

ORAL QUESTIONS

Manitoba Economy Provincial Growth Comparisons

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, we learned today from a report issued by Statistics Canada that Manitoba's economy grew below predictions by this NDP government. Manitoba's economy grew by 2.7 percent, not the 2.9 percent as forecasted and promised by that Minister of Finance (Mr. Selinger).

Over the past six years—[*interjection*] Of course, members opposite seem to laugh at that. Whenever it is less, Mr. Speaker, they get a joke out of it. It is a serious issue for Manitobans because for the past six years, Manitoba's economy has performed below the national average every single year, not just one year, but every single year that this government has been in power.

When it comes to health care and when it comes to economic growth in Manitoba, the mantra of this NDP government seems to be dead last. The Premier seems to be satisfied that Manitoba's economy is faltering, that allows Manitoba tax dollars and Manitoba's jobs to hemorrhage to the West.

My question is very simple to the Premier: When is this Premier going to see the glaring red flags that Manitoba's economy is falling seriously behind that of other provinces?

* (14:10)

Hon. Gary Doer (Premier): Mr. Speaker, the projections on GDP growth are not prepared directly by the minister but rather by seven forecasters. The average is utilized, and all seven forecasters reutilize when the budget was presented early again last year.

Subsequent to that event, certainly in almost every sector if not all sectors of the economy, save the agricultural sector, the GDP grew at 3.6 percent.

The agricultural economy, after the devastating rains in June and July of 2005, provided for—*[interjection]* Well, the member opposite heckles while I am answering, but the rain damage in Manitoba was the largest in the history of the province for a rain event in the summer, and, yes, it was much more devastating than in Saskatchewan and Alberta. That adjusted the GDP by .2 percent.

Mr. Murray: Well, Mr. Speaker, this Premier seems to be able to blame weather, blame all sorts of things. I would suggest that after six years, if we have been that bad, this Premier should do one thing and that is look in the mirror.

It is very clear that what we have seen in Manitoba is that the real GDP growth is lower than that of the Canadian average at 2.9 percent. Members in the Speaker's Gallery would know that British Columbia's growth, 3.5 percent; Alberta, 4.5 percent; Saskatchewan, 3.2 percent. Where does that leave Manitoba? Dead last. Manitoba's economy only grew at 2.7 percent, not the 2.9. This NDP government seems to have its head in the sand, and it does not look like they are coming up for air any time soon.

Mr. Speaker, I would ask, for the sake of Manitoba's future, when will this NDP government give Manitobans the economic tools, the tools that other provinces have had, so that we can get our economic growth on track and be better not worse than the other provinces?

Mr. Doer: Well, Mr. Speaker, the member opposite should know that the Conference Board of Canada has just predicted that Manitoba, over the next 20 years, will have the third-fastest growing economy of any province in Canada.

The statistics very clearly point out the decline in prices for agriculture as the factor to adjust the rate in Manitoba. The crops were much less weather hampered in Saskatchewan. They had a very good crop and so did Alberta last year.

Mr. Speaker, one of the reasons why we have dedicated a tax, that is held up in this budget, to farmers, we are now reducing the education tax on farmland which is proposed in the budget. We would love to debate that with members opposite if and when they are ready to work.

I would also point out, Mr. Speaker, there are many items: manufacturing capital investment is up 60 percent in 2006, which is first in Canada; construction work in 2006 is up 24 percent, a

7 percent increase, a first in Canada; capital investment, 14.6 percent, first in Canada; building permits up 79 percent, second in Canada; a number of very, very important statistics. But you know what—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker, there is no question that in the 1990s, peoples' homes' values were flat. They were flat because the population was not growing. The economy was not growing. The province was not growing. People know today that the biggest challenge we have with growing values and housing prices is getting more housing spaces and housing demand. The economy is growing. Everybody in Manitoba knows it.

Mr. Murray: Mr. Speaker, I think it is most unfortunate for Manitoba farmers that this Premier would stand up in his place and blame agriculture for bringing down the GDP in Manitoba. Why does he not stand up for the farmers instead of blaming the farmers?

We know full well that Statistics Canada has shown that the Manitoba economy grew 2.7 percent despite this Minister of Finance (Mr. Selinger) and this Premier saying that we were going to grow by 2.9 percent. We have seen growth in all the western provinces that exceeds any growth not only nationally but what we see in the province of Manitoba. Even in the Premier's own budget, where he makes a comment that the Canadian economy grew by 2.9 percent—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Murray: Mr. Speaker, I can assure members opposite one thing, that if this Premier would call for an independent public inquiry all Manitoba would applaud.

We on this side of the House are simply asking this Premier to do something that has not happened in six years, since he has been the Premier, and that is give hardworking Manitoba families the tools to compete and make sure that we are not dead last when it comes to economic growth. Do the right thing, give them the economic tools and allow them to compete.

Mr. Doer: Mr. Speaker, I did not blame farmers. I blamed the weather.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would like to remind honourable members that the clock is ticking, and we are trying to get as many questions and answers in as possible.

Mr. Doer: Thank you, Mr. Speaker. Of course, I am quoting from Stats Canada that said crop production fell sharply as farmers suffered from adverse weather conditions. That is what Stats Canada said.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: Mr. Speaker, the Member for Emerson (Mr. Penner), of course, never included excessive moisture in crop insurance in the 11 years that he said he would stand up for farmers when he was in government. It was this Minister of Agriculture (Ms. Wowchuk) that put it in. There is a proposal in the budget to reduce the education tax on farmland up to 60 percent, something the members opposite did not do. No wonder they do not want to debate the budget.

There is a provision in the budget to lower the small business tax, which was 8 percent when we came in office, to 4.5 to 3 percent. No wonder they do not want to debate the budget. There is a provision to lower the corporate income tax down to 12 percent or 13 percent. We started off at 17 percent, the highest in Canada, when we came into office when members opposite were running the government. There is a provision on capital tax. We have many provisions to continue to grow the Manitoba economy. The only thing we do not have is willing people to debate it. We only have lousy, lazy members opposite.

* (14:20)

Manitoba Economy Provincial Growth Comparisons

Mr. Gerald Hawranik (Lac du Bonnet): The Minister of Industry (Mr. Rondeau), in a letter to the editor, today states that our economy has been outperforming the rest of the country. However, in direct contradiction, today Stats Canada reported that Manitoba's economy again grew at a rate less than the Canadian average.

I ask the Minister of Finance: Why did he not do his due diligence? Why did he not check the accuracy of the Industry Minister's letter before it was published?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the Industry Minister's letter was a very useful corrective to put the facts right. Members opposite asked for tools to improve the economy but they will not debate the budget. They will not debate a budget which has a property tax reduction for farmers.

Members opposite asked for tools to improve the economy, but it was a manufacturing refundable tax credit that they voted against last year and will not debate in this year's budget. Members opposite asked for tools to improve the economy, but they will not approve a reduction in the small business tax rate. Members opposite asked for tools to improve the economy, but they will not approve a reduction in personal income taxes. The only tools the members opposite want to put in front of this Legislature are monkey wrenches. They are the monkey-wrench party.

Mr. Hawranik: Mr. Speaker, why does the Finance Minister not listen to his Premier (Mr. Doer) and give us straight answers in this House? Manitoba now has the only economy in Canada that has consistently grown at a rate below the national average for each of the last six years. Like health care, we are dead last. Dismal stats from a dismal government.

I ask the Minister of Finance: Why has he produced the only economy in Canada that has consistently grown at a rate less than the national average for each of the last six years?

Mr. Selinger: Well, I really wish members opposite would get their act together. One minute they are moving a MUPI saying that the First Minister is not being accurate, and the second thing they do, in direct contradiction to his entire caucus, the Member for Lac du Bonnet says that we should follow the honest answers of the First Minister. I will take his instructions, Mr. Speaker. I think the member deserves the straight facts.

Manufacturing capital investment up 61 percent compared to the Canadian average of 3.4 percent; a twenty-fold improvement over the Canadian average. Construction work up 24 percent; Canadian average 7 percent, more than three times the Canadian average. Capital investment, 14.6 percent; more than double the Canadian average of 6.1 percent.

Mr. Hawranik: Mr. Speaker, Stats Canada also confirms that he cannot even keep up with P.E.I. and Newfoundland, the only provincial economy in

Canada that has grown at a rate below the national average for each of the last six years. That is the record of this NDP government. Every other province in Canada has economic growth above the national average at least once in the last six years, but not Manitoba, not under this NDP government.

I ask the Minister of Finance: Why has he failed to produce an economy to keep up with the rest of Canada?

Mr. Selinger: I do not know what economics course this gentleman took from Lac du Bonnet. You cannot, by definition, have every province above the average. It is just not possible. This is the same gentleman who got up in the House, and when we had a \$12 billion growth in the economy, turned it into a tax increase when we actually expanded the economy by 33 percent. The member opposite should take Economics 101 because he does not have a clue what he is talking about.

Maple Leaf Distillers MIOP Loan

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, on October 23, 2005, it was reported in the *Winnipeg Free Press* that, quote: Maple Leaf Distillers has been treading water for more than a year and it was getting no closer to shore. It was in early 2004 that David Wolinsky, chairman of Maple Leaf Distillers, was looking at a company that needed money and was significantly overdrawn at the bank, end quote.

The article goes on to say, and I quote from the article, Mr. Speaker: Starting that year, Wolinsky helped keep Maple Leaf afloat by moving large sums of money by cheque between Maple Leaf and related companies in the Protos International empire, end quote.

In an article in today's *Winnipeg Free Press*, it stated that, and I quote from the article: "The purpose of the cheques was to move money back and forth among the three companies," and "more than \$300 million in cheques were cycled among the three companies."

Once the Premier read the October articles alleging essentially cheque-kiting by Maple Leaf Distillers, why did he not immediately direct that there be further investigation into the financial operations of their MIOP loan recipient, Maple Leaf Distillers, which still owed the Province of Manitoba \$700,000?

Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines): Mr. Speaker, as I have said in the House before, all the lenders did their due diligence and all the lenders had separate arrangements with Maple Leaf Distillers.

I would like to inform all the House that the payments on the Province's MIOP loans were up-to-date right up until this past December 2005. We received, so far, \$749,000 in payments on the loan, and over half of the original loan was repaid.

Mr. Murray: Well, Mr. Speaker, on October 28, 2005, in this House, members from this side asked the NDP government, quote: What due diligence, if any, was conducted, end quote. To the question, the Minister of Industry, Economic Development and Mines told this House, and I quote from Hansard: "We, in the government, set the policy where MIOP is a good, solid investment in growing the economy. It provides capital for companies . . ." In reference to Maple Leaf Distillers, the minister stated, quote: This was subject to the regular due diligence that was set for any company or any condition that was set by government . . ."

Mr. Speaker, allegations of cheque-kiting by a company that this government lent money to is very, very serious. If this NDP government had done the due diligence it claims it performed, they would have discovered financial irregularities. We know that financial irregularities were reported at Maple Leaf Distillers and its related companies. This government, in essence, had they done their homework, could have saved \$704,000 that it is owed by Maple Leaf Distillers.

Does the Premier still believe that his department performed the proper due diligence with respect to Maple Leaf Distillers and the MIOP loan that was over \$1 million?

Mr. Rondeau: Mr. Speaker, I am surprised at the member opposite who proposes to be a business-person. Due diligence is done before the loan is funded. Due diligence means that you have appropriate security on the loan, that you look at the business case. We do have security against the building, and if the member would pay attention to what is happening in the courts the building has a value of \$3.6 million. Of that money, that will go to secured creditors. We are a secured creditor against the assets of the building, the \$3.6 million that will come from the sale of the building.

When I said we had due diligence, we have due diligence and we have security. I hope the other member opposite understands due diligence and appropriate security.

Mr. Stuart Murray (Leader of the Official Opposition): Well, I am very tempted to say that I will put my business track record up against the member opposite, but I will not do that.

Mr. Speaker, this NDP government—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Murray: Thank you, Mr. Speaker. This NDP government provided unprecedented support and assistance to the Maple Leaf Distillers. The Premier was praised by Maple Leaf that the Premier had, and I quote: rendered possible what otherwise would not have been achievable.

I am starting to question this NDP government, their record on saying Maple Leaf Distillers was subject to the regular due diligence as set for any company. I find it very interesting that this favourable deal was provided to Maple Leaf Distillers, the same company that was co-owned by a former member of the Premier's Economic Advisory Council.

My question is very simple to this Premier: With the ongoing that we see that happened at Maple Leaf Distillers, the kiting of cheques and, more importantly, the scandal of the Crocus Fund, Mr. Speaker, I am asking this Premier to do the right thing, to listen to Manitobans and call an independent public inquiry. Unless he has something to hide, call that inquiry today.

* (14:30)

Hon. Gary Doer (Premier): Well, Mr. Speaker, there are quotes of MIOP loans to Isobord: \$12 million from the Member for River Heights (Mr. Gerrard); \$15 million from the Province of Manitoba. Like a modern-day Rumpelstiltskin, the new Isobord plant will spin wheat straw into a wealth of new jobs and opportunities, former Premier Filmon said. He was joined by half the remaining members on the front bench. I know that the former members lost about \$40 million, not about, \$40 million in MIOP loans and other provincial government grants.

I also know that, so far, two points: We are making money on MIOP loans, and the due diligence included the security of the building and that matter is before the courts, as the minister has stated.

Crocus Investment Fund Co-Investment Risk Analysis

Mr. Glen Cummings (Ste. Rose): Well, Mr. Speaker, as happens regularly in this House, the real concern is who knew what. How soon did they know it? Why did they not do something about the problems that were arising at Crocus?

Very specifically, Mr. Speaker, last week I asked the Minister of Finance about where MIOPs and Crocus Fund were co-investing. I specifically asked about cheques being moved between accounts.

Now, yes or no, to the Minister of Finance: Did he receive any analysis from Treasury Board or any other risk analysis about the ventures they were entering into?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the member has asked this question more than once. I put on the record how the former government set up the Crocus Fund as an independent, arm's-length, private organization where the former Minister of Finance said the leadership would come from the business leaders and community leaders in the Manitoba jurisdiction. The member opposite knew full well the organization was set up as an independent organization.

He has also stated, as a former long-standing member of Treasury Board, that he knew everything that was going on. Well, if he knew everything that was going on, why did he not do something about it?

Mr. Cummings: Well, Mr. Speaker, when all we get for answers from this Province is wind and rabbit tracks, it is no wonder we believe that there is an extreme need for an inquiry into Crocus. If we need more proof, it is the kind of answers that we are getting from this Minister of Finance.

I will give him one more chance. Yesterday, he even denied having ever met with Sherman Kreiner. He would not deny it and he would not confirm it.

So, Mr. Speaker, let me today ask him again to answer plainly to the people of this province. Did he ever receive, particularly in 2001, any risk analysis from Treasury Board or from any other department about the risk of the investments?

Mr. Selinger: Again, Mr. Speaker, I gave the member a very clear answer yesterday. The answer I gave him was that the Auditor General, under the legislation we put forward, had full rights, unique rights in the country to pursue and investigate anything with respect to venture capital in this province. The Auditor General had full access to Treasury Board minutes, as the member opposite knows, and all the relevant events have been recorded in this report. All the member has to do is read it to answer his own questions.

Mr. Cummings: Mr. Speaker, I think the people of Manitoba, in watching this Question Period, will understand that the senior-ranking Finance Minister in this government, one who should know and I am sure does know all the financial risks that this government is being exposed to, will give us nothing in terms of a substantive answer. A simple yes or no would do it.

Does he ever receive any risk analysis, particularly in 2001? Yes or No?

Mr. Selinger: Once again the member opposite knows that all the MIOP loans are recorded in the Public Accounts, including all the ones where money was lost during the member opposite's term on Treasury Board: \$15 million in Isobord, \$2.5 million in an aerospace company, \$3.2 million in CalWest Textiles, \$1.2 million in Daycon Mechanical Systems.

All of these events, all of these co-investments occurred with the approval of the member opposite when he sat on Treasury Board. He is really pointing the flashlight at himself and he should turn it on, take a look and ask himself why did he do all of those things when they all turned out to go sour.

Livestock Industry Beef Levy

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, the \$2 per head cattle levy being brought forward by this government is an affront to the cattle industry in Manitoba. The NDP has been presented with serious concerns over this levy from every sector in the cattle industry, yet they refuse to listen to them. The precedent that this head tax sets will doom the cattle industry in this province to financial disaster.

Our producers have never shied away from competition. They have always faced the challenge put before them from counterparts in the United States or other parts of Canada. However, when their

own government chooses to cut the legs from under them, what are they to do? How are they to compete when their own government is standing against them?

Mr. Speaker, our cattle producers have sent a clear signal to this NDP government. They will leave this province to do their business elsewhere. I ask this Premier (Mr. Doer): How does he justify being the lead hand on the great Manitoba cattle drive out of Manitoba?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, indeed, we have had a lot of discussion with the cattle industry. We have stood by the cattle industry through this BSE crisis and onward.

This Province has put \$158 million into the beef industry, the cattle industry during the BSE crisis. We have heard clearly from the producers that they want to see slaughter capacity increase in this province.

The member opposite, my critic, has said come up with some solutions. We have come up with a solution, Mr. Speaker, where we will partnership with the producers. They will put money in, we will put money in and we will build slaughter capacity. I would advise the members opposite to get on board for once and support the industry rather than just criticize.

* (14:40)

Mr. Murray: Well, Mr. Speaker, I can assure the Minister of Agriculture we will never get on board of any program that is going to drive our cattle industry out of Manitoba. We just will not do that.

We have heard directly from dealers in auction marts that should this levy be imposed, not a single cow will be sent into Manitoba from Saskatchewan. Auction marts in western Manitoba are dependent on Saskatchewan for 40 percent of their business. With this \$2 tax in place that business will simply disappear. No business, no matter how vital to the economy and well-being of the province can survive a 40 percent loss.

Mr. Speaker, we will lose cattle to other markets. We will lose cattle in terms of money and sales. We will lose jobs and, ultimately, we will lose people. The Premier is planning to pull the plug on this province, draining everything of value, especially its citizens.

I would just ask this Premier: Will he do the right thing? Will he at least do the right thing and listen to cattle producers and put this to a vote, Mr. Speaker?

Ms. Wowchuk: Mr. Speaker, before the member starts to drive the cattle out of this province, I would ask him to check his facts. I would ask him to check whether or not Manitobans pay a fee in Saskatchewan when those cattle are sold there. I would ask him to check Alberta whether Manitoba cattle, when they go into Alberta, are also charged a fee. There is a levy in other provinces. I would ask the member to be patient as we put this in place and look at how the levy will be collected.

But I say to the member opposite, instead of fearmongering, for once get on board. Give your ideas rather than being critical. They have been critical of every option that has been put forward by producers to increase slaughter capacity in this province. We are standing with the producers.

Mr. Murray: Mr. Speaker, the Minister of Agriculture talks about getting on board. Our understanding is if the cattle producers do not listen, they will not be on a board.

This Minister of Agriculture asks for us to be patient. Well, Mr. Speaker, how much more patient do cattle producers have to be? We have waited three years for something to happen. Not one slaughter capacity, not increased by one under this NDP government.

Mr. Speaker, this mandatory cattle levy clearly is going to be constructed on the backs of the cattle producers. With this head tax in place Manitoba's cattle industry will not grow; it will only shrink. With it goes every other opportunity for economic growth in this province including subsidy industries such as biofuel development, to name only one. The by-products of the industry present considerable potential for the province. That will all be lost.

We demand that this Premier revisit the merits of this checkoff. I ask him to admit that he is wrong and I ask him to change it today.

Hon. Gary Doer (Premier): Mr. Speaker, the biofuel tax issue is in the budget. I would encourage members opposite to get on with it.

Livestock Industry Beef Levy

Mr. Ralph Eichler (Lakeside): The Premier and his deputy minister have not even met with producers to

discuss about the by-products. That is what a good job they are doing.

What we have heard from this Minister of Agriculture last week was more arrogance, the desire of control in every respect. After three years of hollow promises, the NDP government has still not turned a single blade of grass to build slaughter capacity in Manitoba. Instead, the minister imposed a backdoor tax on our cattle producers. This backdoor tax will be a negative blow to this industry.

Mr. Speaker, will the Minister of Agriculture today admit that her government is wrong with this backdoor tax and stop this nonsense before she runs another industry out of the province?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): Well, you know, Mr. Speaker, the member opposite said the government has not turned a blade of grass to build a slaughter facility. I tell the member, it was never government's intention to build a slaughter facility and it was never the industry's request that government build a slaughter capacity.

Mr. Speaker, the industry spoke very clearly that they wanted to be part of the solution, and they have been trying very hard, but members opposite have been very critical every time somebody comes up with an idea of how to increase slaughter capacity. We have worked with the industry and we have put a process in place. Just as other sectors are able to do a checkoff, the Manitoba Cattle Producers will now be able to do a checkoff.

Mr. Eichler: Mr. Speaker, what about action, not inaction. This minister, all she does is talk.

Mr. Speaker, we have had three years of hollow promises on slaughter capacity. We have seen Saskatchewan, Alberta, Ontario and Québec move forward with investment opportunities to increase slaughter capacity without imposing crippling backdoor taxes. This minister seems to be afraid of doing the right thing. What is her problem?

Mr. Speaker, will she now commit to doing away with the scrap of this tax?

Ms. Wowchuk: Mr. Speaker, I think our actions speak louder than member opposite's words.

Mr. Speaker, if you look at the money that we put into the industry during the BSE crisis, we were there with the industry. Our money is on the table right now. There is money available through the Cattle Enhancement Council for those people who

are ready to increase their slaughter capacity. Producers have told us that they want to be part of the solution, and in this industry we are matching them dollar for dollar. Our money is on the table and producers want to be part of the solution. The member opposite is fearmongering.

Child Welfare System Review Terms of Reference

Hon. Jon Gerrard (River Heights): Mr. Speaker, my question is to the Premier. Over a month ago his government announced two non-judicial reviews of child protection in Manitoba. There are serious concerns about these reviews, feeling that they will not be very useful or get at the real root of the problem. What Manitoba really needs is a proper judicial inquiry.

Now, Mr. Speaker, I have asked for the terms of reference of the external review, and a month later I am still waiting. Who can present information to this review? Will there be any public hearings? Will it be all behind closed doors? Will the Premier please table today, a month later, the terms of this review so we know what is happening?

Hon. Gary Doer (Premier): Well, first of all, Mr. Speaker, I have said that the issue of the tragic death of Phoenix Sinclair would be examined by the Chief Medical Examiner. We would also independently have two independent officers of this Legislature, independent of this Legislature, be involved in the review of the matters.

We would also be open to a judicial inquiry. I noted that there just was one recently in British Columbia, headed by former Justice Ted Hughes. Certainly, Mr. Speaker, we have said before and we will say it again that we are very open to the idea of a judicial inquiry about the care of children.

On the specific issue, I cannot take a question as notice after already partly answering it, but I would say that we are working with the agencies who are directly affected on the matter. The director of child welfare has already been tasked with the role of the specific tragic death of Phoenix Sinclair.

Mr. Gerrard: Mr. Speaker, more than a month and still no terms of reference for this external review. Thirty-one children dead from homicide, that is a whole classroom of children. A whole classroom died in the last six years from homicide. That is a very serious matter. What we are asking for are the terms of reference. I asked a month ago and they are still not here.

Is the Premier going to conduct this in a cone of silence? Is the Premier going to finally table the terms of reference? I ask the Premier to table the terms of reference.

Mr. Doer: Mr. Speaker, asking the two independent officers of the Legislature, who report directly to the public, is not an exercise in silence.

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

* (14:50)

Speaker's Ruling

Mr. Speaker: Order. Following Members' Statements on April 11, 2006, the honourable Official Opposition House Leader (Mr. Derkach) raised a matter of privilege regarding what he described as a lack of ministerial response to written questions filed by the honourable Member for Charleswood (Mrs. Driedger). He concluded his remarks by indicating that he was prepared to move the following motion if a prima facie case of privilege was found to exist by the Speaker: THAT the Rules, Orders and Forms of Proceeding of the Legislative Assembly of Manitoba be amended by adding immediately after Rule 61(5) the following: Request for Ministerial Response, 65(5.1)(a) A Member may request that Government respond to a specific question within forty-five days by so indicating when filing his or her question. 61.5.1(b) If such a question remains unanswered at the expiration of the said period of forty-five days, the matter of the failure of the Government to respond shall be deemed referred to the Standing Committee on Legislative Affairs. Notwithstanding any other rule or practice of the House, within five sitting days of such a referral of the Chair of the Committee shall convene the matter of the failure of the government to respond. The question shall be designated as referred to committee on the Order Paper. The committee shall report back to the House within fifteen sitting days, and the report of the committee shall be deemed received by the House, and notwithstanding Rule 31(3), the motion to concur in the committee's report shall be deemed a prioritized resolution and placed at the bottom of the list established under Rule 31(4).

The honourable Government House Leader (Mr. Mackintosh) also offered commentary on the matter.

I took the matter under advisement in order to consult the procedural authorities.

I thank all members for their advice to the Chair on this matter.

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

The honourable Official Opposition House Leader asserted that he was raising the issue at the earliest opportunity, and I accept the word of the honourable member.

Regarding the second issue of whether a prima facie case was demonstrated, although the honourable Official Opposition House Leader cited our Manitoba rules as well as commentary from the House of Commons regarding specific rules that are in place in the House of Commons, he did not cite a Manitoba rule that had been breached. Our rules are silent on the length of time permitted for ministers to respond to written questions; therefore, there is no provision for the Speaker to enforce in this matter. According to our Manitoba rules, Rule 60(2) states that unanswered written questions are reprinted on the Order Paper once every two weeks until answered, and this action was followed. The unanswered written questions were filed for notice on November 22, 2005, and appeared on the Order Papers for November 23 and December 7, 2005, and also on March 8 and March 22, 2006. Again, I reiterate, given that Manitoba does not have a rule requiring answers to written questions to be provided within a specific time frame, there is no rule for the Speaker to be enforcing.

In addition, Joseph Maingot advises on page 14 of the second edition of *Parliamentary Privilege in Canada* that allegations of breaches of privilege by a member in the House that amount to complaints about procedures and practices in the House are by their very nature matters of order. He also states on page 223 of the same edition: "A breach of the Standing Orders or a failure to follow an established practice would invoke a point of order rather than a matter of privilege."

I would therefore rule with the greatest of respect that the matter raised is not in order as a prima facie case of privilege.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, with the greatest of respect I would challenge your ruling.

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

Voice Vote

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

Formal Vote

Mr. Derkach: A recorded vote, Mr. Speaker.

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

Order. Sixty minutes has expired. Please shut the bells off.

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

Division

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

Yeas

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

Nays

Derkach, Driedger, Dyck, Eichler, Gerrard, Lamoureux, Maguire, Mitchelson, Reimer, Taillieu.

Madam Clerk (Patricia Chaychuk): Yeas 31, Nays 10.

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

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

MEMBERS' STATEMENTS

Cattle Industry

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, previous NDP governments sent the beef packing industry packing to other provinces with its previous cattle policies, and today the NDP Minister of Agriculture (Ms. Wowchuk) is driving out the cattle.

Mr. Speaker, this NDP government intends to create the Manitoba Cattle Enhancement Council and establish a compulsory, non-refundable \$2-per-head cattle tax. Such a tax will impact the cattle industry. Yet individual cattle producers have not been consulted; neither have groups such as the Manitoba Cattle Producers Association or the Canadian Cattlemen's Association. If you can imagine, not even the auction marts in Manitoba, who would be taxed with the responsibility to collect and forward this NDP tax, were notified.

In my own constituency of Arthur-Virden, there are auction marts in Melita, Pipestone and Virden whose owners depend on cattle coming from Saskatchewan for auction. This tax will greatly curtail their profitability. Believe me, they have voiced their concerns loud and clear. They all deserve input on a decision that will affect their livelihoods and their industry.

The establishment of the Manitoba Cattle Enhancement Council will mirror the defunct Manitoba Beef Commission, another failed NDP cattle program of the past. This council, with arbitrary powers, will oversee cattle marketing in the province and will effectively exercise control over every facet of the cattle industry, leaving stakeholders with no say whatsoever in how their affairs are managed. This council offers cattle producers no choice and no voice.

*(16:00)

This NDP government should hold public meetings to obtain feedback on whether cattle producers want the Manitoba Cattle Enhancement Council and the \$2 levy established. This would allow stakeholders the option to exercise their democratic rights and hold a free vote on the establishment of the council, rather than this government forcing a compulsory tax on ranchers.

When will this NDP government actually listen to producers and stop with such heavy-handed tactics? Having driven our young people out of

Manitoba, now she is driving even the cattle out. When will the Minister of Agriculture (Ms. Wowchuk) rescind this heavy-handed decision? Thank you, Mr. Speaker.

Toilers Memorial Park

Ms. Kerri Irvin-Ross (Fort Garry): Mr. Speaker, it gives me great pleasure to inform the House about the work done by the Northeast Fort Garry Homeowners Association in my constituency of Fort Garry. For the past two years, this association has worked tirelessly to restore an important landmark in the community, Toilers Park. This historical park is dedicated to the memory of the Toiler basketball team which won the Canadian Championships in 1926, 1927 and 1932. On March 31, 1933, however, misfortune struck the national champions. While returning from a series against the Tulsa Oilers in Oklahoma, the Toilers' plane crashed in Kansas. Two members of the team were killed and numerous players were injured in the crash. This tragedy marked the end of a Winnipeg basketball dynasty and the end of the Toilers as a competitive team. Nevertheless, the ties that bound them together stayed strong, and members of the team continued to meet informally for many years after. Many of those meetings took place at a cottage on the river in Fort Garry called Toilers Camp.

In 1965, the City declared the space Toilers Memorial Park. With an eye to building on the present state of the park, the Northeast Fort Garry Homeowners Association, in conjunction with the Fort Garry Historical Society, has made steps to rejuvenating and restoring an important community institution. All are committed to building a beautiful public space that retains the memory of the team that gave the park its name.

Mr. Speaker, I would like to thank all the members of the Fort Garry Historical Society, as well as the Northeast Fort Garry Homeowners Association, for all of their work in preserving the park in the memory of the Toilers basketball team. I would also like to recognize the members of the homeowners' committee, and, in particular, the efforts of Marj Harvey, who have committed themselves to seeing that Toilers Park remains a vibrant thread in the fabric of Fort Garry.

Assiniboine Valley Flooding

Mr. Leonard Derkach (Russell): Mr. Speaker, I rise today to put some comments on the record with respect to my constituency. The eyes of the province

have been on the Red River Valley in the last few weeks, and rightly so, as the flood waters rise on the Red River. But, now, as we all suspected, the waters of the Assiniboine and Shell and tributaries are starting to cause difficulties for farmers and for residents of the Assiniboine Valley.

Mr. Speaker, last night I was told that the spillway at the Shellmouth Dam is now flowing in excess of over a foot over the berm, which is causing flooding downstream. Lands between the Shellmouth Dam and between Miniota are being inundated with water, and, because the valley has a different characteristic than that of the Red River Valley, the reality is that crops will not be able to be seeded there this spring, and much of the water will remain on those lands well into the summer and into the fall.

Mr. Speaker, the constituents of Russell, and also the constituents of Virden, are going to be suffering incredibly over the course of the next while, and I, as the member for the Legislative Assembly for Russell, am calling upon the government to do what they did in the Red River Valley, and that is to pay some attention.

Mr. Speaker, as of yesterday, although phone calls were coming in to the government, phone calls were not being returned, which seems to be the normal way that things go for this government. Three ministers' offices were called. Not a single one returned a call.

This is a time of emergency and a time of urgency, Mr. Speaker, so, having said that, I encourage the Minister responsible for Emergency Measures (Mr. Smith) to be in touch with the people in the Assiniboine Valley to ensure that, in fact, the right thing is done, as has been done with the Red River Valley, as well. Thank you.

Palliative Care Gala

Mr. Tom Nevakshonoff (Interlake): Mr. Speaker, over the weekend, I was pleased to attend the first ever Palliative Care Gala in Gimli. This important fundraiser was organized by the northeast district Regional Health Authority to raise money for palliative care in the Interlake.

Mr. Speaker, the northeast Palliative Care Program provides comfort, care, pain management and emotional, physical, spiritual and social support for individuals and the families of individuals who are facing a life-threatening illness. The Palliative Care Program works with homecare workers so that

individuals can spend their final days in the comfort of their homes with friends and family.

Mr. Speaker, this successful banquet took place at the Gimli Recreation Centre and was attended by a packed crowd of over 480 people. Event co-ordinators rolled out the white tablecloths and treated their guests to fine hospitality and a delicious prime rib dinner. We also enjoyed musical performances by the Mud Larks and the Farrell Brothers. Event organizers believe that between \$15,000 to \$20,000 was raised for the palliative care program. All of these funds will stay in the northeast district to benefit Interlake families and their loved ones.

Mr. Speaker, congratulations must go out to Connie Magnusson Schimnowski, the palliative care support co-ordinator for the northeast Interlake area, and to the palliative care committee members: Rose Kostiuk Wityshyn, Dave Taylor, Joan Sterkell, Brenda Krulicki, Sharon Thordarson. I would also like to acknowledge event co-chairs: my colleague, Peter Bjornson; Gimli mayor, Kevin Chudd; and honorary co-chairs, Neil Bardal, and Donnottar mayor, Rick Gamble.

Mr. Speaker, a word of thanks must go to the Selkirk Canadian Tire, which was the major sponsor for both the Gimli and Selkirk palliative care banquets.

I encourage all members to attend the next palliative care banquet to be held in Selkirk on May 6.

Thank you, Mr. Speaker.

Mr. Speaker: Before recognizing the honourable Member for River Heights, I would like to remind all honourable members when mentioning a member of the House, it is by their constituencies or ministers by their portfolios.

Jane Jacobs

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise to say a few words about Jane Jacobs, who passed away yesterday.

Jane Jacobs, one of the great urban thinkers of our time, put forward novel concepts which have led to a much better understanding of the nature of the dynamic and creative forces which are the basis for the growth and well-being of our cities. She identified the economic basis for the growth of villages into towns, of towns into cities and of small cities into large cities. Her analysis described in depth the importance of exports, of import

substitution, of innovation, of creativity and of diversity in the growth of the economy of cities and the role of cities in the growth of nations.

But she did more. Jane Jacobs talked about families, communities and safety. She observed that areas were safe when there were vigilant eyes on the street all the time, and when there are people living and working in diverse multi-use neighbourhoods. It is worthy of note that Harvard economist, Edward Glaeser, analyzed various models of economic growth. He concluded that Jane Jacobs' views on economic growth, which recognized the complexity of economic, social and ecological systems, were the only ones which held up under examination. He commented: The amazing thing is the extent to which the data bear her out.

Today, I pay tribute to the life and the contributions of Jane Jacobs in improving the circumstances of communities in Manitoba. We would do well to learn from and to follow the teachings of Jane Jacobs.

MATTER OF PRIVILEGE

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I rise today on a matter privilege.

Mr. Speaker: Okay. The honourable Member for Charleswood, on a matter of privilege.

Mrs. Driedger: Thank you, Mr. Speaker. My matter of privilege pertains to comments made by the Minister of Education (Mr. Bjornson) in this House yesterday, and, as the official Hansard was only available today, I believe there is no question as to whether I have raised this at the earliest opportunity.

Secondly, I have to demonstrate a prima facie case, and I believe I am able to do that, Mr. Speaker. I will proceed to do that now. I believe that my privileges as a member have been breached by this Minister of Education. Yesterday, in this Chamber, the minister accused me of putting inaccurate information on the record, and, to add insult to injury, the Minister of Justice (Mr. Mackintosh) today was saying that all of our questions related to the teachers' pension plan were blah, blah, blah.

Mr. Speaker, insulting retired teachers and retiring teachers as it relates to their pension plan is actually not a very wise thing to do. My questions that were asked were all accurate to the Minister of Education. It is the minister's answers which are inaccurate, evasive, non-existent and even misleading.

* (16:10)

When I ask a question, it is to seek clarification, and it is up to this minister to provide it. Even the Premier (Mr. Doer) yesterday said that answers needed to be straightforward. I have to wonder if the Premier was only grandstanding, or if he really meant it. If he meant it, he would sit down at a Cabinet meeting, I believe, Mr. Speaker, and tell all of his ministers to be straightforward when they are answering questions in this House, because we are asking on behalf of the Manitoba public. That is our job in opposition. It is our role to ask questions. It is the role of government to answer them.

There are a lot of unanswered questions related to the teachers' pension, to TRAF. Also, because of the interconnections between WCB and Crocus, they are all interconnected, and, as long as this government refuses to call a public inquiry, we are not able to get the answers. So, when I am asking questions in this House right now about TRAF and about teachers' pension, about conflicts of interest that have been raised, I think it is prudent for this Minister of Education and this government to be answering those questions.

We do not have any other forum in which to do that. Manitobans do not have any other forum to get the answers that are needed or deserving when it comes to teachers' pension and TRAF. So we are asking them here. We find that the minister, over the last week and a half in being asked these questions, is not being straightforward with his answers and, in fact, is misleading on a number of occasions.

Several times, the Minister of Education has actually asked me a question, totally avoiding his own responsibility to answer. I realize that he is doing that out of embarrassment because he does not have answers, but, Mr. Speaker, it is my job to ask those questions. So, in his embarrassment, he is turning around asking me the question, but he is also putting forward misleading information and trying to twist his answers so that he can therefore accuse us of inaccuracy.

He is on a slippery slope, Mr. Speaker, in what he is doing considering this very, very serious issue. I do not think the Minister of Education should be sitting in his seat laughing when I am hearing very regularly from retired teachers about this particular issue.

Mr. Speaker, yesterday, the Minister of Education said that the Manitoba Property Fund has

performed at or above industry benchmarks by rate of return. Last week, he refused to answer that question, but, when he said that yesterday, how would he know that the Manitoba Property Fund has performed at or above industry benchmarks for rate of return? How can he say this when a valuation has not been done on this investment?

Valuations are done every three years. So, when we asked the minister last week has he done a valuation on this investment and who did it, he would not answer the question. He was asked, was a valuation done of this investment and who did that valuation? Well, he could not or would not answer. When asked where the evidence is that he can put forward today that supports TRAF's investment into the Manitoba Property Fund, a Crocus venture, he could not or would not answer. When asked where his evidence is to back this up, he could not or would not answer.

In fact, according to an interview on CJOB, Mr. Tom Ulrich was speaking with Richard Cloutier, and Mr. Ulrich said, and I quote: I think the Auditor General confirmed that my concerns were legitimate. He did not get into this issue of whether or not this was a good investment, and I do not think anyone can get into that at this point in time. It is far too early. We will not know for 10 or 15 years whether Manitoba Property Fund will provide a positive return to TRAF.

Then Richard Cloutier says, and I quote: And the minister has said that so far it has been successful, end quote. Then Mr. Ulrich says: Well, he has no basis for saying that. Certainly, TRAF has been successful. The restructured investment strategy that I had a great part in putting together has done extremely well for TRAF, but, in terms of this particular portion of the investment strategy, the Manitoba Property Fund, no one will be able to say whether this is a good or bad investment for at least five years and probably ten.

Yet, Mr. Speaker, yesterday in this House, the Minister of Education (Mr. Bjornson) said that the Manitoba Property Fund has performed at or above industry benchmarks for rate of return. Well, who are we to believe, the Minister of Education, or the person who was very involved with TRAF for a number of years, had an excellent track record at TRAF, was the person that helped to restructure TRAF so that, in fact, the strategy he put in place there has done well for TRAF?

Mr. Speaker, we know that TRAF, as a whole, has done well with their investments. We have never argued that. It is the Minister of Education who has twisted our questions into something inflammatory to stir things up. We have legitimately asked about one specific investment, the Manitoba Property Fund. The report from the Auditor General on Crocus and WCB supports our concerns about this particular fund and TRAF's involvement with this fund.

Up until yesterday, when asked specific questions about the Manitoba Property Fund, a Crocus venture, the Minister of Education has consistently avoided answering directly and specifically about the Manitoba Property Fund, and, instead, he has skated around the overall rate of return for TRAF's real estate portfolio. That is not what we have been asking about. Why would he do that, Mr. Speaker? I would suggest to you it is specifically for political purposes, because the Manitoba Property Fund was a risky real estate investment for pension money. It was connected to Crocus and WCB, and we know what the Auditor has said about that.

Tom Ulrich did not feel that this was a prudent investment for any pension fund. He felt that it did not have a sound business case, was too highly levered, the management fee to Crocus was excessive, and there were too many conflicts of interest. He even went so far as to get an independent due diligence on the Manitoba Property Fund proposal. He wanted objectivity. He did not want to appear biased. That report recommended against the investment by TRAF.

Mr. Ulrich also noted that no other pension plan that had reviewed the Manitoba Property Fund proposal had been prepared to invest in it. So why was TRAF so interested? Why was TRAF the only pension fund to agree to put money into this? I would suggest to you, Mr. Speaker, that conflicts of interest would definitely answer that question.

Alfred Black's response to this, and, again, this was put forward to the minister again in a question—

Mr. Speaker: Order. I think we are getting into allowing a lot of leeway here. We are getting into debating what the minister said and the response. When rising on a matter of privilege, it is to convince the Speaker that there is a prima facie case for the Speaker to make a ruling to deal with the issue immediately, not to deal with the subject matter and to get into debate.

We are now getting in there, so I ask the honourable member to state her prima facie case, please.

Mrs. Driedger: Thank you, Mr. Speaker. I was hoping that the information that I was putting forward was certainly helping to build my case in terms of the minister putting forward misleading, inaccurate, evasive and non-existent information, because, certainly, we have seen in the last several days many examples of where that has happened. In fact, Alfred Black's response at one time was that a few million dollars here or there that did not perform well will have minimal impact on TRAF's overall rate of return, but would mean a lot to the local economy.

Mr. Speaker, that is a very disturbing comment, to say the least. Even the investment management company's report, referenced in the Auditor General's report about WCB, ended with the comment that, and I quote: "An investor should only consider this fund if it has a fundamental desire to assist in the revitalization of downtown Winnipeg." It says: Do not put pension money into this.

*(16:20)

So, despite Tom Ulrich's vocal concerns, the NDP government appointee to the TRAF board, Alfred Black, was aggressively lobbying board members to support the Manitoba Property Fund proposal. Mr. Ulrich felt that Alfred Black was in a conflict of interest in dealing with this matter and suggested that Mr. Black should excuse himself from participating in the decision on behalf of TRAF. Mr. Ulrich then indicated that Mr. Black made a threatening comment to him.

Mr. Speaker, Mr. Black was appointed by government to chair TRAF. As soon as he started, Mr. Ulrich points out that Mr. Black had a personal agenda. It does beg the question, and we ask the minister: Was the government directing him in his agenda, or was he appointed specifically by the NDP government because the government knew exactly where Mr. Black was intending to go with his pet interest? Was he put there to get things pushed through, example, a superfund, so that government could get their hands on more money?

There have been a lot of references pointing to the government moving in this direction. At a subsequent board meeting, according to Mr. Ulrich, the board, and I quote: Without any due diligence or substantive discussion, the investment committee,

despite the objection from the teacher member and my negative recommendation, decided to approve in principle a commitment of \$10 million to the fund. The board subsequently concurred with the decision of the investment committee without discussion.

Now, the minister has been on record as saying, well, the \$10 million is not an accurate figure. Mr. Speaker, it is an accurate figure. It was a board-approved decision to move \$10 million from TRAF, teachers' pension money, into the Manitoba Property Fund. Shortly after Mr. Ulrich raised all these concerns, in fact one month later, he lost his job. This whistle-blower, one month later, lost his job.

Mr. Speaker, for the last several days in answering questions or not, as is the case with the Manitoba Property Fund, the Minister of Education (Mr. Bjornson) has been echoing Mr. Alfred Black, saying that the overall rate of return would not be affected much even if a few million dollars were lost on a poorly performing investment.

Well, are we talking \$3 million or \$4 million, or are we talking \$10 million? Any amount of that would have gone a long way to improving COLA for retired teachers. Instead, it went into fixing up old buildings downtown. So the minister would not tell us. Was it \$3 million that was lost? Was it \$4 million that was siphoned off from the pension money?

The minister yesterday said, and I quote from what the minister said yesterday: The Manitoba "Property Fund has performed at or above the industry benchmarks for the rate of return." Well, how could he say that? No valuation has been done. Mr. Ulrich has said that we would not know any of this for several years. But the minister does not seem to think that a few million here or there means much. He does not seem to think that this is a risk. So what is a piddly few million dollars, Mr. Speaker? But it raises some very serious concerns—

Mr. Speaker: Order. The purpose of matters of privilege is to convince the Speaker that the privileges of a member have been impacted on and that we need to deal with it immediately. That is why I have asked the member to state her prima facie case. Then, if we do move to it, that would be the time to debate and all the other issues. I, once again, kindly ask the honourable member.

Mrs. Driedger: Mr. Speaker, because it is such a serious issue and the minister has not been forthcoming with the answers, it is really leaving a pall out there in terms of a lot of anxiety for teachers. The

questions need to be asked here and they need to be answered. The minister has been very evasive or even non-existent or, in many cases, very, very misleading with his answers. It has raised a lot of concern for me. As I ask the questions, I come here in good faith representing, you know, retired teachers who are calling me. I am expecting that this minister will come forward in the same way with proper answers, and I am not getting that.

Mr. Speaker, what has happened is not only has money, pension money, been moved out of the pension fund, but we have got a slippery slope that has been started down, not only by this minister, but with TRAF, as well.

So I am not sure how to go about getting this minister to answer the questions, especially in view where the Auditor General has indicated that this minister has not adequately dealt with Mr. Ulrich's letter. The Auditor General raised a serious concern about Mr. Ulrich's 18-page letter of concern, and the minister has not done anything with it. The Auditor General has indicated the lack of action on this minister, and, Mr. Speaker, I do not know how else to get the answers from the Minister of Education without bringing all of these forward. There are some very serious issues.

The minister has not been forthcoming. He has not been accurate. He has put forward misleading statements. Therefore, Mr. Speaker, in doing all of that, he has accused us of being inaccurate. That is totally erroneous and, in fact, inflammatory to the situation.

Mr. Speaker, I move, seconded by the Member for Southdale (Mr. Reimer), that the Minister of Education be requested to withdraw his inaccurate and misleading statements, to correct the record and to apologize to this House, to retired teachers and to all Manitobans.

Mr. Speaker: The honourable Minister of Education, on the same matter of privilege?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): On the same matter, Mr. Speaker. Now, with respect to the information that has been put on the record in the last couple of weeks as far as the TRAF fund is concerned, the member opposite has stood in the House and said millions of dollars in teachers' pension fund is at risk. That is false.

I have said repeatedly, as has the Teachers' Society president—I have said repeatedly in this

House, Mr. Speaker, that the teachers' pension is very secure. In fact, the Teachers' Society did speak to the investment performance and the rate of return on one-, five- and ten-year benchmarks.

I also spoke to the fact that real estate investment portfolio at 11.1 percent of the amount of the investment is considered consistent with industry standard, and the fact that that performance has been at, or above, one-, five- and ten-year portfolio benchmarks.

Also, the member opposite has stood in this House and said that Mr. Ulrich was fired as a whistle-blower, which is inaccurate again, Mr. Speaker. The member opposite is inaccurate in this claim because Mr. Ulrich had served his contract to the end of his contract. His contract was not renewed. There is a big difference between that.

The other thing, Mr. Speaker, is that, when I did receive the letter of allegation from Mr. Ulrich, I went through a process where I immediately contacted the TRAF board, who is by law—now members might not be interested in law, but by law the CEO of TRAF is under the charge of the TRAF board. So we took those concerns to the TRAF board.

I also immediately contacted the Office of the Auditor General because the letter was copied to the Office of the Auditor General, who happens to be responsible for the audit of the TRAF fund on an annual basis, Mr. Speaker. So the letter was addressed.

The member is wrong in suggesting that Mr. Ulrich was fired as a whistle-blower. The member is wrong in suggesting that the teachers' pension fund is at risk. The member is wrong in suggesting that the figure is \$10 million, Mr. Speaker. That is not accurate.

Now, I have also tabled in this House, Mr. Speaker, three letters sent by the president of the Manitoba Teachers' Society: one to the Member for Ste. Rose (Mr. Cummings), two to the Member for Charleswood (Mrs. Driedger). In those letters, they concluded that, if the members had any concerns about the health of the teachers' pension fund, they should contact the CEO of the teachers' pension fund to address those concerns. It is shameless. In the words of the Teachers' Society president, it is shameless of members opposite who would be putting fear in the hearts of the 24,000 teachers who subscribe to this pension fund.

* (16:30)

Now, the member opposite talks about leaving a pall. Well, what is leaving a pall is the fact that members opposite are fearmongering with respect to the health of the pension, Mr. Speaker. In fact, it is not a pall; it is appalling that they consistently stand up in this House and profess to be the champions of teachers' pensions. I find that absolutely appalling that they would do that considering their record with respect to any improvements that they made, or did not make, I should say, on the pension fund. In their time in office, they did not open The Teachers' Pension Act to make any significant changes. We have opened it up four times. In their term in office, they made zero improvements to the teachers' pension fund. We have made approximately 17. When there was a rally with teachers here about COLA, there were 12 Tories standing outside. I found that quite amusing that the members opposite would suddenly become, suddenly become champions of the teachers' pension.

Now, what I find really appalling as well, Mr. Speaker, is that, on the Conservative Party Web site there is still a headline that says: Are Teachers' Pension Funds at Risk? As I said, if they have concerns, they should contact the CEO of TRAF, who will tell you that the teachers' pension fund is not at risk. It is performing at and above the rate of return for one-, five- and ten-year benchmarks. That is the fact. So, for members opposite to stand in this House and suggest otherwise, I find really appalling.

Now, we have the honourable Opposition House Leader (Mr. Derkach), the Member for—

An Honourable Member: Russell.

Mr. Bjornson: Russell, thank you. I am sorry, with all due respect to the constituents from Russell, for forgetting your constituency, but your face rings a bell.

Mr. Speaker, I really find it interesting that, when he was Minister of Education, he did nothing to improve the teachers' pension fund, not a thing. So I do not need a lecture from members opposite about teachers' pensions. Our record is very clear. The teachers' pension fund is not at risk. Members opposite should do their homework. When the Member for Charleswood was critic for Health she repeatedly got up and put erroneous information on the record. She has done so again here with the teachers' pension fund. This is not a matter of privilege.

Mr. Speaker: On the matter of privilege raised by the honourable Member for Charleswood, I would like to inform the House that this is clearly a dispute of the fact.

Past Manitoba Speakers have ruled on several similar occasions that a dispute between two members as to allegations of fact does not constitute a breach of privilege.

Beauchesne Citation 31(1) advises that "a dispute arising between two Members, as to allegations of facts, does not fulfill the conditions of parliamentary privilege." Joseph Maingot on page 223 of the 2nd edition of *Parliamentary Privilege in Canada* states: "A dispute between two Members about questions of facts said in debate does not constitute a valid question of privilege because it is a matter of debate." Also, if you would look at page 433 of Marleau and Montpetit, "the Speaker ensures that replies adhere to the dictates of order, decorum and parliamentary language. The Speaker, however, is not responsible for the quality or content of replies to questions."

So the honourable member does not have a matter of privilege.

Mrs. Driedger: With regret, Mr. Speaker, I challenge your ruling.

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

Voice Vote

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

Formal Vote

Mr. Leonard Derkach (Official Opposition House Leader): Yes. A recorded vote, please, Mr. Speaker.

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

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

Division

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

Yeas

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

Nays

Cullen, Derkach, Driedger, Dyck, Eichler, Faurschou, Gerrard, Lamoureux, Maguire, Penner, Reimer, Rocan, Stefanson.

Madam Clerk (Patricia Chaychuk): Yeas 30, Nays 13.

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

* * *

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 26, 2006

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