

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

Official Report
(Hansard)

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MANITOBA LEGISLATIVE ASSEMBLY
Fortieth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy	St. Vital	NDP
ALLUM, James, Hon.	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
ASHTON, Steve, Hon.	Thompson	NDP
BJORNSON, Peter	Gimli	NDP
BLADY, Sharon, Hon.	Kirkfield Park	NDP
BRAUN, Erna, Hon.	Rossmere	NDP
BRIESE, Stuart	Agassiz	PC
CALDWELL, Drew, Hon.	Brandon East	NDP
CHIEF, Kevin, Hon.	Point Douglas	NDP
CHOMIAK, Dave, Hon.	Kildonan	NDP
CROTHERS, Deanne, Hon.	St. James	NDP
CULLEN, Cliff	Spruce Woods	PC
DEWAR, Greg, Hon.	Selkirk	NDP
DRIEDGER, Myrna	Charleswood	PC
EICHLER, Ralph	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FRIESEN, Cameron	Morden-Winkler	PC
GAUDREAU, Dave	St. Norbert	NDP
GERRARD, Jon, Hon.	River Heights	Liberal
GOERTZEN, Kelvin	Steinbach	PC
GRAYDON, Cliff	Emerson	PC
HELWER, Reg	Brandon West	PC
HOWARD, Jennifer	Fort Rouge	NDP
IRVIN-ROSS, Kerri, Hon.	Fort Richmond	NDP
JHA, Bidhu	Radisson	NDP
KOSTYSHYN, Ron, Hon.	Swan River	NDP
LATHLIN, Amanda	The Pas	NDP
LEMIEUX, Ron, Hon.	Dawson Trail	NDP
MACKINTOSH, Gord, Hon.	St. Johns	NDP
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Flor, Hon.	Logan	NDP
MARCELINO, Ted	Tyndall Park	NDP
MARTIN, Shannon	Morris	PC
MELNICK, Christine	Riel	NDP
MITCHELSON, Bonnie	River East	PC
NEVAKSHONOFF, Thomas, Hon.	Interlake	NDP
OSWALD, Theresa	Seine River	NDP
PALLISTER, Brian	Fort Whyte	PC
PEDERSEN, Blaine	Midland	PC
PETTERSEN, Clarence	Flin Flon	NDP
PIWNIUK, Doyle	Arthur-Virden	PC
REID, Daryl, Hon.	Transcona	NDP
ROBINSON, Eric, Hon.	Kewatinook	NDP
RONDEAU, Jim	Assiniboia	NDP
ROWAT, Leanne	Riding Mountain	PC
SARAN, Mohinder, Hon.	The Maples	NDP
SCHULER, Ron	St. Paul	PC
SELBY, Erin	Southdale	NDP
SELINGER, Greg, Hon.	St. Boniface	NDP
SMOOK, Dennis	La Verendrye	PC
STEFANSON, Heather	Tuxedo	PC
STRUTHERS, Stan	Dauphin	NDP
SWAN, Andrew	Minto	NDP
WIEBE, Matt	Concordia	NDP
WIGHT, Melanie, Hon.	Burrows	NDP
WISHART, Ian	Portage la Prairie	PC

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 25, 2015

The House met at 1:30 p.m.

Mr. Speaker: O Eternal and Almighty God, from Whom all power and wisdom come, we are assembled here before Thee to frame such laws as may tend to the welfare and prosperity of our province. Grant, O merciful God, we pray Thee, that we may desire only that which is in accordance with Thy will, that we may seek it with wisdom and know it with certainty and accomplish it perfectly for the glory and honour of Thy name and for the welfare of all our people. Amen.

Good afternoon, everyone. Please be seated.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 28—The Personal Property Security Amendment Act

Hon. Ron Lemieux (Minister of Tourism, Culture, Heritage, Sport and Consumer Protection): I move, seconded by the Minister of Justice and the Attorney General (Mr. Mackintosh), that Bill 28, The Personal Property Security Amendment Act; Loi modifiant la Loi sur les sûretés relatives aux biens personnels, be now read a first time.

Motion presented.

Mr. Lemieux: This bill amends The Personal Property Security Act to deal with vexatious registrations. Mr. Speaker, these amendments provide the registrar with the power to reject or discharge a vexatious registration which occurs on a financing statement submitted by a person without a valid interest for the purpose of annoying or harassing the person named as the debtor in the statement. The approach is streamlining and fair, with the appeal processes to the registrar general and to the court provided.

Dealing with vexatious or potentially vexatious registrations will alleviate the burden on victims and ensure the integrity of the Personal Property Registry. Thank you.

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

Any further introduction of bills?

PETITIONS

Mr. Speaker: Seeing none, we'll move on to petitions.

Bipole III Land Expropriation—Collective Bargaining Request

Mr. Blaine Pedersen (Midland): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

On November 19th, 2014, the Premier authorized an order-in-council enabling Manitoba Hydro to take valuable and productive farmland for its controversial Bipole III transmission line project without due process of law.

On November 24th, 2014, the minister responsible for the administration of The Manitoba Hydro Act signed a confirming order for the province of Manitoba declaring that no notice to landowners is required for the seizure of property.

This waiver of notice represents an attack on rural families and their property rights in a modern democratic society. There was not even an opportunity provided for debate in the Manitoba Legislature. In many cases, the private property seized has been part of a family farm for generations.

Manitoba Hydro has claimed that it has never ever—that it has only ever expropriated one landowner in its entire history of operation. The provincial government has now gone ahead and instituted expropriation procedures against more than 200 landowners impacted by Bipole III.

Since November 2013, the Manitoba Bipole III Landowner Committee, MBLC, in association with the Canadian Association of Energy and Pipeline Landowners' Associations, CAEPLA, have been trying to engage Manitoba Hydro to negotiate a fair business agreement.

For over 14 months, the provincial government and Manitoba Hydro have acted in bad faith in their dealings with Manitoba landowners or their duly authorized agents. Those actions have denied farmers their right to bargain collectively to protect their property and their businesses from Bipole III.

MBLC, CAEPLA has not formed an association to stop the Bipole III project and they are not antidevelopment. MBLC, CAEPLA has simply come together, as a group of people, as Manitobans, to stand up for property rights and the right to collectively bargain for a fair business agreement that protects the future well-being of their businesses.

MBLC, CAEPLA are duly authorized agents for Manitoba landowners who wish to exercise their freedom to associate and negotiate in good faith.

We petition the Legislative Assembly of Manitoba as follows:

To urge that the provincial government immediately direct Manitoba Hydro to engage with MBLC, CAEPLA in order to negotiate a fair business agreement that addresses the many legitimate concerns of farm families affected by the Bipole III transmission line.

And this petition is signed by D. Fowler, D. Buxton, R. Kehler and many more fine Manitobans.

Mr. Speaker: In keeping with our rule 132(6), when petitions are read they are deemed to have been received by the House.

Further petitions?

Province-Wide Long-Term Care— Review Need and Increase Spaces

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

The background to this petition is as follows:

There are currently 125 licensed personal-care homes, PCHs, across Manitoba, consisting of less than 10,000 beds.

All trends point to an increasingly aging population who will require additional personal-care-home facilities.

By some estimates, Manitoba will require an increase of more than 5,100 personal-care-home beds by 2036.

The number of Manitobans with Alzheimer's disease or another dementia-related illness who will require personal-care-home services are steadily increasing and are threatening to double within the current generation.

The last personal-care-home review in many areas, including the Swan River Valley area currently under administration of the Prairie Mountain regional health authority, was conducted in 2008.

Average occupancy rates for personal-care homes across the province are exceeding 97 per cent, with some regions, such as Swan River Valley, witnessing 100 per cent occupancy rates.

These high occupancy rates are creating the conditions where many individuals requiring long-term care are being displaced far away from their families and home community.

We petition the Legislative Assembly as follows:

To urge the provincial government to consider immediately enacting a province-wide review of the long-term-care needs of residents of Manitoba.

And to urge the provincial government to recognize the stresses placed upon the health-care system by the current and continuous aging population and consider increasing the availability of long-term-care spaces, PCH beds, in communities across the province.

And this is signed by L. Hunt, V. Verhaek, R. Wowchuk and many others, Mr. Speaker.

Beausejour District Hospital— Weekend and Holiday Physician Availability

Mr. Wayne Ewasko (Lac du Bonnet): I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

(1) The Beausejour District Hospital is a 30-bed, acute-care facility that serves the communities of Beausejour and Brokenhead.

(2) The hospital and the primary-care centre have had no doctor available on weekends and holidays for many months, jeopardizing the health and livelihoods of those in the northeast region of the Interlake-Eastern Regional Health Authority.

* (13:40)

(3) During the 2011 election, the provincial government promised to provide every Manitoban with access to a family doctor by 2015.

(4) This promise is far from being realized, and Manitobans are witnessing many emergency rooms

limiting services or closing temporarily, with the majority of these reductions taking place in rural Manitoba.

(5) According to the Health Council of Canada, only 25 per cent of doctors in Manitoba reported that their patients had access to care on evenings and weekends.

We petition the Legislative Assembly as follows:

To urge the provincial government and the Minister of Health to ensure that the Beausejour District Hospital and primary-care centre have a primary-care physician available on weekends and holidays to better provide area residents with this essential service.

This petition is signed by I. Potoruki, R. Ozioba, S. Vincent-Franklin and many, many more fine Manitobans, Mr. Speaker.

Province-Wide Long-Term Care— Review Need and Increase Spaces

Mr. Cliff Graydon (Emerson): Good afternoon, Mr. Speaker. I wish to present the following petition to the Legislative Assembly.

And this is the background to that—to this petition:

(1) There are currently 125 licensed personal-care homes, PCHs, across Manitoba, consisting of less than 10,000 beds.

(2) All trends point to an increasingly aging population who will require additional personal-care-home facilities.

(3) By some estimates, Manitoba will require an increase of more than 5,100 personal-care-home beds by 2036.

(4) The number of Manitobans with Alzheimer's disease or any other dementia-related illness who will require personal-care-home services are steadily increasing and are threatening to double within the current generation.

(5) The last personal-care-home review in many areas, including the Swan River Valley area currently under administration of the Prairie Mountain regional health authority, was conducted in 2008.

(6) Average occupancy rates for personal-care homes across the province are exceeding 97 per cent,

with the—some regions, such as the Swan River Valley, witnessing 100 per cent occupancy rates.

(7) These high occupancy rates are creating a condition where many individuals requiring long-term care are being displaced far away from their families and their home communities.

We petition the Legislative Assembly as follows:

(1) To urge the provincial government to consider immediately enacting a province-wide review of the long-term-care needs of residents of Manitoba.

And (2) to urge the provincial government to recognize the stresses placed upon the health-care system by the current and continuous aging population and consider increasing the availability of long-term-care spaces, PCH beds, in communities across the province.

And this petition is signed by D. Kowal, L. Timmerman, V. Gaouette and many, many more fine Manitobans.

Government Record—Apology Request

Mr. Cliff Cullen (Spruce Woods): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

Government members have been quoted as stating that Manitobans no longer trust the current government.

Sadly, these same members have reportedly stated that since 2014 the government has been focused on its own narrow political interests, ahead of what was once a government plan and what would be indeed the priorities of Manitobans, and the Premier is driven by his desire to hold on to his leadership rather than by the best interests of Manitobans.

According to comments from government members, their caucus is divided by fundamental differences and animosity and that deep divisions are not just amongst the MLAs and caucus, but they exist at the staff level as well.

Regretfully, the dysfunction and infighting within the provincial government has nothing to do with addressing the fact Manitobans are paying more and getting less. A Winnipeg family pays \$3,200 more in sales and income tax than they would in

Regina but receives some of the worst results in health care and education in the country.

Government members have said in the media that caucus dysfunction is entirely related to internal polls and indicate they are in annihilation territory, saying that, our numbers are down and the status quo is not good enough anymore; our own party pollsters have told us we are facing oblivion.

Little has been done by government members to end the infighting with the Premier, claiming retaliation is justified because of public comments such as, people have rights, but we also have an organization to run. Government members acting on behalf of the Premier have said publicly, we are not on a witch hunt, and have also said, we have to look at who caused this and who are the ones that have damaged us the most.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier to take responsibility and apologize to the people of Manitoba for the social and economic damage created by his failed leadership and the disgraceful conduct of government members that has destabilized the provincial government and hurt Manitoba businesses and families.

This petition is signed by K. Taft, D. Coleman, D. Biles and many other fine Manitobans.

Minnesota-Manitoba Transmission Line Route— Information Request

Mr. Dennis Smook (La Verendrye): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

(1) The Minnesota-Manitoba transmission line is a 500-kilovolt alternating-current transmission line set to be located in southeastern Manitoba that will cross into the US border south of Piney, Manitoba.

(2) The line has an in-service date of 2020 and will run approximately 150 kilometres with tower heights expected to reach more than—between 40 to 60 metres and will be located every four to five hundred metres.

(3) The preferred route designated for the line will see hydro towers come in close proximity to the community of La Broquerie and many other communities in Manitoba's southeast rather than an alternate route that was also considered.

(4) The alternate route would've seen the line run further east, avoid densely populated areas and eventually terminate at the same spot at the US border.

(5) The Progressive Conservative caucus has repeatedly asked for the information about the routing of the line and its proximity to densely populated areas and has yet to receive any response.

(6) The landowners across—all across Manitoba are concerned about the impact hydro line routing could have on land values.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister responsible for Manitoba Hydro to immediately provide a written explanation to all members of the Legislative Assembly regarding what criteria were used and the reasons for selecting the preferred routing for the Minnesota-Manitoba transmission line, including whether or not the—this routing represented the least intrusive option to residents of Taché, Springfield, Ste. Anne, Stuartburn, Piney and La Broquerie.

This petition is signed by A. Fournier, B. Fournier, M. Fournier and many more fine Manitobans.

Province-Wide Long-Term Care— Review Need and Increase Spaces

Mr. Ian Wishart (Portage la Prairie): I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

(1) There are currently 125 licensed personal-care homes across Manitoba, consisting of less than 10,000 beds.

(2) All trends point to an increasingly aging population who will require additional personal-care-home facilities.

(3) By some estimates, Manitoba will require an increase of more than 5,100 personal-care-home beds by 2036.

(4) The number of Manitobans with Alzheimer's disease or other dementia-related illnesses who will require personal-care-home services are steadily increasing and are threatening to double within the current generation.

(5) The last personal-care-home review in many areas, including the Swan River area currently under

administration by the Prairie Mountain regional health authority, was conducted in 2008.

(6) Average occupancy rates for personal-care homes across the province are exceeding 97 per cent, with some regions, such as the Swan River Valley, witnessing 100 per cent occupancy rates.

(7) These high occupancy rates are creating conditions where many individuals requiring long-term care are being displaced far away from their families and home community.

We petition the Legislative Assembly as follows:

(1) To urge the provincial government to consider immediately enacting a province-wide review of long-term-care needs of residents of Manitoba.

(2) To urge the provincial government to recognize the stresses placed upon the health-care system by the current and continuously aging population and consider increasing the availability of long-term-care spaces in communities across the province.

This petition's signed by G. Quon, A. Quon, B. Fawcett and many, many more fine Manitobans.

Provincial Trunk Highway 206 and Cedar Avenue in Oakbank—Pedestrian Safety

Mr. Ron Schuler (St. Paul): I wish to present the following petition to the Legislative Assembly of Manitoba.

* (13:50)

The background for this petition is as follows:

(1) Every day, hundreds of Manitoba children walk to school in Oakbank and must cross PTH 206 at the intersection with Cedar Avenue.

(2) There have been many dangerous incidents where drivers use the right shoulder to pass vehicles that have stopped at the traffic light waiting to turn left at this intersection.

(3) Law enforcement officials have identified this intersection as a hot spot of concern for the safety of schoolchildren, drivers and emergency responders.

We petition the Legislative Assembly of Manitoba as follows:

To urge that the provincial government improve the safety at the pedestrian corridor at

the intersection of PTH 206 and Cedar Avenue in Oakbank by considering such steps as highlighting pavement markings to better indicate the location of the shoulders and crosswalk, as well as installing a lighted crosswalk structure.

This is signed by J. DeVisser, B. Askew, M. Black and many, many other fine Manitobans.

Province-Wide Long-Term Care—Review Need and Increase Spaces

Mr. Stuart Briese (Agassiz): I wish to present the following petition to the Legislative Assembly of Manitoba.

And this is the background for this petition:

There are currently 125 licensed personal-care homes, PCHs, across Manitoba, consisting of less than 10,000 beds.

All trends point to an increasingly aging population who will require additional personal-care-in-home facilities.

By some estimates, Manitoba will require an increase of more than 5,100 personal-care-home beds by 2036.

The number of Manitobans with Alzheimer's disease or another dementia-related illness who will require personal-care-home services are steadily increasing and are threatening to double within the current generation.

The last personal-care-home review in many areas, including the Swan River Valley area currently under the administration of Prairie Mountain regional health authority, was conducted in 2008.

Average occupancy rates for personal-care homes across the province are exceeding 97 per cent, with some regions, such as Swan River Valley, witnessing 100 per cent occupancy rates.

These high occupancy rates are creating the conditions with many individuals requiring long-term care are being displaced far away from their families and home communities.

We petition the Legislative Assembly as follows:

To urge the provincial government to consider immediately enacting a province-wide review of the long-term-care needs of residents of Manitoba.

And to urge the provincial government to recognize the stresses placed upon health-care system—the health-care system by the current and continuous aging population and consider increasing the availability of long-term-care spaces, PCH beds, in communities across the province.

This petition is signed by M. Slack, C. Cook, W. Genaille and many, many other fine Manitobans.

COMMITTEE REPORTS

Standing Committee on Public Accounts Third Report

Mr. Reg Helwer (Chairperson): Mr. Speaker, I wish to present the Third Report on the Standing Committee on Public Accounts.

Clerk (Ms. Patricia Chaychuk): Your Standing Committee on Public Accounts—

Some Honourable Members: Dispense.

Mr. Speaker: Dispense? Dispense.

Your Standing Committee on Public Accounts presents the following as its Third Report.

Meetings

Your Committee met on the following occasions:

- *January 13, 2014 (3rd Session, 40th Legislature)*
- *May 21, 2015 (4th Session, 40th Legislature)*

Matters under Consideration

- *Auditor General's Report – Annual Report to the Legislature – dated January 2013*
 - *Chapter 2 – Citizen Concerns – "Part 4 – North Portage Development Corporation"*
- *Auditor General's Report – Annual Report to the Legislature – dated March 2014*
 - *Chapter 2 – Citizen Concerns*
- *Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated May 2014*
 - *Section 1 – Assessment Services Branch*
 - *Section 4 – The Province's Management of Contaminated Sites and Landfills*
 - *Section 10 – Special Audit: Rural Municipality of La Broquerie*
 - *Section 18 – Report on the Rural Municipality of St. Clements*
 - *Section 19 – Special Audit: Rural Municipality of St. Laurent*

- *Auditor General's Report – Rural Municipality of St. Clements – dated June 2012*
- *Auditor General's Report – Rural Municipality of Lac du Bonnet – dated August 2013*

Committee Membership

Committee Membership for the January 13, 2014 meeting:

- *Mr. DEWAR (Vice-Chairperson)*
- *Mr. FRIESEN*
- *Hon. Mr. GERRARD*
- *Mr. HELWER (Chairperson)*
- *Hon. Ms. HOWARD*
- *Mr. JHA*
- *Mr. PEDERSEN*
- *Mr. SCHULER*
- *Mr. WHITEHEAD*
- *Mr. WIEBE*
- *Ms. WIGHT*

Committee Membership for the May 21, 2015 meeting:

- *Hon. Mr. DEWAR*
- *Mr. FRIESEN*
- *Hon. Mr. GERRARD*
- *Mr. GRAYDON*
- *Mr. HELWER (Chairperson)*
- *Mr. JHA*
- *Ms. LATHLIN*
- *Mr. MALOWAY*
- *Mr. MARCELINO*
- *Mr. PEDERSEN*
- *Mr. WIEBE (Vice-Chairperson)*

Substitution received prior to committee proceedings on May 21, 2015:

- *Mr. GRAYDON for Mr. SCHULER*

Officials Speaking on Record

Officials speaking on record at the January 13, 2014 meeting:

- *Ms. Carol Bellringer, Auditor General of Manitoba*
- *Hon. Mr. STRUTHERS, Minister of Finance*
- *Mr. Fred Meier, Deputy Minister of Conservation and Water Stewardship*

Officials speaking on record at the May 21, 2015 meeting:

- Mr. Norm Ricard, Acting Auditor General of Manitoba
- Hon. Mr. CALDWELL, Minister of Municipal Government
- Mr. Fred Meier, Deputy Minister of Municipal Government

Agreements:

Your Committee agreed to conclude consideration of Chapter 2 – Citizen Concerns – "Part 4 – North Portage Development Corporation" of the Auditor General's Report – Annual Report to the Legislature dated January 2013 at the May 21, 2015 meeting.

Your Committee agreed to conclude consideration of Chapter 2 – Citizen Concerns of the Auditor General's Report – Annual Report to the Legislature – dated March 2014 at the May 21, 2015 meeting.

Your Committee agreed to conclude consideration of the following sections of the Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated May 2014 at the May 21, 2015 meeting:

- Section 1 – Assessment Services Branch
- Section 4 – The Province's Management of Contaminated Sites and Landfills
- Section 10 – Special Audit: Rural Municipality of La Broquerie
- Section 18 – Report on the Rural Municipality of St. Clements
- Section 19 – Special Audit: Rural Municipality of St. Laurent

Report Considered and Adopted:

Your Committee has considered the following reports and has adopted the same as presented:

- Auditor General's Report – Rural Municipality of St. Clements – dated June 2012
- Auditor General's Report – Rural Municipality of Lac du Bonnet – dated August 2013

Reports Considered but not Passed:

Your Committee has considered the following reports but did not pass it:

- Auditor General's Report – Annual Report to the Legislature dated January 2013 (Part 4 of Chapter 2 – concluded consideration of)

- Auditor General's Report – Annual Report to the Legislature – dated March 2014 (Chapter 2 – concluded consideration of)
- Auditor General's Report – Follow-Up of Previously Issued Recommendations – dated May 2014 (Sections 1, 4, 10, 18 and 19 – concluded consideration of)

Mr. Helwer: Mr. Speaker, I move, seconded by the honourable member for Morden-Winkler (Mr. Friesen), that the report of the committee be received.

Motion agreed to.

Mr. Speaker: Any further committee reports? Seeing none, we'll move on to tabling of reports. Ministerial statements?

Introduction of Guests

Mr. Speaker: Prior to oral questions, I'd like to draw the attention of honourable members to the public gallery where we have with us today members from the East Kildonan Kiwanis Club, who are the guests of the honourable Minister of Labour and Immigration (Ms. Braun).

And also seated in the public gallery, we have with us this afternoon from Technical-Vocational High School 80 grade 9 students under the direction of Frank Harms, and this group is located in the constituency of the honourable member for Minto (Mr. Swan).

On behalf of all honourable members, we welcome you here this afternoon.

ORAL QUESTIONS

NDP Severance Packages Compensation Disclosure

Mr. Brian Pallister (Leader of the Official Opposition): Well, we know that as the result of the fallout from the NDP leadership race, Mr. Speaker, a number of staffers were unceremoniously let go by the government opposite, despite promises from the Premier (Mr. Selinger) that that would not be the case. And we expect that that is at least in part the reason for the inflated amounts of severance which we are led to believe were paid; however, the Premier has refused to come clean on what the actual amounts were. It's puzzling enough that the government would pay perfectly good staffers to

leave and go to work in Alberta, but the amounts seem exorbitant.

Would the Premier agree today to make those amounts public so that the people who really pay the severance amounts know what they were, the people of Manitoba?

Hon. Greg Selinger (Premier): Mr. Speaker, the member again advances another double standard. There were severance payments when the previous government left office, of which he was a member, over \$1.7 million in today's money. The member doesn't want to discuss that. It's the old story: one set of rules for him, a different set of rules for everybody else. It's an example of hypocrisy in action.

Mr. Speaker, today we have some good news coming out again about the economy in Manitoba. Retail sales in the month of March were up 2.2 per cent, leading the country 2 per cent. And that's just another good example.

More jobs being created in Manitoba, retail sales being up, infrastructure being invested in to create good jobs for young people: These are the stories that allow us to stay motivated to provide a good quality of life in Manitoba.

Identity of Legal Adviser

Mr. Pallister: That's nice news, Mr. Speaker, for everyone. Six years of being ninth, close to the bottom of the barrel, closer to 10th under the NDP than they were to eighth. One month doesn't make up for that record of incompetence, not even close.

Now, back to the secrecy surrounding these payments, Mr. Speaker. When asked about who made the deal, the Premier said it wasn't him, it was somebody else. Somebody else was in charge of those negotiations, a lawyer, a secret lawyer, nameless, faceless lawyer. He also went on to say that this was a normal part of doing business. But there is nothing normal about these severance payments, nothing normal at all. There's also no precedent for the outrageous level of severance that was paid.

Now, the fact of the matter is that the Premier doesn't seem to want to be accountable or transparent on this issue at all. He quotes figures but doesn't actually understand that the difference between the figures he quotes and these he's hiding is that he's hiding these figures.

So I want to ask him: What's the name of the person who was accountable for making the

generous payments, the secret lawyer? What's the secret lawyer's name? If the Premier's not going to be accountable, maybe the secret—

Mr. Speaker: Order, please. The honourable Leader of the Official Opposition's time on this question has elapsed.

Mr. Selinger: Mr. Speaker, we discussed this in Estimates and made it very clear that Labour Relations handles these matters with the advice from the Civil Service Commission and Civil Legal Services. They get the advice they need to make these kinds of decisions and come to a settlement where all parties agree to it.

I do have to inform him that the reality is he spent over \$1.7 million on severances when his government was in office, Mr. Speaker. He himself has received just shy of \$100,000 of severance payments himself, both from the federal government and the provincial government. It's the old story, a double standard all over again: doesn't want to agree to severance for anybody else, willing to accept it for himself.

Compensation Disclosure

Mr. Pallister: Well, the double standard here, Mr. Speaker, is that he cites severance which was paid transparently, that all Canadians could see, paid to Judy Wasylycia-Leis, Bill Blaikie—I don't know if the member for Elmwood (Mr. Maloway) got any or not. That's not the issue—and me—and me.

And, of course, the real—[interjection] Even 18-year backbenchers who have moved to the front bench out of desperation should listen to this answer and should understand that the issue here should concern all of them, and it's an issue of secrecy; it's an issue of disclosure. It's an issue of the people who pay the bills deserve to know what they're paying for, and they don't.

Now, I asked the Premier last week, how was the amount determined, and again he referred to the nameless, faceless lawyer.

* (14:00)

Would he today make public the formula that was used to determine the amounts of severance that were paid to these former friends of his?

Mr. Selinger: Mr. Speaker, we've put the amount of money on the record; it's about \$670,000.

Now, between 1998 and 1999 there were severance payments made in the government that the

member opposite was a Cabinet minister in: secretary to Treasury Board, in today's dollars \$78,800; chief of staff, severance payments in today's dollars of \$129,000; another chief of staff, in today's dollars of \$60,000. Seven people in total in today's dollars: \$649,987, \$650,000. Six hundred and seventy thousand dollars for seven staff in this government, \$650,000 in today's dollars for seven staff during his government; same practice, same severance payments, very similar amounts, Mr. Speaker, very similar amounts.

Mr. Speaker: The honourable Leader of the Opposition, on a new question.

NDP Political Staff Future Severance Packages

Mr. Brian Pallister (Leader of the Official Opposition): Well, just a subtle difference the Premier seems to have missed is that he just read off the transparent numbers and amounts and the people attached to them, and he is higher than this number from us, two thirds of a million and growing, it seems.

Mr. Speaker, there was an article in a noted publication on Friday which referred to a sinking-ship situation and people of the NDP staff preparing CVs for distribution to apply to jobs elsewhere.

So I have to ask the Premier: How many more of these generous, six-figure secret deals is his government planning to make, and how many more times will we have to see him dodge an answer to an honest, straightforward question?

I am asking him again: How many more of these payments does the Premier expect to be making, and how long will Manitobans have to wait to determine how much they are and how he arrived at those numbers?

Hon. Greg Selinger (Premier): Mr. Speaker, let the record be clear. The severance payments the member received were disclosed by the Canadian Taxpayers Federation, not by himself.

Secondly, Mr. Speaker, the amounts I read into the record earlier were taken out of the public accounts. We all have to be a public-accountable to the public accounts. We've made it very clear all the amounts will be reported in the public accounts just like they were in '98-99. There was no exceptional disclosure by the members opposite then either for

himself or for the seven members that left government in '98-99.

We're following the exact same practices they followed. The member opposite practises a double standard; he has one set of rules for everybody else and a different set of rules for himself. We're following the rules he followed. That's consistent, he's the hypocrite.

Mr. Speaker, if—

Mr. Speaker: Honourable First Minister.

Mr. Selinger: —used that word appropriately, I would withdraw it without qualification.

Mr. Speaker: I thank the honourable First Minister for the withdrawal.

NDP Severance Packages Compensation Disclosure

Mr. Brian Pallister (Leader of the Official Opposition): I appreciate the fact that the Premier is anxious to protect his best interests, I do. No, I do. But the fact remains that the figures that he fails to disclose are rightfully the property of the people of Manitoba who pay the bills.

The money used by the government was paid by the NDP to NDP staffers as a consequence of an NDP leadership race, and the Premier of Manitoba, who was a candidate for the leadership, decided that he would assure those same staffers they didn't have to worry, that they could keep their jobs, and now he's running away from disclosing the results of that broken promise. Now, Manitobans pay this bill and Manitobans deserve to know.

So what right does the Premier have to refuse to tell Manitobans who pay the bill how much the bill was in detail and how much it's going to be as the sinking ship continues to sink?

Hon. Greg Selinger (Premier): Mr. Speaker, all governments have a responsibility to report severance as part of the salary compensation to the public accounts; that's part of the public accountability transparency act. That's what the members opposite did when they were in office. They never made any exceptional disclosures. They followed the legislation in place at the time, which is the same legislation which applies today. We will be fully transparent according to that legislation in the same manner that the members opposite did.

And, by the way, the member never ever disclosed this information at any time, at any place

or anywhere. It was only because we went to the public accounts ourselves that we were able to glean this information. So don't let him stand here and pretend he's meeting a higher standard. It's been, what, '98-99, 16 years? They never disclosed at any time during that period of office. It was only because we went to the public accounts and gleaned that information for ourselves. That is a quintessential example of a double standard followed by the Leader of the Opposition.

Mr. Pallister: Well, it took us four years to find out he actually took Jets tickets too, Mr. Speaker, so it's been a while.

So let's get it figured out here. So the Premier of Manitoba says he didn't make the decision to pay the severance. He says somebody else did that. He says he doesn't have to disclose who that was. He says it's a secret. He says it's a secret as to the formula that was used in determining this. He says it's a secret. The employment contract is a secret. He says that the severance contract that was negotiated is a secret. He says it's all a secret.

None of it should be a secret, Mr. Speaker. It should all be on the public record. Just as the Premier quotes other severance arrangements made elsewhere, it is necessary and right that he put on the record today the accurate details as to the severance paid to these other staffers. Just as Liam Martin's severance was made public in December, so, too, the other six staffers' severance should be made public now.

Why the double standard?

Mr. Selinger: I appreciate the carefully prepared question by the member opposite, Mr. Speaker, but let me again—a question in search of an answer for why he waited 16 years and has still never disclosed the severance payments to the secretary of the Treasury Board, chiefs of staff twice, senior managers, secretary to Cabinet communications, special assistants to the premier and professional officers. Never any disclosure of that in 16 years, only discovered when we did the research ourselves and found the number was very comparable to the severance paid out in this case.

That is the double standard, a refusal to disclose on his part. Even his own severance had to be disclosed by the Taxpayers Federation, a refusal to disclose severance paid out in '98-99, Mr. Speaker. We came forward. We put the number on the record, and we will be fully accountable to the public

accountability and transparency act, and it'll be disclosed in the same manner that they did and never told the public about it.

Hydro Rate Increases Manitoba's Credit Rating

Mr. Cameron Friesen (Morden-Winkler): If the Premier (Mr. Selinger) wanted to be accountable, he'd table those numbers today in this House, Mr. Speaker.

Mr. Speaker, in documents filed at the Public Utilities Board, Manitoba Hydro is saying it has to hike hydro rates again. And, of course, rate increases under this NDP are not new. As a matter of fact, Hydro has hiked the rate six times in just the past five years, under this Premier, on Manitobans who have to pay more and more. What is new is a warning by Manitoba Hydro in the documents that unless there is this new rate increase and others to follow, Manitoba's credit rating is at risk of being downgraded.

Now, last week I reminded the Finance Minister that Moody's Investors Service changed their economic outlook on Manitoba to negative and they noted that a credit rating downgrade could follow.

Will the minister now admit that this NDP's high-debt and high-deficit policies are putting Manitoba at risk?

Mr. Speaker: Order, please. The honourable member's time for this question has elapsed.

Hon. Greg Dewar (Minister of Finance): Mr. Speaker, we've had a good, healthy debate over—about this topic over the last couple of weeks in this Chamber, and I remind the member that our credit rating is two points higher than it was when we came into office. I'll remind the member that both Dominion Bond and Standard & Poor's has affirmed our credit rating as one of the highest in the nation.

And, you know, I also remind the member that, you know, we have a job ahead of us. That job ahead of us is to have one of the strongest—to create one of the strongest economies in Canada. We do that. As the Premier mentioned earlier on, Mr. Speaker, there was a story in this week's paper; Manitoba posted the biggest percentage increase in retail sales in the country, sales up nearly 2 per cent.

* (14:10)

I know members opposite don't like good news, Mr. Speaker. I know the gloom-and-doom party

across the way would like to see the negative. Our job is to grow the economy, and that's what we're doing.

Mr. Friesen: I'm glad that the minister mentioned the Standard & Poor's and Dominion Bond Rating Service, because what he failed to also mention is that when they reviewed Manitoba's financials, they expressed an opinion that the budgetary results would strengthen. But under this NDP, the budgetary results have weakened; budget isn't balanced; deficit projection is up, not down; debt has skyrocketed; GDP growth is lower than expected by half.

While this Finance Minister is whistling in the dark, bond rating agencies are growing increasingly skittish. Now it's not just the bond rating agencies, but Manitoba Hydro is sounding the alarm about a possible credit downgrade.

What does this Finance Minister have to say about Manitoba Hydro joining those who are talking about a risk of a debt credit downgrade?

Hon. Eric Robinson (Minister responsible for Manitoba Hydro): Mr. Speaker, what we're doing is making the right investments today so that Manitobans can have a low-cost, reliable source of homegrown energy for decades to come. And this party, unlike the people across the way, we think about our future and we think about future generations, and we believe that the projects that are being invested in and the application that has been to the PUB for a—the rate increase still puts us among the lowest in North America.

Mr. Friesen: Mr. Speaker, in 2011 the NDP claimed that the Bipole III project was not going to cost Manitobans a single cent. Now Manitoba Hydro is saying Manitoba families will pay for these massive hydro expansion plans. They will pay with massive hydro rate hikes that will at least double their bills, and they will pay with a hydro-debt-driven downgrade to the province's credit rating that will suck revenues away from front-line services and push them towards ballooning debt servicing payments.

Will this Finance Minister just admit that the NDP's financial mismanagement is hurting services on the front line and hurting Manitobans in the pocketbook?

Mr. Dewar: Well, Mr. Speaker, I'll again remind the members and the—all members of this Chamber and Manitobans, when we came into power we were spending 13 cents on the dollar of revenue to service

the debt. Now that's down to 5.6 cents on the dollar, one of the lowest.

Mr. Speaker, I'll—again I'll remind the members that our net-debt-to-GDP ratio is lower, significantly lower than it was when the members opposite were running the economy.

Our job is to grow the economy. Their job is to criticize us and put at risk a plan that's going to create 70,000 jobs in this economy. Our plan is to grow the economy. Theirs is to kill it. We reject that.

Hydro Rate Increases Manitoba's Credit Rating

Mr. Ralph Eichler (Lakeside): Mr. Speaker, it's those sides on that side of the House that's causing Manitobans' debt to rise, not this side of the House.

Mr. Speaker, today Manitoba Hydro is going before the PUB to beg for another rate increase because an NDP system expansion plan that will at least double the rates for Manitoba Hydro customers. A 3.95 per cent rate is being requested that Hydro says if it isn't granted that the province's credit rating is at risk of another credit downgrade.

Will the minister admit that political interference and NDP mismanagement is threatening front-line services and will lead to another credit downgrade for all Manitobans?

Hon. Eric Robinson (Minister responsible for Manitoba Hydro): Mr. Speaker, let me reiterate what I just said. These regular, smaller increases keep rates stable and they provide necessary revenue to fund Hydro projects that'll mean a strong and reliable profit for Manitoba's future, simple as that.

Now, if we make the right investments today, we believe Manitoba can have a low-cost, reliable source of homegrown energy for decades to come.

NDP Election Promise

Mr. Eichler: Mr. Speaker, six rate increases since this First Minister has been in power; that's the NDP legacy to Manitoba.

In its application to raise rates once again, Hydro's reference point was increased borrowing requirements and other financial cost to build Keeyask and Bipole III.

I'd like to table a mailer that was sent out by every NDP member opposite before the last election that reads, and as I quote, Bipole line will not cost Manitobans a single cent, end of quote.

Who is misleading Manitobans, Mr. Speaker? Who is telling the truth? Is it Manitoba Hydro said they need higher rates to pay for a line, or what the NDP said before the last election, it wouldn't cost Manitobans a single cent?

Mr. Robinson: Let me compare this to other jurisdictions, Mr. Speaker, where they're seeing rate increases as high as 26 per cent over the next three years while customers in the northern Midwest pay twice as much as Manitoba. In spite of the increase that's being asked of the Public Utilities Board, we still pay among the lowest rates of hydroelectricity anywhere in North America.

Mr. Eichler: Mr. Speaker, this government cannot keep a promise no matter what they do. They have nothing to be credible about at all.

Mr. Speaker, according to Manitoba Hydro's own numbers, Manitoba can expect at least doubling of the rates over the next 20 years. Independent experts say that a number is likely on the low side, and we could see tripling of rates.

Will the government admit they failed Manitobans, that at least doubling of hydro rates have been brought on by this NDP government's mismanagement and failure to deliver on their campaign promise?

Mr. Robinson: In 2001, we passed legislation—and many members were here—to ensure that rural and northern Manitobans were benefiting from hydro export revenues. Everybody here should remember that.

Let me repeat myself, Mr. Speaker. By doing the opposite of what the member is saying would be putting our economy at risk by exposing it to failure and on top of that by killing about 10,000 jobs and hurting the economy. What we are doing, I believe, is responsible. These smaller increases keep rates stable, provide necessary revenue to fund hydro projects. At the same time—

Mr. Speaker: Order, please. The honourable minister's time on this question has elapsed.

Access to Information Requests Government Spending Record

Mr. Reg Helwer (Brandon West): Mr. Speaker, the NDP used to say we were the lowest in hydro rates. Now this—today this minister has said we're among the lowest. And so what is it going to be tomorrow? Maybe we'll hear the real truth.

In addition, Mr. Speaker, public money has been spent on signs, opinion polls and focus groups, but the NDP won't tell the public what their money bought. It bought an NDP re-election campaign.

To—access to information requests are being refused, sent back with no information.

What are the NDP hiding?

Hon. Kevin Chief (Minister of Jobs and the Economy): Mr. Speaker, there's a—there's been a strong message from private sector forecasters, but BuildForce Canada has said it's been clear there's going to be 12,000 jobs created over the next 10 years in the trades.

From a strong economy comes a demand for jobs, Mr. Speaker, and we want to make sure that when people are driving through our construction zones, when they're seeing our cranes and all the investments in infrastructure, we want to make sure that people know there's a potential career for them, there's a potential job for them, and we want to make sure that those people know that we need them in those jobs.

Mr. Helwer: The NDP promised that every dime of the PST increase would be spent on core infrastructure. Now the NDP admit that the PST increase is being spent on other things, not just on core infrastructure. Manitobans have been lied to about the true use of the NDP PST increase.

Is this what the NDP is hiding? Is this what they think is secret, that the NDP have lied to Manitobans yet again?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Mr. Speaker, it's a—it is great to be able to talk about what is happening with infrastructure, and I can assure the member opposite, with the amount of construction we're doing this year and the amount of construction we did last year, it's pretty hard to hide \$700-million investment in highway capital.

* (14:20)

And in case the member hasn't noticed when he drives back and forth between here and his home constituency, which I'm sure he does on a regular basis, he may want to check out what's happened on Highway 1. One other thing we haven't hid, Mr. Speaker, we've increased the speed limit to 110 kilometres because it's fully upgraded, again, because of the NDP investment in core infrastructure.

Mr. Helwer: Mr. Speaker, another access to information request was turned down because, quote, the record does not exist, end quote. The record in question is the tender for the new speed limit signs on No. 1 Highway. There's no record of a tender for new signs because there was no tender issued.

The Auditor General has blasted the NDP for their overuse of sole-source contracts. Mr. Speaker, the former premier announced the increased speed limit in 2009, but six years is not enough time to issue a tender for the NDP. Why the secrecy? What are they hiding?

Manitobans are tired of this NDP government's waste and mismanagement would—continues to threaten our front-line sources—services.

Mr. Ashton: It's increasingly obvious, Mr. Speaker, that the member opposite—in fact, members opposite—wouldn't recognize core infrastructure and investments in core infrastructure if they tripped over it.

You know, I know they probably think that the moon landing was, you know, filmed on a backlot in Hollywood. But actually, of all the conspiracy theories I've heard from members opposite, and there've been quite a few, I just can't believe that they would actually get up and say there's something lacking in transparency in terms of core infrastructure.

Mr. Speaker, we have historic investment. We've gone from \$90 million under the Tories to \$700 million. We've increased the amount going into highway capital this year by about 45 per cent year over year. Anywhere you go in the province, you see the results of the NDP investment in core infrastructure. That's delivering, because we're the get-'er-done party.

Paramedic Profession Self-Regulation of Service

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, the purpose of regulating paramedics is to ensure the public is protected when they receive health services. It is about patient safety and it is about putting patients first.

Does the Minister of Health agree with this?

Hon. Sharon Blady (Minister of Health): Mr. Speaker, the self-regulation of health professions is very important, and it's why we have the Health Professions Advisory Council. And I have to say that I'm so pleased with our first responders because they

do make a difference in—difference in the lives of Manitobans each and every day. And I look forward to the work that the Health Professions Advisory Council has been doing and will continue to do because I know their priority is the safety and the best interests of all Manitobans.

Mrs. Driedger: Mr. Speaker, the Minister of Health received a report recommending that the profession of paramedicine proceed to regulation under the registered health professions act pending further consultation.

Considering this is a public safety issue, can the Minister of Health tell us when those further consultations will begin?

Ms. Blady: I can assure members opposite that the Health Professions Advisory Council is working with the Paramedics Association of Manitoba because, again, the council makes a qualified recommendation that the profession proceed to regulation under the RHPA only after PAM provides the Minister of Health with evidence of a satisfactory level of support among Manitoba paramedics with self-regulation.

This evidence should be based on a dialogue and consensus-building process that PAM organizes for the purposes of exchanging information and opinions with practitioners, stakeholders about self-regulation and its implications for paramedics, including cost and responsibilities, and I look forward to that.

Mrs. Driedger: And the Minister of Health did not answer the question, and I do hope that the Paramedic Association of Manitoba is involved in further consultations, because that is important.

Mr. Speaker, this Minister of Health has committed only to studying a move toward paramedic self-regulation. Will she commit today that this further consultation will lead to self-regulation of paramedics?

Ms. Blady: I reiterate that, again, the council did make the qualified recommendation that the 'profession' proceed, and I—and that more work needed to be done, and I look forward to that work being done and the second stage being presented and we see where it goes, because self-regulation can provide a wonderful place for the—ensuring the safety for all Manitobans. And, again, I look forward to the work that PAM and HPAC do together.

Emergency Medical Services Report Implementation of Recommendations

Hon. Jon Gerrard (River Heights): Mr. Speaker, emergency medical services are vital to all Manitobans. The EMS report was released over two years ago, and yet the government has wasted time, stalled and baffle-gabbed rather than paying attention to what the MGEU president has said is dangerous EMS working conditions.

Will the Premier tell us today why the implementation of this report has proceeded so slowly? On whose desk is this important report lingering, buried and collecting cobwebs?

Hon. Greg Selinger (Premier): Mr. Speaker, when we came into office, there were about 290 paramedics full-time in Manitoba, and over 70 per cent of the service was delivered by excellent volunteers. Now we have 1,500 full-time paramedics in Manitoba, and 80 per cent of the service is delivered by full-time staffers.

And as the paramedic and EMS system has grown, it has required constant review to make sure that we can improve it. That has resulted in investments in new ambulances. That has resulted in new investments in dispatch equipment and technology to ensure that we can get people as close to where they need to be as quickly as possible to provide that service.

So it is true that the EMS system is critically important, and there have been a number of recommendations that are brought forward and those recommendations are being acted on. Nineteen are already considered complete, and the rest are being acted on.

Mr. Gerrard: Mr. Speaker, about the same as the answer given last week and not good enough when this was labelled a quiet crisis in 2007.

It's now more than two years after the review, and what was supposed to be done in the first year has been ignored. The office of the medical director was to be fully established. IT plans were to be developed and implemented. A request for proposals was supposed to be issued and a decision made and performance contracts awarded for the fixed-wing air ambulance service.

Why is it, I ask the Premier, why is it that even the most basic of steps have not been completed even after an urgent letter and public comments from the current MGEU president?

Mr. Selinger: Mr. Speaker, we have now in Manitoba fixed-wing air ambulance services, two jets. We've invested in those jets; we've upgraded them; we've refitted them so that they can provide service to Manitobans. They're very high-quality, and I can tell you the people that work on those jets do a tremendous job. They're very well-trained individuals, and they're on call 24-7 to meet the needs of Manitobans.

We have an air—we have a helicopter ambulance service in Manitoba now, Mr. Speaker, since 2009, the STARS system, and we've improved service there. We've got advanced paramedic training going on in Manitoba. We have paramedics that are actually located in the community to keep people out of the ERs and provide service right in the community when people need it.

We are making very significant improvements, and we will continue to do that as we develop one of the better systems for EMS across the country.

Mr. Gerrard: Mr. Speaker, more than two years ago, the former minister of Health, the MLA for Seine River, said action was imminent, but since then there's been no progress.

Since then, the esteemed chair of the task force who was to implement the changes, Mr. Reg Toews, has been removed, and the implementation group has been disbanded. All action has halted, even as the MGEU president said the whole system is on life support.

I ask the Premier why Reg Toews, someone his minister's own press release called a recognized leader in the province's health-care system, was removed and progress halted on the changes so urgently needed to improve our emergency medical services system.

Mr. Selinger: We appreciate the work that Reg Toews did; that's why we appointed him to the job. We had a lot of confidence in his abilities, and he did a lot of good work for Manitobans as a public servant and in retirement by serving on this committee. And 19 of his recommendations have been worked on and brought into implementation, Mr. Speaker.

* (14:30)

One of the items that was recommended was the office of the medical director. The office of the medical director has now been fortified and

strengthened, Mr. Speaker. It's in place with centralized medical oversight responsibilities.

We've made very significant investments in the medical transportation co-ordinated-co-ordination centre out of Brandon. I remember seeing it years ago when it was being run by a couple of civic officials in the firefighters and-department, and now it has a fully trained complement of staff with modern equipment and modern technology to go along with modern ambulances which have GPS technology on them where they can locate them as close to where people need the service as possible.

We have the STARS helicopter service. We have fixed-wing jet service. And instead of 290 paramedics, we have 1,500 paramedics working in Manitoba.

Rent Assist Program Timeline for Increase

Mr. Rob Altemeyer (Wolseley): Mr. Speaker, my constituency office is located at Crossways in the West Broadway neighbourhood, and on the main floor there's a community drop-in centre where lots of folks who are working these days and other folks who are working towards work and some folks who are probably not going to be able to work again in their life, they all congregate and come together and form a really wonderful community.

And after our budget was announced, I can share with the House a spontaneous celebration broke out in that space amongst all of those people because of an historic investment in affordable housing, the largest investment in social assistance rates in a generation.

And I'm so proud of our government and what we did, and I'd like to ask our hard-working minister to provide more details on how the Rent Assist program is making a fundamental difference in thousands of people's lives.

Hon. Kevin Chief (Minister of Jobs and the Economy): It's been said there's going to be 12,000 jobs in the next 10 years in the trades alone, Mr. Speaker. We have a dynamic demographic of people, the youngest and fastest growing indigenous population in the nation. We have an incredibly strong new Canadian refugee community, and the first time, more now than ever before, women are now looking at the trades more now than they ever have before.

We were proud to join hundreds of people on Friday, Mr. Speaker. The message was clear in this budget that we're going to provide stability to those families when they're transitioning into that critical first job, when they're transitioning into upgrading to get that specialized job, and we're going to make sure our government is standing with those families when they're going through one of the most exciting and biggest changes to provide stability for their children and loved ones. Thank you.

Altona Health Centre Suspension of Services

Mr. Cliff Graydon (Emerson): Mr. Speaker, on May 14th, 2015, the Minister of Health assured this House that closing the Altona OR was temporary and this would have no impact on the Altona ER.

I would like to ask the minister: Why was the Altona ER closed Sunday 8 a.m. to Monday 8 a.m.?

Hon. Sharon Blady (Minister of Health): Mr. Speaker, I'd like to thank the member for the question.

Any time a suspension of service is indicated for an emergency room, it is at the discretion of the medical professionals involved. And if the member opposite has any specific information that he feels is valuable or cogent to the situation, I would appreciate that.

But, again, those decisions are made by the medical professionals at Altona.

Mr. Graydon: Mr. Speaker, it's clear the NDP government can't be trusted to keep their word. With 30 ERs closed at any given time, it's impossible to believe anything this minister has to say and when she claims to, quote, we have more doctors practising in rural Manitoba and northern areas than ever before.

Mr. Speaker, why has the ER closed? What is this minister hiding and what is her secret agenda in closing the Altona OR and the ER? Shame on her.

Ms. Blady: I'd like to thank the member for the question, though I do believe Fox Mulder wants his questioning agenda back.

Mr. Speaker, we do have more doctors practising in this province. We do have—in fact, 77 of the 107 new graduates this year are going to be staying in Manitoba, and 34 are moving towards studies in family medicine, 19 doing family medicine in rural and northern Manitoba, including young

Kyle Conrad, who will be completing the Family Medicine Rural Stream Residency Program in Boundary Trails Health Centre.

And it is a far cry from health care in the '90s, where Morden-Winkler saw the Morden hospital and Tabor Home and PCH cut by \$1.3 million. We saw the Portage hospital cut by \$1.6 million. Minnedosa hospital had a \$1.5-million cut. Arthur-Virden—

Mr. Speaker: Order, please. The honourable minister's time on this question has elapsed.

Mr. Graydon: Mr. Speaker—[interjection] Whenever the minister is finished.

Mrs. Reimer, Mrs. Friesen, Mrs. Heinrichs had a shock when they made the rush trip to the ER in Altona only to find a notice on the door indicating the ER is closed.

What does this minister have to say to these fine Manitobans who expect timely front-line services in their community that's being destroyed by this NDP mismanagement and their waste and waste? And Manitoba's getting a lot less for what they're paying for.

Ms. Blady: Mr. Speaker, again, we know there is more to do and we believe that all ERs in Manitoba should be open 100 per cent of the time. We also recognize that physician recruitment and retention in rural hospitals is an ongoing challenge throughout the country. And when there isn't a physician available at a rural emergency room, our provincial EMS dispatch centre is made aware and adjusts land and air ambulance resource times.

And we are also making other investments in rural residencies, new doctor seats. We are investing, and as I said, a sharp contrast to the cuts and the doctors fleeing under members opposite.

Mr. Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

Mr. Speaker: It is now time for members' statements.

U-18 Women's Provincial Curling Champions

Mr. Cliff Graydon (Emerson): Mr. Speaker, it's always my pleasure to rise and address this Assembly on a matter of praise for both my constituency and my constituents. Fortunately for

me, this statement will allow me to give credit to both.

Over the course of March 5th to 8th, the Melita Curling Club hosted the Asham under-18 men's and women's provincial curling championships. The facility staff and volunteers and officials from CurlManitoba deserve to be commended for hosting and running an amazing event which saw some local talent fare very well.

In the under-18 women's championship, the team from Altona, consisting of skip, Mackenzie Zacharias; third, Hayley Bergman; second, Emily Zacharias; and lead, Peyton Bergman; and coach, Sheldon Zacharias hit the ice with guns ablazing and won the gold medal with a score of 8-2 over their Winnipeg competitors. Their victory won them a spot representing Team Toba at the 2015 international under-18 curling championship in Edmonton, Alberta, and—from April 1 to the 5th. At the international championship, Team Manitoba finished with a record of two wins and three losses, competing against teams from across Canada, United States and also facing off against Japan.

As the team from Altona is still very young, there is no question in my mind that this is not the last we will see or hear from them as they carry the torch solidifying Manitoba's reputation on the world stage as a curling powerhouse.

Ladies, you have made me, Altona and all your friends and family very proud. Most importantly, as amazing ambassadors of Manitoba, you have made all Manitobans thrilled with your accomplishments.

Mr. Speaker, I would like to publicly acknowledge and thank the team for their wonderful thank-you card, and ask all honourable members to join me in congratulating the team on their successes and wish them all the best in the future.

East Kildonan Kiwanis Club

Hon. Erna Braun (Minister of Labour and Immigration): Kiwanis International recently celebrated an exciting milestone: 100 years. Kiwanis International is an outstanding organization that celebrates and promotes both community service and fellowship. In over 80 countries, individuals gather in their respective Kiwanis clubs to volunteer on local projects and fundraise money for various causes.

Members of the East Kildonan Kiwanis Club have joined us in the gallery today. Recently, I

attended their annual fundraising dinner where we celebrated together and learned about the good work of the East Kildonan Kiwanis and, in particular, Kiwanis International which is currently working to fund neonatal tetanus shots for expecting mothers in developing countries.

Closer to home, the East Kildonan club encourages volunteerism by sponsoring many smaller Kiwanis clubs in schools throughout River East Transcona School Division. Mentors from the EK clubs support students to develop their skills in a variety of areas. They offer a helping hand where needed, then step back and let the students and their teachers run the show. These students work hard to raise money and donate their own time to different projects that they choose themselves. Not only do these students learn the value of contributing to their communities and schools, but they have great fun while they are doing it.

In addition to facilitating the school clubs, the East Kildonan Kiwanis Club operates two apartment blocks in East Kildonan that provide affordable housing for seniors. They are run by a volunteer board made up of club members and offer a warm, friendly community for our seniors.

Kiwanis clubs across the province and around the world do great work just like the club in East Kildonan, serving individuals and communities. Together, they accomplish an impressive amount of work.

Thank you, East Kildonan Kiwanis Club and congratulations to Kiwanis International for 100 years of service.

*(14:40)

Krista Hildebrand

Mr. Cameron Friesen (Morden-Winkler): Mr. Speaker, it is my pleasure to rise in the House today and congratulate Krista Hildebrand, a young constituent who won the gold medal in target shooting at the Canada Winter Games in Prince George, BC, this past February.

Krista's versatility and competitiveness reaped dividends as she came from behind and clinched the top spot in the target shooting air pistol event. In the lead-up to this winter's games, Krista decided against competing in the rifle target shooting event due to the cumbersome training regimen and decided instead to train using an air pistol. Despite nine years of practice with a rifle and only five months of

training on an air pistol, Krista not only took gold in the event but she also set a national record.

Krista began her target shooting career with the Winkler junior rifle shooting program when she was just nine years old, taking inspiration from her older brothers who enjoyed the sport, and has continued with it ever since.

Krista's win deserves the pride and admiration of our community. Krista's gold medal is the culmination of support, encouragement, time and resources sacrificed over the years by family, friends, team and coaches. This win is a tribute to their efforts, and the win is accentuated by the many months of training Krista undertook to compete in the Canada Winter Games and reflects the quality and calibre of our students in the community.

The Canada Winter Games saw a remarkable number of young constituents from Morden-Winkler participating in a variety of events, including judo, cross-country skiing and hockey. Martin Russo, Alex Loeppky, Levi Warkentine, Logan Christensen and Zachary Peters demonstrated strong sportsmanship and skill. The athletes were guided and supported by coaches Sloan Reid-Reid Sloan and Ryan Hutton of Morden and Lorne Warkentine of Winkler.

I congratulate all participants on their exemplary effort and congratulate Krista on her well-deserved gold medal. I wish her all the best in future competitions.

Thank you, Mr. Speaker.

Court Family

Ms. Jennifer Howard (Fort Rouge): Mr. Speaker, I would like to recognize the Court family from my constituency for giving their time to volunteer for organizations across Winnipeg. Our community is lucky to have people like the Court family who are willing to donate their talents to make our community a better place for everyone.

Last month, Karen, Jamie and Jessica all received the Manitoba Liquor & Lotteries Family IMPACT Award for their commitment to volunteering. This award recognizes the work of dedicated volunteers that often goes unnoticed.

For over 30 years, Karen has given back to her community. She started volunteering with her late husband Alan for the Winnipeg Folk Festival. They used volunteering as a way to bond and spend time with the family. Karen and Alan both volunteered for the parent councils at Earl Grey and Grant Park

schools. They also helped out at the Early Grey Community Centre coaching basketball.

Volunteering became a family tradition for the Courts. The whole family would volunteer for events together, including Folk Fest, the International Children's Festival and with the Canadian Cancer Society.

Congratulations to Karen and her daughters Jamie and Jessica for all the amazing volunteer work they do. They've made the tradition of giving back to their community a family affair and ensured that this value will be alive in generations to come. It's truly families like this that make Winnipeg a vibrant place to live and Manitoba a province known for its caring and community spirit.

Thank you.

Flinty's Fishing Derby

Mr. Clarence Pettersen (Flin Flon): Mr. Speaker, on a warm Sunday in April, 570 anglers descended on Sally's Beach for the first ever Flinty's Fishing Derby.

In Bakers Narrows Provincial Park the thick ice on lake Athapap was covered with anglers all day long as they competed for different prizes. More were trying to catch one of the three previously tagged jackfish that were worth \$25,000. It seems that those fish really didn't want to be caught again, because nobody managed to reel them in.

But the anglers didn't walk away empty-handed. Darren Whitbread took home the \$21,000 grand prize for the largest fish of the day, a 75.25-centimetre-long trout. With anglers travelling to Flin Flon from communities all over Manitoba and even places like Calgary and Fort Frances, the event was a great success.

Flinty's Fishing Derby demonstrates how dedicated the people of Flin Flon are to our community. It's a great showcase of the abundance of wildlife and recreational opportunities we are lucky to have in northern Manitoba.

I have to commend the organizers of the derby for putting together it so professionally. Members of the Flin Flon Rotary Club worked tirelessly to make sure the event went off without a hitch. They enlisted the help of the Flin Flon Fire Department to drill 900 holes in the lake, secured some fantastic prizes for the winners, including a 14-foot boat, airfare from Flin Flon and Winnipeg and vacation packages from Bakers Narrows Lodge. In the end,

they managed to raise \$16,000 for the Flin Flon Rotary Club.

Congratulations to the Rotarians, volunteers and participants who made the first-ever Flinty's Fishing Derby such a success. I look forward to seeing this even happen for many years to come.

Thank you.

Mr. Speaker: Grievances?

ORDERS OF THE DAY GOVERNMENT BUSINESS

Mr. Speaker: Seeing no grievances, we'll move on to orders of the day, government business.

Hon. Dave Chomiak (Government House Leader): Mr. Speaker, I wonder if we might move into Committee of Supply in three sites, the Legislative Chamber, room 254 and room 255.

Mr. Speaker: We'll now resolve into the Committee of Supply.

Madam Deputy Chairperson, will you please take the Chair and the various committee Chairs in the committee rooms.

COMMITTEE OF SUPPLY (Concurrent Sections) FAMILY SERVICES

* (14:50)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to some semblance of order. This section of the Committee of Supply will now resume consideration of the ever-exciting Estimates for the Department of Family Services. As previously agreed, questioning for this department will proceed in a global manner.

And I believe the minister has some information to put on the record stemming from the previous section. So, honourable Minister.

Hon. Kerri Irvin-Ross (Minister of Family Services): All right, I will read the question that I took under advisement and then our answer.

What are the qualifications for people who work with high-risk kids? Preference to Youth Care Certificate; prior experience as support workers; they require Non-violent Crisis Intervention Training; first aid; they need to clear the checks of the Child Abuse Registry, the Adult Abuse Registry, criminal record checks and prior contact checks; agency-

specific orientation and training; also, specialized training if they are working with sexually exploited youth.

What are the qualifications for people who work in group homes? Regulation requires that any person who works directly with the resident or who may have unsupervised access to residents must be medically, physically and emotionally able to do the required work; provide character references; provide a criminal record check and Child Abuse Registry check within three months prior; consent to the release of information about his or her previous employment and volunteer work; complete a first-aid course that includes CPR training relevant to the age group being cared for that is approved by the director and maintains recertification of the first-aid course and CPR training as required.

There was a question, what is the regional distribution of capital projects under Family Choices Building Fund? Under the five-year Family Choices program started in 2008, 117 total projects are supported by the Province of Manitoba; 72 were community-based projects and 45 school-based projects. In the community-based, 31 were outside of Winnipeg and 41 in Winnipeg; school-based was 31 outside of Winnipeg and 14 in Winnipeg. And they are broken down into the particular regions.

In terms of residential-care facilities and group homes, what policies have changed since 1999? There have been very—there have been no regulatory or policy changes since proclamation of the regulation on March 15th, 1999. The entire child-care facility standards manual was originally drafted in 1999 and was updated and fully available online in the spring of 2012.

Do residential-care facilities and group homes monitor prescription drug usage and how? The child-care facilities standards manual has a written medication policy that includes detailed instructions on storage of medication; dispensing of medication; administration of medication; maintaining a record of all medications, prescription and non-prescription; management of medication during planned absences, day programs or social leave; disposal of medication; responding to medical errors and handling of narcotic or controlled drugs. Prescribed medications shall be administered only on the order of a qualified physician or licensed health-care professional. Non-prescription medications may be administered, providing that approval has been received from a qualified physician, licensed prescriber or dispensing

pharmacist. Written standing orders and documentation of verbal approval shall be maintained on the child's file and updated and revised as necessary. The licensee shall maintain a monthly medication administration record, documenting the time and dosage. Children may self-administer their medication only if their care plan includes in writing the required authorization from the attending physician or supervising agency.

There was a question around education tracking. So we had answered at that time that in our new development of our technology, Cúram, we are going to add that as one of our indicators to track. So I think that'll be really important and will help us further develop our policies, but also I'd like the record to just remind the members that the Department of Education also tracks education rates. There were questions on tracking graduation rates and attendance of kids in care. I think I've already—we are—that Manitoba has made significant investment over the years to improve Child and Family Services. Further investments are being considered to improve educational outcomes for children in care, including school readiness, support through high school and further education and training and post-high school.

There were questions around the centralized placement desk: what is the timeline for launching the centralized placement desk; what has been done and what needs to be done. The first phase of the centralized placement desk is under way. It's currently managing and co-ordinating approximately 1,100 foster-care-bed spaces and 350 residential-care-bed spaces across the province. In the next phase of the project, we are scoping in beds from agencies across the province, streamlining processes and working on more efficient management of resources. The centralized placement desk works closely with the hotel reduction team, EPR and the authorities to co-ordinate both resources and children in care requiring resources. Primary focus on eliminating children and youth placed in hotels and reducing the children and youth in other emergency placement resources, shelters and emergency foster homes awaiting long-term placements. Okay.

Then we had a question on the training of new hires. So there is a five-day training program that includes an overview of EPR and CFS policies and procedures, safe work training, everything from working alone to WHMIS. And staff have to—are tested on the procedures. Learning relationships and developmental stages and how they impact

behaviour management, consequences and power struggles are also reviewed. Participants spend a half day with the pharmacist reviewing medication policies and administration. Staff learn to understand and can complete medical administration records. Staff attend a shelter for two days for hands-on training. They are placed with mentors who can help guide them and give them first-hand advice. And on the last day they have a CUPE orientation, human resource information and forms and, finally, questions and tours.

There was a lengthy conversation about the breakdown of new beds and where were they added. So there have been 71 new beds since November. They're all emergency foster-home beds. There are 61 in place. There are 10 in the final stages. There have been an additional 35 beds since April 1st: nine lone shelter beds, 13 emergency foster beds and 13 shelter beds.

That concludes my responding to the questions and answers. I apologize about the length of time that I've taken, but I think I've fully answered the questions.

Mr. Chairperson: Thank you very much for that, Minister.

The floor is now open for questions.

Mr. Ian Wishart (Portage la Prairie): I thank the minister for responding. I'm going to have to look through some of those numbers and align them with the questions, as she probably appreciates, and we may have some further follow-up tomorrow, but did have one question regarding group homes, and if there's an accident or some type of crisis situation, what is the policy in group homes in terms of taking residents to emergency? When would they decide to do that and when would they wait and see?

Ms. Irvin-Ross: I have that answer for you. It is: residential care facilities are required to 'ahere'—adhere to health and safety standards, and child-care support workers are required to be trained in first aid and CPR. We have a reporting strategy that is in place.

* (15:00)

One of the questions that we received last week that I didn't respond to was the licensee of a residential-care facility reports the incidents to the director and the placing agency or the organization or jurisdiction which placed the resident or child as stated in the child-care facility's licensing regulation.

Similarly, the licensee of a foster home reports the incident to the licensing agency and the placing agency of the foster child concerned in accordance with the foster home.

If there is a serious injury to a child in care, the reporting agency, when applicable and agreed to by both parties, the placing or guardian agency notifies the child's parent or next of kin within 24 of hours or soon thereafter.

Mr. Wishart: I thank the minister. She—you certainly touched on what I'm looking for here, but if there was an accident, say, a child fell off a bicycle and a head injury, who makes the decision as to whether they go to emergency or not?

Ms. Irvin-Ross: The children are placed in the care of, in some cases, in foster homes with foster parents that are well trained, and in the residential centres there are also staff that are well trained to care for them. They will have—we have standards in place that give them direction about when they need to take action. But I am—I have full faith and confidence that if there's an issue, that it is reported immediately and the necessary action is taken.

If there is a particular case that you are familiar with and you'd like us to follow up on it, I encourage you to share the specifics and we will look at what happened in that circumstance and evaluate the actions taken.

Mr. Wishart: I appreciate that from the minister. So it would not be standard practice, then, for the resident supervisor to call the parents of the child and ask them to take them to emergency. That would not be standard practice, right?

Ms. Irvin-Ross: I think I need to clarify. Are we talking child-care facility or are we talking Child and Family Services?

Mr. Wishart: Sorry, CFS.

Ms. Irvin-Ross: I just needed to clarify that because we have to—but depends on if there—depends on—there's lots of circumstances about under what circumstance the child is in care, whether it's a voluntary placement or whether it's an apprehension. It depends on what the type of the injury is. I know that parents have a right to know and deserve to know and you heard me speak in that standard that it is an expectation that parents are notified with 24 hours or sooner of an incident that has occurred. So, at the time when that child is in a group-home

setting, we are responsible for their care so we need to take those actions.

And I just—it's—I'm assuming that there's a particular situation that the member may be referring to so rather than having the debate here where we cannot talk about the specifics at all out of privacy concerns, if you'd like to have a conversation and to share with some of the details, I can have the department staff follow up and give you the answers that you seek.

Mr. Wishart: Well, certainly this is driven by casework. I think it's more or less resolved at this point but it seemed well outside of scope that a child would have a head-injury accident, riding bicycle without helmet, by the way, which I'm not sure who's responsible for that, but that's another issue. And, rather than take the preventative measure of taking them to emergency themselves, they waited to call a parent—this is involving quite a bit of time—and a concussion was the resulting injury.

So I am quite concerned that someone somewhere is not following the codes very carefully, and, yes, I'll be happy to share the specifics. But I think you have a policy issue here too. And that's my question. Is there a policy issue here that needs to be clarified?

Ms. Irvin-Ross: I had shared the policy earlier with the member. I guess what we need to start with is evaluating the circumstance which you speak about and then look at a comparison with our policy to evaluate it.

When we're making policy and standard changes, we have to move very cautiously and carefully and make sure that we're working always in the best interest of the child, and that the situation that's described isn't an anomaly. And making—one of the other key things that need to happen within the department is ensuring that agencies and the providers of care for the children are familiar with what expectations regarding policies and standards and critical incidents.

So we will—I will wait to get your information and we will review the file that you refer to.

Mr. Wishart: Thank you very much, Madam Minister, and we will follow up with that particular case so it, as I said, has been resolved.

I would also like to thank the minister for her indication earlier today that she will follow up with the family of Matias de Antonio. I am sure they will

greatly appreciate the issue around the marker being resolved. But I did have a question related to that and it, too, is a bit of a policy issue. Has there been any changes in the protocols around transporting children while in the care of CFS, especially young children?

Ms. Irvin-Ross: There has been reviews that have been completed, as the member is aware of. To date, there hasn't been any policy change around transportation of children. There's been education and references to what the standards are to ensure the safety of children.

Mr. Wishart: Well, I certainly appreciate that. Is there a process by which will lead to a change in recommendations and, in particular, the training of CPR when it comes to baby, very young children?

Ms. Irvin-Ross: As we've stated earlier that people that are caring for our children that they need to have CPR and first aid. We continue to—whenever there is a critical incident we continue to review the circumstances and to evaluate our policies and make decisions on what we can do to improve the policies in which we operate to protect children. That's an ongoing task that happens every day within our agencies and our authorities, and we'll continue to do that.

Mr. Wishart: I thank the minister for that. I think it would be very important and timely for those that are responsible for the transport of very young children while in the care of CFS to have—and perhaps it's already mandatory that they keep it current. But it's specialized training that relates to giving infants CPR and not always offered at every training facility, frankly, something that even many professionals are reluctant to undertake, but necessary in these cases. And sure the minister is as concerned as I am when the transporting individual, in this case, was unable to perform CPR and there was a public call for help in regards to that. So I think we can't really wait for a long approval process. Can the minister give me some assurance that this will move quickly?

* (15:10)

Ms. Irvin-Ross: I can assure the member opposite that we continue to work to improve our policies and our standards to ensure the safety of all children that are in our care.

Mr. Wishart: So recommendations in this regard will eventually work their way through the system through the Children's Advocate. Will it be until then until any changes in policy take place? Is that the process?

Ms. Irvin-Ross: As I said earlier, that we are constantly strengthening our system to improve better services for the children that are in our care and the families that welcome us into their home, and we will continue to do that.

Mr. Wishart: Well, I thank the minister for that. It doesn't provide a really solid timeline, so we will continue to come back to this issue.

I did want to talk a little bit about the adoption process. Now that we have a more open record-keeping, I wonder if the minister had any current numbers as to people that are—have asked for previous records, if that's—if there's any tracking of that done.

Ms. Irvin-Ross: We do not have the exact number on us, to date, but I know that there has been a very—there's been a lot of interest in the opening up of our records pre-1999, and, as you are aware, we announced that June 15th will be the date. I know that the staff within the division of adoptions has been very, very busy preparing for this, the date of June 15th, 2015, and are willing and able and with open arms welcoming the adults that will come and seek the information they want to find out about their heritage and where they're from and some of the information that we have. However, as you know, that if there is a veto that's applied to the file, that that information will not be shared at that time.

So we will take the number of people that are—that have—we haven't really started the registry but we do know that there have been a number of people, and I think you're familiar with them as well, who have been for a number of years advocating that we open up these records. And we know that because of the sensitivity of the information we're going to be able to provide them with the information they need.

Mr. Wishart: I thank the minister for that. And I realize that so far most of it is only indications of interest on behalf of individuals with records prior to 1999.

I guess where I'm headed, is there going to be some form of tracking here, number of requests, numbers of requests granted, nature of the request in terms to whether they're medical or nonmedical? I know you can't get too specific, so that we have some information about whether or not, you know, this has worked with the individuals involved. And we've also had an indication from, in particular, the Metis Federation that they had a backlog of several thousand in terms of people that wanted to trace their

ancestry through the adoption process. Will they—will we be able to track what has happened to these?

Ms. Irvin-Ross: Regarding the Metis Federation, part of the changes that we made were to make sure that indigenous people could get their information as soon as possible so they could apply for their Metis card or their status card if that's the direction that they wanted to go. So that's going to continue to happen.

We are always collecting information and data, and I don't know what the specifics are, but I do know that the folks that work within the adoption unit are extremely professional and committed to providing a quality of service to Manitobans.

I will—as long as we are getting the information around the number of people who've contacted us, we'll also get the specifics about what data will be collected.

Mr. Wishart: I thank the minister for that.

I think it is very important that, because we're starting fresh here, that we do a thorough and a fulsome job of collecting what data requests come in and how we're able to deal with those. So I would certainly look for the minister's assurance in regards to that.

Ms. Irvin-Ross: I will gather the information that you've asked in your question and I will let you know as soon as I have that, hopefully by the end of this session—like this meeting today, not session.

Mr. Wishart: I thank the minister for that.

I did want to step back a little bit to the earlier phases of the adoption process. When someone in—comes to the department and indicates that they're prepared to put a child up for adoption, what are the safeguards that the ministry must go through to make sure that both parents are agreeable to that and that the records are properly kept and the right distance in terms of whether there's a disclosure or non-disclosure? What are the processes that are done to assure that that happens?

Ms. Irvin-Ross: It is spelled out clearly within our legislation and our regulations, and I do not have those in front of me right now, but I know that it is an expectation that both parties are informed of a adoption. But I do not want to put misinformation on the record, so I will wait to get the information as soon as possible and share it with you.

Mr. Wishart: Okay, if the answer's done. Thank you, Minister, for that, and I appreciate accurate information in regards to that.

And I've had a look at this recently myself, and I believe the regulations state that for the father, he has 48 hours to respond, which given that most paternity tests, DNA, take five to seven days, seems like a bit of a problem. How would the minister view that?

Ms. Irvin-Ross: Thank you very much for bringing that to my attention. I have had conversations with the folks within the adoption branch, and I have not been informed of that, but I will certainly inquire about this specific question that you ask.

Mr. Wishart: Well, I appreciate that and I appreciate the minister's intent to look into it. I think she'll find that most other provinces have a seven-to-10-day period, and we seem to be alone and—48 hours—and given the impossibility of getting a DNA paternity test back in that time does seem impractical. So I'm looking for some assurance from the minister that she could bring back a report on that in the future.

Ms. Irvin-Ross: I'm not certain about a report, but I can bring back an answer for you, and we can—thank you very much for raising that and we will endeavour by the end of this conversation today to have an answer for you.

Mr. Wishart: I thank the minister for that, and I certainly look forward to any answer in that area because I do have casework in this area, as well, that I will bring to her attention regarding this and, hopefully, we can resolve that.

Look—turning to other areas, the minister had mentioned earlier—and I don't believe I was actually here that day, but I read it in the Hansard—the wage enhancement fund that is available to help with services in mental health delivery services. I wondered if the minister could provide me with a little more detail on how that will work.

*(15:20)

Ms. Irvin-Ross: Just for the member's information that, since 1999, we've increased the funding to adults with intellectual disabilities by 400 per cent. We have been working with the agencies, as well, with the staff, in working with adults with intellectual disabilities and the support workers and have made improvements to their salaries, but we also identified last spring and summer that we had a lot more work to do, and that's when we announced

the \$6 million over three years to increase wages for support workers. And we believe that this new funding is going to help with the issue of retaining workers, especially in some of the smaller rural and northern communities as well as going to be able to sort of level the playing field, because I know that there are some larger agencies that are able to pay more or have made that decision to pay more, and they are slowly—folks are going to work at those agencies and the smaller agencies are really struggling.

So what we have done—and this is by memory, so if I'm wrong, I will be corrected—what we did is we established a committee, and on that committee included service providers; it also included department representation, and talked about how do we move forward, how do we move with that \$6 million, because the commitment was that we were going to bring wages between 13 and 14 dollars an hour at the end of the three years. That was the commitment that we made, and so we sat with the service providers. I think there was also union representation 'ot' the—at the table.

And we came up with a process that—there's two phases to the process. First of all was acquiring information from the agencies about what were they paying for staffing and how many staff did they have within their agencies, and then the second phase we had after we had decided that in—the first increase was in January, this January, and it was the minimum wage for residential-care worker was \$12.50 an hour. After we did that, we then asked the service—or the agencies to apply, make application about where they would—if they are eligible for this and asked them to apply. And that's where we're in the process right now. We've received the applications.

And I can probably get you some more current information. So, right now, it is the January 2015—that information will be paid retroactive to the agencies, if necessary. There were 32 out of the 75 agencies that applied in the first phase. So we believe that this will make somewhat of a difference. We know that we have a lot more work to do, and we're also very aware of the issue of compression of the salaries, and so there's ongoing conversations with the committee to address those issues.

Mr. Wishart: I thank the minister for that, and you said retroactive. Retroactive to when will we be looking at?

Ms. Irvin-Ross: January 2015. If they haven't received approval—the application process wasn't

finalized in January of 2015, but they will be paid back retroactively when the money starts to flow.

Mr. Wishart: Well, I thank the minister for that, and I am sure that will be very welcome. It has been an ongoing issue, especially in many rural areas.

And just to make sure I understand, I know that payment is based on level of care of the patients in the process. Is there an evaluation of the level of care that they require that is ongoing, or is this done once and price set?

Ms. Irvin-Ross: I'm smiling because we're just in the process now of what we call SIS, which stands for Supports Intensity Scale, where we are completing our first 1,500. The first 1,500 will be done by July, I'm hoping by the beginning of July, and those assessments will be used to evaluate and set up scales for individuals on how much—depending on what their needs and what their abilities are—about how much support that they will require from us.

Right now in our system there is lots of inequity. There are some people that are receiving more money than others and they may be of similar abilities. So what we need to do is level that playing field, and so we're working with the Westman region and now across the province of doing these evaluations, and we will be in the next few years implementing a strategy that will be able to have some consistency about how we assess. And I think that also it will—the assessments will happen more frequently than what they have been recently. Because that is feedback that we've received, is that assessments happen at point A and abilities change. Sometimes it gets worse, sometimes it improves, and we need to evaluate.

Just to put on the record really what is SIS. SIS is a valid and reliable assessment tool specifically designed to measure the type and frequency and intensity of support an individual needs to participate in community life. The SIS measures support needs in the areas of home living, community living, life-long learning, employment, health, safety and social activities. It looks at how an individual protects and advocates for themselves and extra support needed to deal with exceptional medical and behavioural needs. So we're really excited with the implementation of this tool and what it's going to be able to provide, and improve the services for some of Manitoba's most vulnerable people.

Mr. Wishart: I thank the minister for that.

This is very consistent with some of the complaints that have come forward about inequities in the system and how sometimes individuals actually had to be moved before they got re-evaluated and placed at an appropriate scale. So I think that this is probably a step in the right direction.

In terms of more frequent, is there a regular schedule by which evaluations will be done in the future, because it—I'm not aware of one previously if one existed?

Ms. Irvin-Ross: So they will. There will be more regular assessments that will be completed to, you know, evaluate where the resident or the client is.

Today I can't tell you because I think for each client it's different depending on where they are in their life. We can predict when we need to do more assessments and we'll—but I think what's going to happen with, or what I know is going to happen with SIS, is it's going to provide some continuity and also some consistency because it will be the same tool that continually gets applied. So there will be—I can assure you—there will be more regular assessments than what there is now in practice. To tell you if they'll be every six months or every year, I don't think I—it would be fair for me to do that not only for the workforce in which we are working with, but also because of, you know, for some individuals they—their status may not change for a few years. But we will—that is part of the SIS.

We also need to make sure that when we're talking about SIS, because I know that there's nervousness in the community, that we're working with the agencies and that we have assured that no individual will get less than what they are today if they are in the system, that what will happen is that when new intakes come in we will be applying the SIS and that will ensure that there is no disruption for people that have been involved for a number of years.

* (15:30)

Mr. Wishart: I thank the minister for that. So it'll be—it—probably bottom line here, be based on need more than any regular schedule; if someone's at a point in their life where changes are occurring, then the assessment will be applied. And I think that might work, in particular, if someone else is there to flag the need for the reassessment. And certainly,

those that are working with the clients are probably in the best position to do that.

Will rates under the wage enhancement fund, and you mentioned rural and northern areas, will they be the same sort of applied across the province or will there be regional differences?

Ms. Irvin-Ross: There are no regional differences. They'll—it—I think what happens, there are, as the member knows it, there are differences within regions based on agencies, and that's the agency themselves or their board of directors making those decisions and their ability to manage their budget in a way to offer higher wages. But there are no regional differences. What we've offered in January 2015 is \$12.50 an hour. Why you see that there were only 32 agencies apply for this funding, you can make the assumption that the other number of agencies are already paying their starting wage at \$12.50.

Mr. Wishart: Well, and I thank the minister for that. I guess that's probably a fair assumption. Certainly, if there was a high level of awareness, and there was certainly a lot of anticipation around this.

In terms of the numbers of clients in this area, and the minister's made reference to they're some of the more vulnerable people that we are—that government is responsible for. Is the numbers increasing or decreasing in terms of the demand for services in this area?

Ms. Irvin-Ross: Every year it's increasing. I can tell you right now that we are supporting approximately 5,904 adults with intellectual disabilities. They are living within the community. And, for residential services, we are providing support to 3,902 adults. And so they could be in a residential setting, could be a family home, residential-care facility or supported independent living.

And then we also have—what we provide is day services, and we have 3,592 adults that are participating in day services. And then we have provisions of support services to primary caregivers, which is most often family members, and that's about 1,300 adults that we provide service for. So there's a range of services that we provide, and every year we see that there are—the volume is increasing.

Mr. Wishart: I wondered if the minister would follow up a little more on the 1,300 that are assisted in the family placing. What type of supports are offered to those families?

Ms. Irvin-Ross: It would be depending on what their needs are. It could be anything, such as if there was medical equipment that they required. It could also include respite workers that would provide them with some services. So it'd be a combination. And every individual is unique and every family is unique in what their needs are. The goal within that program is to give the—an adequate—adequate support to the family so their loved one can remain within the community and within the home with their supports.

Mr. Wishart: I thank the minister for that. And I recognize, probably the most frequent we hear about are either medical or respite services. And knowing the history of places like Manitoba development centre and St. Amant, where there is a longer term plan to put as many people back in the community as possible, do we have adequate places to put these in the community, whether they're either be in to individual family settings, group homes or individual settings? Are we—is that where—is there a limiting factor at that point?

Ms. Irvin-Ross: When you're speaking specifically about MDC it really is working with the community groups and the service providers to provide adequate resources in the community that can be—can provide the structure, the physical needs—address the physical needs that they have. We're confident that there will be a number of community-based agencies that will be able to welcome more MDC residents in this upcoming year because we've been able to work with them and to create the capital that we need in order to provide the support for the residents.

Mr. Wishart: I thank the minister for that.

The minister knows I have a long-standing concern about the aging of these residents and, in particular, in some of the community facilities, group homes or whatever they are, and that generally increases the requirements for medical assistance.

If they get beyond the point of being able to stay in a—group home facilities, which in all reality are mostly modified private residences, what is the next step in the care continuum? Where would they go?

Ms. Irvin-Ross: I think that has to be best answered by the professionals that make the assessments about what the options are. I know that for some individuals it's a personal care home where they are provided services. But we also try and make all attempts to keep them in the community as much as possible with our home-care services that we provide as well. So it's a combination and I think that, again,

every individual is unique and that has to be done in co-operation between Community Living as well as within the regional health authority of that area and coming up with a case plan that meets that individual's needs.

Mr. Wishart: I thank the minister for that, and you really led in to the next question here, because, yes, the next step is to involve the regional health authorities in trying to work out a long-term plan, if you want to put it there, and some of that is, of course, having home care come in.

How is that assessment done? Who in the regional health authorities is the interactor with these agencies? Who is responsible for them?

Ms. Irvin-Ross: Well, I think that it varies, depends what regional health authority that you're working with, and I know that the department staff that are working within Community Living across this province are experts of their own and are—have developed amazing relationships with the health facilities within their regions and are brokering those deals every day. So I can't tell you who so and so speaks to. I can assure you that there are ongoing conversations around how do we best meet this adult's needs within the community and how do we work together. It's like any relationship though. You have to co-operate and sometimes there are issues that present themselves, but I know that the professionals are constantly looking what's in the best interests of the adult and will continue to do that.

Mr. Wishart: Thank you, Madam Minister, in regards to that, and, yes, I'm sure it does vary, not always clear to people that we talk to in the health-care industry itself, with regional health authorities, who is responsible to make this work. So I think, certainly, it's a bit of a discovery process in any particular region.

I guess, if there's a need to do something and there's additional professional staff required like psychiatrists and psychologists, who's responsibility is it to make sure that those are available and that appropriate training is given to those in the regional health authority, for instance? If someone was placed in a personal-care home, who would be responsible for that?

*(15:40)

Ms. Irvin-Ross: So, it depends on where the individual's living. In MDC, we have contracts with professionals that provide the services in the—for the

residential care. In the community that is—that question is best asked to the regional health authority, so that question should be part of Health Estimates, I think.

We are constantly—there are—the one example that I can think of is, you know, for the individuals that are managing their own case plan and their ability to bring all of the stakeholders together to sit at the table and to come up with problem solving for their particular issues or needs, I have seen some amazing progress with that model and all of the service providers coming together.

We are constantly in conversation between Community Living, Health and, in some cases, with Child and Family Services as individuals are aging out of CFS and needing to go to community living as a model, so case conferencing is something that happens on a regular basis. There is an importance of making sure that we are training staff to support them as well as ensuring that the residents or the client or the community member has the necessary services.

May I put the post-adoption information on the record now, please? So, post-adoption, there's been 1,000 applications: 80 per cent of them are from adoptees and 20 per cent from birth parents.

Mr. Wishart: Thank the minister for that, and I thank her for asking the question. That certainly indicates a pent-up level of interest, and perhaps we'll see even more as we approach the official kickoff deadline.

The reason I'm pushing—going back to the previous question about personal-care homes and those that are aging out of care in terms of group homes, in our discussions with some of the personal-care homes—and we have a group in Portage that is looking to construct a new one, which is great, but one of their concerns is they are seeing some people aging out of group homes and coming into personal-care homes, and the nursing staff has expressed quite a lot of concern because they are not psychiatric nurses. And they are, perhaps, fearful, I don't know; perhaps it's the lack of training or the fact that there really hasn't been a discussion regarding that and they feel kind of left out of the process. And I guess what we're looking for here is a path forward that includes everyone, and perhaps the minister would like to comment on that.

Ms. Irvin-Ross: I agree with you that the level of service that—and the training that's happened over

MDC over the years—I don't know of another facility; maybe Selkirk is comparable in some ways. The professionalism that the psychiatric nurses have from that facility—and I, too, as a nurse know that the difference—as a—I'm a psychiatric nurse, so I know the difference between a psychiatric nurse and a registered nurse at the time when I was training, and there is a level of discomfort, sometimes, of working with individuals with mental health or intellectual disabilities.

So I have no issues at all of, you know, working with Health to provide them with the necessary supports and the training. I think that I would be very interested to hear from you—we don't need to do it in this forum—but around the individuals that you're talking about that are interested in the personal-care home in Portage la Prairie, I'd be very interested in what their ideas are and maybe how we could look at working together.

Mr. Wishart: Well, I appreciate those comments from the minister, and I was not aware your nurse's training was in psychiatric nursing, so perhaps you have a greater appreciation of this particular problem. I hear from the individuals in the personal-care home who do not have that training and, frankly, wish they did or they had someone on staff that does. But, of course, the hiring practice don't prioritize that, so they don't seem to have that.

Now, I think I'm going to leave that alone in terms of we'll have a—perhaps a longer-term discussion and hopefully with something more concrete in terms of a proposal to the minister at some time in the future.

Moving on into agency accountability, and I noted that there are—there is quite a substantial increase in the budget in terms of funding for reviewing the actions of agencies, these agencies that are contracting with the minister. And some of this, of course, is probably driven by the issue of children in hotels, but there are quite a lot of agencies that provide services to the department.

Will the level of oversight change for all of them or is this focused on perhaps those that are more front-line services in terms of the CFS side?

Ms. Irvin-Ross: The increase that you see is through the not-for-profit strategy, the Red Tape Reduction. We transferred those staff from Housing into the accountability unit. That's why they're all supervised by the same person. That's why you saw the increase.

Mr. Wishart: Okay. I'm not sure I understood that explanation. Perhaps the minister would have another go at it. From Housing to—from Housing they came over to Family Services?

Ms. Irvin-Ross: That's correct.

Mr. Wishart: Their role in Family Services will be to provide what oversight?

Ms. Irvin-Ross: The NPO strategy is one that we introduced a number of years ago. I think two—it must be three years ago we introduced it, and I was the Minister responsible at the time. I was in housing, community development, and so 35 agencies signed multi-year contracts. We created a single-point entry for them. We looked at addressing the issues of cost savings through sharing of resources such as accountants or legal fees or HR. And I was selfish and I really liked that program, and I liked what we were accomplishing. And so I asked, when I was appointed to Family Services, if the NPO group or unit could come to Family Services, and that was granted.

So that was partly—that's why you've seen the increase there. And the person who was supervising the NPO is now the supervisor of the executive director—I think is the correct title of the agency accountability unit—so it just—it made sense for everybody to be under one—under the same supervision.

Mr. Wishart: I thank the minister for that explanation.

So, in terms of the agencies that you're providing this service to from that particular group, it would be housing, all aspects of family services. Does it have any role with CFS?

* (15:50)

Ms. Irvin-Ross: Are you referring to the agency accountability unit? Yes, agency accountability unit is throughout the Department of Family Services, so—[interjection] No, no, it is specific to Family Services, the agency accountability unit—just responsible for family services and for the whole entire department. So, whether it's Community Living, if there's a—if we need to do an evaluation in Community Living, they have been involved in those evaluations. They are involved if there's—you'll be familiar with some of the issues in Westman regarding budgets with some of the Community Living agencies. It was the—that unit—the agency accountability unit is the unit that went out and met

with the executive directors and meets with the boards and talks about how do we—what can we do to better support you? If there's an issue within Family Services with a particular agency or a service provider, they, too, will come in and provide that service, so they are for the entire Department of Family Services.

Mr. Wishart: Okay, thank you for that explanation.

So, for example, there was an issue with the Northern Authority—and I know that there has been some changes there—were they involved in evaluation of services in a situation like that?

Ms. Irvin-Ross: It's my understanding that the agency accountability unit was involved with reviews of all the authorities. What the agency accountability does is it has—it signs the agreements, the SPA agreements—service purchase agreements—with the authorities, and then the authorities are responsible to ensure that the agencies are following up with their responsibility. So we have ongoing relationships with the agency, so we are part of the agency accountability unit.

Just—I think it would be easier if I put some information on the record about what they—what they're responsible for. As you have mentioned, they are responsible for the NPO strategy, the ALL Aboard strategy, but then they also have responsibilities around—it strengthens—the agency accountability unit strengthens the capacity of the department to effectively monitor departmentally funded agencies' financial performance and ensures that agencies are operating under a clear and effective accountability framework.

The support unit provides leadership and management in the development and co-ordination of departmental contracts with other organizations, including service purchase agreements, and also supports agency board development by providing advice and assistance on agency operations and financial management and brings a systemic approach to the planning, implementation and response to internal and external audits of the departmental program and funded agencies.

Mr. Wishart: Well, I thank the minister for that explanation.

So when your department enters into a service purchase agreement with an agency, are those contracts available for review, for instance? Are they public documents or are they private documents?

Ms. Irvin-Ross: They're private documents.

Mr. Wishart: So, in the process of developing these types of agreements, then, are there a call for proposals? Is that the methodology used, or is it a bid process?

Ms. Irvin-Ross: The service purchase agreements that we have been—that we work with, primarily they are ongoing relationships we've had for many, many years, delivering anything from care for children but also supports for people with intellectual disability, so it's—if there is a new initiative that's happening, there could be a call for proposals. That can happen. In some instances we are looking for service providers with specific expertise. But it is negotiated between the department and the agency themselves.

Okay, I have more. So the service purchase agreements we have around—as of May 2015 we have around 184 that we manage. Most of them are multi-year agreements that are made. It is our fixed-rate contracts and transportation contracts which are tendered, and the agency accountability oversees the tendering process.

Mr. Wishart: Thank you, Madam Minister, and I appreciate that most of these are, in fact, ongoing relationships that you have and I know that there's been a move to make them multi-year in nature. Are they now all or are there still a number of single-year agreements?

Ms. Irvin-Ross: Yes, they are all multi-year agreements. I think most of them are three-year agreements—yes, and they have been for a number of years. They were—many of them were multi-year agreements prior to the implementation of the NPO strategy.

Mr. Wishart: Well, I thank the minister for that, and I appreciate the longevity in this area would require—have you been hearing—multi-year agreements would be required. Have you been hearing that, from the agencies, that the three years seems to be—to meet their needs in terms of their planning cycles?

Ms. Irvin-Ross: If we're talking generally around the NPO strategy, the three years, that, yes, the individuals that are a part of it are extremely confident that it helps them deliver a better service rather than going one year at a time. Because there's so much uncertainty, they don't know whether they're going to have the dollars in order to hire the staffing; they don't know if they have the program money to deliver the program, so three years seems to be very

accepted within the not-for-profit sector that we're providing that.

I think also another aspect of that initiative was our ability to look at how do you reduce reporting. So many of the agencies were involved with multiple departments, and so how can you write one report that is shared amongst all departments and meets all departments' reporting requiring, that that's really important. So we've been trying to work with reducing the red tape, but still making sure that individuals or agencies are accountable for the public money in which they are spending.

Mr. Wishart: I thank the minister, and that leads well into my next question for me. In terms of information technologies, the minister had indicated that you have a new program that you're trying to work at implementing, and I—the name escapes me at the moment. I'm—

An Honourable Member: Cúram.

Mr. Wishart: Serum?

An Honourable Member: Cúram, with a C.

Mr. Wishart: Cúram with a Q—or with a C, Cúram—and I'm wondering exactly what areas this will be applied to. Having looked around, I see that there are a few other provinces that have IT programs that apply to CFS and to income assistance as well. Will this program cross those boundaries, or is it specific to CFS or CFS and agency contracts or agency beneficiaries? How widespread is it intent?

Ms. Irvin-Ross: Right now, we are—it's specific to the child-welfare system. It's still really in the developmental stages. We're still scoping out the project and working with key informants, folks that are part of agencies and authorities as well as department staff as well as the experts of Cúram and other technological experts which—and working on what does this look like.

* (16:00)

I know that there is an interest about and an awareness about what the potential of this program is right now. Right now we have to focus on the child-welfare system. That is a recommendation from the Hughes inquiry, which you'll be very familiar with. And our current system, which we dearly call CFIS, is—it's ready to be replaced. And I—we believe that after due diligence by the professionals in the department that Cúram was the best product and holds the most potential for us in the future.

Mr. Wishart: And I appreciate that and I know the Hughes report certainly recommended moving in this area as quickly as possible.

I'm wondering if you can give me some indication—I know you're early in the process—but are we talking two- or three-year implementation here or can we even guess at this?

Ms. Irvin-Ross: As you can understand, it is a complicated system and I think we have to make sure that we're—where when we scope the project, that we're doing it accurately and that it's going to work with the other tools that we have within the system.

But also what's important is that we're working with the authorities and with the leadership council and with the agencies to make sure that there is an acceptance of this new system. So we are hoping that within five years that we will be fully implemented.

And you also have to recognize the training that needs to go on when you're talking about a system this large. And the training will be intensive but we still have services that we have to deliver on the front line so the co-ordination of that too will take a while. So I am not familiar of what the phase—or the phasing-in plan will be but I'm sure it will be rolled out in a very consistent—and there will be a time frame that's attached to it, and make sure that it's able to do what we're expecting it to accomplish.

Mr. Wishart: Well, I thank the minister for that, and I recognize neither one of us are IT experts but, yes, in terms of—you're at the point of scoping out your needs; is that probably the best way to describe this? And we did a little bit of a cross-country research and discovered that there were a couple of provinces that not only tracked their child welfare but actually the linkages back to income assistance and poverty issues. And, of course, the minister is very much aware of how closely linked these issues often are.

Is that is something that is occurring in your current scoping? Are you talking about this possibility?

Ms. Irvin-Ross: Right now, it's not confirmed yet, but in Manitoba, Cúram could support programs as well as probation, education and training, public-health nursing and other case-managed supports. So there is that capacity within it.

I still need to caution you. We need to phase it in and make sure that, you know, as we're scoping out the project, having conversations about that as a potential, but really our focus needs to right now be

child welfare and make sure that we are ensuring that we are able to apply it.

There's examples also in—across the country, where Cúram was implemented too quickly and it's created more problems than it's been able to solve. So we need to be very, very cautious.

Mr. Wishart: Mr. Chairman, I thank the minister for that answer.

And, yes, I did find those examples as well, where it—implementation had gone awry. It seems to have a substantial training component that's required and that, on top of the regular services that are being provided, will no doubt be a challenge.

And just before I leave this, I know that one of the reasons that the department got required to get more involved with Northern Authority was because of record keeping. Have you been able to improve the level of record keeping in the Northern Authority, and where is that process at?

Ms. Irvin-Ross: So what we were able to do is we hired clerks to help implement the data. I know that some of the connectivity issues have been dealt with, not 100 per cent dealt with in the North, but I think there has been some improvement. But we have some more work to do on that, but we have been able to develop more compliance by having the clerks implement—or put in the information into CFIS.

Mr. Wishart: I appreciate that. When does the minister anticipate the Northern Authority will be back under board control?

Ms. Irvin-Ross: That is a hard time frame to give you. I think that that certainly is the goal, as soon as possible, to have it under board develop—or under—have it under—have the board administering the Northern Authority. That's our ideal situation. So we have Mr. Izzy Frost working with the CEO of the Northern Authority addressing the issues that were highlighted, and working on improving the compliance around standards and policies, and as soon as that is dealt with we will certainly hand it back over to the board of directors.

Mr. Wishart: Thank the minister for that explanation. The Southern Authority, is the board fully reconstituted in that situation?

Ms. Irvin-Ross: Yes, they do, appointed by the Southern Chiefs' Organization.

Mr. Wishart: So it is functioning with board control and board oversight in all regards?

Ms. Irvin-Ross: Not yet. It still is under administration. There's a few housekeeping things that we have to do, but we anticipate that they will be returned back to the board as soon as possible—within months, like, very shortly.

Mr. Wishart: Well, and I thank the minister for that explanation. So, just based on the experience of southern, was it two years from when you put in administrator until the board was reconstituted? Is that roughly the time?

Ms. Irvin-Ross: We're going to get you the exact timeline that it was. We're having a debate here at the table whether it's been two, two and a half, three years. But we will get that information.

Mr. Wishart: Well, and I certainly appreciate that. I think it might be a useful precedent to look at what we might expect in terms of the same timeline for northern, though I certainly recognize that the challenges for northern in terms of the remoteness of much of their work probably makes it even more difficult.

Terms of—at northern, in terms of getting information, you mentioned clerks was certainly helping. That would imply the information had been gathered and not necessarily processed. But is all information now being gathered as it should be?

Ms. Irvin-Ross: You're referring to our record-keeping, the record-keeping standards. Well, that—there are standards in place and there are expectations about the records that are kept and that are gathered. That is up to the authority to admin—or to monitor whether the agencies are complying to those standards. So difficult for me to comment on what's going on directly. But what I can tell you is that the expectation is that the standards are being followed, that the information is being gathered and it is being inputted into CFIS.

Mr. Wishart: And just a final question in this area. Whose responsibility is it to train the workers? Is that the authorities that train the agency workers for the input or the agencies themselves that train their workers for input? Who's the ultimate authority there?

* (16:10)

Ms. Irvin-Ross: The Child Protection branch provides that, the training to the agencies as well to the authorities. I know that many of the authorities have quality assurance staff, too, that are responsible to be following up with the 22 agencies and having

conversations about are you meeting the standards, what are some of the barriers and helping them overcome those barriers.

Just for the member, on his previous question, the exact date that Southern Authority was taken under administration was November 22nd, 2012, so two and a half years ago, approximately.

Mr. Wishart: Well, I thank the minister for that pretty specific date, so that would be, certainly, probably the least of the timelines we could—we would expect for northern because, as I mentioned earlier and the minister agreed to, there are certainly more challenges for North in terms of communication.

Ms. Irvin-Ross: It's still really difficult for me to predict about how long they'll be under administration. As far as I'm concerned, the shorter the better, however we need to make sure that they have the capacity to implement the standards and policies that we have in place, and I—and the relationship between the CEO and with Mr. Frost is one of co-operation and collaboration, and we're already seeing some progress. We have a lot more work to do, but we're committed to having the authority back into the hands of the board of directors as soon as possible.

Mr. Wishart: Well, I thank the minister for that.

Moving on to talk briefly about EIA and some of the delivery issues for that, one of the things we often hear in constituency issues is the frequent change on workers when it comes to people that are on income assistance, and sometimes that works fine and other times it seems to generate some issues because they have to—basically often have to go through all of their paperwork when it relates to disabilities and extra needs and transportation assistance all over again for the new worker.

Is—I guess it—from our perspective, it looks strange that there is no continuity in terms of the record. Would the minister care to comment on why we so often see individuals come to us after a change in worker and a change in requirement for record-keeping? Is this just an update in the system or what?

Ms. Irvin-Ross: I find your question interesting. I know that our EIA system is computerized and all of the information is on the computer, so I'm not sure what the disconnect is, if it's a worker that's just asking the same questions over and over again, if

that's the issue. I know that in some areas we have some staff turnover that happens frequently and that is challenging because our clients are developing relationships and then the individual has taken on other responsibilities or additional responsibilities.

So I will look into your question that you asked, but—and I don't even—I'm not sure what the computer system is called there. Somebody had told me once, but I've seen it—*[interjection]* SAMIN? I knew it was a fish. SAMIN is what we call the computer system, and the records are up there: when your payment was, what your payment was supposed to be, the specifics about your family and who you are, so I'm—I find that question very interesting, so I'm going to write that on my list and follow-up.

Mr. Wishart: And I appreciate the minister's response to that.

And I, too, found it curious, because I have seen copies of the records that people have supplied us with and it does seem to be fairly complete. What seems to be happening, though, is if there was anything special in terms of special dietary needs or transportation assistance to get to group meetings, group therapy meetings, that's the kind of stuff that seems to get bumped. And I don't understand why—if it's been approved by one and one set of standards, and some cases with a doctor's recommendation, why it would need to be gone through again, and that's my concern.

Ms. Irvin-Ross: Okay, I'm taking a leap here. So, I'm sure I'll get a correction if I'm wrong, right?

So, what happened is, is we centralized some of the special needs criteria. I think we specialized medical—we specialized all medical, sort of a centralization for medical needs which included the dietary needs, so that was an opportunity where some dietary needs were reviewed. But what we've been able to accomplish is our purchasing power is better because we're buying in larger quantities, we're co-ordinating the purchasing of some items. Ensure is the one that comes to mind, that must be from my health—my nursing days, and also some of the equipment such as wheelchairs or walkers and being able to sort of co-ordinate the purchasing of that, but also the exchange of that. If it is in good working condition and it's safe, recycling it with it another family.

So that may be what the work—what you have—what some of your constituents have experienced is that they've had to answer some new questions

because of the centralized system; that could be what it was.

Mr. Wishart: And I appreciate those comments. Was there a timeline around this? Did it occur over the last year, because this goes back a little ways.

Ms. Irvin-Ross: I think that it started to get developed with, like, a couple of years ago, but maybe this year was the first year it was fully operated. So, if your concerns that you've heard earlier, that is not the reason why, I guess.

An Honourable Member: Timelines don't, but they match up not badly.

Ms. Irvin-Ross: Okay, so maybe there is some consistency between our centralizing and some of the concerns that you've received.

Mr. Wishart: One of the other questions I had sort of in this area is that many of the people that are on disability for—or disability or income assistance for one reason or the other often have to go for additional services that they need to get often from the health authority or from other such agencies. And most of them are not able to transport themselves; they depend on public transport or at least taxi services or something along that line. And I know in many cases you do provide extra dollars to accommodate that, but that, too, was one of the ones that seemed to disappear. There any reason why that would be connected to the centralization or is that an anomaly?

Ms. Irvin-Ross: This is a very specific question, so I'm going to ask for the department to give us some information about it, what—if there were any policy changes regarding transportation policy at all. I do know that in some areas transportation policy has increased, especially around our initiatives with Jobs and the Economy and the employment opportunities that we've been providing voluntarily to single parents if they were interested. They've been allocated a bit more money in—as far as transportation. But we can look at specifically around transportation and—I'm assuming—and people with—that are on the disability benefit, what—if there's been any change to that.

Mr. Wishart: Well, I certainly appreciate the minister's commitment to look into that because, in particular, for those with disabilities going through the whole process of going back to make medical appointments and get another letter of recommendation or around that is quite a burden—and if they've already qualified once. I recognize that

people improve and at some point don't no longer need the service, but just having to go around it again seems to be quite a burden on them, no question in that.

In terms of some of the additional programs the minister referred to in her last comment in terms of training and education, I wonder if the minister could lay out some of the specific programs that she has in place. I know that the focus has been for families, single-parent families in particular. What programs do you have in regards to that?

* (16:20)

Ms. Irvin-Ross: The programs specific to employment and EIA are in partnership with Jobs and the Economy and primarily delivered by Jobs and the Economy. Supporting single—the EIA initiative right now is specifically targeted towards single parents. So it is our marketAbilities that was supported and identified by the previous minister. And that, plus the work that we're doing with Jobs and Economy, assessments and linking people up to training and education opportunities, that's happening in co-operation. As far as Family Services delivering our own employment projects, we don't—we're not delivering those right now.

Mr. Wishart: Well, and I appreciate the minister's comment on that. I think she probably appreciates why we have to ask this now because if we leave it and ask it in Jobs and the Economy and the answer is you supply the service, we've missed our opportunity. So we've certainly run into that before, so I'll be happy to quote your comment if necessary over in Jobs and the Economy when I ask the same set of questions as to what they are doing.

One other thing, just for clarity on that, when someone who's a single parent and signs up for a marketAbilities program, are they still on EIA and are they still counted in your process or are they now wholly counted over in Jobs and the Economy or does it make any difference whatsoever?

Ms. Irvin-Ross: That I'll have to take under advisement, so I put on the record the accurate information about how it is tracked.

I think what's really exciting about these—the new initiatives that we have in partnership with Jobs and the Economy is we're having open forums where 100 people are showing up and talking about and learning about the resources that are available to them and taking advantage of them and for the first time seeing themselves as an employee or as a

student or as an apprentice. And, because of those new aspirations and hope and opportunity that they see for themselves, they are being able to support their family and also better support their community. And there's a whole other set of ramifications and benefits that come as far as being a parent, an employee, individuals' self-esteem.

And so I'm really proud of the work that we've been able to accomplish in a very short time, and I'm feeling very confident as the next phase of our implementation is people with disabilities and how we are going to work with them to provide them with similar opportunities as we have for our single parents.

Mr. Wishart: Well, and I appreciate the minister's comment. I think we all hope that we can find mechanisms to help these families return to a position where they can support themselves and excel for their own benefit and for their children's benefit, I think, and society, of course, will benefit too.

So, in terms of tracking the numbers that go into this program, then, take that under advisement with the previous question of where they show, what total numbers are we looking at? How many people have entered this program? Or do you have that?

Ms. Irvin-Ross: That, too, that information is with Jobs and the Economy. I will make an effort to get that for you. We are working in partnership, as I said. I'm not intending to frustrate the member. I just—I want to make sure that I'm putting accurate information. These are very technical, specific questions that you are choosing to ask, and that's fine, but you'll just have to have the patience for me to get the right information for you.

Mr. Wishart: I appreciate the minister's quandary on this because it is tough for all of us to kind of sort this relationship out, when they become the responsibility of Jobs and the Economy and when they're simply the responsibility of income assistance. So I would appreciate anything in terms of accurate information, and I'll carry on the same set of questions, probably, over to Jobs and the Economy, and, hopefully, the two numbers actually align, which would certainly make us all happier.

In terms of the number of people on EIA, both disability and income shortfall, the numbers continue to go up. I wondered if the minister could actually provide some breakdown on how many are also on

disability and income assistance and how many are just on income assistance.

Ms. Irvin-Ross: There is an increase on general assistance. There is a decrease in single parents. Excuse me, there's a slight increase in people with disabilities. So you're seeing an increase that's been happening, but I can tell you that there are 25 per cent lower enrolled today than what there was in the early 1990s.

Mr. Wishart: Can we put some hard numbers around those percentages, increase, decrease?

Ms. Irvin-Ross: General assistance, it's increased by 14 per cent, single parent down by 1 per cent, disabilities up by 1 per cent, and I think we need to talk about, you know, why we have one of the strongest economy but we're seeing our numbers increasing. Part of that is the individuals that we are working with now, the supports that they need for employment and training are significant. It's starting right at the beginning with numeracy and literacy and making sure that we're providing those as well as job readiness. So it's a combination of what we need to do.

I think it's—also talks about what our relationship is with the federal government and the First Nations people, and how we work with them to provide them with the necessary supports that they need. So it's a combination of things. We know that there's been an economic downturn that has happened and that has impacted people. We are creating more jobs, you often hear us talk about 60,000 jobs.

What we need to do with this population right now that we're working with and that we're seeing the increase is provide the supports that they need. When they're willing and able to work to give them that ability to access those jobs and to access the training programs, the apprenticeships—and I think BUILD with—I know that you're very familiar with BUILD. BUILD Winnipeg is a really good example of working with people that have not been employed for a number of years or never, and providing them with those resources.

So it's important that we continue to work with our partners at Jobs and the Economy and create those opportunities.

Mr. Wishart: Well, I thank the minister for that.

So in terms of—numerical changes, really only the 14 per cent increase is really significant. The others are gentle trends, if you want to put it that

way, they're not sudden. It is good news I think that single-parent families would finally turn the corner, because we all run into numerous cases where people would clearly like to be in the workplace and can't get everything aligned so that that can go back in.

When I was reviewing some of the policies, I came across a terminology family conciliation that is used. Is that specific to CFS or how does that work? That's not a term that I've seen used a lot.

Ms. Irvin-Ross: Family conciliation is where we're working with families in—or are having their children returned back to them. And so right now we're working on a pilot project around family conciliation that includes a mediation strategy as well as what we're doing in Sagkeeng First Nation around our circle of caring where people are coming together and working on how do we support them. Our partners in that are Justice, of course, and Justice also has a family reconciliation program that they do as well.

I have something else.

* (16:30)

Mr. Chairperson: Yes, go ahead.

Ms. Irvin-Ross: So the Family Conciliation Services that we have are around dispute resolution services outside of the court, so it could be parties contesting custody, it could be guardianship of children post-separation or after the death of a child. I think also the family conciliation also works with grandparents. So they'll provide information, they will provide counselling, mediation, court-ordered assessments, brief consultation services. They have children's groups. They provide supports to grandparents under the name of Grand Relations and also parent education programs. So they provide a—and they provide the service in every region of the province—

Mr. Chairperson: Honourable—

Ms. Irvin-Ross: I just have a slight correction. When I was reading my note I didn't read accurately enough, and I said the death of a child. It should have said the death of a parent. They'll provide—that's counselling support to a family. But we're also looking at how do we use family conciliation to help us in the child-welfare side, so the mediation programs will be really important to use those skills that have been developed about bringing families together or keeping families together as well.

Mr. Chairperson: Thank you for that clarification, Minister.

Mr. Wishart: Well, and I thank the minister for that. And I'm particularly interested in this area because there are other jurisdictions that have done a little bit more of the mediation-type approach when it comes to child welfare. And we have not done a lot of that historically, near as I can tell. So is this a pilot initiative to try and do that or is this sort of outside of that?

Ms. Irvin-Ross: Yes, it is a pilot program. We recognize that the relationship between a parent and the child-welfare system is very adversarial and hard to move from that into decision making and case planning. And we believe that a mediation process will help take away some of that, the nature of that relationship, the more negative parts of that relationship, and have a third party that can sit at the table and come up with a plan that gets the children home, because I know that we all agree that the best place for a child is, if we can assure their safety, is with their parents and within their community.

Mr. Wishart: Thank the minister for that, because you're certainly right, sometimes the action of CFS is viewed as extremely adversarial and it's hard to get the family back on a positive note trying to build—rebuild the family and build towards a solution that works for everybody. So in terms of scale, this is a very small pilot, I assume, that you have done? And you mentioned Circle of Care. Exactly how is it tied into this?

Ms. Irvin-Ross: Circle of Care came out of a conversation, and I think you may have seen the Chief Justice and the other justices in Manitoba have a press conference just a year ago and talk about doing business differently. And I—they listed a number of objectives that they had, and one of the objectives was with Child and Family Services, and recognizing that it takes a lot of court time to try and resolve these cases and not—and often, maybe if we provided other services, it could happen outside the court system, and maybe have better results, because of the nature of the court and the ability to become involved.

So the Circle of Care came out of that conversation with Chief Justice Champagne where he talked about having an opportunity, and also Justice Roller, both talking about having an opportunity of community coming together and providing supports for a family. And what happens is a referral is made—and we have the wellness centre in Sagkeeng as our—one of our partners. Referral is made to them. And we've asked that the front-line

workers are passing out—what we have is a brochure and information about this program, and inviting people to participate. If they—it's all voluntary; they can choose to go to the court route if they like, or they can choose to do a community-based model, and what would happen in this environment is we have standards specific to when visitation should happen. We need to have the circle become—come together in a very short period of time, and in that circle the parents choose who they want. So it could be a school teacher, it could be the chief, it could be a health professional, it could be their social worker themselves. And the Justice Roller would also be at the table, and they problem solve and case manage what do we need to do to get this child home. So I think that it is a very promising practice.

I know that there are a number of other First Nations communities that are eager to see our success and what we accomplish and will be asking for us to be able to expand it to their areas as well.

Mr. Wishart: Did you have further comments?

Ms. Irvin-Ross: Well, I have more information to add. If you'd like to take a break—

An Honourable Member: I'm just going to ask the same question again.

Ms. Irvin-Ross: You're going to ask me the same question again. Didn't I do a good enough job?

An Honourable Member: No, no. I'm looking for further information on—

Mr. Chairperson: Okay, hold on. Hold on. I've lost track of the—who wants to speak? Do you—you want to ask a question first? Or—okay, Minister. Go ahead.

Ms. Irvin-Ross: I just have some more clarifications to put on the—we're just—we're driving the people—they're frustrated with us.

So also the Family Violence Prevention Program has a family conciliation program called the Winnipeg Children's Access Agency, so I wanted not to ignore them.

And then I also have the information about the birth fathers, if you'd like me to put that on the record now. When a birth mother decides to place her child for adoption, the service on the birth father can occur at any time during the pregnancy and after, as no child can be placed for adoption 'til the birth father has been served. When a birth father is served with notice by an agency, the notice provides him with information that he has been named by the birth

mother as the father of the child—when the child is expected to be born, of his rights to apply under The Family Maintenance Act in court to be named as the father. The notice to birth father form clearly indicates that if the birth father makes the application under The Family Maintenance Act, the child will not be placed for adoption until the matter has been dealt with in the courts. The form is clear that the birth father is advised that if he does not take legal action, the child could be adopted, based on his rights not being executed in making an application to court to be declared the father.

The 48-hour period is, quote, unquote, cooling-off period where no birth parent can consent to an adoption until 48 hours after the birth of a child. Once the consent is signed, the birth parents have 21 days to be able to change their minds and withdraw the consent.

In summary, there are legislative protections for birth fathers to be notified that they have been named as a birth father and are provided with information in how to legally be declared the birth father and the consequences if they do not pursue a court process to be named the birth father. The legislative scheme provides a time frame to deal with the birth father's application before the court and will not allow an adoption of a child until the birth father rights have been dealt with.

So that was Janice Knight who wrote that. She did a great job of—I hope that answers your question and yes.

Mr. Wishart: I'll try and keep it above board here.

In terms of that particular situation—if we might go to it for the moment—so if a—someone who had been named the birth father had indicated prior to the birth of the child that should the paternity prove to be his, that would be adequate notice that he was prepared to accept responsibility for the child and take the child? Is that—subject to approval?

Ms. Irvin-Ross: I'd just like for the member to repeat it, please, so I clearly understand the question. *[interjection]*

Mr. Chairperson: Honourable member for Portage.

Mr. Wishart: The person who's named the birth father had sent legal notice back prior to the birth of the child, saying that should the paternity prove to be his, that he was prepared to accept full responsibility

and take the child, would that be adequate notice to the party?

* (16:40)

Ms. Irvin-Ross: I am not a lawyer; I am not an adoption expert. But what I am told is that the courts would see that as him giving notice.

Mr. Wishart: Thank you very much, Minister, and I think we better follow up the rest of this on casework, but I think I have an example where that did not happen.

I'll move on from that. We want to make sure that that type of situation is dealt with, so perhaps there's need for some minor adjustments in terms of regulations.

Getting back to the Circle of Care and the mediation option as compared to court, it's always been of interest to me, I guess, as to how many times a child in the care of CFS ends up being in the courts, in the whole process, some of them many, many, many times during the course of the care in CFS.

Does the minister in any way track the court costs through the department and through the agencies, because they must be substantial?

Ms. Irvin-Ross: The court costs would be held at the agency and at the authority level. They would have that information.

Mr. Wishart: So in exactly what column would they show that, because it doesn't actually show as court costs anywhere? Administration?

Ms. Irvin-Ross: There isn't one particular line for the legal fees. They're all within the department or in the agencies' and authorities' budget lines around operating. It's part of doing business.

Mr. Wishart: Well, and that's kind of where I figured it was.

And, I guess, in part of our ongoing concern to make sure that a dollar spent is to the benefit of the child, and I recognize that time in court is often—the child should benefit if everything is handled there. But when we start doing casework, we repeatedly hear how often they've been in court. Is perhaps what you're doing here in terms of mediation, conciliation, a better, lower cost alternative that would leave more finances in place that would go to the benefit of the child?

Ms. Irvin-Ross: Agreed, and that's why we're choosing to do it that way. Like, we really—and also the benefit for that child to be raised within their family home. Our system does not raise children; families raise children. And we need to really start focusing on innovation to do this work.

These are—these initiatives that we describe there, you will find them in many other jurisdictions and you will find that we have used them previously in our own jurisdiction. But I think what's really important now is that we focus on ways of keeping—excuse me—keeping families together and providing them with the supports so they can be successful and meet the needs of their child.

Mr. Chairperson: Honourable—oh, hold on. Minister, continue—[interjection] Oh, you're done. Okay, sorry.

Honourable member for Portage.

Mr. Wishart: I thank the minister for that.

I think we all agree that trying to get the children back with their families, and a functioning family, is probably the best solution, and the quicker we can do that the better off everyone is in the process. So a mediation process that may speed that up and at the same time perhaps reduce the amount of time that is spent in court with various agencies might well prove to do that. In terms of evaluation of this initiative, how are you trying to track that to see if it works or not?

Ms. Irvin-Ross: What we will be doing is we'll be looking at—we can easily see within our technology about the families if they come back into care or not. We can track it that way, but also working with the agency as well as with the families and talking about the process: how effective was it, how can we do it better. And so I think consumer participation is really important, but the hard and fast evaluation will be on the families themselves when we're able to keep them together and they're successful.

I have one more answer to a question. EIA transportation policy, nothing has changed, but we still require the confirmation of medical or employment training to be eligible for transportation. So that's why you are finding that your constituents are being asked that question. Frequently, it's we're wanting to ensure that they still are accessing that particular program or they still have those doctor's appointments that they're attending. And, also, the market abilities, there are 3,765 clients attending

marketAbilities; 50 per cent of them are on EIA, so approximately 1,900.

Mr. Wishart: Just the follow up related to that last answer, part of the question was are—do they still show on your rolls as receiving EIA? They are still receiving EIA when they're in that program or are they on Jobs and the Economy numbers?

Ms. Irvin-Ross: On the marketAbilities, if they are receiving EIA they are shown on our numbers, yes.

Mr. Wishart: And I thank the minister for those answers.

Think we're almost done with the mediation questions, if you want to put it that way. But there is one more. So any—I mean, you talked in terms of the big picture; you'll know if they come back into your care. But the agency that is dealing with them will have the more immediate numbers in terms of how quickly, for instance, the child would be returned to the family and what other supports are required by the family, which are often outside of the CFS system. So, in terms of any efficiencies and the progress working faster, will it be in the agency the information is contained, or how are we going to get access to all of the agencies then?

Ms. Irvin-Ross: This program will be referral based so there will be referrals that will be accepted into the mediation program, and so there will be a close tie between the program, the mediation program, and the agencies themselves. So I have confidence that we will be—the communication will be flowing adequately.

Mr. Wishart: Well, and I appreciate that. I like to think that this will work better, and I would certainly hope that something is put in place to show that in a measurable form which I think will help convince many other people that this is a good methodology to go.

And I would certainly encourage the minister to do more than just depend on the individual case work; some kind of structure to track those that have gone into—and I know it's a voluntary program and not everyone will be committed to see it all the way through to the other end, which may be a part of the problem. But how many went in, you know, what solutions were put in place in terms of—in term within CFS and what other agency supports would be required and when the family could be reunified, if possible and how long, you know, in—you know, we're not talking multiple years here. But even in terms of doing this more quickly, it—there's huge

benefit to the children if we can get them back there even six months quicker than might be the case right now. So is there an intent to put in something in place to help track this information?

* (16:50)

Ms. Irvin-Ross: Yes, and I think there will be an evaluation component to it. You don't implement a pilot project without an evaluation component to see about whether you should or shouldn't carry it across the province or offer it to other people, so there will be.

I'm very pleased that we have agencies that are prepared to participate in our pilot. I'm pleased that we have a department who recognizes that we need to start implementing some innovative ways to change the way the trajectory is going right now, and I think that I'm very optimistic that this will support families and keep them together.

Mr. Wishart: Well, I appreciate that, and I hope the minister follows up in good detail on this area.

I'd like to be optimistic as much as I can, as the minister knows, but this is a new initiative and I've actually already had, unsolicited, two complaints from individuals, and so I'm hoping it's working. I certainly would encourage the minister to pay particular attention to this area to make sure that it is actually functioning as was intended, because I think that was the nature of the complaints, that it wasn't actually doing what it was supposed to be doing. So I'll leave that at that, because I don't want to get into casework here.

I'd move on then to talk to something that I think the minister will be very happy to talk about, which is her new Rent Assist program and how that will be integrated into the EIA and beyond, and how the notifications will be handled for people. So will anyone who is already on income assistance be automatically offered access to this program should they qualify? Is that the intent? Do they have to ask?

Ms. Irvin-Ross: Are you talking about marketAbilities or the—*[interjection]* Oh, Rent Assist. Rent Assist is managed through Jobs and the Economy, and, well, that's how it's been established. So we have there—the two streams that we have for EIA—or for Rent Assist is people that are on EIA, but people that are non-EIA, so low-income people that are working. I will get back to you. I understand that there is an application process that has to be filed, and once the application is made, the family is on Rent Assist now for the year.

I think the new announcement that we made on Friday around the \$22 million that will ensure that by the end of this year that 75 per cent of market median rent—median market rent will be covered is really, really important. There's a great deal of people that are extremely excited, David Northcott, to name one; Molly McCracken is another one; the representatives of Make Poverty History—I was just at a community forum with them last week where they announced that we went above and beyond what they even anticipated that we would do and that they were very pleased to see that we were also including non-EIA parents or families a part of it as well.

There's also some other interesting dynamics around the Rent Assist. One is that there will be some supports for financial literacy that will also be a part of it. I think there's around \$200,000 that will be—that's allocated to provide information and resources to individuals, so it's very exciting.

EIA Rent Assist happens automatically because we have all of that information. It's the non-EIA that will have to apply.

Mr. Wishart: And I'm—always shudder to ask this question, but I assume there'll be a communication strategy to encourage people to do that? I know that there have been a number of poverty groups already added to their website, the link, which I think will certainly go some distance. But what type of communication strategy will be designed?

Ms. Irvin-Ross: We are extremely proud of this initiative so I can trust the member opposite that there will be lots of information that will be shared throughout the province of Manitoba about what we've been able to accomplish with Rent Assist and the impact that we see it having for Manitobans. It's a universal program that is going to increase their ability to access affordable housing. It's also going to ensure that they have—they're not taking money out of their overall budget to support their housing, that they'll be able to be able to provide for their families in an easier way, we anticipate. So I think that it's really exciting.

On Friday when we had the announcement—and it was with CAHRD and we had around 100 young adults, primarily indigenous adults standing with us and it really was about the opportunity for individuals to transition from situations into places of hope and opportunity, and this gives them that added buffer. The fact that it is portable ensures that we're not creating a welfare wall at all. So there's many, many excitements around this and you will hear lots

of us talking about it and walking alongside the many advocates who supported the initiative, and I'm extremely proud of this government in Budget 2015 accelerating the program to the point of full implementation by the end of this year.

Mr. Wishart: Well, and I thank the minister for that explanation and it was pretty much what I expected to hear. But certainly congratulate you on finally moving forward.

I think the minister knows that we have been supportive of the 75 per cent—increase to 75 per cent of the market median for some time. It's not quite the same thing as what the minister has done and the extra portability, so to speak, is, I think, an enhancement, in all fairness. So we'll look for implementation. I think it's important that the information get out there, because I've certainly talked to people already who are looking for this and didn't know what the process was or will—would be.

In terms of financial literacy you mentioned an additional program, is that only offered to those that are on EIA or is that just offered to all?

Ms. Irvin-Ross: I'm not sure about the parameters of the program of the financial literacy, but there are many other agencies that provide financial literacy supports. SEED Winnipeg is one. The credit counselling is another one that provides it, and I think in some of our renewal corporations those are also provided as information. So I just highlighted that. That was something that I found out in preparing for the announcement around the \$200,000 for the literacy that I thought was pretty interesting that I hadn't heard about. So I don't know the specifics of that at yet.

Mr. Wishart: Well, and I appreciate that and because it is actually offered through most of the community development corporations as well, I kind of wondered why you did that. It's already out there. That's the question.

Mr. Chairperson: Oh, okay.

Ms. Irvin-Ross: I think that I'll never apologize for enhancing anyone's financial literacy and providing those opportunities to individuals. So I think that it's really important. We know that it can make or break a family no matter what their income is, understanding the value of a dollar and how to use it. So I think that I'm extremely proud that it's part of it and we will work alongside the other community development corporations that do that work. There

can never be too much information such as financial literacy being shared.

Mr. Wishart: Well I appreciate the minister's comment and I certainly agree that there is a need for it out there. Being married to a chartered accountant, I hear about this fairly frequently at all levels. It's not just those that are on income assistance that need a little bit of work in that area.

However, perhaps it would have been better to enhance the funding in this area to community development corporations by the \$200,000 rather than create something.

Ms. Irvin-Ross: I appreciate the member's interest in advocating for community development corporations; they serve a valuable purpose in our communities. But we do not have community development corporations all across the province so we have to find a different way to provide that information, and that's what we're committed to.

Mr. Wishart: Well I appreciate that, though. You do have them in many of the areas where you have high enrolment, in particular on income assistance, actually tend to shadow the same areas. And I am, as you probably recall from previous ministries, a fairly significant fan of the community development corporations and their ability to provide a service in the community, and so I'm always looking for opportunities that might enhance their particular strength.

Minister said that some of Rent Assist was in her realm that related to EIA and some would be in Jobs and the Economy—

Mr. Chairperson: Apologies all, but the hour being 5 p.m., committee rise.

FINANCE

*(14:50)

Mr. Chairperson (Jim Maloway): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Finance.

As previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Hon. Jon Gerrard (River Heights): Just to follow up on the discussion last week, in the Finance Estimates, I'd asked the Finance Minister about the

fact that his own budget documents show that he's borrowing much of the money that he's spending on infrastructure. This is, of course, completely different to what—from what he and his government have told Manitobans, that every dollar raised by the PST will actually be spent on core infrastructure. The fact is the minister's documents show much of the money being used for core infrastructure is borrowed money. And, of course, he's spending much of the money that was raised from the increase in the PST for other purposes. As well, last year, there was an additional \$75 million which wasn't spent on infrastructure but was spent on other items. It's one of the reasons that Manitoba Liberals do not and will not endorse the NDP shell game approach to spending the money from the rise in the PST in 2013.

Now, as the minister's statement last week demonstrated a strong misunderstanding, I would like to make it clear that Manitoba Liberals, including the leader, do not and do not—did not then and do not now endorse the increase of the PST by today's NDP as it was implemented in 2013. Rather, from a practical perspective, once today's NDP had increased the PST, we realized that achieving a balanced budget would be very difficult if one tried to immediately reduce the PST back to 7 per cent from 8 per cent. Thus, as the leader of the Manitoba Liberals had announced, we've decided that the approach would be fully transparent, in contrast to today's NDP's approach. We'd thus move to be accountable in the spending of the money raised by the increase in the PST and we'd put all the dollars from increasing the PST into a municipal infrastructure fund with the dollars allocated on a per capita basis to municipalities for their infrastructure needs. This would, in fact, provide what 'municipalities' were originally asking for when they requested an increase in the PST and will in essence, provide the basis for a new deal for municipalities as they have been calling for, for some time.

Now, having set up the fund for municipal infrastructure in a properly accountable way, Manitoba Liberals will then work toward much better management of spending today's—than today's NDP have done and, of course, approved allocation of dollars in areas of critical need. Thus, instead of the smoke-and-mirrors approach to infrastructure which today's NDP are using, Manitoba Liberals will fund infrastructure in a way that's fully accountable and transparent and that better serves the whole province's needs.

And, with that comment and reply to the minister's statement last week, I will turn this over to the member from Morden-Winkler. Thank you.

* (15:00)

Mr. Cameron Friesen (Morden-Winkler): Mr. Chair, I'd like to ask the minister this afternoon about some of the tax changes in the budget and would like to begin with the government's decision to raise the corporal capital tax. I'd like to ask the minister the rationale to be raising that tax at this time for that group—[interjection] Oh, sorry, banks.

Hon. Greg Dewar (Minister of Finance): I thank the member for the question, because it allows us the opportunity to talk about how we work to make Manitoba a more competitive place when it comes to starting a business or maintaining a business.

We—as the member noted, we did increase the rate on large—on the largest banks by a percentage point. The feeling was—is that they could afford to provide us with a little extra revenue that we could then use to provide tax relief for, first, other businesses but not only that, but other tax relief for Manitobans. For example, this year we doubled the Education Property Tax Credit for seniors from \$235 to \$470, with the goal of completely eliminating that tax in the 2016 budget, which will mean close to 98 per cent of seniors will pay no education taxes.

As well, the decision was made this year to increase the threshold on small businesses which was—when we came to office was \$200,000. We now—it's close to—we're going to increase that to \$450,000 which would mean another 2,000 small businesses will be taken off the two—another 2,000 small businesses we'll be taking off the tax—payroll here in the province, which when I met with the chamber of commerce—I met with the Winnipeg Chamber of Commerce; I met with the Manitoba Chambers of Commerce; I met with the Canadian Federation of Independent Business; all of them stated to me that if we were to lower taxes on our business community that the entrepreneurs would take that savings and they would invest it in their businesses to make their—help their businesses grow, which would in turn help grow our economy and create jobs, and that's one of the reasons we did it.

I'll remind the member when we came into office in 1999 that the corporate tax income rate—income tax rate was 17 per cent, which was the highest in the nation—the highest in the nation—I'll just have to say that again. In 1999 our corporate

income tax rate of 17 per cent was the highest in Canada. Now it's down to 12 per cent.

When we came into office, the small business tax rate, which was 8 and a half per cent—again, the highest in Canada—you know, the highest in Canada, that's—that was the legacy of the opposition party's—the Conservative opposition party when they were in government. Now that number is zero, and only now I notice that the Harper government, they're starting to reduce their small business tax rate by small increments of a half a percentage point per year over four years to go from 11 down to 9—from 11 to 9. We went from 8 and a half to zero, and that has freed up 300 or more million dollars for small businesses every single year that allows them, again, to grow the economy. As I noted in—earlier on in question period today, that Manitoba had one of the largest—the largest increase in retail sales month over month, and that's a sign of Manitobans having confidence in their economy and confidence in their own personal lives, that they feel that they're stable enough that they can go out and spend money on goods and services in the economy which help our province grow.

Again, we note that the Conference Board of Canada and others, the Bank of Montreal and others have said that we will either lead the nation or be one of the strongest economies in the country. That's because of our support of the small business and medium-size and large-size businesses here in the province because we know that they are creating the wealth, and that is why we went from having the highest rate, corporate income tax rate, to down to one of the lowest, and that is why we went from having one of the highest small business tax rates in the nation down to zero. And then we took it from not only zero, we then increased the limit from 425 up to 450, which I'll remind you, Mr. Chair, was 200 when we came to office—200,000. We've increased that now to 450, and that'll take an additional 2,000 small businesses off the tax rolls.

And we felt, as I said at the beginning of my comments, that we felt that the large banks—these are the largest banks in the country—could pay a little more so we could provide tax relief for the small business sector and for seniors and other hard-working Manitobans.

Mr. Friesen: If I go back to the beginning of the minister's response, basically his first statement was they can afford it, speaking of, I guess, banks, trusts and loan corporations. They can afford it. He said

that he'd arrived at the decision as a result of consultations with various groups.

Does the minister feel like there could be the conditions in which banks now, having to pay these additional fees, will pass them along to their customers in the form of higher fees?

*(15:10)

Mr. Dewar: Well, we know, Mr. Chair, that this is a small operating cost relative to the size of their operation. If the member wants to defend the large banks, he can. As I said earlier on, we decided a small contribution would be asked so we could provide tax relief to the small-business sector.

You know, and the member should realize, again, when we came to office, the corporate tax rate, 17 per cent, was one of the highest, not a terrific legacy for a party that seems to or that pretends, at least, to support the business sector. And, again, the small-business tax, 8 and a half per cent, one of the largest in the nation; now, it's zero. You know, again, 8 and a half per cent from a party that, at least in their public pronouncements they make, state they support the small-business sector, but when it comes to actually providing them with tax relief, they did not. I don't know why a record of having the highest corporate tax rate and having the highest small-business tax rate was something that you should be proud of. But that was the case. That was the case.

But we decided that we would take a different approach, so we eliminated from 17 per cent on the corporate tax rate down to 12, from one of the highest down to the lowest. We went from the small-business tax rate from 8 and a half to zero. And now we increased the thresholds, as I said, another 2,000 small businesses. And even the Harper government has finally recognized the value of supporting small businesses, and they're doing likewise. But, again, as I stated, they're going from 11 to nine in quarter increments per year, whereas we've taken a much more aggressive approach when it comes to eliminating taxes on small business, which we know are the backbone of our economy; they're creating employment. And, you know, we support them. We recognize the value. As I said when I met with them, they said if we were to make some adjustments to the taxes that they pay that they would use that extra revenue and they would use that to build their businesses, to invest in research and development and, ultimately, to create jobs and to grow our economy. And I'm confident that they'll do that.

I know the member, again, if he wants to defend the large banks, he may. That's his decision to do so. We're more interested in supporting the small-business sector. We're more interested in supporting the—those individuals out there working in their small businesses who now won't have to pay any taxes to the provincial government because we've eliminated the taxes on small businesses.

Mr. Friesen: The minister's answer belies some very simplistic thinking, and so he's mistaken when he implies that somehow asking these questions indicates, you know, that somehow we're standing up for banks. I think the minister is simplistic in his understanding if he doesn't believe that in any area of our economy, those who are taxed more must pass along those costs or will pass along those costs to consumers. I think that if the minister somehow thinks that taxation is some kind of isolated activity that doesn't have a bearing on people in the economy, he's very much mistaken.

So I would suggest to the minister that by asking the question I'm standing up for hard-working families who are concerned, even if he is not, who are concerned about rising bank fees. So, when the minister says that they can afford it, I think that is an answer that should trouble us in Manitoba for a number of reasons, not least of which is the fact that banks and loan companies and trust companies do also not exist in a vacuum. These are international entities. They are national entities. They exist in Manitoba with head offices, but they also have—and they exist in Manitoba with regional offices. But they have the ability to move. And so the minister must understand that one of his responsibilities is to create stable conditions in which business can survive and which services can be offered to Manitobans. So I would suggest we are standing up for hard-working Manitobans who are increasingly concerned about the rising cost of bank fees.

Now, my question to follow for the minister is: Could he indicate—again, could he verify is that amount that he expects to receive in additional revenue to Manitoba Finance as a result of these changes? Is it to \$25.5 million in the first year of collection?

Mr. Dewar: Yes, the—it's anticipated that the 2015-2016 revenue impact, which is, of course, in the budget document the member has, is \$25.5 million. Also remind the member that the federal government this year, or in the 2016-2017 budget, will be making some changes to the

intercorporate dividend deduction, and that'll see an increase in revenues from the federal government from the banking industry of \$365 million. So his own party, in—at the federal level, was raising taxes on banks \$365 million annually.

Mr. Friesen: I'd like the record to show this afternoon that when I ask the minister for even just the most basic confirmation of an amount, up to five minutes is the elapsing in the Estimates process at the—here in committee, and it's just, I think, of note that the minister doesn't have those kinds of numbers at his ready.

I guess the next question I would have for the minister, hoping he can provide a speedier reply, would be, then, why is it that after one year of collecting that additional revenue as a result of this tax increase under the corporate—corporation capital tax, does the impact decrease? So \$25.5 million after the first year of collecting, but only \$18 million in the second year.

*(15:20)

Mr. Dewar: Well, it's because it's for five quarters. What I'll tell the member, if the member wants a complete, detailed answer, then I'll provide him that, and that is why I've consulting with the staff that are here. The member knows the process. He's been in this Chamber or this Legislature for a number of years, as I've been a number of years. If the member would like an answer that I'm sure that he's asked and—he's asked the question. I'm presuming that he wants a detailed answer. I—that is why I consult with the staff. That is why the staff are—appear with me in this process. As the member is aware, it's not uncommon for ministers to consult with their staff that join them. Often he's asked some fairly detailed questions and it's only, I think, appropriate for both him and for all members of the committee—I see other members of the committee. I'm sure they're all hoping that they're provided with a responsible and detailed response to some very complex questions. And that is why, if he's disappointed with the level of conversation I have with those who join me, again, that that's really, that's his problem, not mine.

Mr. Friesen: The minister says that the explanation is that it's for five quarters. I would ask the minister to elaborate. He understands, I'm sure, that the corporate tax is a tax on annual paid-up capital of corporations. So why does he indicate it's five quarters, and could he provide more information about which five quarters is he referring to and how that demonstrates \$7.5 million difference in terms of

revenue impact between the first year it's collected and the estimated full-year revenue impact?

Mr. Dewar: Well, the—this is not, of course, an uncommon requirement or reporting feature. It's something that the federal government does. It's an accounting reporting requirement. As I said, the federal government, it's also something they do. It's a—because it includes the last quarter of 2015-2016 and it was announced in this year's budget, and that's why you'll see that it represents five quarters.

Mr. Friesen: I'd ask the Finance Minister, he understands that the tax is a tax on paid-up capital, and so that means it's including a number of different areas of an entity's operation including capital, stock, surpluses, reserves, shareholders, advances and loans, bank loans, long-term indebtedness and other indebtedness. It doesn't include accounts payable.

I would ask the minister: Is any of that variance, that \$7.5 million, is any of it attributable to calculations the department has done indicating that perhaps, as a result of this tax, some or all of those individual amounts may be decreasing over time within the operation of these entities?

Mr. Dewar: I was told no.

Mr. Friesen: So, if I asked the minister to—and I won't use the word speculate, but in the modelling that the department has done, would he then suggest that over time—we have these five quarters referring to this revenue impact for '15-16, but after that does he believe, then, that the estimated full-year revenue impact will be closer to 18 mill on an ongoing basis?

Mr. Dewar: Yes, the member is correct.

Mr. Friesen: The increase in the corporation capital tax on banks, trusts and loan companies came as a surprise to many Manitobans including, I'm sure, the banks. I wonder if the minister can indicate, did the—did he and the department work on other models, as well, perhaps increasing that tax from 5 to 7 per cent or 5 to 8 per cent, because, in his own words, of course, he says they can afford it? So were there other amounts that he can indicate they contemplated based on the view that the banks can afford it?

Mr. Dewar: The budget process is a very lengthy, detailed process, and when we make decisions, for example, that provides Manitobans with one of the most competitive business environments in the nation, when we've decided to do things that—again, you know, we have one of the lowest unemployment

rates in Canada, when we have one of the lowest corporate tax rates. We've lowered that from 17 to 12. We've completely eliminated the small-business tax. What is fair to say in these—in the month before the budget was presented, we looked at a variety of options presented. It's not uncommon. I'm sure it's—well, what's not uncommon; it's necessary to look at a variety of different options presented by the staff to the minister in terms of options. But I'll say that, you know, it's a very detailed, lengthy process, and we look at a variety of options.

* (15:30)

Mr. Friesen: It sure sounds like there's a yes in the—buried in the minister's answer there.

But I guess my next question for the minister would be, based on that answer, you know, if they can afford it, because those were the words of the minister, then I guess I would ask him for his view on whether he contemplated the same kind of increase of tax with respect to The Credit Unions and Caisses Populaires Profits Tax Act. As the minister knows, credit unions in Manitoba are getting larger and larger.

As a matter of fact, the minister will have taken note of the most recent attempt to merge between the Access Credit Union and Assiniboine Credit Union. That seems to be a work in progress now. That decision to come together was not ratified by members. But I know the minister appreciates that credit unions are becoming larger and larger entities, becoming more and more bank-like in a variety of ways, and not only in their lending practices, the kinds of supports they can provide to, you know, lenders, but also in terms of their assets and the amount that they are capitalized. So, with respect to this, because it's been expressed in Manitoba, credit unions are wondering, are they next? Did the minister contemplate the same tax with respect to the credit unions' profits tax act?

Mr. Dewar: I know the member was trying to be clever there. I did not say that we talked, we contemplated increasing the tax beyond what was—I know you said that in your comments, but that is not what I said. I said a variety of issues were discussed and, you know, that's only common. Maybe we looked at decreasing this, as we did when we decided to decrease the small-business tax on 2,000 businesses which we completely eliminated because we increased the threshold from 425 up to 450, which the member opposite and his colleagues

voted against. That was one decision that we made, and those options were presented to us.

But, in terms of the—I just want to let the member know that, no, there is no—I mean, you—the only one who's talking about raising taxes on credit unions is the member opposite. That is not—certainly not contemplated by this government.

Mr. Friesen: Well, that's news, because I know that, you know, speaking with stakeholders throughout the province, there's a lot of speculation on the part of credit unions as to whether they are next. Certainly, the banks didn't see this coming and credit unions are wondering about where the Finance Minister will go next looking for additional sources of revenue to flow to his operations.

I would want to also challenge the minister. He uses the word competitiveness a lot. Is the minister aware that with the change to increase to 6 per cent from 5 per cent, the corporation capital tax on banks, trusts, corporations and loan corporations, that this is now the highest CCT in Canada? Is the minister aware of that?

Mr. Dewar: I am, indeed, aware of that. But I'm also aware that when we came into office we were paying one of the highest corporate tax rates—the one of the—I think the highest corporate tax rate at 17 per cent, and we lowered that to 12 per cent. Again, members opposite voted against that every single step of the way and they did—they tried their hardest. They tried their hardest to block our government reducing the corporate tax rate from 17—one of the highest, including the banks—down to 12 per cent, one of the lowest.

And we also came into office, the small-business tax rate was 8 and a half per cent, one of the highest in the nation. We've lowered that to zero. And every single step along the way, every step along the way the members opposite tried their hardest to block, to stop us from lowering those corporate tax rates. They tried everything in their power: they voted against it; they spoke against it, you know, lowering the small-business tax rate from 8 and a half down to zero. Members opposite who pretend—at least they pretend to be friends of the small-business sector. But, when they had a chance to stand up for the small-business sector here in the province, they decided not to. In fact, they decided to vote against it. Not only did they—they didn't support it, but they actively stood up and did their best to say no to the small-business sector in Manitoba when we lowered their rate, eliminated it.

And then this year again we increased the threshold from 425 up to 450; another 2,000 small businesses in Manitoba will soon be eliminated from the tax payroll. Again, those—you know, those 2,000 businesses will be able to invest, take those monies, instead of sending them to us they could take that money and they'll use that to invest in their businesses, to grow their businesses, to hire more Manitobans, to grow the economy yet again.

You know, the Conference Board of Canada recently predicted that Winnipeg will be the second fastest growing city in the prairies, and faster than Regina and faster than Saskatoon and faster than Edmonton, faster than Calgary. And members were quite fixated a number of weeks ago about what was happening in Saskatchewan. Well, I remind the member that Winnipeg will grow faster than any of the major centres, urban centres, in Saskatchewan; remind the member that retail sales last month in Manitoba went up a record amount; remind the member that they actually showed a decrease in increase—had a decrease in sales—they had a decrease in sales, retail sales, in Saskatchewan last month. Now, you know, I'll remind the member that the Canadian Federation of Independent Business made a presentation to the Saskatchewan government, asking them to lower their small-business tax rate, to eliminate it as we have here in the province. Now, they did not do that—they did not do that.

So remind the member that, you know, we have a very competitive business environment. Businesses save over \$435 million annually because of changes made by this government over the years, and it's reflected; it's reflected in the fact that we have one of the fastest growing economies, you know. And they may not like that; they may not like the fact that Conference Board of Canada said Manitoba's going to lead the nation. They may not like that the Conference Board of Canada said Winnipeg's going to be the fastest, second fastest growing city in all of western Canada, the fastest growing on the prairies. Maybe don't like the fact that the Bank of Montreal has said that Manitoba will lead the nation; it'll be one of the leaders of the nation. May not like the fact that we have created 20,000 jobs, a record, I might add—a record. May not like the fact we have the second lowest unemployment rate in Canada, but, you know, we—and we're proud of that, but we did it with—we worked with the small-business sector, we worked with the large-business sector, we worked with labour, we worked with educational institutions to get this.

This is a record that all of Manitobans should be proud of. But, again, the only ones who are disappointed about these great, wonderful things that are happening here in the province are the members opposite.

Mr. Friesen: I'll help the minister complete that thought. And while forecasts are great, I would remind him that when it comes to fiscal performance, you know, the Conference Board of Canada made very, very clear that Manitoba's the—by virtue of the fact that Manitoba's going to the top of the pile this year, I believe they said the other guys were shot in the foot with things like the devaluation of oil prices.

So, I mean, if the minister wants to be clear on the economic fundamentals, absolutely, forecasts are great, but when it comes to this government's record, this is a government that is currently, you know, running up a debt of \$36.3 billion—unprecedented levels of debt. We have a deficit going in the wrong direction, as he knows; not going down, going up. And we have bond-rating agencies that are expressing continued dismay, becoming increasingly skittish, sending strong signals that unless something does not change in the fiscal fundamentals that they will—and they will—contemplate additional measures. This minister whistles in the dark; we understand that. And he points to forecasts. After 16 years, he points to forecasts, but he and I can have that quarrel in question period. I'd rather reserve the time here for more concentrated examination of his Estimates of Expenditure.

So, with respect to the corporate capital tax return, if I can pull his attention back there, this is not a long list when it comes to Manitoba; we are a province of 1.3 million people, and by virtue of the fact that those who must file a CCT return are only those establishments that have taxable, paid-up capital in excess of \$10-million capital deduction, could he provide the list, the detailed list, of all of those corporations who will be subject to the increased 6 per cent tax on corporate capital tax?

* (15:40)

Mr. Dewar: Well, I want to remind the member and all members that that, of course, is confidential taxpayer information, and we don't provide a list of taxpayers to this committee or to any committee.

Mr. Friesen: So the minister would be unable to verify today that RBC would be one of those entities that would be paying the corporation capital tax. Is that what he's saying?

Mr. Dewar: Well, the member can speculate all he likes about who pays taxes here in the province, but I'm—we're unable to give specific names and specific to taxpayers, but he can speculate all he likes about who could be potential taxpayers in this province. But we're not providing names because it's confidential information.

Mr. Friesen: Well, and, certainly, I mean, if speculation is all we have, we'll do that. I guess my concern is that in the wake of the minister's budget speech there were large, large corporate entities that people who provide jobs here, people who do business here in Manitoba wondering if these changes pertain to them. There seems to be something—the wheels came off somewhere in the minister's operation with credit unions uncertain as to whether these changes apply to them, certainly, those concerns being expressed. And so, before the minister, you know, completely dismisses out of hand, I would just invite him to contemplate the extent to which he worked co-operatively like he said he did with all these groups or whether he blindsided these groups with that tax.

And, of course, I'll just reinforce one more time, primary concern, of course, is that absolutely the minister can choose to raise that tax by almost 20 per cent, but he must understand that, like any business, that cost will be passed along. It will be passed along in the form of user fees and banking fees and charges, and those things are fees that households will pay. Somehow the minister would like to paint a target on corporate Canada and he would like to say they are the enemy. But he must understand that at the end of the day there is one taxpayer. That taxpayer has to pay all the taxes that he collects, all the increases that he collects.

So, with that in mind, I want to transition very slightly and talk about a few of the new fee increases under Budget 2015 and specifically ask the minister with respect to the municipal planning fees for new subdivision applications, I see that he's anticipating almost \$100,000 of additional fees there, and would ask him to indicate why the change there—a \$50 increase from \$375 previous to \$425 now, increasing the subdivision application fee charged to landowners and private individuals seeking changes to subdivisions?

Mr. Dewar: I just want to respond to the member's point about, you know, the—our attack on the corporate sector, which is ridiculous, considering it's our government that has lowered the taxes from

some of the highest to the lowest in the nation both in terms of the corporate tax rate and the small business tax rate.

You know, his own—as I mentioned earlier in my comments—his own party at the federal level will be raising taxes on banks \$365 million per year, and I don't know what that would mean to the average Canadian when it comes to dealing with their banks, action which is—action taken by his party at the federal level, Mr. Chair. And, you know, as I said, we've lowered taxes here in the province about \$435 million on—per year for the corporate sector. We have one of the most competitive business environments in the nation, and that's verified by independent sources who look at the competitiveness of the city of Winnipeg and they look at a variety of things, just as we do when we look at how Manitoba is one of the most affordable places in the country to live. We look at a variety of things and they inevitably will determine that Winnipeg and Brandon are some of the most competitive cities in the province, as is Manitoba is one of the most competitive provinces to do business. You can't get much lower than zero when it comes to paying small-business tax.

You know, when you have the highest corporate tax rate, now one of the lowest, again, that creates, I would think—I would know, a strong—it gives a strong signal to the business community that we support what they do, and that, I think it's fair to say, that those results are being seen every day. When we have the second lowest unemployment rate and the member talks about looking at these projections and saying, well, that's just a projection. It's fair enough, you know, but there's not only has the Conference Board, the bank, many independent organizations have ranked Manitoba as one of the fastest growing economies in Canada. And but when you look at the results, I think it's fair to say you just have to look at the results, and when you see 20,000 jobs created in the last year, a record, when you see the Bank of Montreal stated that the number of job growth that we've seen here in the last year was its highest in 13 years, again, that's—those are facts. The fact that the Conference Board of Canada is predicting that Winnipeg will be one of the fastest growing cities. The fact is that we doubled the economy since we've come into government. The fact is, I said, second lowest unemployment rate in Canada. These are all facts, Mr. Chair.

Now, in terms of the other issue—again, Mr. Chair, on the issue the member talked about, the

credit unions, and they are currently exempt and it is our intention to ensure that they remain exempt. That saves them \$13.7 million in taxes, the corporate—the credit union sector. So I'm not sure what the member when he's speculating about raising taxes on credit unions, the only one's who's saying it—raised it in this Chamber—or in this committee—are the members opposite.

Mr. Friesen: That's very cute coming from the minister, but, certainly, I think he would agree that the banks also hadn't contemplated that he would be raising from 5 to 6 per cent the corporations' profits tax. So, for the minister to indicate there will be definitely no tax hikes for credit unions, somehow it lacks sincerity coming from a Finance Minister whose party indicated there'd be no tax hike in 2011, and even called the idea ridiculous, said they would certainly not be raising the tax and then got elected, widened the RST and then of course raised the GST—or the PST the year after that from 7 to 8 per cent. So I think it rings hollow when the minister provides assurances to any sector in Manitoba that he's definitely not going after them for additional tax revenue. I think it's a little interesting to us and certainly for anyone who in posterity is reading these remarks in the future in Hansard. They'll read those remarks and shake their head at the Finance Minister who obviously doesn't actually understand the context or at least has to acknowledge that Manitobans would be wise to be skeptical about the remark.

* (15:50)

I'm going to come back to the question that I asked and I don't believe the minister answered. It had to do with the increase of the municipal planning fee for new subdivision applications. The reason I asked the question is I think it makes a logical segue, having just spoken about the corporations' capital tax. Certainly, in the province right now, any individual seeking to move forward with a subdivision is now charged a higher fee. Now, that's a significant increase.

Can the minister indicate—what I would like from the minister is if he could indicate that he acknowledges that these kind of increased fees have a heating effect on a sector and that, in essence, what will happen is the applicant will pay the additional fee and they will pass along the cost of that additional fee to their clients. Does he at least acknowledge that heating effect on the economy that his increases of fees are having?

Mr. Dewar: I will confirm that there was a \$50 increase in subdivision application fees from \$375 to \$425, and it was a—if the member wishes more information on it, he should perhaps talk to the Minister of Municipal Government (Mr. Caldwell). I'm sure he'd be eager to provide more detail on the rationale behind this move.

Mr. Friesen: I wonder if the minister could provide the following information. I'm looking at a list of fees here from the current budget. I wonder if the minister would be able to—and I would understand he won't be able to provide this information today—but if he could provide a list of all the fees collected by department for the revenue year just ended and indicate the amount. We work with some estimates that we've developed ourselves, but if he would be able to indicate a list or supply a list that would indicate by area the tax fee collected by what government department, a description of that tax and then the amount of revenue generated for the current—I should say for the year just ended. Could he provide that information?

Mr. Dewar: I'll refer the member to the annual report of each of the departments which will be released later on this year, will have the actual revenues. The revenue supplements that, again, will be released later this year will have greater detail for the member for the '14-15 year.

Mr. Friesen: He's not quite there yet. I'm looking for a commitment from the minister—perhaps he's provided it, but I wasn't clear about that—if he could provide, in the manner I requested, if he'd be able to provide a list of the taxes and fees collected by the department with a description of the tax and fee and the amount of revenue generated under that fee for the fiscal year just ended. He seemed to be a little bit vague in that commitment. I would just wonder if I could bring him to make a commitment to provide the information in that form. So I know you can see an aggregate number for fees collected by government. It would be helpful and I think beneficial to taxpayers as well as the opposition party and other interested parties to be able to see the specific tax measure or that—I should say the tax fee measure and then the description of that tax and the revenue generated from that. Could he provide the information in that form?

Mr. Dewar: We don't have the '14-15 info yet. As the member noted, or would note, that the fiscal year just ended just a few short weeks ago, but there more—there is more information offered in the

'14-15 revenue supplement which I could bring for the member tomorrow.

Mr. Friesen: I recognize that, you know, when the Public Accounts are tabled later this year, there will be full information on the performance for the whole fiscal year that was just completed. Perhaps, if that information is not available at this time, I'll just ask in a different way and ask the minister: Would he commit to when that information would be completed and finalized—and I realize that people in the department are hard at work behind the scenes probably already preparing for Public Accounts. You finish one thing and you move on to the next, you table the Estimates, and you immediately direct your attention to the next challenge on the horizon, which, at this point, would be the reporting of the Public Accounts.

* (16:00)

But would the minister commit—the reason I bring up the point is that I recognize that behind the scenes there's decisions made about how to report revenues. It would be helpful, I think, in the province of Manitoba if we could see on an annual basis—and sometimes I take notes of things that have been requested in other Estimates and I try to add that to the list on a repeating basis. I'd say that there would be merit in providing taxes and fees collected by a certain area. In other words, if, let's say, there's a revenue tax, and, let's say, that 'tat' tax happens to be the tobacco tax excise per cigarette, you know, would the minister then be able to provide us a list and say, for the year completed, I'll provide you that total revenue generated off of that number?

I realize the minister is saying he can't provide it now. Will he provide it, let's say, when the Public Accounts are tabled later this year or at a different date, and what would that date be?

Mr. Dewar: It's my pleasure to inform the member that all revenues are reported from each department in their annual reports, and it provides additional supplementary information in the annual reports that are presented—or tabled in the Legislature for each of the departments, as well the information out of—will be released, as he said, in the Public Accounts.

Mr. Friesen: Perhaps I can make a—make my request more specific and help the minister in that way. I'm looking at estimates of revenue from government. Could the minister—I'll recognize that probably within this context it would be difficult, but would the minister indicate what the actual revenues

were generated from the PST expanded to insurance of personal services? Could he indicate what the actual amount was generated from the vehicle registration fee under transportation? Could he indicate what the revenue was generated from birth and marriage and death certificates under biostatistics? And could he additionally report on the tobacco tax excise per cigarette?

So, in each of these cases, we have estimates of extra revenue generated. I would be looking for an update from the minister to see how he did in each of those categories. So, if he can't provide a full list of tax and revenue collected by area, perhaps he can report back to us and let him know—let us know how he did on these particular tax and fee measures.

Mr. Dewar: The member asked a number of questions. The PST, he mentioned that the increase on—that was applied to insurance, it's—I'm told that it's difficult to track.

But, if he could let us know again the other—he had named and numbered different things. I think he talked about the vital statistics and, I believe, a increase in the tobacco tax. If he could just re-instate that—restate that for us so we can follow up for the member when the Public Accounts are done.

Again, as the member realizes, the year-end was just only a short time ago and we're still—we'll need some more time to provide him with—or all members with that information.

Mr. Friesen: I thank the minister for that. I won't request those specific requests that I had made. They're in the Hansard now and they'll be recorded there. I can have one of my assistants send over to the minister just a list, again, of those specific taxes and fees we'd be looking for.

* (16:10)

On that same subject, though, I'm wondering if the minister can also provide—would he provide for us, at the same time, a breakdown of the revenues generated specifically when the PST was expanded to insurance and personal services—could the minister provide, at that same time, the extra revenue generated from haircuts and personal services, separate from group life insurance, separate from property insurance—could he break down those major categories so that we could see the amount of revenue accruing to government as a result not just in the aggregate of that PST expanded for those things, but separately?

I guess my first question to the minister is: Does government track that?

Second question is: Can he report back at the point in time when the information would be available?

Mr. Dewar: Well, I regret to inform the member that it's not tracked by transaction. For example, a hair stylist would remit us a gross amount, and we don't—they don't provide us with the details, whether that's on haircuts or manicures. I don't know if the PST is applied to manicures—so, but regrettably, we don't—it's not tracked at—that level of detail.

Mr. Friesen: I don't want to belabour the point, but I wasn't asking the minister to be able to hive out of revenues what might have been spent in a salon on haircuts as opposed to aesthetician services. I'm wondering if in the macro he would be able to provide—does the Finance track the difference between—take as one category haircuts and personal services, call that all the same, anything remitted by those salons, separate from group insurance, separate from property insurance.

Does the minister's department track the information at that level, not at a sublevel?

Mr. Dewar: I'm told the department does not track that.

Mr. Friesen: Okay, I thank the minister for that answer.

It's—so we only have the aggregate number there when we look at the amount of additional revenue created by—in tax by this government.

I would want to, for the record, of course, also indicate that when it comes to tax and fee hikes since 2011 this government has quite a record. This government has no problem with revenue. This government has proven it has the ability to find new sources of revenue. And, of course, we understand that even if left alone, if the minister chose not to introduce new tax measures, new fee measures, of course, we understand that as the economy of the province grows and there is additional revenue accruing to government through personal and corporate income taxes every year and through the taxation framework that already exists, but I would enter for the record the fact that as additional tax hikes in 2011, those generated for this government—\$19 million. Tax and fee hikes in Budget 2012 netted the government \$200 million. Tax and fee hikes in 2013 netted the government \$316 million. And we're

just talking about new—not taken additionally accumulating, but in that taxation year. And then, again, this year, just in tax and fee hikes alone, \$3 million again by this government. So this is a government that has choose—chosen to go back to Manitobans and find more and more places to find new sources of revenue, and I would want to be clear about that. It's a strategy. It's a policy that comes at—with great risk to Manitobans who have to pay more and more.

I want to turn in the Estimates to page 107. I'm looking at public debt, and I want to ask the minister some questions about the cost of debt servicing in the province of Manitoba. And I would begin by asking him to indicate, then, with respect to the floating rate debt for an entire year—the Auditor General had speculated at one point to say what a 1 per cent interest rate increase would mean in terms of having to just pay the interest on the 11 per cent floating rate debt. Is the minister's department—or is the minister aware, you know, of the additional cost that would—he would have to pay for even in a 1 per cent interest rate hike?

Mr. Dewar: Just wanted to remind the member he talked about the competitiveness and tax competitiveness of this province relative to the days when his power—when his party was in power—and there's no tax cutters on that side at all. I mean, I was here in the 1990s, and the only tax cutters who sit around this table are members of the NDP. Not a—they might talk the talk, but they don't walk the walk. That's all they do, Mr. Chair, when it comes to cutting taxes.

* (16:20)

The—you know, when we came into power the property education tax rate was—well, at one time, about \$325. In the—and I think it was '93 budget they decreased that to \$250, which meant an additional \$75 that every property tax owner in the province had to pay.

They also placed the PST on a number of items that were previously exempt. Again, this was the Filmon government of the 1990s. They ran a deficit, I remind the member, the largest deficit in the history of Manitoba, almost \$868 million. But they took \$200 million from the Fiscal Stabilization Fund to try to misrepresent Manitobans, and they presented it as a lower number. But when you look at the ratio, that particular deficit, relative to the size of the economy at that time, was the highest in the history of this province.

That is their legacy. Their legacy was to have, you know, an economy that was in free fall, Mr. Chair, wasn't creating any employment. They—I think it was the member for Thompson (Mr. Ashton) would often say, well, what did they ever build? Well, I think they built two casinos, which at twice the price, I might add, over twice as expensive as they originally forecasted it would be—two casinos. I remind the members when we came into—when they were in government, nobody ever heard of a VLT, no one ever heard of casinos, but they put a VLT, oh, everywhere you could possibly get, Mr. Chair, and they built two casinos.

They—as well, they never cut a single tax in all the years they were in government, as I don't recall. We've cut taxes in both at the personal level and at the business level to over \$1.2 billion every single year, and it works out to close to 8 and a half billion dollars that we've cut on taxes for hard-working Manitobans—hard-working Manitobans.

I said the property tax credit was \$250. We've increased that to \$700. If you are a senior, you can save up to \$1,500 this year with the doubling of the seniors property tax credit from \$235 to \$470. Next year it'll be completely eliminated. If you'd like I could retell the story about how we lowered the corporate tax rate from 17, one of the highest, to the lowest, to 12, which is one of the lowest in the nation. As well, as I said, we've decreased the small-business tax from 8 and a half to zero, and then this year we've increased the limit, so even more small businesses aren't paying taxes.

So the member can talk all he likes about tax cutters, but there's no tax cutters on that side of the table. The tax cutters in Manitoba sit on the government side of the table, and, like I said, it's a classic example of them talking the talk, but they never walk the walk when they had a chance. So they can go out there, you know, you can go out there and tell everyone that you're going to be, you know, doing all these great things, and that's what opposition parties do. I understand that they—I think the word is that they oppose everything and propose nothing, and this opposition is well known for doing that.

Mr. Chair, I couldn't let him get off the—put those falsehoods on the record about, you know, this government when it comes to providing an affordable place for Manitobans to live, because you have to look at the issue of affordability goes beyond simply the paying of taxes, and it's a whole standard

of living. It's the rate you pay for your electricity and your heating costs and your auto insurance and the price you pay to mortgage your homes, and you see that Manitoba's competitive. We're one of the lowest—we've got one of the best—we're one of the most affordable places to live in Canada, and this is verified. I had a chance to read the Saskatchewan budget, and they verify that Winnipeg and Manitoba is one of the most affordable places to live when you look at a variety of income levels and family structure.

So I just couldn't let the member get away with saying that, you know, attacking us for the tax policies of this government, because, as I said, the only tax cutters that are in—that sit in the Legislature are members who sit on the government side, not the opposition side.

Mr. Friesen: I actually don't believe there was any answer in that long and rambling response of the minister as he took a considerable side road from the point of departure. I will invite the minister at this point in time to come back to the main road and to get there quickly.

I guess I do have to take the opportunity to correct the minister when he says that. He's categorically mistaken. His government has the—has run the largest deficit in the province's history, and I would bring him back to the fiscal year 2011-2012 when his budget estimate was for a \$438-million deficit, and instead the public accounts record \$999 million. But while we're on this subject—so it's categorically false, what he puts on the record, but while we're on this subject, if I look at the same chart, I mean, it is this government's record year after year: 2013–2012-13 budget estimate, about \$460-million deficit, a \$580-million actual in the public accounts.

Again, this year—you know, Mr. Chair, this is a government who for the past fiscal year indicated a \$357-million deficit, and now we know that number will be \$424 million. And this government—this Finance Minister gets so cute as to then state that, even though the actual deficit will be \$424 million and his new budget estimate includes a \$422-million deficit for the coming fiscal year, that somehow he would actually endeavour to state that he is heading in the right direction using the projection from a new annual year, measuring it against the actual of the previous fiscal year. There is no economist in the land who would not roll their eyes at that kind of

scintillating analysis offered by this Finance Minister.

And I guess I'll take this opportunity as well to just, you know, right the ship when it comes to the minister speaking about debt servicing costs. And I always smile when the minister tries to put on the record that they pay the lowest percentage per dollar to service the debt. What it shows is that the minister doesn't seem to have lived through the 1990s and doesn't seem to understand the cycle of interest rates, and I'm not sure if the minister would know what the interest rate was in, let's say, 1995. I'm not sure if he would understand why it would be that he would be paying less of a percentage on the dollar to service debt when the prime rate is 2 per cent or 1.5 per cent than 6, 8 or 10 per cent.

So, certainly, the Minister of Finance (Mr. Dewar) has to recognize that there were challenges that all governments faced, all provincial governments faced in the 1990s. I can still recall, as a young person, when the federal government decided to balance their budget on the backs of the provinces. There were tremendous challenges faced by this government in this province—some people in Department of Finance probably will still remember those times; some of them would've been around for those times—the same challenges faced by Roy Romanow in Saskatchewan. And that minister—I would invite the Minister of Finance to go back and to analyze not just the Manitoba situation but to analyze the Saskatchewan situation under Roy Romanow and see what the challenge to government was faced by a federal government who was quickly cutting out transfer payments to the provinces. And this minister has, of course, enjoyed growing transfer payments, growing revenues, favourable interest rate conditions and still has managed to blow the wad when it comes to debt and deficit.

So I will ask the minister again, if he can come back to focus, answer—will he confirm what the effect of a 1 per cent rise in prime lending rate would be on the 11 per cent of debt that is carried in the form of cash?

And then would he additionally—and I'm going to ask a two-part question because it's taking him a long time to get back with one part, so I'll task him with two things at once—and then would he also indicate how much of the province's debt will come due for renegotiation in this current year, and could he provide a breakdown of what is coming due and the terms, basically, what are the current rates and what

will be the terms of the restructuring of this apportionment of Manitoba's debt this year?

Mr. Dewar: I'm glad the member spoke about the 1990s, and I remember that well. The—I remember that—I remember—well, I'm glad the member talked about Roy Romanow, because I, again, remember that well.

* (16:30)

There was—the party before—the government that ran the province of Saskatchewan before Roy Romanow was led by a man named Grant Devine. Now, Grant Devine was an interesting character. He was a Progressive Conservative. He ran a deficit of over \$1 billion on a budget of probably six or seven billion, and he had the other dubious time in office when half of his Cabinet were either in jail or they were deciding to come up with the billion-dollar deficit. And so they were so much—their party was so discredited that they changed their name. They couldn't—and there's no Progressive Conservatives left in Saskatchewan. They had to change their name, as I said.

I'm glad he mentioned Roy Romanow; I remember that well. Romanow came into office faced with a budget deficit of a billion dollars left to him by the Progressive Conservative government of Grant Devine, and a billion dollars at that time was incredibly significant in terms of the size of that particular government, as was when the members opposite were in government in the early '90s and they had that \$868-million deficit. The ratio to the size of the government was much higher than it was in anything that we've ever done.

And the member talks about the deficit in the—that we had here in, oh, 2008, 2009. Well, I remind the member that the world went through an economic credit crisis, the great recession it was called by Stephen Harper. Stephen Harper refers to that time as the great recession, and every government across the world decided to—that it was necessary to stimulate the economy, as we did.

I'll also remind the member that that year we were faced with incredible flood, and is the member suggesting that we—that action that we took at that time to respond to that flood, that that was wrong? I'm sure he would not having—living in the Red River Valley as we do here. We felt it was necessary that we invest to protect Manitobans to respond to the flood efforts at the time to expand the size of the Winnipeg floodway, which we did, which will save

literally billions and billions of dollars, the expansion of the Winnipeg Floodway, as well as all the efforts that we undertook at the time to protect Manitobans and to respond to the worldwide economic credit crunch.

As I said, Stephen Harper refers to that time as the great recession. Every government across the—most governments across the world—and certainly in Canada and North America—felt it necessary to stimulate the economy as did the Stephen Harper government at the time and Jim Flaherty. I don't think Jim Flaherty was any great socialist, but he decided at the time to run deficits, significant deficits to stimulate the economy. That was a decision that they made.

We, as well, made the decision here and Manitobans benefited from it. But I think it's important, you know, we look at debt and deficit. We need to look at where we stand relative to the other provinces and, well, our debt and deficit are very favourable. We—we're in the middle of the pack and we are the strongest among non-resource provinces—the strongest among non-resource provinces when we came into office. You know, we were spending 13 cents on the dollar to service the debt, the debt left by the members opposite to this—*[interjection]*—the highest, one of the highest—13 per cent to service the debt left to us by members opposite. Through prudent management and good economic sense, we have now been able to lower that to 5.6. *[interjection]*

Well, the members opposite are trying to heckle me, Mr. Chair. They're trying to shut me down because they're not interested in the truth, but that's fine. You know, they're—obviously, I touched a nerve over there talking about Grant Devine. Grant Devine, you know, like I said, half his Cabinet was in jail and the other half were planning to run a billion-dollar deficit. So there's no Progressive Conservative Party left in Saskatchewan thanks to the efforts of Grant Devine. So I'm glad the member raised that.

But as I said, you know, our—this—the deficit this year is 0.6 of a percentage point, which is the fifth lowest among provinces, and that's lower than what it was last year when it was 0.7; I remind the member that the United States, for example, has a deficit net—a deficit to their GDP of 2 and a half per cent and they basically declared victory down in the United States over their deficit. And our ratio is very favourable when you compare it to other provinces. As I've said, we're spending

6 and a half—5 and a half cents—5.6 cents on the dollar to service our debt, was well over double that when we came to office. Our net debt-to-GDP ratio is lower now than it was when we came to office.

But, as well, Mr. Chair, we have the results to show; we have one of the strongest economies in Canada. The Conference Board of Canada said that Manitoba will lead the nation in 2015-2016. The Bank of Montreal said we'll be one of the highest—strongest economies as well. It created 20,000 jobs last year; second lowest unemployment rate in the nation; Winnipeg, as I said, one of the fastest growing cities in western Canada. These are all facts.

Now the member may not appreciate that, but, nonetheless, those are the facts. And, again, we should be proud of that. It's a result of working with the municipal governments; it's working with the business community, both small and large; it's working with the educational sector. They're able to achieve these results that all of us—all of us—as Manitobans should be proud of. And, again, the only ones who don't like this, the ones that are disappointed that we have this record of growth are the members opposite.

Mr. Friesen: Well, let the record show that the minister has taken almost 10 minutes out of the departmental Estimates time to answer a certain—a specific question that I asked, and he still, in the context of this long ramble, has not provided an answer.

So I ask the minister to focus again. I'm talking about interest-rate risk. I'm asking the minister to focus. I'm asking about the management of fixed and floating interest rates with respect to the debt portfolio.

We understand that the Province has 11 per cent of floating rate debt for an entire year. The Auditor General has expressed concern, saying that if the, if even a 100-basis-point movement in interest rates occurred, it would result in \$23 million of additional cost to the government. We understand it's costs that cannot go to front-line services.

So I'm asking the minister to indicate, when it comes to that portion of the province's debt, that will become renewable this year, that debt that has to be restructured, could he focus his attention on answering the question and indicating what, of the amounts that are coming due, what is the current rate, when are they coming due this year and what is the breakdown of those debt apportionments that are

coming due? I would appreciate his focus on providing that response.

Mr. Dewar: It was my intention to focus on the minister's—the member's question but he brought up Roy Romanow. I'm perfectly content to respond to the question raised by the member, but he's the one running off on these side roads talking about the Roy Romanow government and the legacy left to him by Grant Devine. And he also talked about the fact that this government had a deficit of \$998 million as we found it was necessary that year to stimulate the economy and to respond to, literally, the flood of the century. You know, we take—we—I'm sure the members would be disappointed—it would be critical of us if we didn't respond to the great recession as did the federal government, and as did Jim Flaherty, or if we would have abandoned those Manitobans who were having to deal with the flood of the century. But we take—we're not apologizing at all for providing services to Manitobans in their time of need.

But, if the member—if he was to refer look at page B8 of the Budget Papers, he would see the refinancing and the borrowing requirements in 2015: in Manitoba Hydro-Electric Board, \$197,677,000; the Manitoba Liquor and Lotteries Corporation, \$60 million; Other Borrowings, General Purpose Borrowings, \$804,691,000; Capital Investment Assets, \$426,524,000; Other Crowns and Organizations, \$553,800,000; total borrowing requirements, \$2,042,691,000.

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

Mr. Dewar: All in the book.

* (16:40)

Mr. Friesen: Can the minister indicate what kind of activity goes on in a department to develop scenarios as to what would the effect of an incremental downgrade in Manitoba's credit rating when it comes to, let's say, let's take this fiscal year we just talked about now. So we have a certain apportionment of debt that will have to be restructured in this year. Does the department develop scenarios? Do they develop contingencies to indicate what the additional cost to the Province would be to have to restructure this debt in an environment, let's say, with a single incremental decrease to the Province's credit rating?

Mr. Dewar: The answer is if it's a one-basis-point increase, and that would be including Manitoba Hydro debt, it would be an additional fee of half a million dollars—approximately half a million dollars.

Mr. Friesen: Does the minister mean one basis point or 100 basis points?

Mr. Dewar: One basis point.

Mr. Friesen: And just as a clarification, the minister is referring to the fixed-interest-rate mix of the debt amount that would become renewable or renegotiable in this current fiscal year. Can he clarify that?

Mr. Dewar: Thank you, Mr. Chair. I'll inform the committee, of course, that the entire borrowing of the Province is on page B8—approximately \$4.7 billion. And that \$2 billion of that is old debt that is being turned over and refinanced.

Mr. Friesen: I'll have more questions about the debt, and I'll go back and review the information the minister has put on the record today so we can understand it. There seems to be a question that he didn't answer yet, and I understand; I asked him a multi-part question. When I asked the question before, I also asked him to contemplate what the effect of a one-increment credit downgrade would be. Was that the answer he was providing, or was he simply—or was he providing different information?

I just want to be certain we're talking about the same thing. When it came to the 2015 year, and we're looking at all the apportionments of debt—that would be renegotiated bonds and debentures, Canadian, US funds and loans and mortgages and promissory notes, T-bills—I was asking him whether—what analysis is done by the department to contemplate the effect of an incremental change in the province's standing and if he would indicate, for the record, what that additional cost may be. Can he just clarify; was that the number he pointed to when he gave the response?

Mr. Dewar: Thank you. While the member is speculating about a potential downgrade, I'll remind the member that we received three upgrades from the reporting agencies since we've taken over government, which is two—and, Moody's, for example, grade that they've given us now are two levels higher than it was when they came into office. So you can only speculate on the impacts it would have on our borrowing costs.

But, if, for example, there was a credit downgrade, and, again, I'll remind the members that we've had several upgrades over the years, really, the market decides. The market will react to any of the agencies reporting on the fiscal situation of the province, which, again, I'll remind the member, is

quite high. We are, here in Manitoba, the envy of many of the other provinces across Canada. And Canada is the envy of many other countries around the world. You know, Moody's would look at our bottom line. But, as a ministry, we look at what's best for the province. But, again, it really would depend upon how the market would respond to any downgrade.

* (16:50)

But, as—again, I'll remind the member that we have a very strong fiscal management. Our team—the Finance Department monitors this daily. Of course, again, as I sell the member, we have a—we've—Manitoba is doing well. We have a strong economy. We have, again, one of the strongest economies in Canada. We have, when you take out the resource provinces, ours—our credit rating is one of the highest. It's one of the highest in Canada. And you know, our debt servicing costs are lower than what it was. Our net debt-to-GDP ratio is lower than it was—we came to office. These are all indicators of a province that's well managed.

Mr. Friesen: Well, once again, I'm just looking for a clarification from the minister. When it came to his statement about a one-basis-point effect—now, I asked for clarification and the minister indicated he wasn't referring to a 100 basis point, he was incrementally indicating this as a one-basis-point effect, which he indicated as \$500,000. So, because I was asking the question about a 1 per cent increase, I'll take it as 100-basis-point calculation, do the calculation on the math that the minister has supplied, and ask him to clarify. Is he then suggesting that, as I asked, when it comes to that apportionment of debt that is fixed that would be renegotiable in the current fiscal year, that the effect of a 1 per cent or 100-basis-point change increase in interest rates would be a \$50-million cost to the province of Manitoba?

Mr. Dewar: The member's math is correct, but I'll remind the member that is on the entire borrowing requirements of the province this year.

Mr. Friesen: So, when the minister says entire borrowing—the entire cost of borrowing, then he is saying this is both fixed and variable. So he's talking about the complete amount of debt, so both that in cash and those that would become due this year. So I understand that and thank him for the information.

Perhaps he can just clarify that, then. So I had asked him—I think I was asking specific to the

88 per cent or so of the Province's debt that would not be held in cash, but then I'm just looking for that clarification. I think basically the ratio is about 88 per cent fixed rate, 12 per cent at floating rate. But the minister just put a comment on the record—just inviting a clarification—he's saying this is with respect to the total amount of borrowings that would become renegotiable in this current fiscal year. Is that correct?

Mr. Dewar: Again, I'll refer the member to page B8 of the budget papers. And 1 per cent increase on \$4.7 billion is \$47 million. But that includes all the borrowing—financing, new cash—for Manitoba Hydro, as well. So the calculation is correct, 1 per cent of \$4.7 billion is \$47 million.

Mr. Friesen: So, when it comes to bonds and debentures in both Canadian and US funds, and we know that this year that'll be \$2.365 billion in Canadian funds' worth of debt that will be restructured, renegotiated, I'm going to ask the minister again a question I had asked earlier, and that is: In what months are those particular amounts of debt becoming due, and what are the current rates when it comes to those bonds and debentures in Canadian and US funds?

Mr. Dewar: This—quite—of information that the member's asked for, and it's probably best that we will take the question as notice and we'll get back to him with that information.

Mr. Friesen: Can the minister commit to bringing that information back within the Estimates process?

Mr. Dewar: Well, I'm pleased to inform the member that we'll act as quickly as possible.

Mr. Friesen: I would welcome the minister's commitment to actually bring that information in the context of the departmental Estimates, and I'd hope that he can respond to the request. I know it is one that we make every year.

I did want to correct the record. The minister was indicating that they're making progress when it comes to their, you know, debt rating. But I want to remind the minister that Moody's changed the outlook on the Province of Manitoba's debt rating from stable to negative, and they cited what they called execution risk surrounding Manitoba's plan to achieve a balanced budget by '16-17 and the risk of a continued increase in Manitoba's high-debt burden beyond 2016-17. And I think it is very, very important that Moody's cited a couple of conditions that might lead to a downgrade. One of those

conditions was a reduced likelihood that Manitoba could get into balance by 2016-17. The Minister of Finance (Mr. Dewar) now knows that is the case, that he will not return this government into balance by that deadline. Moody's also cited a reduced commitment to stabilize the debt burden in the medium term. The minister knows that now the debt has climbed to \$36.3 billion. And Moody's cited a loss of fiscal discipline, and we see the deficit rising even now. And one more condition Moody's cited was a continued and sustained increase in debt and debt service ratios beyond projections, and we know that is happening now.

Does the minister agree with Moody's that in the absence of progress on these important economic indicators there is an increased likelihood that Moody's will downgrade Manitoba's credit rating?

Mr. Chairperson: The hour being 5 p.m., committee rise.

EXECUTIVE COUNCIL

*(14:50)

Madam Chairperson (Jennifer Howard): Order. This section of the Committee of Supply will now continue consideration of the Estimates for Executive Council.

Would the minister's—would the First Minister's staff and opposition staff please enter the Chamber.

As previously agreed, questioning will proceed in a global manner, and the floor is now open for questions.

Mr. Brian Pallister (Leader of the Official Opposition): While I'm waiting for these documents, I'll just ask the Premier—I'm going to—some questions about the leadership campaign and the process around it. The Premier must have found it a stressful time. Did he ever consider, during that process resigning, not seeking the leadership?

Hon. Greg Selinger (Premier): Yes, I believe the member asked me the question during the leadership contest whether I thought about resigning? I'm clarifying the question.

Mr. Pallister: Yes, I was just asking the process of—I don't know how to describe it—this unprecedented rebellion among some front-bench Cabinet ministers, it must've been disconcerting and discouraging for the Premier, and I wondered if at any point in that process he had considered just stepping away from the challenges of seeking to hang onto his leadership.

Mr. Selinger: You know, it's a great honour and privilege to have the job of being the Premier, and you get that job through receiving a mandate from the people of Manitoba. And I believed it was fundamentally important to be faithful to that mandate that was conferred upon us as a government and myself in the role of the leader, and so I felt that my first duty was to continue to serve the people of Manitoba.

Mr. Pallister: Well, I know it was a surprise, I think, to—circumstances that led to the leadership contest itself were a surprise, I think, to all of us. I'm sure that there must've been a lot of emotion around it. The issues around caucus management are never easy, of course, for any leader and, in particular, the messaging that was done around the time of the press conference of the so-called rebel five was—some of the comments were overly critical, to put it mildly. And, again, I know that it must've been difficult for—a difficult time for the Premier. I'm still looking for the documents that I need.

Did this rebellion, which centred on comments that were made by the member for Riel (Ms. Melnick)—who's now back in the caucus—concerning allegations that the Premier's Office knew about her mishandling of the organization of a—what should've been a non-partisan protest rally in which she initially claimed that she had not involved the civil service, was subsequently found to have involved them in the attempt to attract a crowd to the rally. And I have asked the Premier this before, but I'll ask him again: When did he first become aware that she had misled the House and had misled him in terms of her comments that she was not involved?

Mr. Selinger: I'd have to check the records on that incident to get specific dates for the member. But the member will recall that there was an Ombudsman's investigation that was under way during that period of time, and the Ombudsman investigation has due process attached to it in terms of being—following a number of procedures and giving people a chance to put their points forward and make any corrections that they feel they have to make as well.

Mr. Pallister: Well, I don't recall the exact date either, but I don't think the Ombudsman was looking into the issue in the early days of it, and that was the—that's the crux of the concern I wanted to address. The Ombudsman was asked to look into the events later on, but I'm talking about when the Premier first became aware of the misrepresentation

the member for Riel (Ms. Melnick)—I know that she was questioned.

* (15:00)

I believe it was by the former member from Morris, the day of or the day after the rally—the day after the rally? [*interjection*] Day of the rally? And—day of the rally—and made the statement that she wasn't in any way, and I'll paraphrase because I don't have Hansard in front of me, but I think the impression she tried to create in her comments was that she had had no—made no attempt to involve members of the civil service in the rally in any way. And later, so moving ahead some months following the release of the Ombudsman's report, which—in which she came clean and the Ombudsman reported that she had been involved and had involved herself in it, she then alleged that the Premier's Office had known about it. And so this is why I'm asking the question. Was she right in making that assertion or did she err in making the assertion that the Premier's Office was aware of her involvement?

Mr. Selinger: Well, I think everybody knew that the minister was very concerned about the issue, as was the entire government, for a very important reason. The settlement services had been devolved to the government of Manitoba by the federal government. We had worked out a very strong system of co-ordination among all the agencies for newcomers to get settled and established in Manitoba. And we had quite a strong record of success in that regard, where I think over 80 per cent of people that were coming here were staying here. And I think over 80 per cent of them were homeowners in five years, and I think, if I recall correctly, without having the statistics in front of me, I believe in three to six months, most newcomers were able to find employment in an area somewhat related to the area that they'd been trained in. Not all, of course, but we had a very strong record of a good co-ordination and partnership between the non-profit organizations offering settlement services and government agencies, whether it's schools or hospitals or employment agencies or any other host of agencies that we do, including apprenticeship opportunities, et cetera.

So everybody was concerned about the unilateral decision by the federal government to take control over the settlement programs and relocate the locus of control outside of Manitoba. I believe they moved it to Calgary. We thought originally they might be moving the locus of control to Ottawa, but I believe

they wound up moving the locus of control to Calgary. So everybody was concerned about the impact of that decision on the ability to successfully help newcomers put down roots and make a permanent home here in Manitoba.

Mr. Pallister: Well, of course, that wasn't the issue I had raised. The issue was the comments made by the minister that she had told the Premier (Mr. Selinger) and the Premier's Office about the—her behaviour early on, and she also claimed that she was acting on orders from the Premier's advisers when she asked bureaucrats to email the invitations to immigrant support agencies to attend the debate. Was that—did she make that up or is that an actual fact?

Mr. Selinger: Again, Mr. Speaker, the minister was expressing the concern of the government for the loss of the ability to co-ordinate, at a provincial level, these settlement programs. And I can't comment on specific allegations made by any MLA unless I was directly there, and I wasn't there. I wasn't—I can't verify one way or the other whether specific things were said. But I do believe everybody was trying to act in good faith to make sure that these programs had the maximum ability possible to help people put down roots and settle in Manitoba. And that was the objective and remains the objective. We are still wanting more people to live in Manitoba.

And I recently heard from the current minister that Manitoba is very well regarded across the country for the work it does in this field to help people become permanent residents. Temporary foreign worker—[*interjection*] Thank you. Temporary foreign workers have a really good legislative regime to support them converting from being temporary foreign workers to becoming landed immigrants in Manitoba. We have very rigorous controls over the role of private consultants in this regard, and as a matter of fact, I believe—and I'm certain that the government offers services to help people come to Manitoba without having undue expenses related to that.

So all of these things were part of our larger concerns because immigration has been a huge component of building up the population of Manitoba. And, as the member knows, the average age of a Manitoban now is about 37 years old, and that means there's more people of working-age population living and working in the province and that that's important for the ability to grow the economy to generate the resources we need to look after people that are also living longer in Manitoba.

So the immigration program was an important key resource in our overall economic growth strategy for Manitoba, and we want to continue to find a way to improve services to people. And so that's really the motivation behind, I believe, the behaviour of everybody.

And the debate at the Legislature was intended to give everybody a chance to weigh-in on that, because it was a broad concern, and there was a belief that it was a broad non-partisan concern because everybody had expressed support for these higher levels of immigration in Manitoba over the previous decade, if not 15 years, so we thought there was broad support for this.

Mr. Pallister: I'm asking the Premier (Mr. Selinger) whether the statements made by the member for Riel (Ms. Melnick) were accurate or not, and he's obfuscating with interesting but irrelevant explanations about immigration policy.

The fact remains that the member for Riel was very detailed in her comments. It was obvious that she had been, to use her words, hung out to dry by the Premier's office, and she expressed frustration in that she interestingly claimed that Anna Rothney, the head of the Premier's Cabinet Priorities and Planning Committee, instructed these email invitations to be sent. Did Anna Rothney instruct the emailed invitations to be sent in the Premier's—with the Premier's knowledge, or did she do it without his knowledge?

Mr. Selinger: I'm not sure that the statement the member makes is accurate one way or the other. I mean, the reality was—is that everybody was concerned about the loss of the ability to co-ordinate those services at the provincial level, and this was a major concern for the public as well, including the agencies and many people in the newcomers community. They were very concerned of what the implications of these changes would be, because they hadn't, to my understanding, been informed of that, just like we hadn't been informed of it. The decision came quickly and suddenly without notification that it was going to happen, so everybody was concerned about it.

Now, the member seemed to suggest earlier that the Ombudsman investigation was not ongoing. My understanding is is that the Ombudsman's investigation—following the debate in the House, the Ombudsman began an investigation into the events, and the Ombudsman investigation was ongoing.

Mr. Pallister: Well, again, that's—the Ombudsman's investigation—the Ombudsman would've had no reason to launch an investigation the first day. There was no expression of complaint or concern to the Ombudsman's office the day that this protest rally was occurring.

The allegations made by the member for Riel centre around the conduct and communications that she had with the Premier's Office in those early days. She makes the claim that Anna Rothney, head of the Cabinet's Priorities and Planning Committee, instructed an email invitation to be sent. Is the Premier denying that that was the case?

* (15:10)

These invitations, I should clarify, were what were found to be offensive by the Ombudsman later on. When the Ombudsman issued his report 19 months later, he said that this clearly gave rise to the perception of partisanship in the civil service. So the Ombudsman was expressing concerns 19 months later about an issue which I am asking the Premier to address today, the allegation made by the member for Riel that his office—certainly a senior staffer in his office was not only aware that she had been—involved herself in inviting members—senior members of the civil service and beyond to this rally, but that she acted with the full knowledge of Anna Rothney. Is that the fact or is—are we wrong on the facts here?

Mr. Selinger: What I can do to help clarify the matter is provide a quote from the member of the Legislature for Riel that was on—put on the public record on February 5th in an interview with one of our media outlets. The way it worked was I received direction from senior staff to invite people to the Manitoba Legislature for the resolution on the 19th of April 2012, and I agreed with that. So there was a discussion in which there were junior staff in the room, not the senior people in the room, and there was discussions about who the invitation should go out from and I agreed that it should go out from the department, and I accept that.

Mr. Pallister: So the Premier is drawing a distinction between junior staff and Anna Rothney, and he's trying to separate himself and his office from the decision that was made. Is that what's happening here right now?

Mr. Selinger: I'm simply putting on the record the statement of the member for Riel.

Mr. Pallister: I can put a statement from the member for Riel (Ms. Melnick) on the record too. Melnick said when the emails were questioned—I'm sorry Madam Chair, the member for Riel said, when the emails were questioned by the Ombudsman last fall, she was told by the Premier's (Mr. Selinger) press secretary, Matt Williamson, that she would be taking the fall. Quote: I was told that it did not matter what I had to say. The decision had been made to hang me out in order to protect the Premier.

Would the Premier—apparently that press secretary was Matt Williamson who's—like Anna Rothney—just received some generous payouts to leave the employ of the office. But that's not relevant here today, except it does speak to the issue of how close to the top did the decision get to actually involve and solicit the involvement of civil servants in a partisan protest rally.

So I'll ask the Premier again. Is this an accurate portrayal of the facts as I described or is there some error, in fact, here?

Mr. Selinger: Again, what—the information that I have from the member from Riel was there was a discussion in which there was—were junior staff in the room, not the senior people in the room, and there was discussions about who the invitations should go out from. And I agreed that it should go out from the department and I accept that. That's what the member says.

Mr. Pallister: Well, if it's all tickety-boo then, if those comments are fine with the Premier, why did he choose to kick the member out of caucus? I'm curious about that.

Mr. Selinger: Again, from time to time we make changes in Cabinet composition and there's a huge variety of factors that go into that.

Mr. Pallister: To hear what the Premier just said, if I could just ask him to repeat that. I apologize.

Mr. Selinger: I said something to the effect that from time to time we make changes in Cabinet composition and there's a huge variety of factors that go into those decisions.

Mr. Pallister: Right. I understand that and I accept that that would've been a difficult decision for the Premier to make, especially after waiting a year and a half to say nothing about the conduct of the member from Riel which he now appears to believe was somehow unacceptable. But I—but my question centred not on her removal from Cabinet, but on her

removal from caucus. What was it she did that was so abhorrent to the Premier that she was removed from caucus?

Mr. Selinger: Again, caucus had a discussion on that and there was a very strong consensus in caucus about what action needed to be taken and that was followed up on.

Mr. Pallister: Well, here again we have another in a continuing series of refusals to accept responsibility from the Premier. I'm asking him what he found objectionable in her conduct. Surely, as a leader, he wouldn't have accepted her removal from the caucus no matter how many of his caucus colleagues supported it if they didn't have reasons that he agreed to himself.

So I'm asking him again: What did he find reprehensible in the conduct of the member for Riel that caused him to agree with a suggestion that she be removed from caucus? This is ultimately a very serious decision and one that I'm sure he wouldn't have acted upon unless it was within the line of his principles and beliefs. So I ask him again: What was it she did that he found so objectionable?

Mr. Selinger: I'm not in a position where I think it's the right thing to do to discuss those kinds of personnel matters at this level. This was a decision made after careful discussion with caucus. I take responsibility for the decision. But we did it with due regard to the input from members of caucus and we followed a respectful process there as best we could. And I'm not prepared to go into all the details of that discussion with the member opposite.

Mr. Pallister: Well, where the decision—and with all due respect to comments of the Premier—where the decision becomes a matter of public interest is if the reasons for the dismissal of the member from caucus butt up against the public interest. And, on the surface of it, a minister of the Crown organizing a partisan protest rally, using an office within this building, is not an acceptable thing on the surface. I'd hope we'd all agree with that. And so this is why I ask the question. If she was removed from caucus for conduct which was in some way objectionable to the public, that affected the public in some way, then certainly this is a matter of public concern, and therefore, it would make sense, I think, for the Premier to be open about the reasons for taking a member out of his caucus. This is, after all, a long-serving member of the New Democratic Party, who ran and sought public office and received a mandate to represent the people of her constituency as such,

and if it's taken away from her, all members of this place should be very concerned that there be good argument made as to how that could come about and why that should happen. And all members, regardless of political party, I'd submit through you, Madam Chair, should be concerned that that be done fairly and respectfully. But, also, if it pertains to a matter that affects the public in our province, then the Premier (Mr. Selinger) should state what his concern was about the public interest that led to this dismissal. And I'd like him to do that now, if he could explain how he felt the public interest was somehow badly served by the conduct of this member.

Mr. Selinger: Again, I've given the member the answer to that and I point out to him that he himself has gone on the record saying he's not talking about individual staffers with the media and never will. He'll probably make the case that this is not an individual staffer, that this is a member of caucus. And I would simply say to him that I don't think we do have a practice of disclosing caucus conversations and the conclusions that are reached in caucus. Those are conversations among caucus members.

Mr. Pallister: Quite wrong in his assertion—the member for St. Boniface (Mr. Selinger) is making the assertion that his decisions can be made in secret when it comes to matters of public policy.

I'll try another tack here. If the member for Riel (Ms. Melnick) did nothing that was objectionable and offended the public interest, then the Premier should put that on the record today. But, if she did, then that should also be on the record.

So I would ask the Premier again: If she—the member for Riel—was taken out of caucus for internal discipline purposes and did nothing pertaining to the public interest at all for the public to be concerned about, let him simply say that and I would accept his response as a general response. If this was an internal discipline matter pertaining to the NDP's conduct of business, that's one thing. But, if he is trying to cover up a matter of conduct that would be detrimental to the interests of the public, then I think that's quite another thing.

So I ask him again: What was he thinking? What was the reason for ousting a member from caucus? This is a major decision that profoundly affects the ability of that member to represent her constituency, and shouldn't be taken lightly. That's why I ask again: What was the reasoning here?

Mr. Selinger: Again, the member from Riel herself took responsibility for her own behaviour and at a certain point made an apology to the House for that behaviour, for the misinformation. And I think that was an important decision on the member's part to do that and we accepted that correction of the record and the apology to the House.

And I'm not—just not aware of any member—caucus discussions that the member opposite have been engaged in being reported on the public record.

* (15:20)

Mr. Pallister: Well, perhaps, fortunately, Madam Chair, we haven't had this kind of discussion in our caucus, but I assure the Premier if there was a matter affecting the profound interests of the public, it would be transparent if it was dealt with under my leadership and I'm asking him to do the same thing today.

The member for Riel alleged that the strategy was to deliberately cut her out of the process of response in order to protect the member for St. Boniface. She says she's very concerned about that. So am I. She says, who might be next? I'm concerned about that too.

She also alleges that the senior members of the Premier's staff—Anna Rothney, Liam Martin, Matt Williamson acting all on behalf of the Premier's Office—instructed her to send the invitations to the rally in the first place, instructed her not to do any more media interviews after the feathers hit the fan and the Ombudsman's report came out, and also told her that she would bear the blame so she could protect the Premier.

Now, is the Premier suggesting that those allegations are untrue today?

Mr. Selinger: I've read into the record what the member said on February 5th, and I'll just reiterate it. The way it worked is I received direction from senior staff to invite people to the Legislature for the resolution on 19th of April, 2012, and I agreed with that. So there was a discussion in which there were junior staff in the room, not the senior people in the room, and there was discussions about who the invitation should come out from. There was agreement in principle to invite people, then there was a secondary discussion about who the invitation should come out from, and I agreed that it should go out from the department and I accept that.

So she's—the member is making a distinction between the senior members of staff and the specific decision about who the member—the invitation should come out from, and the member's accepting responsibility for that.

Mr. Pallister: What was the date the Premier (Mr. Selinger) is quoting that statement?

Mr. Selinger: I believe I've indicated it was February 5th.

Mr. Pallister: Well, interestingly, on CBC it was posted the day before that. The Premier made a comment. He said that the long-time NDP MLA for Riel had dropped the ball on the issue, and he's quoted as saying, my expectation as leader of the government and of this party is that when you make a mistake you take responsibility for it and make it right. The member for Riel (Ms. Melnick) has been given many opportunities to do that, but has not so far done so.

Well, the Premier took over three years to tell people that he took Jets tickets. I mean, really, isn't there a bit of a double standard at work here? The member for Riel says she was ill at the time. She's made a—she made a decision which, of course, is reprehensible but nonetheless had reason for it, and then the Premier says nothing about it, knowing for months that she had been involved. She alleges the senior staff knew. The Premier has tried to create a sense of invulnerability about his knowledge that defies all logic. And, at the end of the day, she isn't removed from caucus for misleading the public or misleading the Premier; she is removed for, she claims, telling the truth. This seems to me unjust, Madam Chair.

Is the Premier, by continually referencing junior staff being in attendance, is he implying that senior staff were nowhere to be seen, that senior staff were nowhere around, that senior staff weren't aware of what was going on right at the outset? Is that his implication by continuing to refer to junior staff in his comments?

Mr. Selinger: I read into the record a statement made by the member for—from Riel, and the member from Riel acknowledged that she received direction from senior staff to invite people to the Legislature for the resolution on the 19th of April, 2012, and I agreed with that. So that has been acknowledged, and I think, to put it in context, people believed that there was going to be widespread support from all members of the House to support the continuation of

settlement programs being done at the provincial level because of the great success that had been achieved in that and the desire from all members of the House to have good results when it comes to getting new people to come and live and work in Manitoba. So it was perceived in a non-partisan context to have this debate among members of the Legislature about a decision made at another level of government, the federal level of government. So that's to put it in context.

And then the member goes on to say there was a discussion in which there were junior staff in the room, not the senior people in the room, and there were—there was discussions about who the invitations should go out from, and I agreed that it should go out from the department and I accept that. So the member is saying that the specifics of how the invitations should be put out to the public were decided in that room when junior staff were there that day. And the member acknowledged that they should—that it was fine for them to go out from the department, and I accept that.

So I'm simply trying to put on the record the statement of the member and clarify for the member how that was perceived by the member from Riel. So I don't think there's—all the other allegations and innuendo that the member's trying to read into it. I think, you know, that's for him to put on the record if he feels that that's how he interprets it. But that's not how I'm interpreting this statement. I'm interpreting this statement as the member clarifying what actually happened during that period of time in terms of overall direction and recommendations and then in terms of the specific mechanics that wound up involving staff. And I also have indicated that the member accepted responsibility for directing staff to do that and apologized for that to the Legislature and took responsibility for that.

Mr. Pallister: I'd just emphasize to the Premier these aren't my allegations. I'm referring to comments made by a member of his caucus, now reunited and back in the fold. Is he confident, then, that this member will not stray again from the strict adherence to his standards of conduct? Is that why she's back in caucus? Is he sure that she's going to be a fine and loyal member and not organize another politically partisan protest rally out of her office or the office of the ADM?

Mr. Selinger: I just refer the member to the question I just recently answered, where all of us believe that this was a non-partisan event at this level of

government, that there was broad support for the immigration program within Manitoba. The immigration program had just begun to take root when the government changed in '99. It had, I think, one-between one and two thousand newcomers a year coming through that program.

There was a lot of support from all members of the Legislature that there be good settlement services made available and that those services would be most effective if they were co-ordinated, if we had co-ordination between employment agencies, local schools, local health facilities, social services, the families, the settlement agencies, the churches who are involved in some cases in supporting people. We believe that the experience had gone well in Manitoba during the period of time that this level of government was in charge of the program and that there was broad support for that among members of the Legislature.

So the member, I believe, at the time, was acting in good faith, took responsibility for the fact that she had not disclosed that she had directed staff to bring out—to do the invitations as indicated in the quote I've read into the record more than once now. So, putting that all in context, I think the member has tried to make it right and has tried to do that in front of the Legislature.

Mr. Pallister: The Ombudsman doesn't agree with the Premier's (Mr. Selinger) sunny surmising of the circumstance. In fact, he says in his conclusion: In light of my conclusion, those actions did create the perception of partisanship with the potential to affect confidence in the civil service.

It was fairly clear that this was a serious, serious issue, and, of course, the Premier has not addressed the issues of when he knew that this misconduct had occurred. He defers to the Ombudsman's investigation, which didn't begin for weeks after the events of that time. Clearly, the ADM of the department knew because it was to his office that the instructions to distribute invitations were directed, and, clearly, the first day in question period when the issue was raised here, the deputy minister would have understood there was an issue and would have investigated.

Is the Premier suggesting the clerk of the Executive Council at that time, not the gentleman with us today, but the clerk at that time, was not aware, within hours, of the involvement of the member for Riel (Ms. Melnick), in the active involvement of the member for Riel, which she says

was in partnership with senior members of the Premier's Office. Is he suggesting he wasn't aware, this being the clerk of the Executive Council, that such involvement was there from within hours of the actual rally itself?

* (15:30)

Mr. Selinger: It was during the course of the investigation that I learned about the member having put erroneous information on the record, and that would have been late spring or early summer, 2012, and it was then and during that time when we learned about that. The investigation was already under way by the Ombudsman and due process was considered to be an important part of that investigation to allow the member to address any issues that had been raised during that period of time, including putting the record straight.

So, you know, it's not normally the case that we try to interfere in Ombudsman's investigations. And so I don't believe that the clerk at the time was aware of it until it came to our attention during this period of time.

Mr. Pallister: So just to be clear, then, the Premier is saying he didn't know anything about it, and he first became aware in, in his words, late spring, early summer, and until that time, he didn't know anything about the participation of anybody from his office in any discussions with respect to organizing a partisan protest rally ostensibly spearheaded by the member for Riel. Is that accurate?

Mr. Selinger: No, it is not accurate.

Mr. Pallister: Then what's inaccurate about it?

Mr. Selinger: I've already indicated some of the inaccuracies about it. First of all, there was not a perception by the minister that she was organizing a partisan political rally. There was the perception that she was organizing—or inviting people to the Legislature to support an issue that had broad support among all members of the Legislature, which was to have successful immigration and settlement programs in Manitoba. That's the first thing that I think is inaccurate in his statement.

Mr. Pallister: So the Premier is saying he takes exception to the conclusions of the Ombudsman in his report where he concludes that there was the perception of partisanship with the potential to affect confidence in the civil service, and he doesn't think it's that serious an issue, but the Ombudsman does. Is that what he's just put on the record?

Mr. Selinger: No, it is not what I put on the record.

Mr. Pallister: Well, he just said kumbaya to the whole thing.

You know, the organization of the rally, he says, was done in good faith. The Ombudsman says in his conclusions that it created the perception of partisanship with the potential to affect confidence in the civil service. Yet the Premier (Mr. Selinger) seems to be paying short shrift to that. He's using the Ombudsman's investigation for cover on the one hand, and on the other hand he's disagreeing with the conclusions of the Ombudsman's report.

Says in the Ombudsman's report that political direction on policy and responsiveness by the public service to such direction is required to maintain democratic legitimacy, but undue political influence on the implementation of policy and the provision of services erodes the principles of the rule of law and fairness.

So either it's a serious issue and there was misconduct or it isn't a serious issue and he disagrees with the Ombudsman's report. So which of those two is it?

Mr. Selinger: Again, the member likes to draw stark, black-and-white portrayals of what in fact happened, and I understand why he would like to do that.

I indicated earlier that there was a view that this was an issue of broad support among all members of the Legislature and, indeed, all members of the community. And many of the agencies that were invited felt it was a non-partisan issue as well and indicated that, that they thought it was something that was—had common support among all members of the Legislature. And so the member's characterization of it is inaccurate.

The fact that the Ombudsman's report—and I would appreciate getting the quote from them, or I'm trying to get a copy of the report in the room. But, if the member would table that report, he—I think it was to the effect that there could be a perception of partisanship, and he was concerned that the process could lead to that perception of the civil service being asked to engage in partisan activity. And that's a legitimate concern for the Ombudsman to raise. We accepted his concern. We accepted his recommendation with regard to that and followed up on that.

That's why we have an Ombudsman. An Ombudsman is an independent officer of the Legislature that reviews these kinds of concerns that had been raised with him, and he's—the job of the ombudsperson or the Ombudsman is to review these matters without fear or favour and to give their summary of what they concluded and their analysis of it and then to make any recommendations that they deem necessary to make sure these kinds of things don't happen again in the future. And we accepted the 'ombuds' report in its entirety and have followed up on the recommendations.

Mr. Pallister: Well, I'll table this document when the Premier tables the document which outlines the severance pay paid to the six members that were given their bonuses in early March.

The Ombudsman's conclusions are clear and they express concerns which the Premier gives voice to today, but he then tries to separate the Ombudsman's report and its recommendations about legitimate concerns about undue political influence from the actual events of the time that caused the report to have to be written. This is a contradiction in and of itself.

But my questions centre more on the issue of the allegations made by the member for Riel (Ms. Melnick), and these are the ones which the Premier seems to not want to answer. Questions as to why she was removed from caucus remain unanswered. Questions as to the legitimacy of her comments that the Premier's Office was aware and fully engaged in the preparation of events, which she subsequently had to apologize for being part of herself, gives rise to the question, of course, of whether it was she who behaved unethically or the Premier himself.

And, again, his claim that he was not made aware of the minister's involvement by his own clerk of the Executive Council he meets with—met with, he told me at an earlier gathering, almost daily or twice daily—that somehow the clerk of the Executive Council would not make him aware of what the ADM and deputy were surely aware of, strikes us almost unbelievable. He then goes on to say that he became aware only in late spring or early summer and doesn't remember, yet he served with the member for Riel as a minister, beside her for a decade and as—close to a decade before becoming Premier, then he appointed her to three major portfolios. So surely the day that he became aware

she betrayed his trust is something that would be etched in his memory, one would think.

I'll ask him again, when was that day that he first discovered that the member for Riel (Ms. Melnick) had misled him and this House and Manitobans? What—when was the day?

Mr. Selinger: And I've answered the question when I became aware of it during the course of the investigation by the Ombudsman, late summer, late spring, early summer.

And I do remind the member when he wants to quote the Ombudsman's report that the Ombudsman found that the distribution of the invite was not intended to be a partisan act. There was no evidence that service providers who were invited to the debate felt coerced or intimidated to support the government and that there was no evidence that this—that was the intention of the ADM who sent the invite. There was no breach of contact by the ADM, assistant deputy minister. There was no basis to conclude that the ADM committed either personal or administrative misconduct. The manner in which the invitation was distributed gave rise to the perception of partisanship. So I think it's important to put all the findings of the Ombudsman on the table as we discuss this matter, and that was on December 11th of 2013.

Mr. Pallister: Well, again, then, I'm curious as to what the member did to merit being removed from caucus shortly thereafter. If what she did is so defensible and if the Premier (Mr. Selinger) finds it so acceptable, then why was she removed from caucus? Was it because of the statement she made to the media shortly after that, just at year-end, that the Premier's Office was fully aware of her conduct throughout and that she was being asked to cover for the Premier? Was that why she was removed from caucus?

Mr. Selinger: I've answered that question for the member—I've answered the question for the member. I do note that on December 13th, the member from Riel apologized publicly, issuing a statement: I wish to apologize for comments I made in the House that caused a misunderstanding about direction I provided regarding attendance at a legislated debate on settlement services for immigrants. My intention was always to ensure that immigrant communities and the agencies that support those communities were well informed about important changes to settlement services. The explanation I provided in the House did not properly convey the direction I had

given, and for that I apologize. I thank the Ombudsman for his report.

Mr. Pallister: So, in the Premier's estimation, was the apology that the member for Riel made necessary? He said earlier that—implied or said directly that the conduct that she displayed was defensible, so did she do the right thing in apologizing if that conduct was so correct, and if it was so above board, the conduct that she allegedly shared with members of his own office in sending out invitations and so on, if that was so defensible, why did she have to apologize?

* (15:40)

Mr. Selinger: The member's statement makes that very clear in the statement itself: That I wish to apologize for comments that I made to the—in the House that caused a misunderstanding about direction I provided regarding attendance at the legislative debate on settlement services for immigrants.

And then I read the rest of the statement into the record as well. So the member took that responsibility after the Ombudsman's report came out and put her apology on the record in the Legislature.

Mr. Pallister: So the Premier knew about the misconduct that the member apologized for for over 16 months, assuming it was late spring as he says—16 months and said nothing. Was that all because of his great respect for the Ombudsman's report and the process around the preparation of that report that he decided not to say anything?

Mr. Selinger: Again, the Ombudsman's report was in process. There is a due process requirement there. The member had clarified her role to the Ombudsman. The Ombudsman was view—was reviewing this matter, and when the report came out, the member then made an apology in the Legislature.

Mr. Pallister: So it strike me that if the Premier knew all about her conduct, the conduct she subsequently apologized for, that he may not have felt at the time he learned of it that it was that egregious. If he felt it was egregious, surely he would've taken steps to either remove the member from Cabinet at that point or make the—dismiss—alleged misconduct public. He did neither of those things.

Because he did neither of those things, I think it might give rise to a logical assumption that he felt

that the conduct that she had displayed was fine. Otherwise, why did he not act on it? Why did he aid and abet the misconduct that I allege happened and that the Ombudsman has commented on—the concerns about the perception of partisanship entering the civil service being a legitimate concern? When, in fact, he did—took no steps to rectify the situation, make it public or remove the member from Cabinet at that time, he must've then agreed with her conduct—the conduct he himself has said he was aware of. Otherwise, wouldn't he have taken action? Why did he take no action?

Mr. Selinger: Just a whole host of assumptions in the member's statements and judgments that are not necessarily warranted.

We encouraged the member to fully co-operate with the Ombudsman's investigation and to clarify the facts so that the Ombudsman would have the complete story. That's what we did was encourage full co-operation with the Ombudsman's office.

Mr. Pallister: Did the Premier (Mr. Selinger) demonstrate full co-operation with the Ombudsman's investigation?

Mr. Selinger: The entire government fully co-operated with the Ombudsman's investigation as far as I know, and that was the objective—was to make sure the Ombudsman's investigation could do their job properly, and we always encouraged everybody to fully co-operate with him.

Mr. Pallister: Was the Premier's former chief of staff interviewed by the Ombudsman?

Mr. Selinger: I'd have to check the record on that.

Mr. Pallister: Was the Premier interviewed by the Ombudsman?

Mr. Selinger: Again, you know, I'm not in a position to disclose the methodology that was used by the Ombudsman. That's something that is under their purview and their discretion as to what specific people they discuss these matters with.

Mr. Pallister: Was the Premier's chief of staff interviewed by the Ombudsman? Anna Rothney—was Anna Rothney interviewed by the Ombudsman?

Mr. Selinger: Again, I'm not in a position to comment on what the Ombudsman's procedures were and methods were. That's in their purview and their discretion as to how they want to pursue these matters.

Mr. Pallister: So, as far as the Premier knows, no one in his senior office was interviewed by the Ombudsman. His chief of staff wasn't interviewed by the Ombudsman. He wasn't interviewed by the Ombudsman. And so it would seem impossible, therefore, for the Ombudsman to give evidence either yea or nay as to whether the Premier himself was aware of this misconduct before the Ombudsman's investigation began. Would that be a fair assumption?

Mr. Selinger: I'm going to have to ask him to repeat that question.

Mr. Pallister: Happy to. So no one in the Premier's Office, nor the clerk of the Executive Council, nor the Premier participated in the Ombudsman's investigation which gives rise to the concern that there would be no way to verify the level of knowledge, pre-knowledge, that the Premier himself or any of this senior staff had in either the organization of the rally itself—the partisan rally—or in the subsequent cover-up of the information surrounding it, or in the denial by—to legitimize the denial that the member for Riel (Ms. Melnick) had made about acting on her own. Is that correct?

Mr. Andrew Swan, Acting Chairperson, in the Chair

Mr. Selinger: Again, there's a lot of assumptions in there which are inaccurate. It starts with the member always assumes that it was a partisan rally that was being organized and I've corrected the record on more than one occasion on that, that the perception was—and I put that on the record from Ombudsman's report as well.

And I've put that on the record as well that the original thinking was is that it had a strong element of non-partisanship in it, that the intent was to bring to the attention of all members of the House the concern about the change in administration and governance of the settlement programs because they had been very successful and were widely considered successful as—across the country, for their effectiveness. And that was why—and I actually made that statement early on—and I made that statement early on that that's how the perception was and that's what the thinking was behind it.

So one of the things that we said during that period of time, was that—and this was on May 3rd of 2012—Mr. Speaker, until the recent turn of events, the immigrant settlement program and the Provincial Nominee Program was considered a non-partisan success in the province of Manitoba. It was broadly

supported by all members of the House, by the members of the business community, by the members of the non-profit sector, by the citizens of Manitoba. And the reality was is everybody acknowledged this was the best program in Canada, very high retention rates: 80 per cent of newcomers coming to Manitoba remained in Manitoba; 83 per cent of people who were working were working within three months; over 80 per cent were homeowners within five to six years. The program was considered a non-partisan success, so the civil servant took actions in the context of a non-partisan program which benefits all Manitoba, which benefits the economy of Manitoba, which ensures Manitoba's a growing and prosperous province.

That was the understanding of what the program—that I put on the record in the House on May 3rd, 2012.

Mr. Pallister: If the Premier (Mr. Selinger) had not won the leadership of the NDP as a result of that leadership contest that we just saw concluded in early March, would he have stayed on as Premier?

Mr. Selinger: Just before I get to that question, the Ombudsman report indicates, as a result of our interviews, we concluded the service providers believed the email to be informative in nature. They did not perceive it as partisan, so.

So the—in answer to his question, I believe the question was: If I had not won the leadership contest, would I have stayed on as Premier? Is that the question that the member asked?

Mr. Pallister: Yes, that's correct. Yes.

Mr. Selinger: You know, the duty is to continue to do the job, subject to the voice of the delegates at a convention. And if the convention makes a decision to change the leader, then that is a process that unfolds as you go forward, but that was not the outcome.

*(15:50)

Mr. Pallister: So the Premier's answer is that he would have resigned, if he hadn't won the leadership race, from the office of Premier? He doesn't believe that he would have had the right to stay on?

Mr. Selinger: I would have followed the democratic traditions of conventions and how they select leaders and how leaders become premiers. Usually, the political party selects the leader, and the leader assumes the responsibilities that the leader had prior to the leadership contest at the convention.

Mr. Pallister: I appreciate the frankness of the Premier's response. So, just to be clear, he would have resigned the office of Premier had he not won the leadership contest.

Mr. Selinger: I just answered the question.

Mr. Pallister: It's always a question of clarity, I think, with the Premier lately.

Is the Premier satisfied that the process whereby his leadership was affirmed by the members, the delegates of the New Democratic Party, was a fair one?

Mr. Selinger: Well, there is no perfect process that I'm aware of. There were obviously issues that had to be addressed throughout the process. But I believe everybody tried to make it as fair as possible.

Mr. Pallister: Yes, I'm not—I'm pretty sure the Premier thinks it's fair because the outcome was good for him. But I'm pretty sure also that there aren't many more archaic processes than the one that his party clings to, which proceeds to give slates of delegates, give public sector unions, principally public sector unions, slates of delegates that they can then throw into a meeting, an undue influence, frankly, over the outcome, in my estimation. The Premier may disagree.

Does the Premier disagree? Does he think the process that's used by his party is a modern process that is fair to all members?

Mr. Selinger: I do think it's a more modern process than the selection of the Leader of the Opposition, which is completely opaque, and we have no clue how the person was selected.

Mr. Pallister: Well, I get the defensiveness of the Premier and his need to lash out, but there's a pretty open democratic process in our party called one-member, one-vote process, and we don't give slates of delegates to public sector unions as the Premier's party does.

So I'm asking him again, does he believe that his process is a fair one?

Mr. Selinger: And again, I've answered the question for the member.

Mr. Pallister: Okay, well, we can just agree to disagree on that. But I think the Premier's basing his definition of fair on the outcome that was derived from the process, rather than actually an open and honest observation of the process.

I understand that there are a number of New Democratic Party members who would like to see the process changed. Is that correct?

Mr. Selinger: After every convention that selects a leader, there's always lots of recommendations to look at how the process can be improved. And that's no different on this occasion as well. There are lots of ideas on how the process can be improved, and they have to be considered carefully by the party to continue to find ways to provide democratic participation for the citizens of Manitoba in the political process, including political party process.

Mr. Pallister: So it's—I understand it's a secret ballot vote. Is that correct?

Mr. Selinger: I believe it is, yes.

Mr. Pallister: So here's a quote from a UFCW person, a Mr. Ziegler. What does Mr. Ziegler do for a living? Does the Premier (Mr. Selinger) know?

Mr. Selinger: Yes, Mr. Ziegler currently acts as secretary to Compensation Committee of Cabinet.

Mr. Pallister: I'm sorry, I didn't catch that. Secretary—and then I lost it, I'm sorry.

Mr. Selinger: To the Compensation Committee of Cabinet.

Mr. Pallister: What does that entail? What does that job mean?

Mr. Selinger: It entails offering advice around issues of collective bargaining.

Mr. Pallister: So does Mr. Ziegler actively take part in negotiations with unions around what they're paid by the public for their work?

Mr. Selinger: He offers advice with respect to collective bargaining issues.

Mr. Pallister: Well, if he's part of the negotiations, which side of the table does he sit on?

Mr. Selinger: As I said, he offers advice to the Compensation Committee of Cabinet on issues related to collective bargaining.

Mr. Pallister: Well, what was he before he had that job? What did he do?

Mr. Selinger: Prior to that he was retired, and prior to that he was, I believe, regional director for the united—no, sorry—a director for one significant local, the largest local of the United Food and Commercial Workers in Manitoba.

Mr. Pallister: So this Mr. Ziegler, was he a supporter of the Premier's when he ran for office the first time?

Mr. Selinger: Again, I can't comment on that. I don't have specific information as to where he stood on these matters.

Mr. Pallister: Well, I do, from an article by a Mr. Kusch from the Free Press posted in 2009. He says—here's a quote from Mr. Ziegler—he says UFCW Local 832 supporting Greg Selinger. It goes on to say that his large local gets 75 of the 403 delegates allotted to labour at the October 17th leadership convention in Winnipeg. And then he says, quote: Although it's an individual choice, it is a secret-ballot vote. We will be strongly encouraging people to support Greg, so I tend to think that virtually all our votes will go to Greg, Ziegler said.

Is that how it works, the union boss says jump and then the members all say how high? Is that how the process works in the NDP?

Mr. Selinger: I don't actually think that the quote that the—was put on the record has anything to do with the statement that the member made after that. I think the quote was quite a bit different from the way he characterized it.

Mr. Pallister: Well, I'll just re-quote it. It said, so I would tend—it's Mr. Ziegler talking now—so I would tend to think that virtually all of our votes will go to Greg.

That's an—implication's clear in that. If virtually all the votes are going to go to Greg, then what difference does secret ballot make?

Mr. Selinger: I'd ask the member to put the whole quote on the record again.

Mr. Pallister: Happy to: Although it is an individual choice, it is a secret-ballot vote. We will strongly be encouraging people to support Greg, so I would tend to think that virtually all of our votes will go to Greg.

Mr. Selinger: I thank the member for putting the whole quote on the record, and I think that is quite a different quote than what the member characterized it as after the fact.

Mr. Pallister: Well, it's exactly the same quote I put on the record prior, and it—again I ask him what—you know, Mr. Ziegler is assuming that virtually—in his words, virtually—virtually all our votes will go to Greg, he says. That's a union boss talking.

Now, is that how the system works? Seriously, the people that participate in this election process, whether it's this one, the first one the—that the Premier (Mr. Selinger) contested or the second, that when the public sector is given—the public sector union is given a block of delegates, they work to have them vote as a slate? Is that the structure that is used within the NDP?

Mr. Selinger: I appreciate the fact that the member put on the record the whole quote that said, although it is an individual decision, which was the proper qualification. I think that's extremely helpful to putting that quote in context.

Mr. Pallister: Well, it's also helpful for a thinking person to legitimately recognize that when the union boss makes the comment that virtually all—assumes that virtually all of the votes from his union members are going to go to one candidate, that he's working on the assumption their individual opinion is less important than his opinion and that of his union boss leaders.

Now, Mr. Ziegler made that comment, and I'm asking again: Why would the Premier support the rather contentious, even within his own party, position that public sector unions to be given blocks of votes so that they can have slates of support to support candidates in a leadership process?

Madam Chairperson in the Chair

Mr. Selinger: So, again, the quote makes it very clear that these are individuals' decisions, and that the individual that made that quote has certain assumptions over and above that which may or may not be true.

One thing I've learned about any political process is people do make their own decisions when they cast a secret ballot.

Mr. Pallister: Well, I'm curious as to how the representation, for example, within the UFCW of delegates is determined. Who organizes the delegates within the UFCW? Who does that work?

Mr. Selinger: That question would be best directed to them.

* (16:00)

Mr. Pallister: I'm directing it to the man who was elected by UFCW delegates to become the Premier of our province. I'm directing the question to the Premier. I'm asking him. Surely, he knows. I know he's told us, on record, previously he spent

100 per cent of his time during the leadership campaign not engaging in the leadership campaign, so I know that he might have a defence here in claiming that he doesn't know how delegates are selected. But I'm asking him, how does the UFCW select its delegates within, because his party allocates a considerable number of votes to the UFCW? Surely, he's interested in the process they use to determine who those delegates are, so I'm asking him again.

Mr. Selinger: If he remembered the answer, that organization has its own processes for encouraging people to participate in the political process, and they do it with the understanding that they want their members to be involved, and that is probably a constructive thing to have people involved in the political process. I think it's a positive thing that they find ways to get people involved. They try to do that while respecting their make—right to make an individual choice on a secret ballot, which is what the original quote said.

Mr. Pallister: So the Premier's saying that there's a process in his party—he doesn't deny that—where his party allocates votes to certain public sector unions. Maybe he could—and he's not sure of how that process works once it gets out of his immediate realm and gets into the realm of the public sector union. But, surely, he must understand the process the party uses to determine which unions get a chance to have this extra exceptional power and influence. Could he explain that process?

Mr. Selinger: Yes, the party has its own rules about how it allocates delegates to different leadership contests or leadership races, and they have a committee that makes those allegations and decisions under each specific set of circumstances. And there's always been a tradition, within our political party, that there's a voice for one of the founding partners of the political party, and that is labour, and they've always provided them with the opportunity to participate as delegates.

Mr. Pallister: So the Premier's not being very illuminating, I think, Madam Chair. I'm, again, I'm asking him, how does the party determine—for example, I think CUPE gets a block of delegates. How many block—how many delegates—not how many showed up, or how many were selected, but how many were initially assigned to CUPE and how many were initially assigned to, say, UFCW. That's actually all I'm asking, is just how do you determine—you know, how does the party determine who gets

what? Is it just based on the membership that works within our province, or what's the formula for determining how many delegates are assigned to those various unions? I'm sorry if I'm not being clear, but that's what I'm—that's all I'm trying to get at here is how is that number determined?

Mr. Selinger: Yes, my understanding is that delegates are assigned according to the membership of the union in question. The numbers of members determine—and they have a formula. I believe it's in the order of one delegate per 100, as I recall, but I'll to check the facts on that, and they get a certain amount of delegates based on the total membership of their organization within the province if they're an affiliate. They have to be an affiliate as well.

Mr. Pallister: So it's probable that it's based on the number of members that work in the province. There may be something, the Premier (Mr. Selinger) will get back to me. He's undertaken to get back to me on how that works. Is that correct?

Mr. Selinger: I've given him the broad outlines of that. I just have to check the ratio of 100 to 1 to confirm that that's the case, but I believe it's in that order.

Mr. Pallister: Madam Chair, there's a number of different unions that are given the opportunity to put together groups of delegates to participate in the process. I might have some information here that answers the question, so I won't have to ask it. So I'm just—give me a second here.

Delegates—the total delegates, approximate number of delegates—could the Premier tell me, what was the approximate number of delegates that were going to be able to vote at the outset—anticipated number of delegates that the party anticipated would be taking part in the process?

Mr. Selinger: I'd have to check the information on that. I don't have it at my fingertips. I thought we were discussing the Estimates today.

Mr. Pallister: Well, I'd like to know I'm discussing the Estimates with the rightful premier of Manitoba, so I'm going to ask some questions about the process that put him opposite me, if that's all right, Madam Chair. I hope it is.

I see here the actual breakdown of the number of people who did participate at the end, but I was just curious as to what percentage decline there might have been from the initial outlook. I believe there was some information in one of the papers that said

that there were—there was anticipated to be or there were more potential union delegates that could be selected by various unions such as the UFCW and CUPE and Unifor and so on, that there wasn't as much of an uptake on that side as the eligibility would have allowed.

I recall at the outset there was the potential to have approximately 30 per cent of the total delegates selected in the manner I've just described, that being they would be selected through a process the Premier isn't aware of that's used within some of the unions: Teamsters, IBEW, steelworkers, firefighters, Unifor, UFCW, CUPE and the like. Is—does that ring a bell? Is it approximately 30 per cent of the total delegate count that comes from that source?

Mr. Selinger: My—I remember a number more like 25 per cent, but, again, I'd have to check and verify that.

Mr. Pallister: I'd appreciate that. I do have numbers here, though, as to the actual turnout at the end that show that approximately not quite 30 per cent—I haven't done the math, but I think the Premier's right, I think it's approximately 25 per cent ended up voting.

But I believed it was a higher number that was expected at the outset and there was some—I don't want to call it leakage, but there was some spots that weren't taken up by some of the—in some of the union slates, that they were vacant or didn't participate in the process. Does that—is that an accurate thing in the Premier's recollection?

Mr. Selinger: I believe it was the case, but the percentage may also be influenced by the total number of other members that joined as well. There could have been a certain number of delegates available per the number of members a particular union had, and then there's the total number of members as well, so the proportion could change on the specific amount of delegates selected by labour organizations who are affiliates versus total number of members. So I think there is some fluidity there.

Mr. Pallister: We're just trying to do our math, and more sad evidence that math skills are deteriorating. They began deteriorating in the province of Manitoba a long time ago.

* (16:10)

The actual percentages, as best we can calculate here with our collective math skills, Madam Chair,

are approximately 30 per cent of the delegates. It looks like the—is this the final delegates eligible?

An Honourable Member: Yes.

Mr. Pallister: Okay, of the eligible delegates—this is not to say everybody necessarily voted—is 2,217, of which 691 were assigned to various unions to choose, and the Premier (Mr. Selinger) has said he's not sure the process they used.

So this would mean that approximately 30 per cent, a little more, of eligible delegates were chosen in a manner which the Premier does not and will not share or does not understand. I want to just be clear on that. Will the Premier verify that he is not fully cognizant of the process that's used in how delegates are selected once they are allocated to the various public sector unions?

Mr. Selinger: Again, those internal processes, they may vary widely. I don't have detailed knowledge of it. I wasn't involved in the process. They make—they select their own delegates presumably among folks that are interested and who are members of the New Democratic Party, but.

Mr. Pallister: So the Premier's campaign that he says he didn't really engage in much because he was being Premier at the time of the leadership race, wouldn't have involved organizing in some way to have delegates that were assigned to these unions vote for him. Is that what he's trying to imply today?

Mr. Selinger: I've always said that it was important to have continuity of leadership in the government and came to work every day to do that. There was a leadership contest going on as well and certainly you have to use your additional time outside of the regular workday to engage in that process to ensure that you can have a, you know, a chance to be well represented by delegates at the leadership contest.

And so, sure, I mean, I was talking to members. I mean, I talked to many members all across the province. I visited constituency associations and talked to them on my own time. But I also took the job seriously and continued to do the job every day and wanted to make sure that Manitobans had that continuity of government service. And there's—in the British or the Westminster system of government, it is a tradition that leaders or leaders of government or premiers or prime ministers continue to serve their citizens even in the midst of a leadership contest or a leadership review or a leadership convention, that there is a tradition of continuity of service there.

Mr. Pallister: I wouldn't want the Premier to misunderstand my questions. I have great sympathy for the situation that he was put into, and I understand that he would've had some real-time management challenges as a consequence of choosing to enter the leadership race and trying to hold onto the premiership while at the same time acting as Premier and presiding over a budget-preparatory process for a budget. I understand those things, and I have sympathy for him in that respect.

But that should not extend to failing to disclose actual involvement or an understanding in the process of running for leader, and I think it's important to understand that clearly where his party gives not quite a third, but theoretically, at least, more than a quarter of the support comes from assigned slates to various public sector union groups, it would be important to understand how the Premier organized that support, and I'd like him to share with us today how that happened. I don't think that anyone should be accepting of an argument of naiveté here; the Premier must've been organizing a leadership campaign at the same time as he was being Premier. But I'm not trying to discredit in any way his decision to do that. I am simply trying to understand what the process was in terms of his time and his organization to become—to hang on to his job. So that's what I'm trying to get a better understanding of.

Mr. Selinger: Again, I just want to point out for the member that even in a general election, you continue as premier or prime minister or Cabinet minister for that matter in a general election because our first duty is to serve the citizens of Manitoba during these electoral procedures, and that's how we provide for continuity of government under the Westminster model of government. And in an election or a leadership contest, obviously, candidates reach out to constituents or members to seek their support and chat with them and answer questions and, in some cases, convey policies and let them—let people know where they stand on things or let them know how they're prepared to work with them as they go forward. And, in my case, I always try to make the view known that I'm prepared to work with people to bring forward good policies in the interests of a better quality of life for Manitobans. And that's the way the—I approach these things.

But, as the member will know, I made a point of saying that where my focus was was to continue to provide government to the people of Manitoba to make sure that the things that we talked about in the Throne Speech were followed up on and reflected in

budget processes as well as legislative proposals. And that's what we've done, and that's what I did.

Mr. Pallister: So, when the Premier (Mr. Selinger) met with, say—or did the Premier, the first three—before the leadership convention, say in the two months—first two months of this year, did the Premier meet with the head of—head people in CUPE—in the CUPE organization at any point in time?

Mr. Selinger: I had conversations with a wide array of members of the party all across the party, members from all different sectors of the party, whether it was labour, whether it was constituencies, northerners, rural people, urban people—people from all over the place. I had chats with many, many of them and conversations with many of them, which is completely to be expected.

I do point out for the member that we did make one very significant change when we became into government. We banned corporate union donations in Manitoba. That was not the practice before. When the member opposite was in government it was completely legal to get corporate donations and union donations as political contributions, but in Manitoba we banned corporate union donations and only made it legal for people to receive individual donations.

Mr. Pallister: So I understand that CUPE endorsed the Premier in the leadership, so he got an endorsement from a union who can't donate to him but can send him a slate of delegates to a leadership contest, I understand, close to 300 delegates potentially, so that should be on the record.

I also have to ask him, did he pay any delegates from CUPE to come to the convention?

Mr. Selinger: My campaign did not pay delegate fees.

Mr. Pallister: Did CUPE pay any delegates to come to the convention?

Mr. Selinger: Again, we'd—I'd have to check on that.

Mr. Pallister: Well, if CUPE is—the government is so pure that they eliminated union donations but they allow unions to donate the cost to come to a leadership convention, seems a bit of a contradiction. Wouldn't the Premier agree?

Mr. Selinger: Again, we've always tried to make it possible for people of modest means to participate. So I'd have to check the specifics on that. But I know in non-leadership years, when there hasn't been a

leadership contest, for example, constituencies have supported local members to come to the convention to make it more feasible for them to do that.

Mr. Pallister: Yes, I understand that. We do that, too, on this side, but we don't have unions buying—paying delegates' ways to go to conventions.

So I'll ask the Premier again, is he saying he's unaware of any union-supported delegates coming to his convention, or is there a bit of a contradiction at work here?

Mr. Selinger: Again, I said I'd check the specifics on that.

Mr. Pallister: So Heather Grant-Jury, when did she start working in the Premier's Office, approximately? I know the Premier may not have the date in front of him, but approximately when did Heather Grant-Jury come into the office and who did she replace?

Madam Chairperson: Honourable First Minister.

Mr. Selinger: —question started working for the government on November 3rd.

* (16:20)

Mr. Pallister: November 3rd was the answer, right? And I believe the Premier will correct me in his next answer if I'm wrong, I'm sure—who did she replace was the second part of the question.

Mr. Selinger: Came in in the role as principal secretary, and that position had not been filled before then. It did not have an occupant in it.

Mr. Pallister: And I understand she was seconded. Where was she working before and what was she doing there?

Mr. Selinger: Sorry, I'll have to get that question repeated.

Madam Chairperson: Leader of the Official Opposition (Mr. Pallister), could you repeat the question?

Mr. Pallister: Oh, sure. Where was she working before and what was she doing there?

Mr. Selinger: I believe she worked for UFCW and was involved in running one of their training centres.

Mr. Pallister: The timing of this contract, this secondment, was to extend until a certain fixed date, I understand, five months, if I'm not mistaken. Is that correct?

Mr. Selinger: Until April 2nd.

Mr. Pallister: I have to ask, there's no—there was no severance part of this contract? There was no—she was not given a severance payment at the end of the five months or anything? *[interjection]*

Madam Chairperson: I—maybe you can repeat that. First Minister, I'm not sure your mic was on.

Mr. Selinger: No.

Mr. Pallister: Okay, so no severance there. And why—a principal secretary seems like a pretty important position. What does a principal secretary do for the premier?

Mr. Selinger: Well, a principal secretary plays a role in senior overall focus of the government to meet its mandate and provides advice and in that regard to Executive Council.

Mr. Pallister: So I'm probably reading too much into this, but I'm sure the Premier (Mr. Selinger) will correct me if I'm wrong.

So is the reason for the short-term nature of the secondment that he wasn't sure he'd win, so he didn't want to enter in—he wanted to save the taxpayer money and not sign the—Heather Grant-Jury up for a longer time than just 'til April just in case he was no longer the premier? Was that the reason, or was there another reason, and if so, what was the other reason that she was only employed—because a principal secretary advising in an important role like this, it seems puzzling that she'd be on a contract for just a five-month period.

Mr. Selinger: Again, the member's asking for explanation of specific personnel-related matters. You know, the member came in to provide service for a specific period of time by mutual agreement.

Mr. Pallister: Yes, I'm just—I'm giving the Premier the opportunity to dispel any potential perceptual problems around this, because it's obvious she came in at a time when the rebellion had occurred. There's going to be a leadership race. He has said on the record that he didn't spend any time on that leadership race. Somebody had to have been spending some time on the leadership race, so I'm just giving him the opportunity to make it clear that Heather Grant-Jury was in no way, shape or form involved in his leadership campaign.

I guess that's what I'm trying to do here, and I'll just ask him, then. Did Heather Grant-Jury have anything to do with his leadership campaign at all?

Mr. Selinger: And, first of all, I said I was involved in the leadership campaign. I made that clear, and I indicated some of the activities I was engaged in. And any member of the public can be involved as a New Democrat in the leadership contest, but when they're doing their job, they're supposed to do their job. What they do on their own time is entirely up to them.

Mr. Pallister: So the fact that Heather Grant-Jury's contract roughly coincided with the leadership race would lead me to believe that she was doing a lot of work on her own time to help the Premier in his leadership race. Is that correct?

Mr. Selinger: Again, I'm not getting into specifics with respect to individuals. I'm saying that any member of the New Democratic Party or any member of staff—and the member saw the original memo on that—had an option to get involved as—on their own time in the leadership contest and in the convention, which members do—members of government do on a regular basis. Many members who are New Democrats who are serving in roles related to Executive Council or broader roles, with ministers, et cetera, can be involved in party activities on their own time.

Mr. Pallister: So, just to be clear, then, secondment, that means the government is responsible for paying the person, but their employment arrangement remains with the previous employer. Is that what secondment means?

Mr. Selinger: Sorry, I'm going to ask the member to repeat the question.

Mr. Pallister: Sure. Just getting clarification from the Premier on the secondment: What does that mean? Like, does it—secondment means the taxpayer still foots the bill for the person doing the work but their employment is guaranteed back to the place they came from. Is that essentially what secondment means?

Mr. Selinger: Secondment means people retain their employment from where they came from but spend a period of time serving government and are reimbursed for that by government. And it's fairly common at many levels of government across the country.

Mr. Pallister: So how much did Heather Grant-Jury get paid for her five months of work?

Mr. Selinger: I'll get information for the member on that and see if it's the kind of information we can put on the record.

Mr. Pallister: So we've established that Heather Grant-Jury came into a previously unoccupied position as principal secretary for a term of five months by contract. The Premier's (Mr. Selinger) going to get back to me on how much she was paid and that she was involved in his leadership campaign on her own time.

So would the Premier like to go on record as saying that no work on his leadership campaign was done during office hours by Heather Grant-Jury?

Mr. Selinger: Well, first of all, I believe the contract was disclosed for the secondment arrangement with the individual that we're discussing here, and I indicated earlier that people could do—exercise their rights to participate on their own time, but when they're on the job they're supposed to be doing the job for the government. So the contract was disclosed. We have information that indicates that.

Mr. Pallister: So the contract was disclosed but the work that Heather Grant-Jury does on her own time, outside of work hours, of course, her own business entirely. But she came into a previously unoccupied position acting as the principal secretary in the Premier's office for a five-month period. Who has replaced her now?

Mr. Selinger: At this stage there is nobody occupying that role.

Mr. Pallister: Okay, so nobody in the role before the leadership race started, nobody in the role after the leadership race concluded, just Heather Grant-Jury while the leadership race was on. And the Premier wants us to believe she didn't do any work on the leadership campaign while she was there, with the period of time coinciding almost entirely with the leadership race. Is that what he would state today?

Mr. Selinger: The member's statements are his statements; they're not my statements. And so I just want to make that absolutely clear.

The member accepted the responsibility to come in on a secondment position on November 3rd, prior to the leadership contest, and prior to my decision to contest that, as far as I can recall, to make that official for sure, and the member did the job when she was in the job and then she was able to participate, like many other members employed by government, over and above that. And I think,

actually, if I recall correctly, I think the member—the Leader of the Opposition has some nominees for political office in the next provincial election which—who are, if I understand correctly, civil servants, as well, in the government of Manitoba. And I'm assuming they follow the same practice; that when they're on the job they do the job, and then as a nominated candidate for political office, the activities they do with respect to being a candidate are activities that they undertake over and above and outside of their work activities.

* (16:30)

Mr. Pallister: Well, as of yet, there's no leadership contest under way in the PC Party, though I anticipate at some future point there may well be. And I'm asking the Premier obviously about what appears to be—could be interpreted by some—as the hiring of someone not to fill a necessary position but rather in anticipation of filling a position to work on a campaign. Unless this five-month period coincided with some other extensive demands in addition to the leadership campaign itself which the Premier has not disclosed, it would seem to me that stands out as a pretty demanding challenge, running in a leadership contest, even one uncontested; I can attest to that. It's a lot of work, and it needs a lot of help and a lot of volunteers, but it's when we get into the area of hiring someone for a position to help be in a role beyond that position that I am concerned, and that's why I raise it.

I ask also the Premier, does he think—I mean, we—you know, in the middle of this process there's a lot of concern expressed by NDP members about the power given to certain of the unions to control the outcome. And UFCW was estimated, I believe, early on had 160—I don't think they ended up with 160 delegates participating, but I believe they were allocated 160 delegates under some formula that the Premier's (Mr. Selinger) going to research and share with me.

So they have 160 delegates from UFCW, and the Premier brings on Heather Grant-Jury, who is, I take it, a senior person with UFCW. Was that in any way, shape or form, that secondment, influenced by the connections that Heather Grant-Jury had with UFCW?

Mr. Selinger: Again, just—first of all, on the number of delegates, the member indicates that they could have had up to 160 delegates. I'd—that would suggest that the formula I had offered before about one delegate per 100 makes sense, because I understand

that the organization is about 16,000 members, so that would, anecdotally, confirm what I was suggesting before.

The member's a well-regarded member of the community, has served in many leadership roles throughout Manitoba, including playing a large leadership role in the United Way of Winnipeg and, I believe, at the national level as well, where I believe she served in a role as a national chairperson of the United Way of Canada, as I recall correctly, but has played many roles in the community over the years and is well regarded for her contribution to the community over and above what she does for a living. And so she had a lot to offer the government in terms of her wider knowledge of the community and her experience and things that could help the government serve the people of Manitoba better.

Mr. Pallister: Well, she may be well regarded; I don't dispute the Premier's (Mr. Selinger) take on that, but he skirts the issues I raised again.

He has—he heads a party which—whose delegates selected him by the narrowest of margins, which gives considerable weight to the delegates selected by CUPE, UFCW and Unifor and so on, which the Premier has not shared with us. He understands the process they use, so that's in the dark, which is, I think, perhaps in part why so many NDP members want these processes changed and the light to shine on them.

The other consequence of this process is that it creates the impression that there are somehow favourites within these organizations of this government and of this Premier, and that perception's unfortunate and I think in a way contributes to the low satisfaction—some of the lowest that—Probe Research just released a Manitoba Business Leaders Index.

It's an annual survey of 200 CEOs and business owners and it shows just 13 per cent of provincial business owners feel the Manitoba government's doing a good job. I think understandable, given this structure, that they may feel less satisfied and less confident that fairness would be the result of their dealings with this Premier.

I'll defer to the member for River Heights now. I believe he has some questions he'd like to ask.

Thank you to the Premier, through you, Madam Chair. Thank you for his answers today.

Hon. Jon Gerrard (River Heights): The first question just has to do with the fact that the Premier has two co-deputy premiers, and I'm just wondering if the Premier could give a concise job description and let me know whether there is any salary, any staff support or any resources which are specific to these roles.

Mr. Selinger: I didn't 'kwetch'—catch which position the member was referring to.

Mr. Gerrard: The Premier has two co-deputy premiers, right? And I'm just looking for what's the Premier's view of the job description and asking whether there's any salary, staff support or resources which are specific to these positions and not—and separate from their other roles.

Mr. Selinger: Deputy premiers are called upon by the premier or his office to stand in for the premier when, for whatever reason, he or she may not be available to attend a certain function or deal with a certain amount of issues, and there is no salary or special resources made available for that role.

Mr. Gerrard: I want to ask several questions, which relate to the really sad and sorry situation of people in Little Saskatchewan, Dauphin River and Lake St. Martin, who've been forced to undergo a lot of, well, untold anguish and heartache after being flooded four years ago. The number of people who were evacuated, as the Premier well knows, and—is considerable, and the number of those who were evacuated who have died since the flood is also mounting. I'm told that two more individuals from Lake St. Martin were taken home to their community to be buried last weekend. So the tragedy continues.

Now, the Premier, in the government's budget, set aside \$100 million—that's in the budget of two years ago, the 2013-2014 budget—to rebuild the communities, four communities: Little Saskatchewan, Dauphin River, Lake St. Martin and Pinaymootang.

Let me start with the situation at Little Saskatchewan. You know, how much money has been spent and how many houses have been built?

Mr. Selinger: Yes. I'll have to get an update for the member on that, on the specifics of that. I'm not sure at this stage what the hard number is, but I understand they were discussing an initial go of about 60 houses, but I'm not sure what stage that's at, and I'll have to get the member an update for that and on any of the other communities that were impacted by the flood of 2011 in that area. I'll try to get him

more extensive information on that. And I'm just going to check with my officials here.

Madam Chairperson: I'll just ask the First Minister's mic to be turned off while he's conferring with his officials.

Mr. Selinger: I can get you more information as soon as possible. I'm going to try and see if I can get something in the room right now on the—*[interjection]* Thank you.

So I do have some information for the member. My understanding is offers have been made to Little Saskatchewan First Nation to rebuild the community on higher ground. It includes land, drainage, new roads, houses, new water and sewer infrastructure and community buildings. Parties anticipate that construction will start soon on a new road and up to 60 new houses, and there is a goal of providing up to 114 new houses. And, as the member might know that these costs are broadly being shared, 60 by the federal government, 40 by the provincial government, on what is known as Operation Return Home.

* (16:40)

So we do need a community plan to be finalized about where the houses will go to finalize the arrangements, and I understand that both levels of government, the federal and provincial government are working with the First Nation to identify where they want to locate these houses.

Mr. Gerrard: Yes, let me move on to Little Saskatchewan and—Lake St. Martin and Dauphin River in terms of the Premier's (Mr. Selinger) understanding of what the current situation is.

Mr. Selinger: Yes, I'm hoping some information will come zipping through the door very quickly on this matter, but broadly we've been working very closely with both of those communities to finalize long-term plans to give—provide them with better housing because some of their housing in both cases was very severely damaged during the flood. We're attempting to do it on higher land. Land has been purchased and made available to the community, higher land.

And we're looking at rebuilding infrastructure including schools and roads and other public infrastructure that those communities need, and we are anxious to move forward as soon as possible to rebuild those communities. Lake St. Martin is the one that's the most severely impacted by this flood of 2011, and it has the largest number of people that are

currently still not back home. So that is an important community. They're all important, but that one is important in terms of the volume of people that have been impacted, and so there's been a lot of work done by both levels of government with the First Nation leadership to try and finalize plans to rebuild those communities in a way that they won't be flooded in the future.

Mr. Gerrard: Now I know there were a number of homes, it may have been about 40, which were built at a radar base which is not far away, and my first question is, to what extent were people from the community—I think it was originally intended for Lake St. Martin—to what extent were people from the community involved in the decision making, the planning and the building of those homes?

Mr. Selinger: I understand that there was communication that this site, this so-called radar site, could be made available quickly and that homes could be placed there, which would allow people to be as close to their home community as possible. But, as the process was going forward, there became some issues about the site in terms of the elders being concerned about whether the site was one that was suitable for them in terms of—I believe they had concerns about snakes in that area impacting their desire to live there. But some families did, in fact, move into homes there, and then later on it was decided by the—I understand the First Nation community that they did not want to locate more people there and the homes were reallocated for other purposes to other families that had been impacted by flooding. So we made sure the homes were put to good use to serve people that had been dislocated by flooding.

On—with respect to the Lake St. Martin First Nation, an agreement was signed in principle in July of 2014, and a comprehensive agreement was shared with the First Nation in late February 2015, and plans are to negotiate the details of the agreement on a trilateral basis. Two hundred and forty-eight homes will be cost-shared with Canada along with most of the infrastructure, including roads, drainage, pipe water and sewer, community buildings and landfill—and a landfill weigh station. Canada will be building 32 additional homes to address overcrowding, and infrastructure including a new school, a new water-treatment plant and sewage lagoon.

Lake St. Martin, as I said earlier, is the largest of the four projects and is an entirely new community on higher land adjacent to the existing reserve.

A project 'manitor'-manager has been hired for the community reconstruction, and a number of subprojects are moving forward. A community development plan was finalized on March 2014 for infrastructure, and work on site development is under way, and an expression of interest has been posted by the First Nations project manager for voice and data service to the community. Construction of the water treatment plant, sewage lagoon and piped service to homes was signed off by all parties. That's the current information I have on Lake St. Martin.

With respect to Dauphin River First Nation, a housing agreement was signed in March of 2014. The agreement calls for the First Nation to take 47 houses from the provincial evacuation site, which I think the member has referred to as the radar site. An additional 11 houses and major repairs will be made to two houses on the First Nation reserve lands and for off-reserve housing for members not wishing to return. Canada and Manitoba are seeking confirmation on the number of 'evacuays'-evacuees planning to return.

All of the—on the operations update, all of the housing and infrastructure works are to be cost-shared 50-50, in this case, with Canada. There has been an agreement entered into for the relocation of the 47 homes to the First Nation. A tender has been awarded on September 18th, '14, for the demolition of existing housing, construction of foundations for 47 units, and moving the 47 evacuation units to the First Nation. The first four houses were moved to the site in mid-December. The best-case scenario was for all units to be on site by spring of 2015. It is expected evacuees will be moving home as blocks of houses are ready for occupation. The First Nation has indicated that they're most interested in returning prior to the commencement of the next school year.

The infrastructure includes piped water and sewer, a new landfill site, a—a band office, health centre and a church. The old school and band office have already been demolished. A feasibility study on sewer and waste-water servicing for the community is currently under review. A school feasibility study was prepared and is under review. The First Nation wants to move the school to non-reserve lands, but this may cause delays and add significant costs. So that's being explored right now. Options for solid waste disposal, both short and long term, for the community are being explored.

Mr. Gerrard: Yes, now let me go back to—briefly to the radar base. My understanding is that one of the

problems is that there was a feeling that there wasn't adequate involvement of people in Lake St. Martin, either in certain aspects of the planning and particularly in the actual building of the community. And that's pretty important in terms of building, empowering people who are involved in building the homes in their community to be involved and take ownership and, you know, feel that, you know, they've taken great care over and pride in building the structures. And so I think that when you come to Little Saskatchewan and Lake St. Martin and Dauphin River, it's going to be extremely important to have the people from the communities very much involved in the building process, that where there's issues of training that that has been done or is under way, that there are, from those communities, I believe, quite a number of people who are—varied skills, but this is something which seems to me is extremely important.

I should note that at the radar base, there are—I think it's in the range six or seven families who've been there since the very beginning, who actually want to stay there. They don't want to be uprooted again, and I—just wondering whether that is going to be possible, or are all those houses going to be moved to other sites?

* (16:50)

Mr. Selinger: First of all, I want to thank the member for the information. I'll have to check about whether all the homes on the radar site are—have been allocated to Dauphin River or other uses and get back to the member on that. But I also understand his point about involvement in the process of rebuilding these communities. And, as I was reading it into the record, I think it has been a long process. Some of us wish people were home now, but there has been a lot of process back and forth between community leadership and the two levels of government, federal and provincial, to come to as much consensus as possible about how to rebuild these communities as safely as possible so that they can be durable and not subject to the same risk of flooding in the future. So I understand the member's point. And I do know that local leadership is being involved in the process, and, presumably, the local leadership is also consulting with the members of its community about their plans as well.

Mr. Gerrard: I think it's pretty important that the Premier (Mr. Selinger) and his government is on top of, you know, what's happening and make sure that there is involvement of—fully involvement and

awareness by all in the communities. And that that is something that, you know, should be fundamental in terms of moving forward.

On the Little Saskatchewan, my understanding is that the plan for moving forward on 60 homes has been set and essentially shovel ready on ground which is above where there are concerns about water levels because it's at 814 feet above sea level. And that there's a delay here at the moment because the individual or firm who are contracted to produce this community plan, that there has been delays in that that individual with a firm producing the community plan and in working with the members of the community.

And I note that from what I was told, that this was, I believe, tendered, the production of a community plan and the leadership in the community was allowed to be advised of what was going on, but that the final decision went to a firm that the community wasn't particularly happy with, and that may have contributed to, you know, the situation at the moment, I don't know. But I think that there is an urgency, all right, in settling this. I am told that the community plan, whatever, is developed, would include the road and the 60 houses being built, their location which is already been planned out and designed and ready to go. So that, you know, it might be possible to have an agreement that, yes, this could proceed because we know that it will be and has to be part of the overall community plan.

But I think that's something that the Premier (Mr. Selinger) might have a look at. You know, where we stand at the moment, we are, of course, four years, and my understanding talking to somebody from Little Saskatchewan earlier today, was that there hasn't been, in four years, a single house repaired or built on Little Saskatchewan. So we certainly have a long way to go.

There are other criteria that appear to be important in terms of having the communities have full go-ahead to the plans. Those criteria may not be so important in the initial 60 homes for Little Saskatchewan, but they may be important for many more, and understanding what the situation is. My understanding is that the community of Little Saskatchewan, and I think it may be, little-Lake St. Martin, are being asked to sign off on allowing the land where they lived to be flooded to a level of 806 feet. Now the problem is, to be flooded to 806 feet means because you've got wave action, that you're actually up to—you have to protect land up

to 109 feet because you can't—that's the area where you have to protect land to. And, when you get to 809 feet, this is actually 80 per cent of the land mass of the current Little Saskatchewan. Now, that—the new Little Saskatchewan may be quite a bit which is on higher land. There are still some issues around that have to be finalized on that.

But the concern here is the—whether the Premier's plans for Lake St. Martin are to have, even when the engineered structures for the outlet and the inlet from Lake Manitoba are there, is there no way that the water level can't be managed so that it doesn't go up to 806 feet? I mean, it would seem to me that the desirable range is up to 800 feet, right, that it should be possible in some fashion to limit the extent to which it goes up because of the design of the water management infrastructure. I wonder if the Premier would comment.

Mr. Selinger: First, I'd like to thank the member for bringing forward this information. My understanding is, with Little Saskatchewan, as I said earlier, there has been an understanding reached with the First Nation to proceed with 60 new houses. The First Nation did raise concerns about the agreement in 'crinciple', mainly the rationale for an 806-foot flood easement line and whether the compensation is commensurate with the impacts.

A number of items were held pending the outcome of the elections, which occurred on January 15, where Chief Hector Shorting was re-elected and negotiations, hopefully, have resumed since then. They—the chief and council have some concerns, apparently some opposition to the community plan. But I agree with the member: they have to be involved in shaping that community plan.

The objective is to cost share 114 homes with most of the infrastructure, including roads and drainage, water treatment plant, sewage lagoon, water tanks and septic facilities for each home and community buildings. And then, Canada, as I think—believe I indicated earlier, will cover the cost of 16 additional homes to address overcrowding and infrastructure, including repairs to teacherages, water trucks, heavy equipment and maintenance buildings.

The First Nation has identified a preferred—my understanding—a preferred development plan for the community but has not been signed off by the band council. And, to get the elements of community redevelopment under way, the federal government's AANDC, the department responsible, has offered to initiate two project components: a new access road

and the first 60 houses, absent an agreement in principle. And I understand that Little Saskatchewan was asked to provide a band council resolution to show their agreement on that. And I'm hoping that that will find a way to go forward.

Now, on the question of the 806 feet, I want to say to the member I will check and see if 806 implies 809 with wave action and just try to understand that. Clearly, the idea of building a permanent channel in Lake St. Martin and an additional channel out of Lake Manitoba is to mitigate flooding in both lakes and to reduce the risk of flooding for all the communities involved there. That's the objective. So I'll have to check about that 809 risk.

Mr. Gerrard: Yes, and I think that there's the ability to put the 60 houses up—there is ongoing discussions. Right now it is held up because of the requirement for the community plan. But, as we've discussed, I think that that should be looked at, how much you actually need of that community plan, whether it has to be 100 per cent complete or what.

There is—for the full sign-off, my understanding is that there is a requirement that the community sign off on all future claims against the Province or the federal government in relationship to the flooding. It seems to me that the smartest way to do this is to get people back into their homes. And, you know, if there are future claims which are not finally met, then they can be dealt with in the future.

There's also a concern from, I believe it's Lake St. Martin, that in some of the work, that they're being required to pay workers less than the normal construction wages and they feel this is not fair. And—

Madam Chairperson: The hour being 5 p.m., committee rise.

Call in the Speaker.

IN SESSION

Mr. Speaker: The hour being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow morning.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 25, 2015

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