

**First Session – Forty-First Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**  
**Official Report**  
**(Hansard)**

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Speaker*

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Forty-First Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ALLUM, James	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
BINDLE, Kelly	Thompson	PC
CHIEF, Kevin	Point Douglas	NDP
CLARKE, Eileen, Hon.	Agassiz	PC
COX, Cathy, Hon.	River East	PC
CULLEN, Cliff, Hon.	Spruce Woods	PC
CURRY, Nic	Kildonan	PC
DRIEDGER, Myrna, Hon.	Charleswood	PC
EICHLER, Ralph, Hon.	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FIELDING, Scott, Hon.	Kirkfield Park	PC
FLETCHER, Steven, Hon.	Assiniboia	PC
FONTAINE, Nahanni	St. Johns	NDP
FRIESEN, Cameron, Hon.	Morden-Winkler	PC
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin, Hon.	Steinbach	PC
GRAYDON, Clifford	Emerson	PC
GUILLEMARD, Sarah	Fort Richmond	PC
HELWER, Reg	Brandon West	PC
ISLEIFSON, Len	Brandon East	PC
JOHNSON, Derek	Interlake	PC
JOHNSTON, Scott	St. James	PC
KINEW, Wab	Fort Rouge	NDP
KLASSEN, Judy	Kewatinook	Lib.
LAGASSÉ, Bob	Dawson Trail	PC
LAGIMODIERE, Alan	Selkirk	PC
LAMOUREUX, Cindy	Burrows	Lib.
LATHLIN, Amanda	The Pas	NDP
LINDSEY, Tom	Flin Flon	NDP
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Flor	Logan	NDP
MARCELINO, Ted	Tyndall Park	NDP
MARTIN, Shannon	Morris	PC
MAYER, Colleen	St. Vital	PC
MICHALESKI, Brad	Dauphin	PC
MICKLEFIELD, Andrew	Rossmere	PC
MORLEY-LECOMTE, Janice	Seine River	PC
NESBITT, Greg	Riding Mountain	PC
PALLISTER, Brian, Hon.	Fort Whyte	PC
PEDERSEN, Blaine, Hon.	Midland	PC
PIWNIUK, Doyle	Arthur-Virden	PC
REYES, Jon	St. Norbert	PC
SARAN, Mohinder	The Maples	NDP
SCHULER, Ron, Hon.	St. Paul	PC
SELINGER, Greg	St. Boniface	NDP
SMITH, Andrew	Southdale	PC
SMOOK, Dennis	La Verendrye	PC
SQUIRES, Rochelle, Hon.	Riel	PC
STEFANSON, Heather, Hon.	Tuxedo	PC
SWAN, Andrew	Minto	NDP
TEITSMA, James	Radisson	PC
WHARTON, Jeff	Gimli	PC
WIEBE, Matt	Concordia	NDP
WISHART, Ian, Hon.	Portage la Prairie	PC
WOWCHUK, Rick	Swan River	PC
YAKIMOSKI, Blair	Transcona	PC

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 16, 2016

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

**Madam Speaker:** Please be seated.

### ROUTINE PROCEEDINGS

**Madam Speaker:** Introduction of bills? Committee reports?

### TABLING OF REPORTS

**Hon. Ron Schuler (Minister of Crown Services):** I am pleased to table the annual financial statement of the Manitoba Public Insurance Corporation for the fiscal year ended February 29th, 2016, and the annual report of the Manitoba Public Insurance Corporation for 2015.

**Hon. Rochelle Squires (Minister of Sport, Culture and Heritage):** Madam Speaker, I am pleased to table the supplementary Estimates for Legislative Review for the—for 2016 for the Department of Sport, Culture and Heritage.

**Madam Speaker:** Any further tabling of reports?

### MINISTERIAL STATEMENTS

**Madam Speaker:** The honourable Minister of Health, Seniors and Active Living.

And I would indicate that the required 90 minutes' notice prior to routine proceedings was provided in accordance with rule 26(2).

Would the honourable minister please proceed with his statement.

### National Blood Donor Week

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** Madam Speaker, good afternoon to you and all members of the House.

I'm pleased to rise today to recognize National Blood Donor Week and celebrate the thousands of Canadian blood donors who are the lifeblood of this country.

National Blood Donor Week takes place from June 13th to June 18th and was officially enacted by the House of Commons in 2008. It is time to recognize the thousands of lives that have been saved through our national blood system. Donating blood is a genuine act of altruism and represents a truly selfless gift. A blood donation can't be replaced or

manufactured. It is the foundation of life. Without blood donors, surgeries and treatment for diseases such as cancer would not be possible.

In 2016, over 100,000 new blood donors will be needed across Canada to meet the needs of patients who require blood transfusion. Half of all Canadians will either need blood or know someone who will need blood at some point in their lives.

One in two people are eligible to donate, yet only one in 60 actually does. That's under 4 per cent of the eligible population meeting the blood needs of 100 per cent of Canadian patients.

I encourage all Canadians to take the time to celebrate and thank a blood donor during National Blood Donor Week and to join the movement.

You can find out more about becoming a blood donor and book an appointment at [blood.ca](http://blood.ca). I encourage all members and all Canadians who are able to give life by donating blood to do so. After all, it's in you to give.

Thank you.

**Mr. Matt Wiebe (Concordia):** Madam Speaker, from June 13th to 18th this year, Canadians celebrate National Blood Donor Week. This is a time to recognize those who donate blood and the lives that they save: lives like Bailey Phillips, the two-year-old daughter of a family living in Brandon.

As CTV first reported, Bailey needed her first blood transfusion on the day she was born, after being airlifted from Brandon to Winnipeg for urgent care. Just last month, Bailey recently received her 200th blood transfusion which is helping keep her alive while doctors work to diagnose her illness.

To thank donors, Bailey's family handed out 200 chocolate hugs and kisses at the Winnipeg blood donor clinic at 777 William Avenue and another 200 at the blood donor clinic in Brandon at the hospital where she receives her transfusions. Bailey's mom Kristen says Bailey is the most happy-go-lucky kid you will ever meet. Without these donations, she wouldn't be with us today.

Madam Speaker, there are so many others like Bailey who need blood. For those who are able to give blood but haven't donated in a while, I

encourage them to set aside some time in their calendar.

Thank you to everyone who gives blood, especially those who have helped the survivors of the shooting in Orlando.

Thank you.

**Ms. Cindy Lamoureux (Burrows):** I'd like to ask for leave to speak in response to the ministerial statement.

**Madam Speaker:** Does the member have leave? *[Agreed]*

**Ms. Lamoureux:** Thank you, Madam Speaker.

National Blood Donor Week was legislated by the Government of Canada in 2008. This week recognizes and celebrates blood donors across the country who have selflessly chosen to donate.

Without the generosity of donors, patients would not receive the lifesaving surgeries and treatments that they need. Last year, approximately 388,000 Canadians rolled up their sleeves to donate blood. Every week we need 2,000 donors to ensure that we can help hospital patients.

The No. 1 reason donors say they give blood is because they want to help others. However, with that said, no one needs a special reason to give blood; you just need your own reason. It could be because you were asked by a friend or you have family directly affected by it. It could be just because you feel it's the right thing to do. Whatever your reason, the need is constant and your contribution saves lives.

In closing, I would like to thank all the dedicated donors who are rolling up their own sleeves and encouraging others around them to do the same.

Thank you.

**Madam Speaker:** The honourable Minister of Sport, Culture and Heritage.

The required 90 minutes' notice prior to routine proceedings was provided in accordance with rule 26(2).

Would the honourable minister please proceed with her statement.

### **Winnipeg International Jazz Festival**

**Hon. Rochelle Squires (Minister of Sport, Culture and Heritage):** Madam Speaker, it gives me great pleasure to rise before the House to recognize the

accomplishments of Manitobans' many festivals and to accomplish the—and to acknowledge the opening day of the Winnipeg International Jazz Festival.

Les Manitobains sont tellement chanceux de voir beaucoup de festivals à travers de notre province cet été.

### **Translation**

*Manitobans are so fortunate to see many festivals across our province this summer.*

### **English**

Manitobans are fortunate to have so many wonderful festivals across our province. They play a vital role in making the arts accessible to all Manitobans while providing an opportunity to gather and celebrate the unique and diverse cultural mosaic of our communities.

Today marks the opening of the Winnipeg International Jazz Festival and, from June 16th to the 26th, Manitobans will have a chance to enjoy local and world-renowned musicians in theatres, intimate lounges and cafés, and at the free outdoor stage this weekend.

Manitoba's cultural industries are integral to the greater arts culture and heritage sector, and support thousands of meaningful and high-skilled jobs across the province. The cultural sector is an important economic driver, while also allowing us to share in the diverse cultural backgrounds of our fellow Manitobans. Through the cultural sector we are able to contribute not only to the economic well-being, but the cultural well-being of Manitobans, as well.

Our government is proud of the hard work, dedication and the passion of many Manitobans who work hard and volunteer at these important community events across the province. Through government's ongoing financial support of major arts festivals and community events, Manitobans everywhere have the opportunity to be immersed in the unique character of our communities on virtually every weekend throughout the year.

As Manitobans get ready to appreciate and listen to the soulful music of many talented musicians today, I would like to acknowledge and thank the board, staff and volunteers of Jazz Winnipeg. They are to be commended for their continued support and efforts to organize this exceptional international festival.

I ask all members to join me in recognizing achievements of our numerous Manitoba festivals and community events and extending our best wishes to all of them as they get under way throughout the summer and fall.

Merci.

**Mr. Tom Lindsey (Flin Flon):** For jazz fans throughout Manitoba and across the world, June 16th to 26th is the best time to take a trip to Winnipeg's Exchange District. The Winnipeg International Jazz Festival starts today.

The first four days feature free performances at Old Market Square. It's great to see jazz fest open to all music lovers regardless of income.

After that, the music will spread across the neighbourhood to classic venues like the King's Head, Rachel Browne Theatre, Cinematheque, West End Cultural Centre and the Burton Cummings Theatre.

Musicians coming from across the world to perform here and we've got some impressive local talent of our own to offer, including Full Circle, Mariachi Ghost, the Dirty Catfish Brass Band, Jocelyn Gould and many, many more.

Given that it's also public service week, I'd like to thank the many talented musicians, teachers who have helped build our local talent from elementary schools to high school, and post-secondary school and beyond. They've helped Manitoba's artistic scene flourish, and are a prime example of that—is jazz festival.

Thank you.

\* (13:40)

**Ms. Lamoureux:** I'd like to ask leave to respond to the minister's statement.

**Madam Speaker:** Does the member have leave? *[Agreed]*

**Ms. Lamoureux:** I rise today to speak to an amazing Winnipeg tradition that is our annual jazz festival.

For the past 26 years, the Winnipeg jazz fest has hosted incredible artists from all over the world and showcased our most talented musicians here in Manitoba.

This annual festival not only highlights these incredible Manitobans, but with free shows at Old Market Square, they open up the world of music to everyone.

Jazz is not only an urban art form, but it is an intellectual experience, one that reaches out to a variety of communities and is built on shared experiences and efforts of artists, performers, schools, funders and audiences.

Manitoba is the cultural heart of Canada, and festivals like this are the reason why.

I am especially proud to mention that one of the strongest boosters in jazz was our former Liberal leader, Izzy Asper.

In closing, a big thanks to all the staff and volunteers that work year-round to make this festival one of the best in Canada. I urge all members to attend some of the shows.

Thank you.

**Madam Speaker:** The honourable Minister of Agriculture.

The required 90 minutes' notice prior to routine proceedings was provided in accordance with rule 26(2).

Would the honourable minister please proceed with his statement.

#### **International Year of Pulses**

**Hon. Ralph Eichler (Minister of Agriculture):** It is my great pleasure to recognize 2016 as the international year of the pulses here in Manitoba Legislative Assembly.

I would like to thank Manitoba Pulse & Soybean Growers and Pulse Canada for joining us today in the gallery.

Pulse crops are an emerging segment of our family—our farming industry, and it is exciting to see growth and success pulse producers are having here in Manitoba.

Major pulse crops produced here in Manitoba include chickpeas, dry beans, dry peas and lentils. Growing pulses encourages proper nutrition, excellent environmental practices and also makes strong impact on Manitoba's economy.

Manitoba strives to be the No. 1 in dry-bean-producing provinces in Canada. Last growing season saw our producers harvest 128,000 acres of dry beans, with that exception that dry beans will maintain or exceed those acres in 2016.

Manitoba's dry bean crop was worth \$84 million to the Manitoba economy in 2015; \$25 million of

this was in the field pea crop. Nutritionally, all pulses are very high in sources of fibre, an excellent source of folate, high in complex carbohydrates and low in fat.

Pulses are also gluten-free, making them an excellent choice for those 'celic' disease or gluten intolerance.

From an environmental perspective, the future of agriculture depends on sustainable and responsible farming practices. Pulses play a very important role in this area.

Pulses have a symbolic relationship with soil 'microisms,' allowing them to make their own fertilizer, atmospheric nitrogen. This result in pulses using less non-renewable energy inputs than other crops.

As they reduce consumption of synthetic nitrogen fertilizer and 'resulting' nitrous oxide emissions, pulse crops contribute positively to Manitoba's climate-change strategy.

Growing pulses in rotation with other grains and oilseeds can also disrupt disease and insect cycles.

With these agronomic advantages tied to the economic benefit of seeding less on inputs and currently strong commodity prices, it's no wonder that pulses have gained properly-proper-popularity as crop choice for producers.

To celebrate and promote pulses during the International Year of Pulses, the Manitoba Pulse & Soybean Growers have launched Why Pulses? Challenge for schools and community groups.

I encourage all members of the legislative to join me in taking the Pulse Pledge: I will eat pulses at least once a week in 2016 because pulses encourage healthy people and a healthy planet.

Thank you.

**Mr. Mohinder Saran (The Maples):** Across the world, we mark 2016 as International Year of Pulses.

The United Nations noted that lentils, beans and legumes have been the cornerstone of global nutrition for centuries. In recent years, pulses have returned in popularity and are only getting stronger.

In particular, Manitoba farmers, businesses and schools have their fingers on the pulse. Red River College's newspaper, The Projector, cites a great example. When the college's culinary institute opened, it partnered with the Manitoba Pulse &

Soybean Growers association to research the benefits of pulses. The collaboration yielded recipes that incorporate pulses into pastas, cookies and more. They posted these recipes online, so feel free to look them up and try one.

Pulses are a great source of affordable protein and a variety of other health benefits. Equally important for Manitoba, pulses are a great prairie crop. They are already grown widely, and they hold a great deal more potential for Manitoba farmers.

For these reasons, the NDP stands with farmers, cooks and all Manitobans in celebration of the International Year of Pulses.

Thank you.

**Ms. Judy Klassen (Kewatinook):** I ask for leave to respond to the ministerial statement.

**Madam Speaker:** Does the member have leave? *[Agreed]*

**Ms. Klassen:** I rise today in celebration of the international year of the pulse. Canada is one of the world's largest exporters of pulses. We are proud that there are white and coloured beans as well as peas and lentils that are grown right here in Manitoba.

Health Canada touts that pulses are an excellent source of fibre, iron and folate. They are low in fat and a good source of protein. A favourite meal-pulse meal in my home is chili con carne. Pulse recipes are vast and versatile and pulses are an affordable option for families.

Pulse crops in Manitoba are-leave a low carbon-are a low-carbon-footprint food as they require only a small amount of fertilizer and use under half of the water that other protein sources are needed to grow. Growing a pulse crop improves soil life because they produce different compounds that microorganisms feed off of.

They also-pulses also play an important role in the prevention of diabetes, which is why I'm a huge proponent. Pulses are naturally gluten-free, making them the perfect addition to the diets of people with celiac disease.

I ask the members of this House today to join me today in celebrating the growing role that pulses play in our province's agriculture and, indeed, our diets.

Thank you.

## MEMBERS' STATEMENTS

### Urban Forest Committee

**Mr. Rick Wowchuk (Swan River):** Today I would like to recognize the Urban Forest Committee in my home constituency of Swan River. The committee, that initiated in 2000, carry out biannual Arbour days each spring and fall. Volunteers and students partner with local industry leaders Louisiana-Pacific and Spruce Products and the town of Swan River. Trees are transferred from the town nursery to designated areas throughout the community.

The committee holds meetings to develop a plan to strategically plant these trees throughout the town. Many of the trees planted replace the elm trees that were lost due to Dutch elm disease. The schools throughout the community have also become involved through beautifying their school grounds with trees to create green space and reduce greenhouse gases. This has evolved to a number of school projects where students and Mother Nature establish a bond.

Through the successful application of grants, the committee has purchased seedlings that are planted in the town nursery. The nursery was a legacy project to commemorate the crowning of the Swan Valley as the Forest Capital of Canada in 1998.

In addition, an arboretum was started in October of 2003. This arboretum is known now as a showcase of 60 species of trees including fruit trees, conifers, shade trees and other deciduous trees. Families can visit the arboretum and incorporate their yard plans by seeing the trees at an advanced stage of maturity.

The Urban Forest Committee has given research and discussion to preserve the virgin urban forest in the Swan Valley regional school property. The committee is presently partnering with the Swan Lake Watershed Conservation District to make this parcel of land a heritage site where students and community members can broaden their knowledge of forest ecology and have an appreciation for the aesthetic beauty.

Madam Speaker, this is a true alliance of industry, volunteerism and community, forming steadfast partnerships in the Swan Valley. Urban forests have become part of a well-planned green space. Persistence has resulted in result from the environment.

Madam Speaker, I'd like all members to recognize the efforts of this committee, led by co-chair, Francie Baird, who is 94 years young. The hard work of her and her colleagues have made a difference—

**Madam Speaker:** The member's time has expired.

\* (13:50)

### Harrow United Church 100th Anniversary

**Hon. Jon Gerrard (River Heights):** Madam Speaker, today I recognize the 100th anniversary of Harrow United Church, the contributions of Academy Road businesses and honouring Ralph Cantafio.

Saturday, June the 4th, the Harrow United Church congregation celebrated its 100th anniversary with a Take Our Pulse Community Dinner. The dinner featured a wide array of tasty pulse dishes, including a cream of kidney beans and clove soup from the Central African Republic, a bean sprout-snow pea salad, enchiladas, a black bean pizza and white bean tarts.

The event was featured by a talk from a representative of the Manitoba pulses and soybean growers describing the increased role pulses have in Manitoba agriculture and in our lives, in part because of their health benefits and in part because they are friendly to the land and to climate change.

Congratulations to Reverend Teresa Moysey and her activist team at the Harrow United Church.

I also want to recognize the recent contributions of Academy Road businesses, led by Mindy Moss of Eyelet Dove, who decorated Academy Road with pink balloons for the Academy Road Business Days and raised \$5,000 for CancerCare Manitoba. The businesses on Academy Road, a vibrant and active group, decided to give back to the community, and they have done so. Well done.

June 12th I was proud to be present at the naming of the Ralph Cantafio Soccer Complex in south Winnipeg. Ralph Cantafio is locally known as Winnipeg's Mr. Soccer for the long-time contributions he's made to the sport, including starting the Italian-Canadian soccer league in the 1950s, founding the Winnipeg Fury in 1987, winning the championship with the Fury in 1992 and continuing to this day to be actively involved in mentoring and helping players. Congratulations, Ralph Cantafio.

### Vanessa McKay

**Mr. Scott Johnston (St. James):** Madam Speaker, I rise to recognize Vanessa McKay, a truly inspirational and extremely accomplished student who is graduating from St. James Collegiate this month.

Vanessa received the 2016 City of Winnipeg Youth Role Model Award. The award recognizes youth from diverse communities in Winnipeg who demonstrate outstanding achievements.

Vanessa graduates this year as the president of St. James Collegiate. Many honourable members may recognize Vanessa as she served as a page in this Legislative Assembly.

Some of her accomplishments include earning gold at this year's St. James-Assiniboia School Division science fair, earning gold at the Manitoba science symposium and earning bronze at the Canadian science festival in Montreal.

Vanessa participates on a variety of committees within her school: the St. James Collegiate's Social Justice Committee, St. James Collegiate Aboriginal Student Group and St. James Collegiate philanthropy group, she credits—which she credits as an avenue of understanding and helping her community.

After graduation she is planning to pursue her education at the University of Winnipeg.

Vanessa has earned multiple scholarships that include the Dr. Margaret Nix and Slade C. Nix entrance scholarship, and the Herff Jones Believe in You Scholarship.

Vanessa is joined here today by her parents, Diane and Rockford McKay, and her St. James Collegiate principal, Lorelei Steffler. Her parents have always been her role models.

Madam Speaker, I ask for leave to include names in Hansard, and I ask honourable members to join me in recognizing these deserving people.

**Madam Speaker:** Is there leave to include names in Hansard, as requested? *[Agreed]*

### On the Button

**Mr. Rob Altemeyer (Wolseley):** As the MLA for Wolseley, I am proud today to stand up and commend the community organization, New Directions, which is now providing training, education and career experience to Manitoba families. They've recently launched a new and creative business called

On the Button, which exclusively employs young women who are in the care of Child and Family Services.

This program now means that six young women, mostly between the ages of 18 and 20, have part-time jobs. The On the Button program was actually built off the initial success of New Directions' other program, Genesis, which supported men who faced barriers to employment related to incarceration.

At the On the Button program, these young women are provided—or, providing invaluable experiences and services to Winnipeg businesses and individuals. A client sends them a design or logo and the employees produce the buttons and promotional materials to order.

Madam Speaker, these young women are responsible for every aspect of production, gaining valuable skills in printing, production, accounting, billing and more. Projects like the On the Button program and Genesis are a part of our provincial Social Enterprise Strategy, brought in by our previous government. Ms. Liz Wolff, a project manager at New Directions, has stated that, in the case of the Genesis project, every dollar that our government invested resulted in a social return of over a dollar and a half, proving that these programs have what it takes to improve Manitoba communities.

Madam Speaker, social enterprises are an exciting community-driven shift that take traditional business practices and ground them in community ownership and progressive values, such as jobs for people who might not have them otherwise.

Thank you to all the hardworking people at New Directions, and in our community, and congratulations specifically to the women in the On the Button program for your future success.

Thank you.

### Dawson Trail Museum

**Mr. Bob Lagassé (Dawson Trail)** Good afternoon to my fellow members of the Manitoba Legislative Assembly and thank you, Madam Speaker, for the opportunity to address the Chamber.

Today I rise in the House to inform Manitobans about the Dawson Trail Museum in Richer, Manitoba. In the heart of Richer, you will come across 103-year-old historic church, formerly *Enfant-Jésus Church* along the Dawson Trail. *Enfant-Jésus*



Church was built in 1913, and served the community for many years until 1995.

By 2007, the property and buildings were designated a Heritage Site. This building, in any form, carries historical significance to the early settlers, mainly Metis and French.

Many of today's Richer residents are descendants of these families and these roots run deep. They are an important and significant part of Manitoba history.

Over time, the community and many partners, including government agencies, foundations, the Metis Federation, business and individuals contributed to the restoration and renovation of Enfant-Jésus Church. With much of its original architecture still intact, everyone worked timelessly to run this significant piece of history into the—to turn this significant piece of history into the Dawson Trail Museum. Open from the long weekend in May to September long weekend, the museum serves to preserve, interpret and display many artifacts, and foster their roots in the region. Their mandate includes the continued appreciation and contributions of elders and the original inhabitants of the area and promote the historic and touristic value of the heritage site.

It gives me great pleasure to recognize the Dawson Trail Museum and the many people who have seen this project to completion. I encourage the members of this House, and the public, to visit this landmark—

**Madam Speaker:** The member's time has expired.

#### Introduction of Guests

**Madam Speaker:** Prior to oral questions I'd like to direct your attention to the public gallery where we have seated, from the Nellie McClung Collegiate, 25 grade 9 students under the direction of Mr. Grant Caldwell. This group is located in the constituency of the honourable Minister of Infrastructure (Mr. Pedersen).

And also in the public gallery, from Teulon Elementary, 20 grade 4 students under the direction of Lorraine Murray, and this group is located in the constituency of the honourable Minister of Agriculture (Mr. Eichler).

On behalf of all members here we'd like to welcome all of you here today.

## ORAL QUESTIONS

### Seniors' School Tax Rebate Impact on Seniors

**Ms. Flor Marcelino (Leader of the Official Opposition):** First, I would like to express our shock and sadness at the tragic death of UK MP Jo Cox. We want to express our sympathies and condolences to her family and colleagues.

\* (14:00)

Madam Speaker, I would like to table a copy of an unsolicited email I received from Ms. Maureen McGregor. In the email, she says, quote: "I am a low income earner trying desperately to hang on to my home and the seniors tax rebate in full this year would have made that possible." Unquote.

Why did the Premier tell seniors like Maureen McGregor on CJOB that he would keep the seniors' rebate?

**Hon. Brian Pallister (Premier):** Thank you to my colleague and thank you to you, Madam Speaker, for the opportunity to speak.

Concerning the issue the member raised, our very fair and very reasonable approach to maintaining the seniors' tax credit, and in particular to income test it so that it goes to all eligible seniors—not some eligible seniors, as was the case in the past—but all eligible seniors who are in need of it. And I remind the member, and will quote her comments in respect of our initiative here today. She said, quote: We agree with that; those who can afford, I think, a progressive taxation, those who can afford to sustain themselves should do and those who cannot in society should help until those folks are lifted up.

So, Madam Speaker, as opposed to the previous administration, when it comes to Manitoba seniors, we're all about lifting them up.

**Madam Speaker:** The honourable interim Official Opposition Leader, on a supplementary question.

**Ms. Marcelino:** The only thing missing from the answer was that the Premier should have said, I misspoke.

Madam Speaker, Maureen McGregor also received a direct response from the PC Party and, quote: "Per your question regarding seniors' property tax rebates, the PC Party will commit to ensure that seniors are rebated as they have been under the current government." Unquote. And I table a copy of that correspondence now.

What does the Premier (Mr. Pallister) have to say to Mrs. McGregor when she says she is appalled at, quote: "the lack of integrity this government has shown and they are barely out of the starting gate." Unquote.

**Mr. Pallister:** Well, I would say, Madam Speaker, that Manitobans spoke very clearly on April 19th in respect to the way they were appalled by the previous administration's lack of integrity in almost every aspect of governance. I would reference specifically the previous administration's commitments to Manitoba seniors in respect to their promises at the doors of those seniors' homes to them, to their—looking them in the face, eye to eye, promises they would not raise their taxes for five years, they said. And then immediately raised their taxes, raised them on their insurance on their homes, on their dividends, on their beer and wine, on their vehicles and numerous other taxes to the point that Manitoba seniors, of course, were disadvantaged to the tune of approximately \$1,600 per household. And then, in desperation just prior to the last election, made a sort of a Hail Mary promise to seniors. They'd do something they hadn't done for 17 years and jack up the tax rebate for seniors.

Desperation doesn't make for credibility, Madam Speaker. The members opposite acted desperately. They were not believed by Manitoba seniors.

**Madam Speaker:** The honourable interim Official Opposition Leader, on a final supplementary question.

**Ms. Marcelino:** To be able to pay \$1,600 in taxes, you need to have spent \$160,000 a year.

Madam Speaker, the Premier's responses are empty words to seniors like Mrs. McGregor. What can the Premier possibly say to Mrs. McGregor who said, and I quote, what really matters to me is the chance to continue in my home as a single senior providing a homestead for family dinners, Christmas and providing the family home for my grandchildren. This now appears not possible thanks to a government I have supported all my life, unquote.

**Mr. Pallister:** Well, you know, Madam Speaker, I'm always disappointed when a Manitoban is disappointed, in particular, a Manitoba senior.

But I would encourage the member opposite to deal with seniors when they raise these concerns with respect and integrity, not attempt to avoid the actual record of her government. For example, the No. 1 concern among most seniors I speak with is, of

course, the quality of their health care and access to their health care. The previous administration, however, created longer wait times for Manitoba seniors than any other seniors in Canada have had to endure. That is a record and a factual record the member needs to defend and we will address.

As well, of course, Manitoba seniors know that they have to pay the highest ambulance charges in the country of Canada, and this is a legacy of the previous administration. Now, if the member wants to be fair and reasonable, and I would encourage her to do so, she will be honest about the record we've inherited from the previous government and realize that our efforts will be focused on addressing these high-priority issues for the betterment of the quality of life of all Manitoba seniors, and I encourage her to do the same.

Thank you.

#### **Seniors' School Tax Rebate Government Commitment**

**Mr. Matt Wiebe (Concordia):** Today, we heard from Mrs. McGregor, and Mrs. McGregor joins us here in the gallery today. She received a full assurance from the MLA from Tuxedo's office, just four days before the election, that, quote: The PC Party will commit to ensure that seniors are rebated as they have been under the current government. End quote.

Why did the MLA for Tuxedo and this Premier (Mr. Pallister) betray Manitoba seniors?

**Hon. Cameron Friesen (Minister of Finance):** I appreciate the opportunity to talk about the fact that our government is proud to be able to have this credit continue and to have this continue in a way that makes it available for the seniors who truly need it. In fact, that is why the interim Opposition Leader spoke on the day of the budget and says, we agree with that; those who can afford, I think, a progressive taxation, those who can afford to sustain themselves should.

These are the words of the interim Leader of the Opposition. She recognized, even if the others can't, that the income test allows us to keep this credit for those Manitobans who need it most.

We're proud of what we've done so far, and we'll continue to deliver for all Manitoba seniors.

**Madam Speaker:** The honourable member for Concordia, on a supplementary question.

**Mr. Wiebe:** Madam Speaker, seniors believed the MLA for Tuxedo. They believed the Premier when he went on CJOB, and they believed every other PC candidate when they knocked on doors during the campaign. But today, the Minister for Seniors confirmed in Estimates that not only is this government jacking up the taxes on seniors going forward but he's also going back in time and changing the deal for seniors to the beginning of this year.

Why didn't they tell the truth about their real agenda in this election? And why did this Premier (Mr. Pallister) and this government betray the trust of Mrs. McGregor and so many other seniors?

**Mr. Friesen:** Madam Speaker, we're proud to be keeping our word to Manitobans and keeping our word to Manitoba seniors. But the member doesn't acknowledge that when they went to the door and promised Manitobans that they would not raise the PST and then did so, they broke the trust of all Manitobans. And I would remind the member that in this fiscal year we will cross the threshold whereby the additional point increase in the PST will have cost Manitobans \$1 billion.

How will this member explain to all the people in the gallery today how they took \$1 billion after saying they would indeed not do such a thing?

**Madam Speaker:** The honourable member for Concordia, on a final supplementary.

**Mr. Wiebe:** That is once again, Madam Speaker, this government refuses to acknowledge that they changed the deal for seniors simply to fit their narrative, simply to fit this fiction, and they're more concerned about their own bottom line than they are about the bottom line of seniors. They don't want to talk about the fact that only weeks after the election, they did exactly the opposite of what they told Mrs. McGregor and so many other seniors. Shame.

Why won't this Premier admit that he had a hidden agenda to claw back the seniors' tax credit only after getting those votes from seniors? Why won't he just admit he betrayed Manitoba seniors?

\*(14:10)

**Mr. Friesen:** Madam Speaker, Manitobans know what the facts are. They know that the NDP had 17 years to bring a change they talked about, but they waited, indeed, until the very end when a very, very desperate and embattled NDP, in a last-gasp effort to procure votes from unsuspecting seniors, promised

them the world, quadrupling this tax. We know that that is an unprincipled way to proceed. We have taken a principled approach, making—keeping this in place for the seniors who really need it.

They broke their word. We will plan to keep our word, and we will do that.

### **Canada Pension Plan Expansion Government Position**

**Mr. James Allum (Fort Garry-Riverview):** We know that the Finance Minister betrayed Manitoba seniors by imposing brand new taxes on them to the tune of \$44 million in his budget, but he does have a chance to redeem himself. When he goes and meets with Finance ministers, including the federal Finance Minister, next week, will he work to ensure and support every effort to expand and enhance the Canadian pension plan?

**Hon. Cameron Friesen (Minister of Finance):** I thank the member for that question about affordability. And affordability, of course, matters.

And the member is referring to, of course, the fact that we constantly have this tension that we try to address in our economy, the tension between the money that families have available to them during their working years and the money that will be available to them after they reach that retirement age. There's a tension there. There's a need to get these things right.

I can assure the member that when it comes to the issue of CPP enhancement, we're listening. We're listening; we are a part of these conversations. And we look forward to our conversations in Vancouver with our partners.

**Madam Speaker:** The honourable member for Fort Garry-Riverview, on a supplementary question.

**Mr. Allum:** Well, that's simply not good enough.

The people of Manitoba and members of this Chamber have a right to know what the government's position is when it comes to enhancing and expanding CPP. We know their friends in Saskatchewan are diametrically opposed to enhancing the CPP.

Will he be clear to the House today? Will he support efforts to expand and enhance the CPP?

It's a simple question. Yes or no?

**Mr. Friesen:** Yes, Madam Speaker, affordability matters. And a government that takes the approach to

not index tax brackets is a government who knows that they can make more revenue available to themselves at each and every year.

Our government has taken a principled approach to allow Manitoba income earners to keep more money in their own pockets not just in this budgetary year but, by indexing tax brackets, each and every year, a measure that will create real savings for Manitobans.

For too many years, they did exactly the opposite. There was never a problem they faced that they didn't think a tax hike couldn't solve.

**Madam Speaker:** The honourable member for Fort Garry-Riverview, on a final supplementary.

**Mr. Allum:** Madam Speaker, the only one in this House who's raised taxes is the Finance Minister, who raised \$44 million on seniors.

And they did it—and they raised those taxes, Madam Speaker, on seniors, and betrayed the trust of seniors—

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

**Madam Speaker:** Order. Order.

**Mr. Allum:** —at the very same time.

The Minister of Finance has the opportunity to make amends with seniors today by saying that he will be going to the meeting of Finance ministers from across the country, including the federal Finance minister, and saying, yes, he's going to support efforts to expand and enhance the CPP.

Will he just tell us: Will he do it, yes or no?

**Mr. Friesen:** I'll have to check the quality of my listening device, because it almost sounded like the member suggested they hadn't raised taxes on Manitobans.

But trusting that the device is in order, I would just remind the member that in 2012 they widened the RST to include whole new areas of taxation; they jacked up the PST in 2013. That—those tax hikes alone are costing Manitobans now \$1 billion. This is a government, year after year after year, instead of actually solving their own expenditure problems, made it a Manitoba problem and jacked the 'trax'—jacked the tax up.

We see this differently. We will approach the problem differently, and we will solve this issue for the affordability of all Manitobans.

### Changes to Labour Legislation Economic Impact Concerns

**Ms. Flor Marcelino (Leader of the Official Opposition):** They're keeping the 1 per cent PST.

Madam Speaker, the Conference Board and others have consistently pointed to the fact that Manitoba had one of the best economic records under the NDP. One of the key factors was the degree to which we brought labour into being full partners in developing our economy.

Why has the Premier now decided to bring forward his own personal, divisive, antilabour agenda that puts the key partnerships in jeopardy?

**Hon. Brian Pallister (Premier):** Well, it is a real credit to the small and medium business enterprising people in the province and to all Manitoba workers and their families how well Manitoba's economy does. And I think we're all here very proud of the people of Manitoba and their great investments in this economy.

I think, in particular, we need to be very, very proud of Manitobans because of how well they've done in spite of the obstacles put in their way by a government previous to ours who raised taxes more than every other provincial jurisdiction, delivered 10th-out-of-10 social programs, the lowest quality in education and in health-care accessibility, and failed to address so many of the major challenges apart from the challenge they were always ready to rise to of raising the taxes on Manitoba families, Madam Speaker.

So it's a credit to Manitobans how well they've done. We take special pride in being Manitobans, all of us, and I think we deserve—we must give credit where credit is due, and I believe the credit belongs to the people of Manitoba for *[inaudible]*

**Madam Speaker:** The honourable interim Official Opposition Leader, on a supplementary question.

**Ms. Marcelino:** History might repeat itself. When the PCs were in office in the 1990s, there was significant labour strife. On average, there were 150 days lost per thousand workers per year due to work stoppages. Under the NDP it has been as low as 0.2 per thousand workers in 2014.

Why won't the Premier recognize that his personal antilabour agenda will lead to division and labour strife, hurting Manitoba employers and workers? Why is he putting our economic future at

risk because of his agenda to return to the PC antilabour policies of the 1990s?

**Mr. Pallister:** Well, as a devoted unionist and as someone who has fought hard for the benefits of working families for a long time, I'll continue to do that.

But what I won't do is sell out to my friends in the tops of union offices like the NDP has done for years. I won't do that because that wouldn't be fair to all the Manitobans who aren't represented and whose interests aren't represented by the NDP caucus over there, which is a great number of Manitobans, since April 19th, an especially large number of Manitobans.

I would mention also, Madam Speaker, if I might, that the NDP clings to this belief, and they're so misguided that they actually go out of their way to cater to these special interests that they just described. They actually give a third of the power to decide who their leader is to union bosses.

This is an historic practice that should have been eliminated a long time ago, according to the former member for Thompson, Steve Ashton, and many others who believe that it is totally misguided. I know it's a debate the members will have to have, but I would encourage them to let Manitobans be treated equally for a change in their own party.

**Madam Speaker:** The honourable interim Official Opposition Leader, on a final supplementary question.

**Ms. Marcelino:** The figures I quoted on work stoppages are from Growth, Enterprise and Trade on the government's website. In Manitoba under the NDP we saw one of the best economic records and one of the lowest number of days lost to strikes and lockouts.

Why is the Premier ignoring one of our favourite sayings here in Manitoba: If it ain't broke, don't fix it?

**Mr. Pallister:** Well, I think perhaps the member was confusing things there a little bit.

\* (14:20)

There are working men and women all across Canada who have a secret ballot. We are proposing a measure so that we become the seventh province in Canada to give that right to labour in our province.

So I think the member needs to be particularly careful—and somewhat guarded—in threatening labour

disruption as a counterbalance to a measure that is such common sense to most working families and union families across the country. I think threatening labour disruption would be not only inappropriate and dangerous, but counterproductive to the genuine labour peace that would benefit all Manitobans, and that we will strive to achieve here in this government.

#### **Question in Executive Council Estimates Consultations with Labour Organizations**

**Mr. Tom Lindsey (Flin Flon):** I would like to begin by acknowledging that this is public service week and extend my best wishes to all public sector workers on behalf of the NDP caucus.

In Estimates the other day, the Minister of Growth, Enterprise and Trade kindly consented to provide me with a list of all labour organizations that had been consulted.

Why, then, did the Premier (Mr. Pallister) refuse a similar request in Estimates yesterday when I asked him to tell me which organizations he'd consulted?

**Hon. Cliff Cullen (Minister of Growth, Enterprise and Trade):** I appreciate the question from the member opposite.

You know, we've been in a long consultation process with Manitobans over the last several years. We will continue to consult with Manitobans in the years to come.

The introduction of Bill 7 yesterday was the result of those consultations with Manitobans. We made a promise—an election promise to make some changes. Bill 7 was one of those election promises. We're being up front and clear with Manitobans, and we will continue to consult with Manitobans.

**Madam Speaker:** The honourable member for Flin Flon, on a supplementary question.

#### **Labour Relations Act Interference Provisions**

**Mr. Tom Lindsey (Flin Flon):** My question is to the Minister of Growth, Enterprise and Trade.

Bill 7 no longer includes language that requires Labour Board to satisfy itself that, and I quote, employees were not subject to intimidation, fraud, coercion or threat, and that their wishes for union representation were expressed freely.

If the minister believes that there are other resources in the act to prevent intimidation, can he please explain what they are?

**Hon. Cliff Cullen (Minister of Growth, Enterprise and Trade):** I do appreciate the member's question.

Provisions to the Bill 7 also will make Manitoba tied for the second lowest trigger in terms of bringing forward a vote on certification. So we think that's a step in the right direction as well.

Certainly, there is provision in the labour act in regards to interference, intimidation. If there is that in the workplace it can be reported to the Manitoba Labour Board, and the Manitoba Labour Board has the options to deal with that intimidation and interference.

**Madam Speaker:** The honourable member for Flin Flon, on a final supplementary.

#### Reconsideration Request

**Mr. Lindsey:** As the Minister of Growth, Enterprise and Trade knows, or should know, applications for certification that fall between the range of 40 per cent and 65 per cent of cards signed are already subject to a vote by secret ballot conducted by the Labour Board.

Would the minister reconsider his introduction of Bill 7, and the friction it has already—friction it has already created, by abandoning his proposed changes and simply clarifying that it is already in practice underneath the existing act?

**Mr. Cullen:** We did consult with Manitobans, and I know recent polls say that, in terms of the secret ballot, that 71 per cent of Manitobans agree with our stand on secret ballots. So there certainly is support for it.

We look forward to having a debate on our proposal. Certainly, we look forward to that debate. At the end of the day, the opposition members will have an opportunity to vote on this legislation.

#### College of Paramedic Services Proposal for Facility in Manitoba

**Hon. Jon Gerrard (River Heights):** Madam Speaker, paramedics in Alberta have been self-regulated for many, many years under the Alberta College of Paramedics.

At this critical time in our history, when paramedics are having a broader role in the health-care system, the Alberta college is

engaging in vital educational efforts, including setting standards of practice to ensure paramedics province-wide are up to date.

I ask the Premier: Why is there not a college of paramedics in Manitoba today, and when will there be one?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** There is not a college of paramedics in Manitoba today because the NDP did nothing on it for 17 years.

**Madam Speaker:** The honourable member for River Heights, on a supplementary question.

**Mr. Gerrard:** Madam Speaker, today, ambulances in Canada are often functioning as mobile emergency rooms.

Today, paramedics in Canada are acting to provide care in family homes in the community, in personal-care homes and in emergency rooms, as well as when they're transporting patients.

As part of their continuing education program, the Alberta College of Paramedics has on its website a learning module called airways management and concepts in pulmonary care, and yet in Manitoba we don't even have a college, let alone a learning module.

By what date will there be a college of paramedics in Manitoba, with all the benefits it will bring?

**Mr. Goertzen:** The member is certainly correct that our paramedics in Manitoba do a great service in many different areas of the province and in many different ways, including paramedicine in some places in Manitoba.

We certainly support our paramedics. We support all of them regardless of where they are serving in Manitoba. We've already begun discussions with the leadership of the paramedics to move toward self-regulation. I wish the process would have begun sooner; I wish it would have begun 17 years ago.

**Madam Speaker:** The honourable member for River Heights, on a final supplementary.

**Mr. Gerrard:** Madam Speaker, I had a meeting recently with a paramedic who came from Alberta to Manitoba two years ago, and I was astonished to hear his point of view.

When I asked him how he liked working as a paramedic in Manitoba, he answered bluntly to say that paramedicine in Manitoba is far, far behind, and the scope of practice is so narrow that paramedics are not being used to their full potential. He also felt, and said, the situation was so bad that it wasn't even worth his practising as a paramedic in Manitoba until the situation is changed.

I ask the Premier (Mr. Pallister): When is he going to get his act together and change Manitoba's system and move paramedics into the 21st century where they belong?

**Mr. Goertzen:** Well, Madam Speaker, I am certainly sorry to hear of the story that the member describes from a paramedic. We certainly hear from many paramedics who believe that they are doing good and important work, and we as a party certainly believe and support that they are doing good and important work.

We do want to support them with a college so that they can have self-regulation. We do believe that is important. We've already begun some initial discussions with leadership on that issue.

I only wish it would have started more than a decade ago.

#### **Auditor General's Report Ethical Practices Recommendations**

**Mr. Derek Johnson (Interlake):** Madam Speaker, on April 19th Manitobans chose to elect our PC government in order to help clean up the ethical mess left by the former NDP government.

Yesterday, the Auditor General released his follow-up report on recommendations on Manitoba's ethical environment. The report detailed the NDP government's progress—or their lack of—on implementing his recommendations.

Can the minister please inform the House about this important report?

**Hon. Cameron Friesen (Minister of Finance):** I thank the member for this question on an important topic.

\*(14:30)

Indeed, the Auditor General reinforced, again yesterday, what we already knew, and that is that the previous government did not take ethical operation of government seriously and made—and the report now shows that they made very little effort in terms

of making progress on reinforcing ethical guidelines for government.

The Auditor General's original report said clearly there was a problem with a tone at the top. Civil servants who responded to surveys said that there was an unethical environment, sometimes disarray. They spoke about not wanting to report misconduct because it wouldn't make a difference and they feared reprisals. Certainly, this should not be the case.

Madam Speaker, Budget 2016 makes clear Manitobans can rest assured that, unlike the predecessors, our government is committed to an ethical government from the very top to the very bottom.

#### **Premier's Enterprise Team Diversity of Appointments**

**Mr. Kevin Chief (Point Douglas):** Madam Speaker, we continue to see that Manitoba has a strong economy with one of the lowest unemployment rates. It's because there was always a government that stood with business leaders, training institutions and Manitoba workers, including our labour movement.

Labour has always played a critical role in protecting workers' rights, making sure workplaces are healthy and safe and giving a voice to some of the most vulnerable. The government has said they will establish a Premier's enterprise team made up of business leaders to advise him.

Will he take the Minister of Growth, Enterprise, Trade's own recommendations to include representatives from Manitoba's labour community on his enterprise team?

**Hon. Cliff Cullen (Minister of Growth, Enterprise and Trade):** Madam Speaker, I do appreciate the member's question.

As I mentioned earlier, we are consulting with Manitobans. We will continue to meet with Manitobans. And we will continue to meet with the various labour organizations in the province. And we support the good work they do on behalf of Manitobans.

I look forward to—I'm currently putting a list together and will be submitting it to the Premier's office, and I look forward to input from members opposite as well.

Thank you very much.

**Madam Speaker:** The honourable member for Point Douglas, on a supplementary question.

**Mr. Chief:** Madam Speaker, one of the fastest growing demographics in Manitoba is our young indigenous population, along with our new Canadian immigrant community.

I met a young guy named Patrick [*phonetic*] in northern Manitoba, up in Thompson. He's a young indigenous person who's been training to be an electrician.

For Manitoba's economy to do well, we need young people like Patrick [*phonetic*] to continue to do well.

Will the Premier (Mr. Pallister) commit to have indigenous, new Canadian and immigrant voices represented on his enterprise team?

**Mr. Cullen:** Madam Speaker, we're quite excited about the opportunities in Manitoba.

I reflect back to 2013 on the small-business confidence in Manitoba. We were second last at that point in time with an 8 per cent ranking.

Let's fast-forward to May 2016. The question is: How confident are you in your new government were committed to improving the business climate? Eighty-two per cent.

**Madam Speaker:** The honourable member for Point Douglas, on a final supplementary.

**Mr. Chief:** Madam Speaker, I was asking about having Patrick [*phonetic*], a young indigenous person, sit on the Premier's enterprise team. And they should be giving standing ovations to young people like that, not themselves.

We know we want Manitoba's economy to continue to do well. We need single parents, women and our seniors, who know the importance of increasing the minimum wage.

We know the Premier gave himself a wage increase, close to 40 per cent. That top-up is almost equal to the entire yearly earnings of a person working full time on minimum wage.

So I ask the Premier: Will he commit to having a minimum wage worker sitting on his enterprise team?

**Mr. Cullen:** Madam Speaker, we do have some plans in place for making sure Manitobans have the ability to work. We're excited about our Yes! North

initiative, which will I think be very valuable for many northern Manitobans.

Clearly, the surveys are indicating this government is headed in the right direction. It's our goal to get more people in Manitoba to work. And I think that optimism is there. The confidence is here in our government, and we're going to get things done because we will have a plan, contrary to what was in place before, no plan.

### **Protecting Children Act Consultation with Stakeholders**

**Ms. Nahanni Fontaine (St. Johns):** I'd like to take a moment to applaud the Minister of Families for tabling Bill 8, the protecting children act, yesterday. We know Bill 8 is only one of Commissioner Hughes' many recommendations in respect of supporting and protecting children, and I know that we can all agree, on both sides of the House, the importance of protecting children and decreasing the number of children in care. Truly, this is all of our sacred responsibility.

Can the Minister of Families please share with us exactly what stakeholders he consulted with in formulating the protecting children act, and over what time period?

Miigwech.

**Hon. Scott Fielding (Minister of Families):** I do thank the opposition member for the question. We're very pleased that we were able to consult on that and set up briefings with both opposition parties. We want to ensure this bill makes sense. It's a bill that we think is a first step to protect the most vulnerable people. It's something that Justice Hughes has spoke of clearly, of the importance of sharing information, and we're absolutely committed. This is a first step in terms of making children more safe.

**Madam Speaker:** The honourable member for St. Johns, on a supplementary question.

### **Privacy Measures**

**Ms. Fontaine:** We know that in this era of the Internet, a breach of privacy is inevitable and irreversible. Once information is released it can rarely be made private again.

Can the Minister of Families please explain what measures are in place within the act to protect children's privacy and the privacy of their parents, and what consequences will be applied in the event of a breach in privacy?



And also, I reiterate my first question in respect of what stakeholders he actually met with.

Miigwech.

**Mr. Fielding:** It was a—formulating a bill like this, you know, we are looking to have the best possible outcomes for it. We truly think that what Justice Hughes has talked about in terms of sharing the information is extremely valuable.

We—a part of this, talking to people like the Manitoba Ombudsman as a part of it, the Children's Advocate, is extremely important. The indigenous community is an extremely important part of this, and we, unlike previous governments, want to consult further. We want to make sure that it's a fulsome bill in all aspects of it.

Anything to do with privacy, there's privacy elements that are built into this. There's also regulation capacity that will address any privacy issues with there. So we're absolutely pleased. We think this is the first step to making children a little bit more safer.

Thank you.

**Madam Speaker:** The honourable member for St. Johns, on a final supplementary.

#### **Prevention Programs Funding Concerns**

**Ms. Nahanni Fontaine (St. Johns):** This government has slashed \$35 million in prevention funding for programs encouraging healthy families and supports for parents, dismissing these preventative programs as wasteful government spending. In fact, though, we know preventative programs will have the most long-lasting impact on children and their families.

In the spirit of keeping children out of care and supporting families, can the Minister of Families explain to this House why he is defending his government's move on cutting these vital and critical programs?

Miigwech.

**Hon. Scott Fielding (Minister of Families):** I do thank the member opposite for the question. I can tell you in this budget, even in my own department, there was substantial money that was invested, money that's going to make a difference to everyday families whether it's money towards housing, \$45 million, 56 per cent increase in housing, money—more money towards Child and Family Services.

And it's not just always about money, Madam Speaker. It's about making sure we're getting results, and we think that the protecting children act is what we introduced yesterday, and we'd like to work with other members from different parties in terms of a consensus on this. We think it makes absolute sense as a first step to protecting children, and that's our goal in this whole thing.

Thank you.

\* (14:40)

#### **Waterford Green School Construction Inquiry**

**Mr. Mohinder Saran (The Maples):** Statistics Canada just released updated figures showing that Manitoba is growing at a record rate. As our young families consider moving into new developments throughout Manitoba, access to public schools for their children's education is top of mind.

Could the Minister of Education please affirm that the Waterford Green school would be built to ensure the needs of the community are met?

**Hon. Ian Wishart (Minister of Education and Training):** I thank the member for the question.

Well, we certainly have many new immigrants coming to Manitoba; we have certainly a significant number of refugees also coming to the province this year, and it does present some particular problems for the school system because many of the refugee families especially have very large families, so there's significant numbers of children coming into some areas.

We have been working with the federal government to make sure that we have adequate funding in place and that we have an adequate process to make sure that there is sufficient space and sufficient resources for English as a second language to help these families get well adjusted and do well in Manitoba.

**Madam Speaker:** Time for oral questions has expired.

#### **PETITIONS**

##### **Bell's Purchase of MTS**

**Mr. Jim Maloway (Elmwood):** Madam Speaker, I wish to present the following petition to the Legislative Assembly.

The background of the petition is as follows:

Manitoba telephone system is currently a fourth cellular carrier used by Manitobans along with the big national three carriers: Telus, Rogers and Bell.

In Toronto, with only the big three national companies controlling the market, the average 5-gigabyte unlimited monthly cellular package is \$117 as compared to Winnipeg where the MTS charges only \$66 for the same package.

Losing MTS will mean less competition and will result in higher costs for all cellphone packages in the province.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to do all that is possible to prevent the Bell takeover of MTS and to preserve a more competitive cellphone market so that cellular bills for Manitobans do not increase unnecessarily.

And this petition is signed by many Manitobans.

**Madam Speaker:** In accordance with our rule 133(6), when petitions are read they are deemed to be received by the House.

Grievances?

#### ORDERS OF THE DAY

*(Continued)*

#### GOVERNMENT BUSINESS

*(Continued)*

**Hon. Kelvin Goertzen (Government House Leader):** Madam Speaker, could you please resolve the House into Committee of Supply.

**Madam Speaker:** The House will now resolve into Committee of Supply.

Mr. Deputy Speaker, please take the Chair.

#### COMMITTEE OF SUPPLY

**(Concurrent Sections)**

*(Continued)*

#### EXECUTIVE COUNCIL

\* (15:10)

**Mr. Chairperson (Dennis Smook):** Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for Executive Council.

As previously agreed, questioning for this department will proceed in a global manner. The floor is now open for questions.

**Mr. Wab Kinew (Fort Rouge):** The First Minister had said that there might be some additional information this afternoon on the interest rate questions from this morning, so just following up to see whether we could return to that.

**Hon. Brian Pallister (Premier):** Thank you to the member for raising the question this morning.

And I'll do my best to, now, having taken an immersion class in a new language that the member's colleague from St. Boniface wouldn't have needed, that I should have gone to him first, I will attempt to explain in a little bit of detail and with the faint hope that the member will not want me to elaborate to too great a degree on the detail that I share with him.

So, first of all, I would start with the global and then move into some more minutiae. On terms, I think we had talked about the terms or the length of time that money is borrowed for, say, approximately a third of government borrowing currently held is in five-year-or-less bracket; approximately a third, between five and 10, and in the remaining balance of terms longer than 10 years.

Now, I think that's—there's a thing here, and I say this in a totally non-partisan way, believe it or not, there's frequently a misrepresentation that is made that, you know, a 1 per cent increase in interest rates results in an additional X billions of dollars of debt service costs. And this I know from my earlier discussions in past Estimates with the member for St. Boniface (Mr. Selinger) is not the case because the duration of the borrowing is over much longer periods in many cases, so not, you know, 10 per cent of the money in the budget doesn't come up for renewal each year, about \$2 billion approximately per year comes up for renewal.

Nonetheless, I would add that it should not—the impact of interest rates should not be ignored because of that fact because, ultimately, the piper comes home. And so debt taken on is debt that renews. And, when it renews, the consequences of a higher interest rate are felt. So, obviously, there is an impact but not to the tune of, you know, over a five-year rotation—the reason I would reference that is many people commercially will borrow money, ladder their debt obligations somewhat, so they may take on a term on some of their mortgage for a three-year period and some for a five just to make sure they're mitigating a little bit the interest rate risk factor on their leverage.

On the issue of comparisons, I'll start with the statement that the—these numbers are as of this morning—these are as of this morning. But, for purposes of illustration, that this is the benchmark number for the Government of Canada, so I'm going to use phrases, and then the member's going to ask me to explain them more fully. And I'm going to ask him to talk to the member for St. Boniface (Mr. Selinger) in the interests of time, and he's going to say, no, we've got to run these Estimates out for at least two or three weeks yet—but I'll do my best to clarify this.

The—I'll start with the fact that we borrow at a higher rate than, say, the government of Ontario, but lower than New Brunswick and Nova Scotia, PEI. We borrow at less than they—we borrow at a lower rate than they pay.

Now, the member for St. Boniface may wish to correct me on that.

**An Honourable Member:** Ontario still in the list or taken out of the list?

**Mr. Pallister:** No, we pay more than Ontario, and there are relative spreads in these calculations for the—for points of illustration, but, basically, as an example, on 30-year money we would pay about a fifth of a point more—fifth of a percentage point more. I'm not going to use the codified language of my friend to my left here because then we'd all need to go to school with my daughter, the actuary, to figure it out.

Then there's the benchmark yield. Government of Canada bonds would be, in this example, 0.49 for two-year money and then spread to the base mark—benchmark, I'm sorry—would be 39.0.

**Mr. Chairperson:** I need to interrupt this as the First Member's time has expired.

**Mr. Kinew:** Well, in all seriousness, the First Minister was in the middle of a response that I had posed to him, so I'd ask him to, you know, please continue his explanation of the, I guess, the number of points over the benchmark rate, I think is where he was at.

**Mr. Pallister:** Leave is denied. *[interjection]* And then there are fees, so in the long term here, to borrow two-year money, 1.0 per cent, okay.

So I see the member for St. Boniface nodding his head vigorously, and I think he's thinking that we

should get a hat going around and borrow a lot of money real quick, but I would again emphasize that it's what you buy with it that really is the key here and that it's very important to consider what one gets for the investment and not just the price one pays to borrow the money.

But I would go—rather than going through a dull repetition of this incredible detail, which, of course, we're all so well grounded in, I would move forward and simply say that on the two-year example I gave of 1 per cent that we now have a normal yield curve, I think it's called, and three-year money at 1.15; five going up to 1.45; seven to 1.79; 10-year money at 2.31; 15 at 2.83; 20-year at 3.06, and 30-year only slightly higher than 20 at 3.11, and I wouldn't mention—I don't think it's confidential to say that we have previously added durations longer than 30 years, as much as 50 years, on some financing.

Now, I'm very interested in it, but I will preface this comment by saying I do not have a lot to add to the discussion today, but I personally would like to offer to all members I am very interested in how we match the borrowing to the thing we buy, and I think that might be a topic perhaps for another day or another committee, but a topic that would illuminate members. It's a—that matching of the—of the term to the purpose of the asset for which we've levered is a pretty important principle in personal financial management, and obviously it would be a principle to watch for in government as well.

Since I see I have two seconds left I will stop my comments at that point, knowing the member is riveted to those comments.

**Mr. Kinew:** I think the First Minister was going to make a comparison one fifth of a percentage point higher than another jurisdiction, perhaps, in the—*[interjection]* Oh, to the feds? Yes, just so—for clarity, I guess that could be a quick answer. Was that in comparison to the feds? I just was—I didn't hear the—*[interjection]* No, I think it was before he was comparing to the Government of Canada benchmark rate. Might have been a comparison to the other provinces.

\* (15:20)

**Mr. Pallister:** There's two points there for clarification. The first that my initial comment was in reference to the difference between Ontario, and I used the example of two-year money and—I'm sorry, I used the example of 30-year money and

we pay a fifth of a point more. Now, of course, percentage-wise, it's more significant. It doesn't sound like much, a fifth of a point, but percentage-wise, it's more, because the rates are so low right now, so I guess there is a bit of a gap there.

But you were—I think the member—sorry, Mr. Chair, the member was asking about federal. The benchmark federally, I'll just read to the member. This is federal government—would borrow two-year money at about half a point and we would be twice as—we would be at 1, as I said previously.

And those differences—well, let's just read through. Can I just read through the list? Would that be helpful?

**An Honourable Member:** Sure.

**Mr. Pallister:** Three-year at 0.47 is the federal; 1.15 would be—am I reading that right? It says Canadian on—this is us, right? *[interjection]* Sorry, five-year, federal 0.54 and we're 1.45; seven-year, 0.75 and we're 1.79; 10-year, 1.07 and we're at 2.31; 15-year, the same federally, 1.07, but quite a bit different for us, surprisingly—I'm not sure why that is—2.83. So, we're basically—we're half a point higher going from 10 to 15, interestingly, and the feds are exactly the same in those two numbers.

And then 20-year, they're at 1.73. So there—oh, no, that's interesting. Theirs goes up from 1.07 to 1.73, a pretty significant increase from 15 to 20, and ours only goes up from 2.83 to 3.06.

And then finally on the 30-year number, it's 1.74, almost identical in both, actually. They're 1.74 and we're 3.11.

**Mr. Kinew:** That's interesting. So the federal government yield curve is actually U-shaped in the beginning. Am I right on that? Like, it goes down in the—or *[interjection]* I must have misheard the—*[interjection]*

**Mr. Chairperson:** The honourable First Minister.

**Mr. Pallister:** The federal is 0.49 and then, the member is right; it does go down from two-year to three-year but just to 0.47 and then is the standard yield curve rising thereafter. So there's a slight drop from two-year to three-year there. Yes.

**Mr. Kinew:** Thanks for that clarification. I just wanted to make sure that I had the right figures in my notes here.

So we heard the breakdown in the debt that's currently held in terms of, you know, the time period on which it's held for. Is the new debt that's being accumulated, is it in roughly the same proportion, like one third, one third over the three different time spans?

**Mr. Pallister:** I'm told that Finance is looking to expand—*[interjection]*—over the last four or five years, looking to expand slightly on the longer term, borrowing over 30 or over to the tune of about 40 per cent as opposed to the third-third-third synopsis that I gave of currently held total. So—and then the balance divided roughly between the under-five year and—no—and the balance roughly divided equally between zero to 10, 10 to 30.

**Mr. Kinew:** And can the First Minister explain the rationale for that? Is that just to take advantage of current interest rate situation in the markets?

**Mr. Pallister:** So the belief that it would be advantageous somewhat to have longer terms of debt at historically lower interest rates, but it should be noted that there—the lenders have to comply with the borrowers. The market doesn't necessarily always comply with our—with a lender's—with a borrower's wishes, so it may be at times, that despite our best efforts, the market does not respond favourably to our desire. So there is a strategy and then there's the real world.

**Mr. Kinew:** What would be the First 'minister'—Minister's strategy to continue that, I guess, searching for opportunities to take advantage of these and lock in these interest rates longer term?

**Mr. Pallister:** My strategy would be to put my arm around the experts as best as I possibly can and not pretend that I know the world's financial markets inside out. I think we have been—and I know the member for St. Boniface (Mr. Selinger) would agree and attest to this, we are blessed to have some tremendously knowledgeable people in government service in this category. And we have done some very good things over the years in respect of the management of the accumulating deficit in the form of debt to try our best to mitigate against additional risks that come with that accumulation of debt. Of course, the larger issue is the accumulation of the ongoing deficits themselves, which leads to the additional borrowing, which leads to the heightened risk factors that are involved in running the government's operations and also in ongoing securing the credit. So, obviously, not a beneficial thing to us, for example, to have a downgrade in our

credit rating or a warning, you know, prior to that. These things would lead to additional charges for us, additional risks for us, and these costs are real.

So I would also—I should also mention that one of the initiatives I was privileged to observe back a few years ago, 20 years ago, I guess, now or so, was something that involved reducing our currency risk. We used to carry—at certain points back in the '80s, we had as much as half or more of our provincial debt in other currencies besides Canadian. And so we were exposed to this currency rate risk as those currencies changed in value relative to our own. This heightened the—obviously, this created a greater management risk for us here.

So, what happened as a consequence of that was we adopted a repatriation strategy to get the dollars swapped into Canadian currency at the point of borrowing so that we were in Canadian dollars. That doesn't mean we don't borrow in other currencies; it means we convert as we do. So, for example, in US market, there is some opportunities with arbitrage, which may allow us to borrow at certain times, at certain advantageous rates in the United States initially. We would borrow; we would then convert into Canadian dollars at that point.

**Mr. Kinew:** Just so I'm understanding correctly, so, like, we would roll over—or take advantage of, like, say, like, a zero or near-zero per cent asset in the US—or a rate, rather than asset, take advantage of that rate and then roll it over into Canadian dollars. And then I guess the question is: Is that practice still ongoing? Are we still using arbitrage to hedge against changes in the currency market?

\* (15:30)

**Mr. Pallister:** So, as an example, on two-year money, currently as of this morning, we might be able to borrow at a quarter of 1 per cent less in the US on two-year money than if we borrowed it in Canadian, and on 10-year money at about a tenth of 1 per cent.

Further elaborate, if the time now with our currency under 80 cents, these are opportunities we may avail ourselves of. Obviously, as the currency rises in value—our currency approaches par with the US, these are opportunities that are no longer there. So it's—and I would mention again that when the transaction is done, the currency risk is mitigated by

immediately swapping the currency to the Canadian dollar.

**Mr. Kinew:** How big is the impact of these forms of arbitrage, like, is—what's the approximate dollar value transaction?

**Mr. Pallister:** So I'm told that, as an example, on Tuesday we borrowed \$500 million, saved 8 basis points; that's the equivalent of about \$4 million over a 10-year period. So that would save \$4 million over a 10-year period as a result of that transaction. So the gentleman on my left earned his paycheque when he did that.

**Mr. Kinew:** I'm pleased to hear the way that we can calculate his paycheque by observing fluctuations in the private and public markets for interest rates.

What's the impact on the debt-servicing costs of the provincial government of using these arbitrage, you know, techniques? Is it having a significant impact?

**Mr. Pallister:** So, just a couple of things. Okay, back to the arbitrage question the member asked. I guess the honest answer is you don't do it unless it saves money. So it would depend on what the currency relative to other currencies was as to whether you would do these transactions or not, and they wouldn't be entered into unless there was money-saving potential to be found. So, the two major variables are the currency values and the interest—relative interest rates in those markets. Interest rates can vary.

So, the principal currencies—to anticipate the member's later question, the principal currencies that we borrow in are—besides Canadian dollars—are US dollars, the No. 1 biggest category, and then Aussie dollars, Japanese yen and Euros. And, of course, again, those are flipped to—swapped to Canadian dollars at point of borrowing, so at that point I guess it's largely irrelevant what currency they are because they're a Canadian dollar.

**Mr. Kinew:** Over what timeline do government officials expect the—this low-interest-rate environment to persist for? I ask because I noted in the budget—I believe it's in the—one of the appendices to the—yes, to the budget document—that there's a forecast for oil prices, and I'm guessing also, probably, other commodity prices, to not recover for as far out as five years.

Is there a similar, you know, forecast for the interest-rate environment to remain low over the same timeline?

**Mr. Pallister:** So, though the department pays attention to what speculation is out there—in particular, among major Canadian banks, as an example, they do not base their decisions on speculation.

**Mr. Kinew:** I see in the poverty strategy that's part of the budget document that there's a significant increase—or I'm quoting here from the document, significant increase—I'll paraphrase rather than quote directly because I've got my verb tenses mixed up here. But that on the—in this year's budget, there will be new construction, improvement and maintenance to Manitoba Housing and Renewal Corporation's multi-year capital program.

I'm wondering if the Premier (Mr. Pallister), you know, without getting into the specifics of each project, if he could provide some insight as to what sort of initiatives this will fund. Are we talking renovations, new construction? Is it geared towards social housing? Is it more affordable housing? *[interjection]*

**Mr. Chairperson:** The honourable First Minister.

**Mr. Pallister:** Oh, I'm sorry, Mr. Chair. It's in both affordable and low-income housing, and there's major—as the member knows, there are very significant renos, projects being undertaken. And this is something that's been building over a number of years. And no secret regardless of government, the housing, generally, with respect to infrastructure programs on a broad basis and with housing no exception, a deficit in respect of the repairs needed to be done and the maintenance needed to be done to reduce long-term replacement costs. Parts of those suffered as a consequence.

I think at best, in the time frame we have, I would probably be forced to read from the budget book for the member, so we could perhaps move on and I can look for more detail. I'd be willing to do that if the member would like that and provide him with more specific detail than is contained in this because the budget book, by its nature, is an overview or a summary.

\* (15:40)

**Mr. Kinew:** Yes, that—if that's taken under advisement, that's great. More than happy to oblige.

In terms of the policy—or, rather, the decision making that went into this, what sort of factor did the borrowing—the capital borrowing costs factor in?

**Mr. Pallister:** The two things don't interface, I don't think.

Is that fair to say? There's a global borrowing responsibility that Finance endeavours to undertake once it gets a better handle on the perspectives, the needs—anticipated needs of various departments in combination.

So, no, there wouldn't be—I don't believe there would be any consideration given in the weighing of various investments through this process of the anticipated interest rate going out into the future, or arbitrage possibilities, or any other factor. The two processes are distinct from one another.

Essentially, an order is placed for money that is needed to be borrowed and, then, Finance officials come into play and do their job.

**Mr. Kinew:** So, just so I'm clear, the decision is made on the political side for, you know, lack of a better term, about what the priorities are going to be in terms of capital investments, things like that. And then, almost a division between church and state. And the Finance officials go out and take advantage of the necessary financial instruments to facilitate those policy decisions.

**Mr. Pallister:** And I do—at the risk of sounding sexist, I'm going to use an analogy from our household growing up.

My father often claimed that he was solely responsible for earning the money, and my mother for spending it. This was not true; nonetheless, the accusation was made repeatedly because she had to make more of the decisions than he did about the allocation of the money. And I think he was quite glad to have her make those decisions. Nonetheless, it is fair to say the taxpayers make the money, or we borrow in excess of what the taxpayers make and supply to us as a consequence of spending demands which are higher than the actual intake from the taxpayer, and that is called a deficit.

This deficit has to be financed. It is financed with the help of the Finance Department. Very appropriate, really. So, when a government spends more than it brings in, it is required to develop specific expertise in borrowing.

This particular government that we are now forming comes with it a great amount of expertise in

borrowing. That would be as a consequence of considerable experience in doing that. This is the result of spending, which has exceeded the inflow of tax dollars on an annual basis for a considerable length of time. In other words, when a government spends more than it brings in, it requires expertise in borrowing, and we have that now in our government, and we have that in spades.

Unfortunately, of course, we also have the obligation to pay all that money back, and so that goes with interest charges, and compounding interest is a real—can be a real drag on people going forward.

**Mr. Kinew:** So, you know, returning to the earlier analogy about the hat that my colleague from St. Boniface has made reference to earlier—but is there any sort of calculation on the political side of the decision making, whether, you know, low interest rates means that, you know, there's a better time than others to invest in capital?

**Mr. Pallister:** I think I addressed that a little bit earlier.

There's always consideration. Although the Finance officials don't engage in speculation on the direction of future interest rates, they do possess data which demonstrates that we are in a low interest cycle relative to previous interest rates, and that would be undeniable. Therefore, there would be a natural inclination, I think, to extend the term of borrowing.

The magnitude of the borrowing is another matter, entirely politically driven, not Finance Department driven. Therefore it would be a political decision if one was to want to spend more money today than they are bringing in. And it has been a political decision and it will, of course, continue to be a political decision, though, on our part, we want to move towards balance, so we will be looking at ways to find more efficiencies in the management of the tax resources entrusted to us such that we can get better value for money and reduce the amount of potential borrowing that has to be undertaken as we move forward, somewhat, in a staged manner.

I'm very cognizant of the reality of the fiscal situation married to the social situation we face. We have some very dire needs that have been relatively inadequately unaddressed versus other jurisdictions, for example, high poverty, low educational outcomes, very, very long waits for health care that

have to be addressed. And so balancing those pressures is the challenge every government faces.

**Mr. Kinew:** How about with respect to the infrastructure programs that have been announced by the federal government? Has the First Minister taken into account, like, the opportunities afforded by those, you know, certain envelopes of funding that have been announced since the federal election? *[interjection]*

**Mr. Chairperson:** The honourable First Minister.

**Mr. Pallister:** Yes, so there's a process involved in identifying capital investment projects. And I want to share this with the members, because I think this is very illuminating. And I'm going to share this even though this is inside-the-beltway stuff. This is information that I never got when I was a critic, previously, and it's important to understand, because, yes, the answer—the short answer is yes, but I'm going to give the member a longer answer naturally.

The short answer is yes; when the federal government offers to partner on projects, you take a look at it, and, certainly, previous administration and this administration will be doing that. The question of which projects and to what degree we pursue those partnerships remains one that we're in the process of addressing. And, naturally, it is an ongoing process, because the federal government could announce a new program next month on something else, and we have to continually address those so-called opportunities. Sometimes there are—sometimes they are opportunities that come out of the blue, and sometimes they come about as a result of genuine consultative discussions.

For example, I'm very strongly urging the federal government to do more than commit in words to the construction of an outlet on the north end of Lake Manitoba, as an example, which we feel is an emergency project. And we want their support and co-operation in moving that project ahead, because we feel for the people in that basin. I think we talked a little bit about this the other day, but, for the folks in that basin and for all Manitobans, it's the fair thing to do. And so we want to move ahead on that project.

So, partnership doesn't exclusively mean—it's not a—sometimes it's just a generic term, but, I mean, it has to be demonstrated in a real way, with real action by both parties. On the aerospace file, for example, we've heard some verbal commitments to Manitoba's aerospace industry from the federal government. We have, however, seen less action on that front. So it's

important to rigorously follow up and construct relationships of trust as best we can going forward, but I think it was a positive step the other day when all of the members of the House unanimously adopted that resolution we debated, in respect of our support for the aerospace industry and our concerns about the federal government's positioning vis-à-vis the aerospace industry in our province, because it's an important industry for our province. It needs to be strengthened, not weakened.

I know I'm going to run out of time, so I'll save this, but I was—I offered this morning and I will put on the record, unless the member prefers I don't, the impact statement that is—and I don't think that I'll table it, but I'll read it into the record for the member's benefit—all members' benefit, because I think it's a good thing for us to all understand the process that's used by governments to look at capital investment and to determine whether the investment makes sense or not, to assess the investment properly. I think this is a good thing to share with members, because I'm not sure that the detail of this is very well understood or very well known. And I've addressed this earlier, committing to the members we are in the process of developing what we consider to be a very good advance for assessing and evaluating projects going forward that goes beyond this, but this is a process that is—we're utilizing at this point in time.

And we want to consult with industry participants to get their input on how they feel the process can be made more effective and how it can result in better value for sure, but, in the meantime, I think it's really a good idea to understand the criterial assessment model as it has been used.

\* (15:50)

**Mr. Kinew:** Sorry, just to be clear, that's the criteria used to assess infrastructure projects?

**An Honourable Member:** Yes.

**Mr. Kinew:** Yes? Okay, and—

**An Honourable Member:** Yes, that's what I was trying to—

**Mr. Kinew:** Yes, and so did you want to provide a detail of that?

**An Honourable Member:** Yes, I'm going to read into the record.

**Mr. Kinew:** Okay, excellent, please do.

**Mr. Pallister:** I'm glad the member is interested in this. I sure would've liked this 20 years ago—I was starting my political career—to have a better understanding of what actually goes into prioritizing capital projects, assessing them.

Now, and this is—it's capital projects, so I guess it would depend. I don't want to—different people define infrastructure in different ways, so we'll call it capital projects because some people wouldn't say improving housing for low-income Manitobans was infrastructure, but it, you know, it is; it's capital project that has ramifications for Manitoban, so I would define it that way. So I define these things more broadly as capital projects.

So I'll just read in. These are questions when departments are making submissions on proposals for spending on capital projects these—this is basically the information that they're asked to provide.

First, a description. Answer the following questions as a minimum: What's the nature of the capital project? What's the objective or purpose of the project? Who is the primary client, target group impacted? Include number affected. What are the primary outputs? What are the primary outcomes? Is the project a government priority? Has it been previously announced in a Throne Speech or a budget speech? That's the first category, so to describe the project.

Secondly, the impact of the change on service delivery and clients, immediate and long term. At a minimum, please answer the following questions: (a) Is this capital project key to the achievement of an objective in your department plan? If yes, explain how they are related. (b) What is the immediate impact? What impacts will the change have on the level of service delivery, timing of service? How will the program outputs change? (c) What is the long-term impact? What is the nature of the impact? How will this change affect program outcomes? (d) How will you measure the actual impacts of this change? And (e) does the capital request impact another department? Is the other department in agreement? Good question to ask.

Three, assumptions or calculations used to determine change. At a minimum, please answer the following questions: (a) Is this a carryover of a 2015-16 project approval? Has the total project cost changed? If yes, please explain reason for variance. (b) What is the current total project cost estimate based on? Please specify.



Question four, other. At a minimum, please answer the following question: Has controllers' division been consulted or need to be consulted to confirm, clarify capitalization issues?

And five, alternatives within proposal. At a minimum, please answer the following questions: (a) What other options has the department considered? (b) Include a discussion of the option of making no change. What would the impact be?

So there's a bit of an overview. I hope that's helpful to all members of what goes into assessing capital investments. There's more detail if the member is interested, I don't want to bore any more than I normally do members of the committee with my answers. But I thought that might be helpful to all members, especially new members, but not exclusively new members, though it's exclusively at the present time new members around this table I must note.

**Mr. Kinew:** And that's how a briefing note gets made, I guess. Okay, well, that is very helpful, so I do thank the First Minister for sharing that.

What is the level of the film and video tax credit this year?

**Mr. Pallister:** I'll just say it's the same as it was. There was no change to it. I hope that's adequate for the member, and did okay.

**Mr. Kinew:** And is it the First Minister's intention to keep this valuable tax credit in place during the course of his mandate?

**Mr. Pallister:** I'm reluctant to answer that loaded question because I think it's important to be cognizant that we have a performance review coming up, and part of that exercise will be, no doubt, to take a look at all our programs and have an assessment done of them, not dissimilar to the—what I just read in the record in respect of capital projects. So I don't want to prejudge the outcome of that discussion in any way. But I would not want that to be misinterpreted to say, oh, that's on the chopping block next week, because that's not the intention. The intention is to actually do an assessment of what we're doing and make sure that we assess it properly so that we're getting maximum value for all programs, granting programs, tax credit programs, the whole works.

**Mr. Kinew:** Would that performance review include the impact of changes to similar tax credits in other

jurisdictions and the impact that that's had on the industries there?

**Mr. Pallister:** Parts of the detail have to be fleshed out. Where we're at in the process right now is simply asking for requests for proposals. So we're not at the stage of where I could answer that question properly and fully. I guess we'd say we're under development. We're looking for interest from parties to get their—gather their ideas. This is the part of the intent with the request for proposal.

**Mr. Kinew:** And just so I'm clear on it, is the RFP that the First Minister's referring to, is this the tender for the value-for-money audits that we've read about in the media? *[interjection]* Yes, we are?

**Mr. Pallister:** Yes, that's correct. I'm sorry I didn't clarify that properly before.

**Mr. Kinew:** Thanks for that clarification.

I was interested in the question posed by my colleague from Point Douglas in question period today about the potential of adding somebody who currently works on minimum wage to the Premier's (Mr. Pallister) enterprise team.

I wasn't clear on what the commitment or not was there. So, I'd like to ask whether the First Minister would commit to adding somebody who is a minimum-wage earner to his enterprise team.

**Mr. Pallister:** I suppose it's possible. I think it's going to be—there's no doubt there's a great deal of interest been expressed already from people around the province and around the city to be part of this exercise. And I want to be clear with the member that I'm open to the make-up of the committee and the size and various other aspects of it.

And, currently, in the process of doing is gathering up information on similar models, not exclusively in Canada, to ascertain how best to make a made-in-Manitoba model work for our province and its future.

**Mr. Kinew:** Are there any outside consultants being hired to help design this process?

**Mr. Pallister:** No one's been hired at this point. We have a request for proposal out with a general overview description of our outcomes and we're looking for a response and ideas from various interested parties. At that point, we'll move to the—that's why I say it's in process—we'll move to a further stage where we'll go into a selection process with a more clearly defined structure so that people can

actually bid on providing the service in more detail—with more sufficient detail than they have now.

**Mr. Kinew:** Just so I'm clear, so there—this is a separate request for proposals to be a consultant to steer the Premier's (Mr. Pallister) enterprise team? Is that accurate?

\* (16:00)

**Mr. Pallister:** This is for the performance review I'm referring to now. The Premier's enterprise team is just did in-house research that we're doing. It's no—there's no consultants hired, no outside people. We're just doing research to try to get answers on what other jurisdictions are doing and what works and what doesn't work.

**Mr. Kinew:** And is there a dollar value attached to the value-for-money tender that's out there?

**Mr. Pallister:** What's—what we had said, and we'll call it fiscal performance review, and what we had put on the RFP document was a maximum budget. So we had said maximum budget \$750,000 and review expected to be completed by December of 2016.

**Mr. Kinew:** For my benefit, when I'm trying to keep things straight here in the various documents, where would this be shown in the Estimates or the budget document, like, which—would this be in the Executive Council or in Finance, I gather?

**Mr. Pallister:** Finance.

**Mr. Kinew:** And are there currently any other consultants being retained or, you know, any other requests for proposals for additional consultants to advise the Premier currently?

**Mr. Pallister:** Not at this point in time.

**Mr. Kinew:** Are there any conditions on who the respondents to the requests from proposals might be? Like, is there a requirement that it be Manitoba, Canadian-based? Could it be international? Any scope or conditions on there?

**Mr. Pallister:** I'm almost positive we can't, under the agreement on internal trade, and it wouldn't be in keeping with the positions advocated by the previous administration or ours to restrict the bidders to solely Manitoba bidders. So, it's our intention to entertain these requests for proposals from interested parties, and it would be our intention to get the best advice we can possibly get on this very important exercise.

**Mr. Tom Lindsey (Flin Flon):** I just have a—I guess a few questions about the northern issues.

We had talked in several different places about your Yes! North initiative or Yes! North concept. I just wonder if you could flesh that out a little more for us as to what exactly is the plan, if there is a plan, or when the plan will come into being.

**Mr. Pallister:** I'll gather up some more information for the member. I'll just start with a couple of things. I think one of the key outreach efforts that we engaged in—I mean, the opposition, the previous opposition, engaged in—was to really get out to the communities of the North as best we could with our resources and to hear from people. I've—honestly, I've lost count of the number of caucus visits to northern communities, but I believe would be 30-plus, just to meet with community groups, community leaders, to ask for views, get perspectives.

I'm going to get—attempt to get for the member a copy of the summary document. I don't have it with me, but I will get it for the member so he can have a look at it, and I'd be very interested in his ideas on how we move forward with, you know, the ideas.

It's—as the member knows—as anyone who's visited northern communities knows, there's tremendous variation. There's great differences in the priorities from one community to another. There are certain communities that are—economically are progressing and doing really well, and others are really struggling and so that, naturally, as you travel to the communities, you find diverse viewpoints. The priorities are widely varying at times. Even within one community, when you have a series of meetings, you'll find one group has this as a particular top priority, and the second group has this as a particular—you know, it really varies.

And I know the member has seen these—these are variations that occur. I mean, they occur in all communities but I—particular—of particular note, I think, I'm reminded of my first trip to Churchill in my life, back in the '90s. I went with the Minister of Health at the time, a fellow named Jim McCrae. And we—I was quite excited about it. I was a new—as a member is, I was newly elected. First time. And to go to Churchill was quite an experience for me, and—so we were—walked in and had an initial meeting with mayor and council at that point, and then, spent the day meeting with community groups.

The first meeting was a group that were vitally concerned about addiction in the community. And

they made a heartfelt presentation about addictions and the problems that were being created in the community because of addiction. And the second group came in and they wanted a new liquor outlet, and they wanted more VLTs. Back-to-back meetings.

So you've got—just depends which part of it—sometimes, it depends which part of the community you go to, which priority. So that was—that's the challenge, I think, in how do you address—not exclusively northern communities' needs, but I think it highlights that the real challenge we all face as we go around our communities, get to know them better, getting to know our ridings better—and we see this true province-wide that everybody's different, there's lots—Manitoba especially is an incredibly diverse province and, I guess, I say that in intro by way of saying I know, and I know the member knows it's not easy. There's such variation, such diverse challenges, you know, St. Theresa Point is not OCN. And, so, the different priorities that need to be addressed are wide and varying.

But I begin with the assumption that listening to the people in community is the key starting point and, so, that's why we engage so—with much enthusiasm and much compassion and much interest in that outreach exercise.

The member knows very well of the challenges of unemployment in the North, the economic development initiatives that came to us from our consultations are—were many; very, very exciting. Tremendous hopefulness there. And looking at how we can structure this to benefit the communities in a real partnership way, I think, is the aspirational goal that we're in pursuit of.

**Mr. Lindsey:** I thank the Premier (Mr. Pallister) for that answer.

I just—and maybe it's too early in the process to really start getting into details of where they think they might be going with some of this, you're right. A lot of the communities would appear to have different needs, and I think, primarily, it is because of the different communities' starting points, if you will. That, really, the basic needs are all the same but Flin Flon is, certainly, a lot more developed, say, than Pukatawagan or—somewhere in the—whether it's the Yes! North plan or some other government initiatives, things like water-treatment plants, because many of the First Nations communities in particular are in trouble with water. Lynn Lake is under a boil-water advisory. Is there money set aside

in this budget to attempt to address some of those things?

\* (16:10)

**Mr. Pallister:** Most certainly, in a general way.

*Mrs. Sarah Guillemard, Acting Speaker, in the Chair*

But, as I've said to the member the other day, or it may have been the member for Fort Rouge (Mr. Kinew), this—we're in the process of setting up a methodology for evaluating proposals so that we make sure we do the things that are the top priorities for the—have the best benefit for the community. And having that criteria going forward, I think, is really important. Not least of all because, then, when the member says, well, you're not putting enough into your—my riding, I can say, well, here's the process we use, so at least you have an answer to that question, why wasn't there money there? Or, conversely, when money goes to your riding, and one of your colleagues says, well, how come none to mine, we have a way so we all understand, well, here's the criteria. This is how these things are evaluated.

I think this benefits people within political organizations, but it benefits all of us, because then the investments are made, and they're made on the basis of criteria that have to be defended by the government but also that people can understand.

I've seen infighting within political organizations around infrastructure, and the member better get ready for it, because it's going to come—because everybody wants everything in their riding, and that's the way it works. And, I can tell you it's a real—I think it's a really important thing for Manitobans to know that we're all working together to establish criteria that makes sense.

Now, doesn't mean we're going to make everybody happy; it just doesn't. I mean, we all know, the former premier knows how many applications for infrastructure projects come in, and my gosh, you know, there is just no way in the real world that you can do all the investments everybody wants and needs to have done, you know, this year. So we got to have the ability to plan out, and what I really like to see—and I know that the previous administration, I think, made some effort in this respect—was to start to lay out a forward plan so that if a community is under boil water periodically, at least they know, okay, that isn't top priority this year for that project but, three years out, that's where that's going to be. At least there's light, then, at the

end of the tunnel so people can see where they fit in to the longer term plan, right.

Without that, there's great frustration, I think, on the part of a lot of people. I—you know, there's lots of projects; I could get into some examples, but I think the key thing is to get that criterial assessment model in place, so, when the member says what about this project, any member of the Legislature will know here's how these criteria are established. We haven't had that in the past; we need to have that now. I think it's good for everybody here, and it's good for Manitobans, most importantly.

**Mr. Lindsey:** I get part of what the Premier's (Mr. Pallister) saying, coming from Flin Flon. We were always under the impression that The Pas and Thompson got more than we did, and I had an interesting conversation with a fellow from Lynn Lake, that, within our own riding of the Flin Flon constituency, was always under the impression that Flin Flon and Snow Lake got more than Lynn Lake and Leaf Rapids. So it's always a matter of perspective. And, I guess, depending on which community you come from, you may very well be justified in that view, that these communities and certainly Flin Flon, Thompson, The Pas, compared to Brochet—Lac Brochet are much further ahead as far as infrastructure and education opportunities and employment opportunities.

So that—they're certainly justified in their thoughts that maybe they're being left behind, and, when you visit those communities, pretty tough to argue with them. So I recognize what the Premier's saying, that there needs to be a plan and a long-term strategy. So, when, for a real short time frame, will the strategy be developed?

**Mr. Pallister:** Yes, that's the—that is an important question, and I—the sooner the better, but we want to do it right, I guess is the honest answer. So you don't want to rush it and, then, you know, we'll change it in two years and people are back where they were before.

I think this is why I included it in my mandate letter to a gentleman that's in the room currently, because I believe it is a priority and I think it's also very important and, on this, I guess I put this in the category—and I want to reference the comments for the member for St. Johns (Ms. Fontaine) on a relevant issue earlier today. I couldn't agree with her comments more when she spoke about certain issues as being not partisan in nature.

I tend to be less political on certain categories of investment than probably most politicians. I would put addressing poverty and addressing infrastructure deficiencies in those categories. Quite frankly, I think they're in—this is where, too often, I think what happens in dealing with these issues, we put barriers between people who should be allies and could be allies, and so I'm very cognizant of the urgency, but I want to make sure that we get a model—my hope is, aspirational, I guess, I think we can lead Canada in moving forward on this.

I know a lot of jurisdictions waste a lot of money doing infrastructure badly. I start with that assumption that's based on a lot of research. I recommend to the member, because I know he's got an interest in this, that Canada West Foundation has done a lot of good research on infrastructure investment and strategy and approaches, and so I'm not—this is not an opinion, this is a statement of research fact that many jurisdictions waste a lot of money with the way they handle infrastructure investments. This isn't going to be one of them. We can't afford this. Old approaches just don't work on infrastructure investment.

When I say old approaches, I mean beefing it up the year before the election, stuff like that. I mean your industry can't respond that fast, the member knows that, it's just common sense. You can't throw a bunch of tenders out the year before the election, put up a bunch of signs and say that's smart investment. We wouldn't do it with our own money and we shouldn't be doing it with Manitobans' money either. This is the kind of thing—I'm not interested—if that's what it takes to get re-elected, in my personal view, I think if you think that's what it takes to get re-elected, I think you're insulting the intelligence of Manitobans, because they've got a lot of common sense and they don't want politicians trying to grab credit, spending their money in the run-up to an election. What they want is smart, strategic investment that is defensible and right.

The member is really true, though, on this issue about every community thinks they're oppressed when it comes to infrastructure. I've heard that statement in just about every town and hamlet I've been in over the last 20 years.

There's a story about Duff Roblin going out to Pierson, Manitoba. I don't know if you know Pierson. It's way out in the southwest piece down here, south of Brandon, a good hour and a half, eh? And he's driving out for a meeting—it's in his—this

book that the Liberal member for Winnipeg south wrote—ghost wrote, Jim Carr, yes, wrote a—I'd recommend it, it's interesting reading—anyways he gets out to the hall and he's—and Mr. Roblin—Premier Roblin at the time, says, I just wanted to thank you all for guiding me out here. The host says, well, how do you mean? He says, well, all those orange flags you put up along the highway on the way out. Well, all those orange flags were to mark potholes and shoulders that were falling apart, and he didn't get much of a laugh because people have to drive on those roads. He said it was the last time he used that joke.

So people in the southwest part of Manitoba think they're forgotten when it comes to infrastructure investment. The people in the North think they're forgotten. Part of the reason is we've all forgotten in government over the last 25 to 50 years to invest properly in repair and maintenance of our existing infrastructure leading to deterioration which would have been preventable if we had done a better job of maintaining it. How is that for common sense?

Instead, we overbuilt, a lot of areas were overbuilt, and then we'd spend more money on the new when we should have been maintaining the existing, and this is a price now we're paying. We're going to have to put far more money into repair and maintenance, preventative, you know, it's smart, you'll multiply the savings over time by investing in preventative work. Everybody who's worked in a plant, a mine or a farm, knows that, you know, it's common sense to us. But, unfortunately, it isn't the way, over years, that—not exclusively the previous government, but most governments have worked.

**Mr. Lindsey:** I thank the Premier (Mr. Pallister) for that response. And I get that you want to take time to develop the criteria and develop it properly.

\* (16:20)

What do we do in the meantime, I guess, is my next question, because there are things that need to be done relatively quickly, not years down the road, but kind of right now type of stuff. So, how do you plan to identify those, particularly from my perspective for the North, for not just my riding in the North, but for the North in general? How do you identify those immediate concerns that need to be addressed?

**Mr. Pallister:** And again, the member's quite right. I mean, there's urgencies, there are issues, there are ongoing projects, right. There are federal—that the

member for Fort Rouge (Mr. Kinew) alluded to it before—federal offers of money to partner on certain projects. So a lot of this is a moving target.

But I wouldn't want the member—I don't want to mislead in any way the member. I am committed, our government's committed to establishing this criterial assessment model because we do believe it's in the best interests of Manitobans. It doesn't mean we're going to wait until we have it to do infrastructure investment.

So we are—there are ongoing investments that have to be made, not least of all commitments made by the previous government that we're going to be honouring. So, I guess I would say to the member my hope is it's not years away, it's months; it's within a year, certainly. I don't want to put much more of a time frame on that because I think the—that would be unwise.

I think it's really important to get the best possible model that captures the details of assessment but is communicable so that we all understand it pretty well and can explain it to our own constituents because there will be times when all of us, as members, are going to go back to our riding and say, we can't get that project this year but we believe that it's going to be coming up at a certain point in the future.

And if we had the long-term criterial understanding, we can make the case for the project better. Right? This is a problem I've seen with infrastructure projects in the past, is that there's money, there's an envelope, but it's so ill-defined that legislators like us can't really make our case for the money because we aren't sure what the criteria are, and that doesn't benefit us as elected people sent here by our constituents, at all.

And I've seen programs run that way and I don't want to run programs that way. I want members of all parties to be able to be confident in knowing that when they have a project in their area that they want to advocate for, they can see what the criteria are, they can make their case for that project based on those criteria. This is my goal.

**Mr. Lindsey:** On the face of it, I'm certainly not opposed to having that as a goal without knowing what the criteria will be going forward as to the selection of the projects and the timeliness of those projects. I'd caution the Premier that some projects don't have necessarily a tangible return on investment in dollars and cents terms, that you can sit

down as an accountant and come up with a hard and fast number, that if I invest this much money, this is what I'm getting back. Some of them have the more intangible benefits of giving people a leg up, giving people a decent place to live, if you will, giving people opportunities.

So, how will the government factor those kind of things in so that they get at least as much a priority and probably should get a higher priority in the planning stage?

**Mr. Pallister:** The member poses a great question. I think that's a great question. The—that's the challenge, isn't it, you know. There—but it's been—that the challenge not being met in—for many, many years creates a greater problem, and that greater problem is then ad hockery comes in. And then people throw money at projects without any explanation or defensible criteria and that's dangerous, because what that results in is waste, mismanagement, poorer management in respect of getting value for money from the project itself. Right?

*Mr. Chairperson in the Chair*

So we've got to face the challenges of having that discussion and that's part of this evolutionary process, right, to be able to do that. I am very sympathetic to the point the member makes. We don't—we haven't had the chance to get to know each other very well yet, but I grew up on a—well, let's just say we were the first on the bus in the morning and the last off. Let's just put it that way. My grandfather told me that half the time when people came down our road it was because they were lost. Okay, we're out of the way, way out of the way. So when the rural municipality was doing roads, wasn't always top of mind to do our road, yes? So then the isolated family gets isolated further as a consequence. I think the member knows what I'm talking about right now. And so there's a real concern that the—any analysis takes into account the need for inclusion within our people.

**Mr. Lindsey:** Yes, we certainly, when it comes to northern issues, we need to figure out the human aspect of those issues that—you talked about addiction issues in Churchill and in—or wherever it was, and competing interests. And there's—there are those issues in northern communities. But they're not—I'm struggling to find the right word here—there's certainly a problem, but the solution isn't necessarily just to focus on the addiction issue, that the solution has to be to focus on education, employment opportunity, communication, recreation, all of those

things that perhaps in the city or even in the rural communities we take for granted that they're just there, whereas, in those communities, those things just aren't there.

So, how do we make sure that that becomes the priority that gets us out of the spiral of addiction and suicide and all the crime, the everything that precipitates out of the lack of opportunity? How do we make sure that providing those basic services to northern communities, northern Manitobans, takes a precedence over—I hate to upset some of your folks from the south—but how does that take a precedent over an infrastructure project or a school in southern Manitoba to come to the top of the pile sooner rather than later?

**Mr. Pallister:** I appreciate the member's reference to what I will take to be a concern about—my mother used to say we spend too much time—or it's better—she used to say, it's better to put a fence around the top of the hill than an ambulance at the bottom. And this fundamental belief in prevention, I think, is one thing that we all understand on one level. But governments often are—choose to invest in crisis management. I say choose. Obviously, it's crisis; one would suggest by the nature of the word, you have to manage it. The trouble is, many of these things that are defined as crisis are preventable if one wants to invest in the preventative approach now. Advancing women's rights in our society may not sound like a crisis thing to some people, but had people not done that in decades past, had not advanced females' rights in society, we would've been greatly weakened as a society today. So some things that people take on now as causes will bear fruit in years to come.

My good old friend, Don Orchard was the—I said one time to him—he was a minister for a number of years back in the '80s and '90s, and I referred to him as the minister of Health in introducing him to a person who became a mutual friend. And he corrected me immediately and said, I'm not the minister of Health; I'm the minister of treatment. I'm the minister of illness, but I'm not the minister of Health, meaning there's not enough of a focus on prevention.

So the curative aspects the member's alluding to are very real and the benefits of many programs, many investments, don't pay off necessarily in the short term. They do pay off in the longer. This is part of the challenge of us doing an adjudicative—forming an adjudicative process of some kind that evaluates projects' value. It isn't just what they do in the short

term; it's what they do in the mid and long term that also matters.

\* (16:30)

So, whether it's an investment in a child's education—I rib my accounting friends sometimes because they concern themselves with the bottom line all the time. End of the year, it's just how much you made, gross, net, and there's your tax, always too high for us, right? But what they miss on a balance sheet is often as or more important than what they get.

For example, what they miss is the—some years that, for example, I took time in the 1980s and worked as a volunteer on a project, international project. So, at the end of the year, my income was less than the year before. The accountant says, you had a bad year. I didn't have a bad year. I invested in something that meant a lot to me and, I hope, paid dividends down the road. How can you call that a bad year? Or the year I went back to school, my income was dramatically less than it was the year before. Accountant says I had a bad year. Didn't have a bad year; I had a great year. I invested in something that doesn't show up on the balance sheet in the short term. I invested in intellectual capacity.

Or what about when I—you know, all of us have volunteered at various times. I volunteered to serve as the chair of the Canadian financial planners' council. Well, I volunteered to be on the council, and then I later became the chair. So my accountant would say, well, you're taking six weeks of the year off to go and do this stuff. And it does not—doesn't pay. Well, I've still got friends from that, and it was 25 years ago. Doesn't show up on a balance sheet, right?

This is the tricky thing with this stuff is you want to be able to assess the qualitative, not just solely the quantitative aspects of what you're doing. And I'm very cognizant of what the member is saying and very sensitive to it. I think we have to be very, very clear that we—yes, we're after good return on investment. Now, how do we define that is, I think, what the member's referencing. And I agree. It's not easy, but it's important we do the exercise. It hasn't been done; it needs to be done now.

**Mr. Lindsey:** I appreciate the Premier's (Mr. Pallister) answer, for sure, and I guess I'll ask my question again. I recognize that your desire is to develop a long-term plan of how projects are going to get funded and which ones get funded and

recognize that developing that plan is going to take some time. My question, again, is what do we do in the interim? How do we make sure that things that need to get done sooner rather than later are going to get done while we're waiting for the long-term plan?

**Mr. Pallister:** Well, I guess the short and honest answer is, we just do things the old way for a little while and then we do them a better way. That's the honest answer.

**Mr. Lindsey:** Well, I appreciate that answer because at least it's a commitment to something that we're not just going to be mired down waiting for something to happen because particularly, these northern communities, things need to happen now. I mean, there's been investments in different things that have helped incrementally. But we can't wait. And particularly, right now, while you've got a federal government that's interested in spending some money on infrastructure, how can we make sure that the province of Manitoba is getting in on that, recognizing the definite infrastructure needs in the North to make sure that we're able to capitalize on their investment with our investment and make sure the North doesn't get left out on those investments, whether it's housing, whether it's hospitals, whether it's roads, all of those things that we all, I think, agree that are desperately needed in those communities.

**Mr. Pallister:** Yes, it's an interesting challenge because the federal government—I don't have the numbers here; my finance guy will tell me, though, I'll bet, how quickly the federal—what percentage the federal government gets out of every dollar, tax dollar, versus the province versus municipalities. And it goes down pretty dramatically. And you know that. So the federal government can come up with a lot of these programs, and does, and then the provincial governments and the municipal governments left with—they're left with the sustainable obligations thereafter, and that is something you must consider as well. And so we've got to be cognizant that just because it's on sale and it's a bargain, doesn't necessarily mean it's a good buy. And so I hear the member's concerns. I hope I've addressed them to a degree, the degree that I can today. And I would say it is important to remember that all these—when—I kind of laugh when I hear this tripartite funding stuff used, these phrases are used a lot, you know. And all the politicians gather together, and there's a ribbon cutting and they're all there spending somebody else's money together, right. Right? Because there's only one taxpayer, and it's

our—it's Manitobans, right. Or, it's Canadians in this instance.

And the, you know, three levels of government getting credit for their wonderful partnership's fine, we should work together well with our partners—that is a challenge that we must face and must meet—but I do think it's critical to understand that just because it's on sale, doesn't mean you need to buy it all the time.

The federal government has a lot—has made—previous one, too—made a lot of commitments to investing additionally in infrastructure. And I was one who fought for that. In fact, when I chaired the House of Commons finance committee, we travelled the country, we consulted and we pulled together recommendations.

At that time the minister's name was Jim Flaherty, who's, unfortunately, passed prematurely. But we were able to bring forward, as a result of listening to hundreds and hundreds of submissions all over the country, including in—for example, the second year in Whitehorse, and in Fort McMurray and, you know, it wasn't just the—before I took over as chair it actually was just Vancouver, Calgary, you know, Winnipeg often, Toronto, larger centres.

We went to other centres, as well, to get the perspectives of people from different regions of the country, and came in with a report which had—I don't remember the exact number of recommendations in it—there was dozens of them, but I was allowed, as chair, to highlight a couple of those, which I felt were—there was consensus support for.

The two were a national mental health strategy and a national infrastructure renewal strategy. That was back in 2005, if I remember correctly. And I'm very proud of the work we did as a committee, all-party committee. And we got agreement on this. And I think it carried considerable weight because we worked together on these issues. And, because we expressed our concerns as a group, Minister Flaherty took it upon himself to—in his recommendations on budgetary allocations, he acted on that advice. And I was pleased with that.

There are real opportunities in working in partnership with other levels of government, and I've seen that. There are also important considerations on the long-term ramifications of what you're signing up for. And you got to be careful about that, too. Federal government has a deeper purse.

**Mr. Lindsey:** I thank the Premier (Mr. Pallister) for that response.

I'm—there—I guess there's some things that are fundamentally different with some communities in the North, as opposed to other communities. You talk about the three levels of government—the federal government, the provincial government and the municipal government. Some of the northern communities, that third partner, the municipal government, is not there, and we need to make sure that the two other partners, along with the communities themselves and their leadership, are really not using each other for an excuse any more. That, well, that's their responsibility, that's our responsibility.

That basic human needs need to be addressed and if, right now, the federal government is talking about investing in particularly infrastructure things in the North, we need to make sure that, as a government, we are there as well. And we can't wait for some of those things—for the criteria list. Clean, running water has to come to the top of the list.

So, I'm sure that the Premier is aware of those issues and the communities where they are issues. And—have you got a plan—a short-term plan, I guess—even though some of those things are going to take a lot of money and time to fix. Have you got a short-term plan of how we're going to work with the federal government to start addressing those immediate concerns, particularly on First Nations communities, and then spreading it out from that?

\*(16:40)

**Mr. Pallister:** I would hesitate to say that I have all the answers on these problems. I don't think anybody does. I have a great degree of affinity for what the member is saying.

I grew up, as I mentioned, not near a town. Our nearest village was five miles away. Our farm's adjacent to Long Plain First Nation.

I've spent a lot of my life working with and addressing together with indigenous people issues that matter to them. I've seen some progress. I've seen pockets of progress on some fronts. And I've seen the frustration with lack of progress on others.

But I recognize what the member is saying about the infrastructure issues. But I've got to correct him on one thing. If you don't have a house, clean running water isn't an issue. There's—every community is different, and there are priority needs



for shelter in some communities there. I've talked to people who would love to have a boil water advisory if they could just get a roof over their head, too.

So it's—I know the member knows the variations in community needs. I've had my eyes opened to many things as a result of people sharing with me.

When I was INAC critic—and I met many INAC critics, we were all critics of INAC—we had great discussions with people from communities all over the country. I visited, personally visited over 130 communities. And the variation's incredible. I think that's what struck me.

You know, growing up in Manitoba, principally I had visited First Nations communities in northwest Ontario and Saskatchewan, principally, Alberta a bit, before I got into politics, just, you know, in my life.

But to go to, you know, Brantford [*phonetic*] is not the same, you know, or to go to parts of BC. The communities, the needs are totally different; it's just amazing. I think there's more variation within First Nations communities in our country than there is among the rest of the country combined, quite frankly. It's incredible.

And so that's part of the challenge. It's part of the challenge with our beautiful country, I guess, is the challenge of governing such a big and such a diverse place. It's very, very challenging.

And our structure of government is one that puts the real onus, I think, on co-operative strategies. That's what works best in my estimation.

So, I raised these issues in my first opportunity with our Prime Minister. I'll continue to raise them.

I am very interested in this Jordan's Principle, the concept that we have seen too many times in too many different ways people getting shuffled between different governing bodies or different levels of government. This is the type of thing that is so frustrating to people. I think it should be frustrating to all of us. So these are the kinds of things we need to overcome.

I hear good words from our federal government. I hear comforting words. Now we need to find resolve in action.

**Mr. Lindsey:** I thank the Premier (Mr. Pallister) for correcting me. I certainly wasn't meaning to be completely exclusive towards clean water. Housing, certainly, is a huge, huge issue. And I look forward to the Premier's commitment to address that issue.

It was certainly one of the things that really struck me when I was campaigning in those northern communities, that in a goodly portion of those communities the average number of people living in a house was 15, in a house that's really designed for four. So housing certainly is a huge issue. And I look forward to the Premier addressing that issue.

One of the places that I've been that, in a small way, at least, is addressing the issue is when I've been to Frontier collegiate and some of the work that they do out of there in educating people from the North. And they've got, like, 30 communities that feed students into Frontier Collegiate Institute in various communities. But one of the things that they do is they educate people to be able to have a job when they're done, that they have a grade 12 education and they have something beyond that. They're into the first level of apprenticeship. And one of the things that they do is carpentry, so they are building houses as practical training, practical experience, and then those houses go out to communities that are serviced by Frontier. So, I mean, that's a real, nuts-and-bolts, practical solution to a lot of problems. It's education. It's housing. It's opportunity. It's all of those things rolled into one, so I certainly know that my friends from Frontier collegiate have some funding requests before the government, and I plan to advocate very strongly for them, looking at the good things that they can do to really address some of the issues that we've talked about here today for northern people and northern communities.

I just want to make sure I got my plug in for them, because it is good things that they do and they do need money. They need to expand so that they can service more people.

My next question, I guess, kind of gets more to Flin Flon itself, which is a unique community in the fact that it's a border town. It presents unique opportunities, unique challenges, unique problems that the rest of the communities in the province probably have no concept of. Even simple things like tax rebates: If you live on this side of the street, you're in Manitoba; you get the rebate. If you live on that side of the street, you're in Saskatchewan and you don't. But some of the things that we should be looking at, I would hope, from a government perspective in Manitoba is looking for partnerships to be able to do projects, specifically in Flin Flon but then expanding that model to some other communities, maybe, that are close to the border or, well, not specifically on the border.

And we've got some history around some of that with health agreements where the communities of Creighton and Denare Beach and some of the First Nations communities in Saskatchewan help fund the ongoing operation of the hospital based on population and usage and all the rest of that stuff. There should be some opportunities to expand that, and one of the things that I'm interested to hear is what steps, maybe, that the present government would take to meet with their counterparts in Saskatchewan and start really expanding that regional funding for some things.

**Mr. Pallister:** Yes, I appreciate this—the member raising these possibilities that—Saskatchewan government is very ambitious and very aggressive in pursuing economic development opportunities for their people, and—as they should be. And this extends even to soliciting capital investment opportunities for themselves from Manitobans, so they're a pretty ambitious bunch. We need to be ambitious back.

Part of the concern with the tax disparity between the two jurisdictions, as the member knows, it exists and it isn't—there's no sense in us denying it. My mom grew up near Roblin, Manitoba, so, you know, pretty much straight south of where the member is from, and, you know, we were up there for the—I mean, they grew up in pure poverty, but they—when they did have a little money and they went to town to shop, Saturday mornings was crazy busy. And I remember going up there as a kid, and my mom would go back to visit her brothers and family. A couple—few times, I went with her, and it was always busy.

\*(16:50)

But this is back in the day, you know, in the '60s and '70s; not anymore, and it's really changed. And what's happened is that they're going to Yorkton, you know, places like this. They'll do their small shopping in town, but they'll do their bigger shopping across, and it's hurting our economy on these, and it's not exclusively Flin Flon or Roblin either, it's an effect on the map of Manitoba that's there, but it's really strongly felt in those communities on that L.

And you know it's there, and we've got to try to address it somehow because the taxes matter, you know, they do, and they influence purchasing decisions.

The one step I want to take fairly, you know, quickly if we can, is to get us back into this New

West Partnership. There's—some of the small businesses in that area that were doing business with Crowns in Saskatchewan that are prohibited from doing it now; they can't even bid to do work for, I think it's six or seven Saskatchewan Crown corps that are—were excluded; six, seven—six or seven that Manitoba's being excluded from bidding on. This isn't all by itself going to solve every economic problem in Flin Flon or anywhere else but it is an issue of reduced ability to compete if you can't even bid on the job in the first place.

And I know that it's a concern for people in Swan that I've talked to and, you know, in The Pas, actually, one company I spoke with as well. So, I mean, there are these concerns, this is part of moving towards a more cooperative approach as the member alludes to it.

People, you know, some people said when we're talking about NAFTA with some people one time, and this fellow said, you know, we used to think that we traded with each other, US and Canada. We don't, really; we build things together. We build things together.

And this is how Saskatchewan and Manitoba could work more effectively, especially benefitting places like Flin Flon and Swan River and places like that where we could be working more cooperatively, strategically with our neighbours to, for example, on even things like shared infrastructure strategies because we're driving the same roads; I mean, we're driving—well, they're not the same. Many cases, they're a little better on the left side, but I know that that's one of the strategies that the government of Saskatchewan is open to dialoguing on, and I think there other examples like that.

Even drainage, for example, for heaven's sakes. As a farm boy, what made us think that drainage stopped at the border? Doesn't seem to work that way in most places. And, you know, we've got water management issues that we need to address. Saskatchewan has, I think, got a ways to go to improve their cooperative drainage strategies with Manitoba, there are a number of areas that have been adversely affected because that hasn't been done as well as it should have been done and I think the member knows full well of some of the examples that I am referencing

And so, you know, I think we've got to be at the table with these people; national trade agreements are essential to pursue; reducing barriers to trade is critical; benefits—I think it has large benefits to us as

a trading province but I think that the first, you know, a good, positive step is that New West Partnership, joining that New West Partnership and starting to work more closely. I think it will address part of what the member was referencing in his comments earlier.

**Mr. Lindsey:** I'd apologize to the Premier (Mr. Pallister) if I led him to believe that I thought the New West Partnership was a good idea, because I don't, because there's all kinds of other things that come into play in there, and just reading some stuff the other day coming from Saskatchewan that some Saskatchewan companies are somewhat miffed now with the New West Partnership and how it's working on some major projects there where they're being undercut and underbid by people from elsewhere and it's not beneficial anymore to necessarily the working people and the small contractors in Saskatchewan.

But that's not really where I wanted to go with this, it—that's the bigger conversation for somewhere else, I guess.

It was really specific to Flin Flon and Creighton, the two communities on the border, and how we can expand on some of the specific issues that Flin Flon has with some of its aging stuff, but also some new opportunities that are coming up. One of my pet things that I would like to see happen in Flin Flon is, right now, they're undergoing a massive reconstruction of the emergency department at the Flin Flon General Hospital, which is being funded by the Manitoba government.

But it provides a unique opportunity, I think, for us to look at a unique funding model for the latest diagnostic equipment to show up in northern Manitoba. Thompson has a CT scan; The Pas has a CT scan, but nobody has an MRI. Now, if we can find a way to work with the government of Saskatchewan, the towns of Creighton, Denare Beach, the various Aboriginal communities, not just on the Saskatchewan side, but on the Manitoba side as well, and look at how we can create a funding model that all of a sudden makes the price tag of the latest diagnostic equipment for that hospital something that becomes affordable for all of us. It doesn't take a big chunk of money out of the Manitoba budget that'll go towards providing a service to people on the other side of the border, but if we can get all those parties in on a funding agreement, then not only will those communities potentially benefit from that, but perhaps Thompson and The Pas benefit from coming to Flin Flon as

opposed to having to go to Winnipeg or somewhere else for some of those services.

So it really was a very narrow thing that may lead to some other opportunities. Is—would the Manitoba government be interested in at least exploring an option around that, that really benefits a lot of people in the North?

**Mr. Pallister:** I guess the short answer is yes, and—but I would encourage the member to recognize the New West Partnership as part of that. It's conceptually similar to what he's described in the sense that it brings people together at the table to discuss possibilities.

And, of course, no trade agreement's perfect; none of them have ever been unanimously adopted or supported. Nonetheless, when we see Manitoba companies shut out of opportunities as a result of not being at the table, that's a shame. I also think it's important to understand there's beneficial advantages that can accrue just in terms of the ideas that we can derive from watching the practices and pursuits of other governments and being fully cognizant of what they've done that's worked and what they've done that hasn't worked.

And so, you know, regional economic development strategies have been utilized. Disappointed that the previous government saw fit to reduce the support for some of the regional economic development agencies around the province, because I felt that, and feel, that there's an opportunity for local people to come together and pursue those opportunities. I think a lot of good economic development opportunities or micro-opportunities that are generated right in the community. They don't come from, you know, somewhere in Ottawa or Winnipeg necessarily; they come from people that are—have an idea and are ready to put a little bit of capital together to try to make it happen.

So I'm reminded—was—Winkler is an example of a real success story in terms of economic growth, but it didn't always fit that description. I remember meeting with Henry Wiebe who was the mayor of—he's passed now, but he was the mayor of Winkler in some formative days and he was the—also one of the head people at the local credit union, and I met him at a rural development forum, the first one that was held in Neepawa. I thought I'd pick his brain, and I asked him, how did you do it? How did you get Winkler going? And he said, well, we used what he described as a Korean-grocery-store model. I had never heard of this before. What is the

Korean-grocery-store model? And he said, well, the way we were educated on this, he said, what happens is the neighbourhoods would come together in Korean communities, they would invite people to come in; they would come in with ideas and they'd come in with some savings or readiness to commit a certain amount of money. They would pitch their idea. The idea that was the best was the one that got the most money at the end of the night. And everyone who came with their money to invest, invested in that business that they chose to invest in, and they started up a business together as a community. Good model.

**Mr. Chairperson:** The time being 5 p.m., I am interrupting the proceedings.

The Committee of Supply will resume sitting tomorrow morning at 10 a.m.

### HEALTH, SENIORS AND ACTIVE LIVING

\* (14:50)

**Madam Chairperson (Colleen Mayer):** Will the Committee of Supply please come to order.

This section of the Committee of Supply will now resume considerations of the Estimates for the Department of Health, Seniors and Active Living.

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

The floor is now open for questions.

**Mr. Matt Wiebe (Concordia):** I just wanted to sort of pick up on where we left off, and I will go on to another track once again very shortly, but I—just to finish off, we were talking about capital projects, and I just wanted to get some clarification. On page 135 of the Health Estimates book, under costs related to capital assets, there is a reduction in the amount budgeted for amortization expenses and for interest expenses, and I just wanted to get some clarification from the staff, through the minister, on what exactly the—is the reason for the reduction.

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** My understanding is, from officials—I thank the member for that question—there's sort of two components to it, but to go through, like, to similar things, one issue is simply a timing issue of when different projects are coming to realization. Every year, I understand, the department will take a look at the assets that are currently in progress, and we'll take a look at sort of the timing involved with that and what they would need for

borrowing authority and what interest expense would flow with that.

On the amortization, again, that's an annual look to see, not just timing, but what the lifespan is of the assets that we have. I'm advised that it's not necessarily a reflection that the department has less assets within—within its purview, but there might be changes in terms of the lifespan of the assets which would change the amortization period.

**Mr. Wiebe:** Likewise, on page 133, Costs Related to Capital Assets, is that a similar timing issue, as the minister calls it?

**Mr. Goertzen:** Right. I believe it's the same section.

**Mr. Wiebe:** I'm just—I'm not a hundred per cent sure on the language of something that was mentioned in the Throne Speech, but I just wanted to touch on it, and I know the minister had mentioned it in his list of capital projects that were ongoing, that were underway, and one of them was the—the women's hospital, and it was mentioned in the Throne Speech.

If I've remembered correctly, the word that was used there was commissioning of the women's hospital, but I'm just not entirely clear on that.

Can maybe the minister explain what that would have meant? You know, what is the opening date for the hospital? Is there any work that's still required?

**Mr. Goertzen:** I thank the member for the question. It's a good question and one that probably isn't intuitive for myself or for other members. I'm advised that the commissioning is actually a process; it's not a moment in time that when the construction has taken place, essentially the keys are turned over for lack of a better word to Manitoba Health, Seniors and Active Living. There's a period of time that can be quite lengthy in terms of testing the building, testing the systems within the building.

Hospitals, as the member knows, and as I'm learning, are quite complex entities, and they can sometimes take quite a degree of time to ensure that they are ready to be opened and that when they are ready to be opened, that they're done so in a way that is safe and are meeting all the appropriate and accredited standards.

So the commissioning is a period of time after which the construction is complete. The department receives the building in terms of being able to essentially take control of it and then go through all the tests before it opens for public consumption.

**Mr. Wiebe:** And I thank the minister for the clarification.

Again, sticking to the theme of capital projects, does the minister intend to continue investing in QuickCare clinics in the province?

\*(15:00)

**Mr. Goertzen:** Well, I think that that would be one of the things that we'd want to take a greater look at. Certainly, I know that those individuals who are using QuickCare clinics are generally feeling that they're satisfied with the service that's provided within them.

I think that the question sometimes becomes about the utilization and how much that they are being utilized. I do know that those who are within the health-care system would acknowledge that they have, certainly, some value in deferring people from other areas that they might be using within the health-care system. I can tell you, my own experience, we've taken my son to the QuickCare clinic in Steinbach where a nurse practitioner was on duty, and the experience was a good one.

I think the challenge that we have, and that I'll face as minister, and other ministers might face, as well, is determining where the greatest value you're getting is for your dollar. So, certainly, I think that they—there is value that is added to the system with QuickCare clinics, and they continue, I think, to be used by certain individuals within the system who would find them to be useful.

It speaks, a little bit, to a broader problem, I think, we have sometimes—and maybe it's more societal—in trying to ensure that people are choosing wisely in terms of where they are going to access their health-care needs. There are, certainly, I think, too many people who, not under any sort of malfeasance, to use the legal term, but—or, any sort of bad faith, but will immediately go to an emergency room for things that are, perhaps, better treated in other places.

There, certainly, still is a certain degree of prevalence where people feel that they need to see a doctor, and that that is the only person that they can be seen by, where we do know that there are many other medical professionals, whether those be nurse practitioners or those within paramedicine in certain, limited cases. They can also be an important part of the health-care system in providers.

And, so, that's a bit of an education system. I know that other governments have faced this, and the member, in his former government, would have faced the same issue about trying to educate the public and encourage them to go to places where they're going to get the most appropriate care for the most likely outcome that they need for whatever it is that they're presenting with. That's a challenge, of course, across the system, but QuickCare clinics, of course, can play some important role in that. And I would hope that they could, perhaps, play a more important role than they are right now, but there's a number of different systems that one could look at to try to achieve that.

**Mr. Wiebe:** I appreciate that the minister's had direct experience with QuickCare clinics, and many Manitobans now have. And I think he's right when he says that folks are generally feeling satisfied with the service that they're receiving.

Does the minister have any statistics on the usage of each QuickCare clinic throughout the province?

**Mr. Goertzen:** We don't have it currently broken down by location. I can endeavour to see if that is possible. I don't want to, of course, start doing a head count at the door, but we do have the information here that there's 108—there were 180,000 patient visits in Manitoba to QuickCare clinics between January 2012 and April 2016. So, that's a four-year span where there were 180,000 patients. So less than 50,000 a year, per year. But I'm sure that there's variation within that between the different—within the different QuickCare clinics.

Just further to the member's previous question, there is, in this budget, in Budget 2016, \$330,000 budgeted for the operation of the QuickCare clinics in 2016, and that would represent funding for each of the QuickCare clinics that currently exist.

**Mr. Wiebe:** And the other item that the—or element of the success of QuickCare clinics that the member identified was, of course, our nurse practitioners who make the whole thing work, and I think provide first—top-notch care to folks when they do come into the QuickCare clinics.

I'm not sure if I asked him previously, and this might have been part of the previous list I had asked for with regards to staffing. I think I had said nurses and doctors, and kind of gone through a list. I can't remember if I'd said nurse practitioners. So I'm just—if the minister, whether he has that information at his

fingertips or whether he could get his hands on it at a further date, that he could provide that information on how many nurse practitioners are currently in Manitoba?

**Mr. Goertzen:** The member makes a good point about the nurse practitioners within the QuickCare clinics, and that, again, is part of an education process with the public to ensure that they know that those individuals are highly skilled and are able to meet many needs within the health-care system.

You know, where there are frustrations that I hear from individuals, and the member may have heard them as well from his constituents regarding QuickCare clinics, it revolves not so much around the care, but more around the hours, and that becomes a challenge within a human resources side, of course, to ensure that things are available. I wonder—I don't have empirical data, but my guess is that people who've gone to a QuickCare clinic, and it's not been open at the time that they needed to get care, probably when they need care again at a future time, are more likely to go somewhere else, then, to go to an emergency room where they—it feels always open, even though that might not be the most appropriate place for them to be.

So it is a concern between how do you get the right balance of ensuring that facilities are open the right hours so that people can rely on them and sort of become a bit more familiar with them over time and know when they drive somewhere and they come to the front door of a clinic, or whatever facility it is, that it's going to be open when they need it.

So that is—that's part of the challenge, but, again, I think when people access the service they're generally satisfied.

In terms of the number of nurse practitioners who—I won't say currently, but as current as we have it, though, as of 2015, there were 172 active nurse practitioners in the province of Manitoba.

**Mr. Wiebe:** Great. Madam Chair, in terms of going forward now with regards to making sure that that staff is adequate for the future, I'm wondering if the minister could tell us how many nurse practitioners are being trained currently?

\* (15:10)

**Mr. Goertzen:** Well, the member raises a good point about the staffing challenges that exist within the health-care system, staffing challenges that are faced,

I believe, right across the country. And, in talking only briefly with Health ministers across the country, I can tell you that that is certainly one of the challenges that every province faces, not only in terms of getting people trained because that's only one side of the coin, the other side is retention and ensuring that individuals stay after they are, in fact, trained. And that can be equally as challenging.

Of course, it's difficult to contractually obligate an individual for a long period of time to remain in any particular facility or a particular province. There can be some shorter term things done, of course, when it comes to having a return-for-service agreement when an individual is finished their training. And those things we see more commonly done with doctors. And I'm sure the member will have questions about the shortage of doctors that exists in Manitoba, throughout the province of Manitoba but acutely in rural Manitoba, when we get to that point.

Specific to the member's question, at this point, there are 18 individuals who are in the nurse-practitioner program.

**Mr. Wiebe:** Appreciate that, and he may be—he—the minister can get a sense of where we're going here in terms of a theme. So we asked about nurse practitioners, and I think he even mentioned doctors in his preamble to his answer. Could the minister tell us how many doctors are being trained in the province this year?

**Mr. Goertzen:** So the member touches on an area, I think, that many Manitobans are concerned about in terms of the lack of doctors and physicians, and it relates a little bit to the conversation we had on the previous question about how can we ensure that Manitobans are accessing the right level of care for the level of service that they need. It's certainly true that there are many different levels of professionals, health-care professionals that Manitobans might come into contact with. And not everybody will or should necessarily see a doctor. But, of course, there are some who have to see a doctor because of the level of health-care need that they are requiring, and there are too many who have an inability to access a doctor on an 'emergen' basis or even to have a family doctor. We could certainly get into the commitment that was made by the previous government to ensure that every Manitoban would have a family doctor by now, which, I don't believe, has been adequately addressed or fulfilled, but that would be probably a

question the member would want to have later on in the discussion.

Currently, in the first-year residency program for doctors for 2016-2017, there are 141.

**Mr. Wiebe:** Another issue that's come to the Legislature a few times now and has been brought up in question period is, of course, the midwife, midwifery program, and I think it's—there's agreement across the aisle with regards to the importance of midwives to deal with some of the pressures on access to birthing supports and to take some of the pressures off of nurses and doctors in that field as well.

So I'd just like to ask the minister: How many midwives are being trained currently in this year?

**Mr. Goertzen:** The member is correct that the—it's a very active issue right now, the whole issue of midwifery. And, you know, certainly, my understanding is that the initial push for midwives in Manitoba, but I suspect it was also across Canada, was for trying to find a way to provide service for mothers who were expecting or those who are expecting to become mothers in underserved areas. And so where there were a lack of health-care providers or where there perhaps were a number of high-risk needs to try to ensure that there was additional support.

I think the philosophy has changed somewhat since that time, but that was certainly the original intent, I believe, of midwifery, was to try to get services into areas that traditionally had a difficult time accessing other health-care professionals or where there was a high-risk, high-need.

My understanding is that the training portion of midwives is housed under the Department of Education and Training. And so we don't have statistics on how many midwives are in the training process. But we would have information on how many midwives are approved in Manitoba currently, if the member is interested in that information.

**Mr. Wiebe:** Yes, and that would be fine, if the minister could provide that detail. And maybe I'll just also go to—well, maybe I'll let the—I see the minister looks like he may have the answer now, so I'll let him take it away.

**Mr. Goertzen:** You can tell already, it's a unique look what I have on my face when I have the answer. So you can tell already.

There are a total of 54.3 funded positions, including for relief for midwife services in Manitoba.

**Mr. Wiebe:** Appreciate the answer there.

And just going back, then, once again, to training, I'm wondering if the minister could identify how many nurses are trained—are being trained in the province right now?

**Mr. Goertzen:** The member asked about nurse practitioners before.

Is he—not to be too granular in the question, but are there specific kinds—RNs, LPNs?

**Mr. Wiebe:** So whatever's the easiest to provide. I guess we have the number already of nurse practitioners. If he has the detail broken out by type of nurse beyond that, that'd be great, or a total number, including the nurse practitioners, would be fine.

\* (15:20)

**Mr. Goertzen:** So, being told that in the bachelor of nursing program in Manitoba there are 784—that's the seat capacity, but I also understand that that is historically always full, and the diploma, practical nursing, the seat capacity is 260, and the bachelor of science, psychiatric nursing, the seat capacity is 75. So we're under the assumption that each of those is filled. Member will know that the nursing shortage over the last number of years has increased quite substantially under the former government, and so there is certainly a need for these students who are in the faculty, and it would be our hope, of course, that they would choose to make Manitoba their home for practice as, you know, as all students within our university system, we want to ensure that they feel that they can fulfill their dreams here in Manitoba.

I know that not every individual who graduates from every faculty, either at the U of M or U of W or Brandon or UCN or other institutions across the province, will necessarily stay in Manitoba. It's the nature of being young and having options that sometimes to exercise their options—or those options were exercised, regardless of the opportunities that exist within the province. But, certainly, my hope generally but more specifically on the nursing file is that these nurses, these students who ultimately become nurses in the various programs that they're enrolled in, will make Manitoba home and practise their skills in our province.

**Mr. Wiebe:** Well, and maybe I'll just ask a question that falls somewhat outside of the Department of Health but just because the minister's mentioned it a few times about individuals staying in the province and choosing to live and work in Manitoba once they graduate. Of course, one of the biggest deciding factors for both graduates here in Manitoba but also those who are coming to Manitoba is the tuition tax rebate. Up to 60 per cent of one's tuition is rebated if you stay and work in Manitoba. It's been, at least from my perspective and the students that I talk to, in my experience, it has been a really positive driver of keeping people in the province and giving them some relief as they get their feet on the ground and get into their careers. And, of course, when it comes to health, it's one of the—I think one of the driving factors that, you know, helps students realize that this is a great province to get your start in and start working in.

So I'm just wondering if he has any insight into that tax rebate and whether that will continue into the future.

**Mr. Goertzen:** Well, the member won't be surprised that I won't venture into the Department of Finance for fear of stepping on any of my colleagues' toes but also providing him inaccurate information. I wouldn't want to provide him inaccurate information. I believe the Finance Estimates are probably still going on, and he could find his way over there. We could go together. We could adjourn and go and ask this question to the very capable Minister of Finance (Mr. Friesen).

I'm sure that he's right, though. There's an element of that that is important to the students. There's a lot of different things. I know that students—it's not that long ago that I was in university; it feels that way some days. When I was in law school, my colleague from Minto will appreciate that the tuition fee in law went up, I think, 400 per cent year over year one year under the NDP government. And, nonetheless, Mr.—Madam Chairperson, and that was quite shocking, I know, for many students. Now, there's reasons why these things happen, and, of course, there's expectations about the tuition fee, and, you know, there's some consultation that happens with students. And I'm not going to say it was an entirely a bad thing for the faculty, but reality is that that was a very, very significant increase in tuition that happened under the NDP in one particular faculty that I was closely associated with.

The other issue the member, I think, didn't want to talk about, probably for—maybe for the element of time, I'll give him the benefit of the doubt, maybe it's not because he didn't want to raise it—but there's the issue of taxes and affordability and ensuring that a province is an affordable place to be. And I would believe that the member would want to add into his equation and into his thought process the fact that when students are coming out of a program, whether it's in a college or a university, they'll look at a lot of different things. Obviously, job opportunity is one; an issue of a tax rebate off of a tuition may be another. But probably, you know, taxation and the affordability of a province is significant and I wouldn't want to discount that or to not put that onto the record.

Not to tread too much old ground, but the increase of the provincial sales tax from 7 to 8 per cent and the expansion of it onto a series of different items that were never under the purview of the provincial sales tax, of course, affected the affordability within the province of Manitoba. And I know that there will be probably students who that may have been—not been the only reason they would've made the decision, to not stay in the province but it might have been a tipping point, because sometimes it's just that's the last straw, as they say, to coin a phrase, and they decide to go 'somewheres' else.

So the member's not incorrect. I think that issues like tax or the tuition rebates are important. I think scholarships and bursaries are also important. I was fortunate in law school during my time that I was able to receive a number of scholarships as a result of academic performance. That'll surprise some members, I'm sure, but it certainly helped me in terms of going through the faculty and ensuring that I could come out on the other side with a reasonable amount of things that I owed, and I appreciated that. So there's a package of things I think that different people will consider when it comes to why they stay in a province when they graduate, ranging from jobs to taxation levels to potential rebates to family matters. I mean, for many people Manitoba is where their family is and that's where they want to be, and we certainly want to treat all Manitobans as family.

So he's—the member's not incorrect, but if he wants specifics on that he would have to garner that from the Department of Finance.

**Mr. Wiebe:** Trying to get us back here on track; we're talking about training.



Can the minister talk about what the targets are for training nurses and doctors, whether those have been identified? Or—and I would imagine they are—if he could just talk about what the targets that have been identified to keep capacity or keep services at the same level they are now or to increase those in the future. Well, how many more nurses, doctors, midwives, medical aides, how many more would have to be trained?

**Mr. Goertzen:** I thank the member for the question. It's an important question.

\* (15:30)

The issue of resources, human resources in health care, is one of the most critical parts of the department, and planning for that is multifaceted. On the one hand, of course, you have to look at the types of professionals that you believe that you're going to need over time. Doctors and nurses are a part of it but, you know, the member for River Heights (Mr. Gerrard) raises the issue of paramedics in question period, and the different training that paramedics can have. And they become part of that medical equation we know, and I supported, when I was in opposition, the expansion of scope of practice for pharmacists and the work that they do. And perhaps there's more work that they could do at some point.

But that becomes a part of that planning when you look at—not just nurses and doctors, as was identified by the member, but to also look at all the other health care professionals that are involved and to see what they're doing, but also what they could do. Could they do more? And I know looking across Canada, there's many jurisdictions that utilize health care professionals in slightly different ways. There's, obviously, a common thread among them, but if you can do a little bit more with each of the individual disciplines, well that changes your need on the resource side, generally. And it changes your planning as a result of that. So it isn't—it is a complex question that the member asks, with no easy hard-and-fixed answer in terms of numbers. But it is, certainly, a valuable question, and one that I think is important.

**Mr. Wiebe:** Would it be fair to say, though, that the minister could—would commit to the idea that, at the very least, the number that have been trained this current year would need to continue or to be expanded into the future to meet demand in the future?

**Mr. Goertzen:** Well, we certainly feel it's important that those who are being trained currently continue to be trained.

**Mr. Wiebe:** Okay. And just to, then—just jump around a little bit once again, Madam Speaker—and I appreciate that the minister doesn't have to shuffle staff to do this, so it does make it a little bit easier for me to do that, yes.

So just had a question with regards to oncology drugs. And—I was looking over through—this is page 125 under Pharmacare, there are two lines there, regular drug program and oral cancer drugs. And I'm just wondering if that's where that program would be—the budget line that would account for those oncology drug programs.

**Mr. Goertzen:** An important subject the member raises in the issue of cancer care drugs, one that I, you know, has unfortunately become sort of a topic during the provincial election, but I won't revisit that because we're moving forward, at least, at this particular moment in the committee.

And—but the issue of cancer care drugs and treatment is critical, and one that we certainly, in the early stages of our government, have offered tangible support for. I had the opportunity to visit CancerCare as part of an announcement that was made by our Premier (Mr. Pallister) for an additional \$4 million for the intravenous portion of the cancer-care program.

And, as anybody who has visited CancerCare in any capacity—it doesn't matter what capacity you visit it as—you know it's a difficult and emotional thing. And you see people—and children in some cases—who are in difficult stages in their life. And I can certainly tell you, and I don't mind telling you, that it was a difficult thing for me to visit some of the units, and I can only imagine how difficult it is for those who are receiving treatment. But I was certainly impressed by the incredible staff who are involved in CancerCare. They are heroes of the health-care system, I say, in that they offer not only life-saving drugs but incredible compassion when they're doing so, and they, in many ways, carry the emotional toll of the treatments that they're administering to their patients.

The member identified on page 125 the oral cancer drug portion of programming. That relates specifically to the home drug cancer—or cancer drug program. The intravenous program would be housed on page 115 of the current Estimates books because it is funding that goes directly to CancerCare

Manitoba. They then administer to the various hubs throughout the province. So it would be under funding to health authorities, 115. It would be housed under the acute-care services portion. It's not specifically identified there but I believe it's in the neighbourhood of \$50 million. We'll get to the exact number.

**Mr. Wiebe:** Okay, I appreciate that clarification.

Just as an aside, because, again, the minister was talking about being at CancerCare, did he have an opportunity to talk with Dr. Navaratnam about the expansion to CancerCare?

**Mr. Goertzen:** We didn't talk specifically about the expansion but we certainly did, in touring the facilities, you know, see the different—the challenges that are involved not just on space, although, of course, those challenges do exist. But there's a number of different issues in terms of ensuring that treatment, radiology, is done in a way that's safe, that is done in a way that is private and that it meets the accreditation standards that all hospitals and facilities and equipment have to go through.

So we did not speak specifically about the potential expansion, the proposed expansion or a new facility, but I certainly, in touring the facility, got a much better understanding and scope of the work that they do at CancerCare Manitoba.

**Mr. Wiebe:** And I understand the minister is still trying to get me or is committed to getting me a list of those projects that are under review in Health. But is it fair to say that the CancerCare expansion would be one of those projects that's now considered under review?

**Mr. Goertzen:** So just to move backwards before I move forwards, the funding for the intravenous drug program is \$50.6 million, so I was in the ballpark but not right on base. So I just want to give the member that detail, and that is found under the acute-care services on page 115, I believe, yes.

And, again, you know, the issue of a list—as I've indicated, we would try to cobble together the best we could, the various capital projects that the NDP have somehow committed to in one form, fashion or the other over the last period of time, particularly leading up to the election. I—again, I posed to the member earlier that there's going to be some difficulty in that because a lot of them had almost no form or substance. They were made in community halls; they were issued coming from the back of parade vehicles, almost, I would say,

Madam Chairperson. Some of them had some more substance in terms of being accompanied by a news release. Some were done by letter by ministers who weren't responsible.

\* (15:40)

So there was a great challenge in actually trying to determine all of the various commitments that members opposite made in a desperate attempt to cling to power. Of course, many Manitobans saw through that, and obviously that was reflected in the result of the election. But I'm as interested as anyone to try to find the bottom of all the commitments, such as they were, by the NDP. I'm sure it would be quite the list to roll through, but it seems that every day that I visit a coffee shop or drive through parts of Manitoba, I hear some other commitment that was made, as sketchy some of them were, and not the—now, of course, not the projects themselves, of course. Many of the projects, I would say most of them, and I said earlier today, are very good projects and are backed by good people.

In fact, it bothers me the most, I think, that in some cases—and I'll get back to the particular question when—momentarily. But one of the things that bothered me specifically was, there were ministers, former ministers of the Crown who went into communities and made announcements, and I refer to the one on Christmas Eve, and dropped a letter that indicated to various community groups and organizations that they were going to receive X amount of government funding for whatever project it was that was contained within the letter.

And—now, for municipal officials who are elected and who are used to dealing with government announcements, most of them saw that for what it was worth. Most of them saw that is, you know, something's not right here. That's not normally how governments do announcements. They normally would have, you know, authority through Cabinet, Treasury Board; there'd be a more formal announcement; there'd be, you know, some sort of a presentation that was more formal than a minister of a Crown dropping by quickly at a municipal building and handing a letter over on Christmas Eve.

So municipal officials, I think, could see through that, and I have less concern about their hurt feelings, but I have significant concern for those volunteers and organizations who put a lot of work, often, in proposals who probably have raised private money and who have a certain expectation that when somebody shows up with the title of a government

minister and presents a letter on something that looks like official government letterhead, that they would have the assumption that that has gone through the proper channels, and why wouldn't they? And for those individuals, I am extremely disappointed for them, because they are just individuals who are trying to better their community, trying to work up good projects for their community, and to be treated in that way, to have somebody come forward to present something without the proper authority, without the proper process, they, I think, quite frankly, probably deserve an apology from former members, although I allow a lot of them don't exist in terms of their legislative capacity anymore here in this building, Madam Speaker.

**Mr. Wiebe:** Well, I'm hesitant to continue down this road, and I did have some questions with regards to Pharmacare, so I do want to get back to that, but I just want to comment to say that I think the minister hit the nail right on the head here, that in most cases these are partnerships between government and community groups and hospital boards and a lot of very hard-working people who have put time and effort into developing these projects.

CancerCare is a perfect example of a group that we've seen amazing results from. We've partnered with them; we've funded them; we've given them a mandate; and they've, you know, they fulfilled that mandate and more and continue to push us, which, I think, is exactly what we ask these organizations to do, to push us to the next level, to ask us what is next, how can we get this project off the ground or how can we move to the next level. And, you know, in a lot of cases, these are projects that were at various stages of development. Some of them were just an idea or something that the board had been working on internally and now is seeking, you know, government—some assurances from government, that they saw this as a positive step going forward.

Others were projects that, frankly, had been on the books and been worked on in various ways for years. And, you know, whether they had Treasury Board approval, whether they, you know, whether they had gotten to that final step of actually writing the cheque and handing it to those groups, or whether they were waiting for other partners to come on board like the federal government or other community partners, the intent here was to say we believe in the work that you're doing, and, you know, this is particularly concerning for groups who haven't—who are now—they're concerned; they're worried that their project is going to be deemed as

not being good value for money, and—but not by a public body or a public group, but instead in some backroom by some unknown people, and who are making these decisions without—under—without any purview at all of the public. So people are simply asking for some clarity about what this process is going to look like.

You know, maybe the minister, if I could focus this in on a question and then move on, maybe I could ask the minister, does—what exactly does he see as the elements that make a good value for money when it comes to a project like the Concordia health and fitness centre? Is it—you know, what sort of due diligence would he be looking for from a project like that, from the board that's put it together and the many community stakeholders who have been pushing for this for years and thought that they had a solid partner in the government through work of myself and others in the community to push this forward, to get the attention to this project, to now take it to the next level, to go to the bank and say we're ready to move forward on this, to take it to the federal government and say we're ready to move forward on this, and actually get these projects moved forward. We, you know, CancerCare—folks at CancerCare are wondering the same thing.

So, I think people are just trying to get some clarity about what it means to this minister, what is a project that meets his criteria for value for money?

**Mr. Goertzen:** Well, I'm a little surprised, and maybe just a touch disappointed that the member for Concordia (Mr. Wiebe) would be so dismissive about the proper process by which the government funds are approved. I heard him say, and I'll review Hansard and he may as well, he may want to, that whether or not something's received Treasury Board approval, that really shouldn't make a difference in terms of announcements.

You know, he wouldn't have to look far down the table to a colleague who I think quite rightly made a significant issue about the fact there was actually an announcement made by a minister of a Crown regarding a particular purchase of a product that didn't involve any Treasury Board approval, that needed to be involved with Treasury Board approval, both because of the value of that product and because it was untendered.

In fact, some might say, some have said in editorials that that particular purchase done in that way was attributed to the downfall of the NDP government. It's certainly attributed to the quote,

unquote rebellion that happened within the NDP. And that was specifically because an announcement was made by a government official about the purchase of a product without Treasury Board approval and without it going through the proper channels as an untendered contract.

And yet here, the member sits, not a few months removed from a pretty scathing report into that transaction and says, well, you know, maybe these things don't need Treasury Board approval before they can get announced and people can just take some assurance from that.

I mean, I know that lessons aren't learnt quickly always in politics, and sometimes it takes a little while, but that was a pretty particular high-profile issue that had huge ramifications within his own party. And I don't spend time and I don't lose sleep over what's happening within the NDP party, and I don't sit around wondering how I can help them heal from the divisions that they have. I don't wish them any additional divisions; I'm not that kind of a person. But I don't spend a lot of time wondering how I can help them. But I do think that the member could help himself by not being so dismissive about the issue of how government funds are actually appropriated and provide it to the public.

The public has an expectation to know that the funds that they are being provided are being done in a way that ascribes to the rules of this Legislature. That is how so many of the problems that have happened here have happened.

Now, he asks about criteria and scope of what would contain value for money. As I said earlier on, virtually every project that I've seen, that have come to the department of Health, have value. The projects that have come forward are done with the right intentions from good community people trying to make a difference in the community. The question always becomes when you look at the system as a whole, how can you ensure that you are getting the most effect for the most amount of people with the needs that are the most significant at that moment with the resources that Manitobans have to pay. Those are some of the criteria; obviously they come into play because it is not just an individual decision made in isolation of everything else that has to be considered.

One has to consider the needs within a community, one has to consider the needs within a province, and one has to consider the capacity of Manitobans to pay for those needs, because if

Manitobans don't have the capacity to pay for those needs, ultimately, they're not paid for or other needs fall by the wayside.

\* (15:50)

So I would end by again cautioning the member that if he truly believes that the processes for proving money here in the Legislature should be subverted and ignored, then he hasn't learned the lesson that his former colleague from Thompson maybe learned on election day, or maybe he didn't, and, you know, quickly forgot, I suppose. But the—even if the member has quickly forgotten, the lesson should not be quickly forgotten, because all Manitobans ended up paying for that, and I'm shocked and somewhat dismayed that the member hasn't seemed to have learned that lesson.

**Mr. Wiebe:** So, as I said, I'm going to bring this back to a question on Pharmacare, and I'm going to give the minister the question, and I understand, I mean, he was—he thought he wasn't busy enough as the Minister of Health and thought he could also be the House leader, so maybe I'll ask a question that his staff may need to step in and take a little bit more time to answer.

The question is simply with regards to Pharmacare. I'm looking at the number here, again, on page 125 for the regular drug program, the oral cancer drug program, and I notice that the numbers are flat from year to year. I'm wondering if that's typical of that line item in the budget or would that be abnormal for that line item to stay flat year to year.

**Mr. Goertzen:** I appreciate the member pointing that out. I want to assure him that the fact that the number is remaining steady in terms of the expenditure isn't a reflection of the volume of drugs that are being purchased. In fact, one of the successes, and I mentioned earlier that every Health minister across Canada is struggling with a number of sort of common challenges and common problems, and it's hard sometimes to find common successes, but one of the common successes that provinces and Health ministers have achieved together with their premiers is the reduction of the costs of some of the drugs that are purchased through the pan-Canadian model of ensuring that drugs are purchased by the larger Canadian entity so that we get a better price. It's essentially the Walmart model of business that the more you buy, the better price that you get. And so, by teaming together as a group of provinces on a Canada-wide basis as opposed to

purchasing drugs on an individual province-by-province basis, we actually save a great degree of money.

*Mr. Jeff Wharton, Acting Chairperson, in the Chair*

In fact, they're—our total of 63 negotiations that have been completed on a variety of different drugs in terms of purchasing as a whole on this pan-Canadian model as of March of last year, it's my hope, as minister, that this kind of thought process and innovation will not only continue among the provinces but will be enhanced. I think that there are probably other areas where we can work together as provinces, and by that I mean by one country as a whole, to try to achieve some savings within the system, whether that's procurement or otherwise. But that flat line of the numbers within the Estimates is not a result of fewer or no more drugs being purchased; it's the result of savings that have been incurred.

And I don't want to be ungracious here. There are other ministers of Health who have been involved with this previous to me who have also done work on this, and so I appreciate the fact that other ministers of Health of other political stripes right across the country, along with premiers of different political stripes across the country, have been involved in what I think is a positive initiative and I hope that we can find other initiatives that are similar to that.

**Mr. Wiebe:** And, I mean, I come to this as a layman, in terms of how exactly this works, so—and I can appreciate the minister does as well, and we're both learning here, so, but it just strikes me that the number to remain perfectly flat seems interesting to me. And, again, so I'd just I'd like some clarity about whether that's been the case.

Maybe, could you give me the numbers for '14-15, the numbers for '13-14, maybe going back a few years, just to get a sense of where this has gone?

And just to clarify that the—because I understand what the minister is saying and I understand that this has been a success but I also know that there are pressures in other—amongst other drugs, where prices instead are going higher. I also know that the formulary is continually expanding. Some are dropping off; some are expanding. You know, there's different—sort of a whole bunch of different moving parts.

And, again, for it to come down to the exact same number that it was last year, is that a realistic budget? Is that what—is that based on, you know, just how it happened to work out? Or is that where the department sort of sees it ending up at the end of the year?

**Mr. Goertzen:** And I think part of the issue, Mr. Chairperson, is that it's not—and the member's right. He talks about many drugs' prices going up. They've been in the news. I think he would probably share the same concerns that I have about the artificial inflating of drug prices, particularly life-saving drugs. And I'm sure that many Canadians and others would feel quite dismayed by reports of that.

Part of the good news of this is that when more generic products come online, when patents have expired and generic drugs are able to be manufactured, we're able to put those within the formulary and reduce the cost to Manitobans by giving them essentially the same drug through a generic version of it.

**Mr. Wiebe:** Maybe to understand this a little bit better, I'm wondering if the minister would be able to table, obviously not on the spot, but to table a list of all—and I'm hesitant to say all drugs in the formulary because that would be a very long list, but maybe at the very least the oral cancer drugs, to identify what drugs are currently on the oral cancer drug list and along with the cost for each drug.

**Mr. Goertzen:** We're just checking on the specifics of—that the member had asked. I would give him one comparison if—this isn't part of his Estimates book, but he'd have access to the 2014-2015 book, as he was mentioning about previous years.

So, in previous years, the estimate for the—for this particular drug program was \$269 million. The actual was \$247 million. It's one of the few places that I have found where there was actually less money spent than what was budgeted. And that would be a combination of the success of the pan-Canadian drug purchasing, but also generics coming online to replace patented versions of a drug.

**Mr. Wiebe:** So, again, I'm just wondering if the—and I appreciate the one example.

Maybe we could get—could we get the numbers for the past four years, five years, just to give us a sense of where that—those pressures have been going?

And then, more specifically, the oral cancer drugs, to give us a list of which drugs are currently covered under the formulary and the cost for each of those?

**Mr. Goertzen:** Yes, we can commit, I believe, to getting that information likely by tomorrow morning, assuming the member doesn't want to wrap up this section of Estimates by 5 o'clock today. And if he did, of course, I'd still get him it tomorrow morning because that's the kind of minister I'm trying to be.

But most of that is public, in terms of what's on the formulary in the Pharmacare program, but we will—we'll get a list for him that might be presented better than what's on a website.

**Mr. Wiebe:** And I did want to give an opportunity for others on the committee to ask questions for the minister this afternoon, so I'll just quickly wrap things up. I appreciate the answers.

\* (16:00)

And I just wanted to ask, to dig into this a little bit deeper with regards to buying—across the country and, sort of, as he said the Walmart model of purchasing drugs, and I think it's a common sense solution that was talked about a lot in the federal election. And it's, sort of, as we say, a 'head-nodder' for people. They say yeah, that makes sense, that should be something that is instituted.

Is that something that the minister is pushing for at the national level, to come together with his colleagues across the country to come up with a national Pharmacare drug buying plan?

**Mr. Goertzen:** Well, certainly, part of the plan exists, and I think that there are—there's a desire to do more on the drug cancer—or, the cancer drug program that the premiers, I think—believe have also had some initial discussions on.

So the answer is yes, yes and yes. It is something that I've had very initial discussions with counterparts across Canada—only on the telephone variety, because we've not met personally. But also I believe that there has been some discussion at the First Minister's level as well. And we, certainly, want to see more advancement of the pan-Canadian model for prescription drugs in, generally, but in particular for cancer drugs, which we know are becoming much more expensive.

So yes, yes and yes.

**Hon. Jon Gerrard (River Heights):** Let me start with a question about a specific drug.

This is a drug called Kuvan, or sapropterin hydrochloride. It's a drug which affects a very small number of individuals in Manitoba, children and adults, with a condition called phenylketonuria. It is a rare condition, and this drug makes a difference in a small proportion of—a big difference in a small proportion of these patients.

The condition, PKU—phenylketonuria, is a condition where individuals have to be on a very restrictive and rigid diet, which is not a very easy diet to follow and not a very comfortable diet to follow. But Kuvan has been shown, in some of these patients, to make a very big difference in that they can have, as a result of this drug, much better control of their disease. And not only that, but are able to live a life which is of much higher quality because they're able to have a little bit more freedom in their diet.

It is also important for women who have this condition, phenylketonuria, who are pregnant or contemplating pregnancy. And, by lowering the levels of phenylalanine in the blood and in the brain—and phenylalanine is very toxic to the brain—it can have a very important impact to decrease the likelihood of a child with a mother who has phenylketonuria being born with brain damage and, thus, make—is something that can make a difference that can last a lifetime for the child.

This drug, Kuvan, is covered in Quebec, but it is not covered elsewhere, except for Ontario and Saskatchewan. And the way it has been covered has been completely ineffective in anybody getting this drug in Saskatchewan and Ontario. So it needs to be handled properly, as they are doing in Quebec, and people need to be covered. And, if you can cover this, you can make a big difference in a small—the lives of a small number of people.

Will you do it?

**Mr. Goertzen:** I appreciate the member for raising that question. I know he does it with the greatest of intention for helping those who are dealing with a rare disease.

*Mr. Derek Johnson, Acting Speaker, in the Chair*

Obviously, in six weeks I've read about—more about some of the rare diseases and the treatments that exist for them than I have probably in the other balance of my life, and it is both enlightening but it

is also, of course, in some ways, disturbing because there's no question that many people live with things that few of us know about. He will know about it, obviously, in his expertise as a doctor.

One of the things that is happening now and is ongoing is discussions together with the federal government on the ability—and I was mentioning to my friend from Concordia earlier—about having a national buying ability for drugs, both patented and generic, but, certainly, in the case of drugs that are treating rare diseases, the patented variety of these drugs and they typically are, are extraordinarily expensive, as he knows.

And so there is very active discussion happening on the national level and I'll give a degree of credit to the federal government. I believe that they are interested in having the discussion about a national program that would cover drugs for rare diseases because of the capacity for individual provinces to do them is difficult.

So that isn't a full affirmative, but I do think that there's opportunity in the same way that we've gotten coverage for other drugs on a pan-Canadian level in terms of the buying, that opportunity exists for drugs that are treating rare diseases and I'm sure that I'd be happy to perhaps brief the member more fully on those discussions as they evolve because he may want to be a part of that and advocate with his friends in Ottawa who, again, I will give credit to, because I think they are interested in the discussion.

But to work to see that happen nationally, because I think that it would happen in a way, if it was done on a national level that would protect provinces who might have a difficulty doing as much as they'd like to financially, but also make a difference in the lives of those people who are dealing with these rare diseases.

**Mr. Gerrard:** I thank the minister. I wanted to at least make the minister aware of this. I also think that the cost of providing this drug for mothers who are pregnant or contemplating pregnancy would be far, far less than the cost of having a child born with, you know, brain damage and intellectual disability. And while this drug may be covered by patent for a few years, if we are covering it under patent for a few years and then covering it for a long time at a lower rate because it becomes generic, it also needs to be factored in that we're not just looking at something which is, you know, is short term going to be as high as cost. It may be in the first year, but things can change and, indeed, as I've said that the net benefit

for covering mothers who are pregnant, as has been realized in Quebec, is huge, and I just wanted to make sure that the minister's aware because in the final analysis it will be up to the minister to make the decision.

\* (16:10)

Let me move on to a second question, and that is newborn screening for congenital heart disease.

The Government of Ontario has indicated that they are proceeding with this. There's been a variety of careful looks at this, and the benefits and—related to the cost would appear to be pretty high in that you would pick up a number of children with early congenital heart disease, which can be effectively treated if picked up early but, if missed, can result in the death of the child.

So I wonder if the minister would look at considering the newborn screening of children with congenital heart disease.

**Mr. Goertzen:** I have one comment and I have a question for the member himself actually, which I'm sure he'll be willing to answer.

Just in terms of his earlier point, and a good point, about drug listing. And I take his point seriously, but I know he brings it forward properly and with the right intention. At this point, that particular drug hasn't been recommended through the Manitoba process of the Manitoba drugs standards committee or the Common Drug Review; however, I do think that we need to continue to work on the pan-Canadian approach and then perhaps work together in an entirely non-partisan way.

Just for clarification, my officials wanted me to ask whether he was referring on the newborn screening to SCI, the severe combined immunodeficiency.

**Mr. Gerrard:** Yes, I'm aware that there have been some issues with this drug going through the common drug process; as I pointed out, it has been approved in Quebec. My understanding it is going back through for the fourth time now the Common Drug process; that the last time it went through, there was a clear recommendation that the provinces look at how individuals with PKU who would be excellent responders would be identified and consider what can be done for those responders.

There is emergency drug review processes or emergency drug approval where a drug is known to be very effective under certain circumstances. Yes,

and this may, in fact, be something that could be looked at. Certainly, I wanted the minister to be very aware that the approval for this use during pregnancy, I would see, is not only critical but cost effective and can, you know, make a huge difference, and that this is coming up for review and I think warrants, you know, very careful scrutiny because of the significant benefits.

Now, the newborn screening that I'm talking about is not for combined immune deficiency; it's for congenital heart disease. And there are fairly simple approaches that can be used to screen for congenital heart disease, which involve checking pulse and maybe the blood pressure on the arms and legs, and that this is something which could be done reasonably easily and could have a significant benefit. And Ontario, as I said, is already proceeding to do this. And so I would ask that the minister have a look at it.

I would move on to the third question I have. It's come to my attention that there is a serious problem in the health-care system in Manitoba, and that serious problem is bias and discrimination against some individuals who are overweight to the point where I had an individual contact me, and he was very, very concerned about even taking this public, because he felt that there would be no protection for him if he did so and that he would suffer from more discrimination, and not less, if he brought this forward.

And so my question is: What will the minister do about this issue of discrimination and bias against those who are overweight, and, for somebody who is very fearful about bringing this forward because he's feeling that he could be bullied, intimidated and his care could be—could suffer, how would he best bring this forward in a way that he would be protected?

**Mr. Goertzen:** I think the member for River Heights (Mr. Gerrard) raises a good point that probably doesn't get enough attention within the system or maybe within the public because it's—although it might be becoming more prevalent, it probably doesn't—it wouldn't make up the vast majority of cases, of course, that happen through the health-care system.

Certainly, in talking to officials, there are challenges, of course, with bariatric equipment in terms of individuals who might be in an obese state, and those are recognized and are not quick and easy challenges to deal with, but I don't disagree with him that they need to be dealt with in a way that's the

most appropriate and the most effective. I don't know, obviously, the details, nor would I want him to put the details on the record, of this particular situation, but there are other issues that are not simply equipment related—sensitivity issues in terms of how staff, of course, treats individuals.

\* (16:20)

And I've said on the record before, and I'll say it again, that my interaction with staff within the health-care system has been overwhelmingly positive both as a minister but also as an individual Manitoban in the past when I've needed to access the health-care system either for myself or for my family. However, that doesn't mean that the system is perfect because the system is made up of people, and people sometimes don't respond in the way that we'd all wish the people would respond.

So there is, I understand, a degree of training that is happening within the system, in particular within certain facilities, to increase the sensitivity of staff in dealing with individuals who might, in a particular situation, be classified as obese. In terms of his particular issue, I also think it would be helpful—I want to—it's a sensitive issue and I want to ensure that the 'confidentiality' of this is maintained. I'm not entirely sure of the nature of the repercussions that the member might be alluding to for either his constituent or just somebody that he has spoken with, but if he were to provide the details to me in confidence, I would ask my deputy minister, specifically, to look at the issue in confidence to see if it can be resolved not only for this individual but perhaps for others.

**Mr. Gerrard:** I thank the minister, and I will need to talk to the individual before proceeding because it's very important to do that.

*Madam Chairperson in the Chair*

My next question concerns an article that was in the Free Press. This was about a child who, when she was 11, was affected by depression. And, over the course of several years, I think about four years, she made numerous trips to the Health Sciences Centre, and the reference here in the article refers to these many trips to Health Sciences Centre that went nowhere. She did not—was not able to get the help or the treatment that she needed. Indeed, the references to what the family felt and experienced through not being able to get the help for their daughter and being very fearful that, you know, she might commit suicide. They eventually had to—decided that the only



option for them was to take her out of province. And they took her to Utah, and they had initially to either sell or mortgage their home in order to do that, but they did it, and, fortunately, she has, you know, returned to Manitoba, and apparently she is doing well.

The question that I have for the minister really is why is it that we don't have—seem to have adequate treatment in Manitoba for an 11-year-old who has severe depression?

**Mr. Goertzen:** Yes, you know, as a father of a nine-year-old, I read the story, and I had similar questions. Obviously, and it's somewhat irrelevant, and I'll just say that up front, this didn't happen at the time when we were in government largely, but it doesn't really matter because to a family, to a mother and a father and to a child, who's in government isn't a particularly relevant issue at a given time. They're looking for support from within the system.

It is something I can't obviously look into specifics of the case without the appropriate authorities, but I would be more than happy to have a discussion with that family to hear more personally and directly about their experience. It would help to inform me about steps forward and one of the things that I have a particular concern about is the issue of addictions and mental health, and I think the that those two are correlated, generally. Statistically, they would show that they are.

We have committed to developing a strategy together on mental health and addictions, and I suspect that that strategy will speak to the need for treatment and what those options are. My hope is that whatever comes back from that strategy is—will provide flexible options and will provide some greater options for families here in Manitoba, and where they can't be treated here in Manitoba, that other options may in fact exist in a more timely fashion.

I won't try to prejudge what some of that might be, but I don't think it would be a secret to anyone to suggest that there is more need than there is capacity when it comes to the issues of mental health, both here in Manitoba and probably across Canada. And not to speak for every other province, but I'd be surprised if the situation wasn't the same.

However, if there are specific learning experiences that we can garner from this particular case, regardless of who was in government at the time, I, as a minister, would be more than happy to

do that, if that would be the willingness of the family.

**Mr. Gerrard:** I thank the minister. I would make one point. I know of—know evidence that there was an addiction involved, in this case, and so I think it's got to be very careful, right, in terms of putting something on the record which may not apply to this case at all, because of, you know, the implications of that.

Second, I think it would be important as minister to ask individuals within the system about their view of what would be needed to make sure that we have adequate facilities for a child with severe depression. And, not just a matter of the family, but there should be some ability of people within the system that the minister is responsible for who could provide some advice.

One of the issues that I raised when the previous government was elected in 1999 was the problem of dental caries, which in very young infants are so severe that the child has to have surgery within the first few years of life because of the poor condition of the teeth. The problem has basically continued approximately the same as it was in 1999 with approximately the same number of surgeries.

This is clearly a marker of how well a health minister can do is to whether a health minister can, in fact, implement measures which will prevent a preventable condition, and I would ask the minister what will be approach to the prevention of a preventable condition, this severe dental decay in very young children in Manitoba.

**Mr. Goertzen:** I don't want to leave on the record any indication that I believe that the specific case that the member was speaking about before was related to addictions specifically. My point was that in crafting a mental health and addictions strategy, we thought it was important to do them together because there is so often, I think more than 40 per cent, a relation between the two.

In a young child such as the age that the member refers to in the article, was not my—wouldn't be my belief that they're—that the—necessarily that would be the case in that situation, but I was simply wanting to give context for why we would be doing the two together.

\* (16:30)

I have, as the minister—or the member referenced, spoken to my department, generally not

about that specific case, about the capacity within the mental health system, something that's being struggled across Canada with, and hopefully that that we'll get some instructive suggestions on the Manitoba contests—context coming forward from the review that I would hope would start later this year.

The—but, again, I'm sort of willing to have those discussions with the family, because I don't think that it matters anything to a family about why or who was in government at the time. If there's learning that can come from the system, through a discussion like that, particularly when it comes in relation to a young child, I'm willing to have that, and I will—just awaiting some information from officials on the second portion of that question as related to dental decay.

**Mr. Gerrard:** I'm going to pass the microphone to my colleague from Burrows for several questions.

**Ms. Cindy Lamoureux (Burrows):** I have the understanding that there are four specific care facilities for seniors here in Manitoba: personal-care homes, supportive housing homes, 55-plus and independent homes and hospices. Can the minister please confirm if this is correct?

**Mr. Goertzen:** I apologize to the—to my friend. I heard the—90 per cent of your question but probably not the important part. What was the very first part of the question?

**Ms. Lamoureux:** I'm under the impression that there are four types of facilities. Are they personal-care home beds—or, personal-care homes, supportive housing homes, retirement homes, which are 55-plus homes and independence homes, as well as hospices?

**Mr. Goertzen:** My friend is correct.

**Ms. Lamoureux:** I would like to discuss personal-care homes, specifically, and then I have a few basic questions on the other facilities.

So, beginning with personal-care homes, can the minister share how many we currently have in Manitoba as well as specifically here in the city of Winnipeg?

**Mr. Goertzen:** Is my—is the member for Burrows asking for the number of care homes or the number of beds?

**Ms. Lamoureux:** I will be getting to beds. Specifically, right now, homes, and you can answer beds as well if you have it off the top of your head.

**Mr. Goertzen:** There are currently 125 licensed personal-care homes in the province, which, in total, account for 9,698 beds.

**Ms. Lamoureux:** Can you tell us how many of those personal-care homes and how many of those beds are specifically within the city of Winnipeg?

**Mr. Goertzen:** Within the Winnipeg Regional Health Authority, there are 38 licensed PCH facilities accounting for 5,549 beds.

**Ms. Lamoureux:** Do you believe that we need more personal-care homes outside of the city?

**Mr. Goertzen:** Yes.

**Ms. Lamoureux:** Are there any personal-care homes on reserves?

**Mr. Goertzen:** Yes.

**Ms. Lamoureux:** Can you tell me how many?

**Mr. Goertzen:** There are currently two personal-care-home facilities that are licensed by the Province on federal reserves in Manitoba. One would be at Nelson House, and one is at Norway House.

Now, I understand that there may be personal-care-home facilities, or facilities that are similar to personal-care homes that are not licensed by the Province, but that are funded by the federal government on reserve.

**Ms. Lamoureux:** Of those two personal-care homes that are provincially funded on the reserves, how many beds are there?

**Mr. Goertzen:** At Nelson House there are 24 licensed beds, and at Norway House there are 26 licensed beds.

**Ms. Lamoureux:** The government has committed to implementing 1,200 more personal-care-home beds.

When does the government plan on starting this?

**Mr. Goertzen:** We have—are starting a process by which we are going to put together, essentially, an advisory committee that will look at the different options for funding personal-care-home beds in Manitoba.

The member might know, if she's read the mandate letter that was provided to me—and publicly disclosed by our Premier (Mr. Pallister)—that the 1,200 personal-care-home beds are ascribed at a certain cost, in terms of the capital cost. And that capital cost is significantly less than what would

normally be seen under the department. In fact, per bed, it's several hundred thousand dollars less.

So we're looking for innovative models that will involve partnerships, although I don't want to be too prescriptive in that, to be able to fund the necessary 1,200 beds over an eight-year period at the cost prescribed within the mandate letter and which the government believes it can sustain in terms of the cost.

I also believe that there was a mandate letter that was released for legislative assistants and, if the member—she probably did—read those, she would know that the member for Rossmere (Mr. Micklefield) is going to be playing a part in that—a significant part in that process in terms of helping to develop models by which communities can partner with others, and in other unique forms, to help meet the mandate.

I don't want to be too prescriptive in terms of how those partnerships or unique arrangements need to be developed. My hope is that the committee will come forward with a number of different ideas, and that individual communities, or the city, can find the way that works best for them.

So that formation, and the work of that committee, has already begun, and I would expect that we will have some more specifics on recommendations from them, hopefully, early into the fall.

**Ms. Lamoureux:** With the 'implemation' of 1,200 more personal-care-home beds, are you planning on building more facilities to house these beds, or are you planning on adding beds to facilities already?

**Mr. Goertzen:** I would think it would be both.

I don't think that there is any close-mindedness to any particular way of doing this. I think we want to do it in the way that makes the most economic sense for that community and that still fits within the mandate that we've been given.

\* (16:40)

So I'd be surprised if the committee—although their work is at much, much closer to the beginning than the end—would be so prescriptivist to say that it needs to be a facility that is a brand new, stand-alone facility, or an extension of an existing facility. In fact, I would, as minister, would be—I think, would be fairly direct in saying it shouldn't be limited to one or the other, because I don't think it would

necessarily fit communities' needs if it was limited to one or the other of those two options.

**Ms. Lamoureux:** I agree with that.

Can you confirm that, at this point, to the best of your knowledge, all current personal-care homes are going to remain functioning?

**Mr. Goertzen:** I don't think I'd want to give that specific assurance to the member for two reasons. One is there are probably some proprietary personal-care homes who may feel that their buildings are coming closer to the—much closer to the end of their lifespan than the beginning.

And also there are, you know, often unique things that happen, certainly in my portion of the province, not in my riding but in southeastern Manitoba. The member may know that the former St. Adolphe Personal Care Home ended up closing their beds but that those beds were essentially transferred or the appropriation was transferred to the new Niverville personal-care home. So there wasn't a net loss of beds. In fact, I suspect there was a slight net gain of beds. But, you know, one would look at that and say that that personal-care home closed down.

But I do think that there are probably a couple of other personal-care homes within the system that might say that their buildings are moving close to a time-expired situation.

**Mr. Gerrard:** Yes, the—in the story of Tina Fontaine, which was a very sad one, it has been suggested to me that if, at the time of her father's death, which was a violent death, there had been appropriate counselling for her, which is a fairly standard procedure for—we're used to having counselling if children are exposed to violent deaths in schools and so on.

And it would seem to be that one of the things that the minister could do would be to ensure that every child who is exposed to a violent death, whether in the family or otherwise, would have the appropriate counselling.

And I wonder if the minister would make a commitment to see if that can't be done?

**Mr. Goertzen:** And I can certainly confer with the member and agree with the member in terms of the goal. It's difficult for me to know the scope of the problem.

Certainly, in Tina Fontaine's tragic circumstance, there was a great deal of, sadly, a great deal of light

shed onto the circumstance of her death. And there's probably many other scenarios and situations that might not be as public or didn't result in a fatality that we don't have as much information about but might also warrant counselling.

I know when I was Justice critic for our party, for 15 years or 13 years—

**An Honourable Member:** It seemed a lot longer.

**Mr. Goertzen:** I think longer than any 'justic' critic in the history of the parliamentary democracy.

And the member from Minto will know this as well, that there were many people who come from other countries that are often war torn and they've seen many things as young children that impact them too. And then sometimes they start off at a significant disadvantage when they come to Canada because it impacts them in ways that I couldn't imagine because I've not experienced that. And that was more on the criminal justice side about how do you ensure that those individuals get, those young children get support because they're far more likely to be susceptible to issues within youth crime when they don't get that support if they're coming out of some of the difficult circumstances that young people can come out of when they're coming here.

So there's a number of different aspects and a number of different ways that young people, I think, can find themselves seeing traumatic situations that can impact them and that probably should require counselling of some sort for them.

So, as much as I would like to say to the member that I would be able to find a way to ensure that every child who suffers a traumatic incident that should require counselling gets that counselling, that might be more than I can promise. What I could promise is that I do believe that it's important to certainly move towards that goal to give children who are dealing with traumatic situations the best advantage and start, that—not so much a start always, but the best advantage they can in coming through that situation.

**Mr. Gerrard:** Let me move on to a situation in which the minister should be very familiar with. In the changing practice of paramedics across Canada, Alberta have moved, and other provinces have moved to, you know, much more vigorously in terms of advancing changes in practice.

One of the essential ingredients, as I think that that's a direction that the minister wants to go, one of

the essential components is training and education, and I believe that there is in the planning or on the drawing board or somewhere said to be coming, a training program at Red River which would be very essential for training paramedics and additional paramedics in areas like community paramedicine and acting in the community.

And the concern has been raised with me that the government, in its approach, may not have fully committed or ensured that there's full commitment to that program and I'm just asking the minister whether that commitment is going to be a strong commitment to ensure it happens.

**Mr. Goertzen:** So there are a number of points that the member makes within that question, all of which I think are important and valid.

He raised in question period, and this sort of touches a little bit on this, about the desire to move to a college when it comes to paramedics. Our party has supported that position, continues to support that position, and I don't want to revisit all the challenges that have happened in trying to move that forward. I think every member around this table, or almost every member, will have a fairly good recollection of some of the difficulties with that.

\* (16:50)

However, we do believe it is important for the profession of paramedics to have self-regulation through their own college, recognizing that even with agreement, that is a longer process than just simply snapping one's finger and establishing a college. There is a transition process and I won't go into all the details unless the member wants me to. But I've certainly had initial discussions with leadership within that field to express our government and our Premier's (Mr. Pallister) desire to see self-regulation and a college for paramedics. But, of course, I'd like it to be done in as collegial and as co-operative a way as possible. That has been somewhat of an elusive goal at this point, but I live in a world of optimism, and so I'm going to remain there until I have reason to leave it. And I'm certainly going to try to move it in a direction where there can be a consensus in terms of how the government's goal is achieved.

The member also raised the issue of paramedicine. I know that there are a couple of projects that exist for paramedicine within the—in the province and the city of Winnipeg right now, one of which is the Main Street Project. And I think that

there is room, perhaps, to look at other areas where that can be expanded, and I have an interest in that and certainly hope to explore that further.

In terms of the training part of the question, that is more specifically housed in the Department of Education and Training in terms of the funding regarding that. However, I recognize it touches, in terms of a service, on the Department of Health, Seniors and Active Living, and I believe that there has been some connection between Mr. Eric Glass from the Paramedic Association and our department, and I believe—or likely Education as well—and those discussions should be ongoing.

**Mr. Gerrard:** It's been, you know—in Manitoba, the College of Physicians and Surgeons has the power to discipline a physician when that physician is not following what should be good medical practice. If you have an individual who is, let's say, pretending to be a physician, who is handing out medicines to cure diseases, what is the process for addressing this issue?

**Mr. Goertzen:** Does the member have a specific case in mind to bring some context to this?

**Madam Chairperson:** Honourable member for Fort River—or for River Heights.

**Mr. Gerrard:** No, I don't have a specific case.

**Mr. Goertzen:** So, if I understand the member's potentially hypothetical situation correctly, it would be an individual who is not a member of the College of Physicians and Surgeons but who is putting themselves out as though they are a practising physician. In that scenario, I mean, I normally, if—similar to the Law Society, if somebody had a concern with a practising physician and that came to our attention within our ministry and a complaint was brought to us, we would refer that to the college because they're a self-regulated college. They would go ahead with their disciplinary process that they have in place.

In a situation where an individual is putting themselves out as a physician, perhaps, and not actually licensed to do so, if we were to receive a specific complaint from an individual, my best advice would be to refer that to the proper legal authorities because my—I don't want to be—I'm not giving legal advice here, but my guess is that there are provisions within legislation regarding fraudulent activity or presenting yourself as someone who is you or not.

**Mr. Gerrard:** I thank the minister.

One of the very large, to my knowledge, the largest epidemic in the province is of diabetes. We have gone from 50,000 to more than 100,000, well over 100,000 people with diabetes. It's actually been declared officially an epidemic a fair number of years ago. It is clearly best for the health people and for the health of our health-care system if we prevent diabetes, and I would ask the minister what is his plan.

**Mr. Goertzen:** The member is right in that this is one of the great challenges that we face here in Manitoba, not to suggest that the challenge is insignificant in other parts of Canada, but I do think it is particularly acute in the province.

And it manifests itself in a number of different ways. Obviously, the treatment portion for those who already have diabetes is challenging because, as he knows, the provision of dialysis is—can be difficult, can be expensive, but it's also very location based, and there has to be, if it's not going to be home dialysis, it has to be in a particular facility. It requires a great deal of water, for example, so infrastructure, as he knows, is important. One of the things that I think the department has tried to do and would probably like to do more of is to encourage home dialysis, and so that those who are already living with diabetes can find the treatment a little easier. He's aware, of course, there's a pediatric insulin pump program, of something I personally advocated for many years ago—the member for River Heights (Mr. Gerrard) may have as well—and that is part of the treatment portion. The longer term process, of course, is about prevention and preventing the disease. There are many different programs that exist already in terms of encouraging the proper lifestyle for those, to prevent them from getting type 2 diabetes in particular. And related to the pediatric insulin pump, I think it's largely restricted to type 1 diabetes, but there's—those programs are important.

I would say also to him is one of the reasons that I am concerned, on the national level, and he's probably read some of the reports where some provinces are trying to move the funding for health care from the federal government largely or significantly based on the age of a population within a province. For Manitoba that would be concerning, because while we may have a relatively young population, there are certain populations who have chronic disease which is a cost to the system, and we

want to ensure that those individuals get the support that they need. And so those discussions, of course, are happening and it's been publicly happening in terms of how the future funding for health care will take place, and it is a concern for me that there might be some movement away from—or moving towards funding more specifically on an age base as opposed to recognizing some of the chronic disease issues that the member rightly identifies in his question.

**Mr. Gerrard:** I would make just very quickly the point that the existing programs have not proved to be very effective in preventing diabetes and decreasing the incidence, so I would hope that the minister would look more carefully into this and really have a plan that could be effective.

\* (17:00)

**Madam Chairperson:** The time being 5 p.m., I'm interrupting the proceedings.

The Committee of Supply will resume sitting tomorrow morning at 10 a.m.

#### FINANCE

\* (14:50)

**Mr. Chairperson (Doyle Pivniuk):** Will the Committee of Supply please come to order.

This section of Committee of Supply will now resume consideration of the Estimates for the Department of Finance.

As this time—at this time, we invite the ministerial and opposition staff to enter the Chamber.

We'll now ask the members to introduce the staff in attendance.

**Hon. Cameron Friesen (Minister of Finance):** I have with me at the table this afternoon Finance Department Deputy Minister Mr. Jim Hrichishen. I have with me Ms. Lynn Zapshala-Kelln, the secretary of Treasury Board Secretariat. And I have with me the executive financial officer, Chester Wojciechowski.

**Mr. James Allum (Fort Garry-Riverview):** I have the exceptional Sean Goertzen with me this afternoon.

**Mr. Chairperson:** Thank you.

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

The floor is now open for questions.

**Mr. Allum:** At the end of our morning session we were trying to get an answer from the Finance Minister on why he didn't include a poverty reduction strategy, as required by law, in the budget.

Could he now please clarify why he didn't do that?

\* (15:00)

**Mr. Friesen:** The member is referring to legislation that is indicated as poverty reduction and social inclusion strategy. This is The Poverty Reduction Strategy Act, and it indicates, in section 2(1) that "The government must . . . implement a long-term strategy to reduce poverty and increase social inclusion across Manitoba" and that further that the government must "establish or adopt poverty and social inclusion indicators" and further that (3) it should "provide annual reports to the public on the progress" of those things.

The member will refer to D1, D2, D3 in the budget, and he will see that there are indicators there. There's some information included about low income in Manitoba showing changes from 2008 through to 2013. He will notice as well that there is a specific section on additional initiatives to reduce poverty and to face some of the significant—or address some of the significant challenges that is facing—that are facing our province in respect of social indicators. He will notice in that list it's inclusive of social impact bonds, which we have said would be an idea worthy of study and trial to determine to what extent those measures could be supportive in addressing—in providing new business, social and community partnerships to give Manitobans work and social supports.

So it says specifically that this mechanism could be one instrument to improve the outcomes of front-line services benefiting low-income Manitobans who rely on them. This section of the budget goes on to talk about promoting job creation and economic growth for First Nations communities through further development of urban indigenous economic development zones, and there are many different terminologies that are used to refer to these things; some people call these urban reserves. I was at a conference recently where they said, it's okay to call them urban reserves; that's what they are. Other people like to call them urban economic development zones; those are good too. We've said that's the intention of our government, to address these issues and to further provide economic

opportunity on reserve on First Nations communities. This is stated right in the section that the member says is not in our budget.

It goes on to talk about promoting things like practical home ownership opportunities for First Nations and Metis families but doing that through innovative partnerships with community, with private sector entities. This is a major initiative that our government will embark on, and I'm very optimistic about our ability to build on models already in place in this province, even models that have been in place that have been put forward by partners like the Manitoba Real Estate Association; that has worked. The member may be aware of efforts to increase in urban areas home ownership through innovative and forward-looking programs because we know all of the benefits that come forward through that stability that comes with home ownership. But that section in the budget goes on in appendix 1, and it does show all the indicators of poverty reduction and social inclusion.

Now, we were able to do this as a government all within a lightning-fast pace of time, bringing a budget within six weeks. I would say to the member, just imagine how robust this and other sections of this document will be when we are—when we have a full budgetary timeline in which to work. Compare and contrast that to the record of the NDP that had ample time, truly unlimited time. They had no restrictions on their time to develop and bring a budget to Manitobans in advance of the election. They chose instead to focus on themselves, focus on a leadership contest and focus on trying to shore up their failing electoral fortunes, but in so doing what they brought back was indeed not a budget but something very different. They called it an update. And I would indicate for the record that the cost of that exercise was \$50,000 and it did not produce a budget.

We produced a budget and we will again less than a year from now.

**Mr. Allum:** We know, because we've heard the minister say that he rushed this budget several times, that he wasn't prepared, that he didn't do the proper consultation needed to do a budget. We're well aware that he rushed things, and we wish that he had maybe taken a little bit longer in an effort to try to get it right instead of getting it wrong. And we're disappointed in that, but it's water under the bridge now.

The member—the minister talked about what is in the budget, and I will concede that there is a small section in the budget. It runs to, well, really two pages and then a list of indicators, and then you get a blank page at the very end. So it's actually about two pages long. I would refer him to Budget 2015: Steady Growth, Good Jobs where, in fact, the paper on reducing poverty and promoting social inclusion ran for 22 pages, and it's chock full of good information. And I would invite him—when he's not in a rush to put a budget together—to actually—to read it and absorb it and look at the—some of the important things that were done under the previous government to address poverty over many, many years.

One of those, of course, was increasing the minimum wage every year from 1999. It started at \$6 an hour when we first came into government, and ended up just under—or, 11, it's actually over \$11 now, I think, Mr. Chair. That's one of the measures we took. Yesterday the Finance Minister indicated that he didn't increase the minimum wage because he hadn't had a chance to talk to the Labour Management Review Committee, I believe it's called. In fact, that committee did meet and the minimum wage wasn't raised.

Could he tell the House why it wasn't raised at that point?

**Mr. Friesen:** This is—we're back on the conversation of affordability, and that's a good conversation to have.

And I know that the member understands that there is, of course—in the Labour Management Review Committee, we have representatives of both labour and from management who meet and, then, who recommend—provide recommendations for review and consideration.

\*(15:10)

Now I would indicate to the member that it's a process that takes time. It's a process that takes two to three months, and government doesn't exactly ever receive a unanimous recommendation, so the strength of this group, I would surmise, is that it represents different areas of our economy, and so those agents at the table undertake to discuss and consider variables relating to the economy, growth of the economy, central bank rate, inflation, costs of goods and services, looking at the prices of housing. They'll look at the other variables like insurances and vehicle registration. They'll compare these costs to

other jurisdictions, and then, on the basis of their conversation, they will make recommendations.

However, I would remind the member, those recommendations would not be made to me as the Minister of Finance. Those recommendations would be made to the minister responsible for Growth, Enterprise and Trade who is also the minister responsible for labour, and those—that Committee of Supply was concluded, I believe, two days ago—was it only yesterday? Time flies in here.

And so, certainly, I don't mention that to say that I'm not interested; rather, quite the opposite. What I'm pointing to is the process that underlies these decisions. So I would want to help the member understand that we would have no interest in curtailing this work. We have no interest in short-circuiting the work, and we would have no interest in overruling the work of this group that is in place. But I can assure him that as the Minister of Finance that has only been in this play—in this position for probably six or seven weeks—[interjection] Yes, maybe eight weeks, even. Thank you. I thank the member for Tuxedo (Mrs. Stefanson) for counting up those weeks for us, but who's counting anyway?

I will be undertaking to understand more the function. And that actually is, you know, one of the benefits of this role in the early days is that I can assure you that within my department, no opportunity is overlooked to bring me up to speed on areas pertaining to my responsibilities. I know the same is true in the area of Growth, Enterprise and Trade. So, on a daily basis, we're getting more of a working knowledge as to the groups, the entities, the agencies, the special operating agencies, the areas of function.

Indeed, if the member who hasn't really spent a lot of time, if any at all, looking at the Supplementary Information for Legislative Review, he'll notice that even under Manitoba Finance, I mean, so many different areas of responsibility. And so, within all of those key areas, then sub-areas.

And, of course, I remember, you know, when I was the critic, seeing for the first time that alignment brought in—probably in the 2015 budget with Central Services being located under the area of Manitoba Finance, that being a significant change from past practice. So I assure him this area is important. The function of this group is important, and while their recommendations have never been unanimous, it's not to say that they might not be in the future. I look forward to my work along with the minister

responsible for Growth, Enterprise and Trade to determine what will be their next recommendation to us as government, and then, of course, the member will understand the next part of the work that ensues is the work of consulting with Manitobans and to go out and allow Manitobans to have that say.

Somehow, to suggest that we could have done all that within six weeks would not be reasonable, but we plan to take a reasoned, pragmatic and comprehensive approach to make sure we get this right.

**Mr. Allum:** I'm not sure why the Finance Minister continues to use the amount of time he's been in government as an excuse for inaction on raising the minimum wage. He tabled the budget. Nobody else did that but him, and we raised—[interjection] The member for Tuxedo says to me 17 years. Yes, we raised the minimum wage every year over 17 years. They had one chance at it and she, along with the Minister of Finance (Mr. Friesen) refuse to do so, so I'm disappointed to hear her say that. She had a chance to make a good start in that direction and refused to. But just for the edification of the Finance Minister, it's actually the minister who brings recommendations on the minimum wage to the Labour Management Review Committee and no such recommendation came forward at their meeting.

So, I'm asking him why he didn't tell whomever in government is responsible for labour, because we really don't know because there's no department of labour anymore, why didn't he tell whoever's responsible for labour in his government that he would be making a recommendation on increasing the minimum wage and take it to the Labour Management Review Committee for discussion? Why didn't that happen? Is it because he had no intention of raising minimum wage, which appears to be obvious to me, I think as well as every Manitoban?

**Mr. Friesen:** I want to assure the member that right now we're working on a response to his question he just asked, but maybe in the interim, just while we're waiting for that answer to be provided because we're waiting for a little more data here.

\* (15:20)

In the meantime I will go back to a question he asked earlier today where he asked a question about taxation, but then he suggested on the record that it was our plan now to lower taxes on tobacco. I want to assure the member that is not true, but what I was



trying to do was to provide him, in an abstract way, with something that I can now quantify for him in respect of tobacco taxes.

What I was getting at is the principle by which if governments do not set taxes in a reasonable way, it can bring a level of fatigue whereby there is this differential between the amount the tax is raised and a resulting loss where we're not seeing that resulting increase. So, in other words, if you, you know, you put a tax on an item and you get this as a certain amount back but tax it again and tax it again and there is that deterioration in the escalating amount.

It's what I was referring to when I was mentioning the fact that in this province, by raising the tax every—almost every year, and we were citing some of those increases to tobacco tax earlier today, what we have seen is not a resulting increase in revenue to government on the same scale.

As a matter of fact, I remind him that tobacco rates in this province have more than tripled. In 2000, there was—the tax per cigarette was 8.6 cents. In 2015, the tax was 29.5 cents. But more recently and more relevant to the analysis, I would indicate to the member that from 2009, let's say budget year 2009—or fiscal year 2009 to fiscal year 2012, tobacco rates increased 73 per cent but revenue increased only 17 per cent. You raised the rate 73 per cent, but the revenue comes back only 17 per cent.

Now, the other interesting thing, then, for the conversation, would be, all right, but what about volume increase? Because then we have to ask ourselves, if the revenue is not coming to government, then what is the source from which the public is choosing to procure tobacco and tobacco products? And my answer to the minister, and you could ask the officials in my department who deal every day with tobacco interdiction and enforcement, and they would tell him that it gives rise to a black market and illegal importation of tobacco. So that's why Budget 2016 is actually putting measures in force in the BITSA bill to strengthen our ability to go after those who illegally import and traffic contraband tobacco in the province of Manitoba.

So I certainly did not mean to indicate to the member that somehow we were going to suddenly make this the Wild West for anyone wanting to enjoy tobacco practices. We understand that as a society, we've spent a long time now trying to send powerful messages around the dangers of consuming tobacco products, and, certainly, there's a role for government there. We've been trying to depopularize the use of

tobacco, and we've had some success with young people.

And now, again, at this time, as technology catches up and all—oftentimes runs ahead of legislation and regulation, we're facing a whole new battery of challenges in respect of e-cigarettes and these technologies. I can recall going to a conference about two years ago. I was sitting around the table wondering to myself what an e-cigarette was. And here we are, and even in the Department of Finance, we're making assumptions about what kind of revenue might flow to government as a result of the consumption of e-cigarette items. But those revenue numbers are not materializing because—and that's a longer conversation.

But, anyways, I look forward to providing the member with the answer on his previous question in my next opportunity.

**Mr. Allum:** I guess we're relieved by that clarification by the Finance Minister. It's worth pointing out that this side of the House didn't raise anything about tobacco taxes. It was the Finance Minister who went off the deep end about it earlier today, so I could understand why he'd want to provide clarification on a matter as sensitive as that one. It's probably a reminder why he needs to always have a bit of discretion here when we're in the Estimates process.

Can he tell the committee, and in this case, this side of the House, what measurable incomes he intends to adopt in his poverty reduction plan whenever we see it?

**Mr. Friesen:** The member asks a question about, you know, what are we going to measure on a go-forward basis or will we provide robust information to see how we're doing on poverty reduction and social inclusion. That's a good question.

I would start off by saying that we take the view that we need to get this right. I think, in too many areas of the operation of government under the NDP, we saw kind of a go-it-alone approach, a resistance to working well with other jurisdictions. We certainly saw this in respect of their relationships that increasingly soured with the federal government. We saw this in respect of their relationship with other western provinces, where they stood outside of participatory trade agreements and took an approach that they would go it alone.

We won't take that approach. So even when it comes to poverty reduction and social inclusion, I

think the member would have to acknowledge that we're going to take the time to look at the metrics, to compare with other jurisdictions, to participate with them to understand what other jurisdictions measure and what we measure. And maybe there'll be opportunities for those other jurisdictions to learn from our practice. And I would submit that there may be opportunity as well for us to learn from other jurisdictions. But in that exercise, I'm hoping, as well, to standardize measurements.

Now, obviously, this is not all work that falls to the Finance Minister. But to the extent that we can harmonize the metrics that we are considering, then we have opportunity to really see where we lead and really see where we lag.

\* (15:30)

That approach is only possible to governments if they take the view that collaboration will help our overall efforts. I would suggest that in the abstract, on the outside of things, the previous government did not take that approach.

Even inside their ALL Aboard strategy, our critics used to bring instances all the time, on a continuous basis, noting that they were not hitting their targets, that the results were getting worse, that we had more children that were living in poverty than the year previous and the year previous before that, that we had—as a matter of fact, if I even consider the Auditor General's report and his chapter on indigenous and Aboriginal education that was publicized in January of this year, the auditor spoke exactly, precisely about the lack of progress of the NDP government in respect of boosting graduation rates on reserve. What that study showed is that the education graduation rate for the province of Manitoba, and the minister will know this because he was the minister for a time in Education, was higher than 95 per cent. But on reserve, not only was it lower than, I think it was around 50 per cent, but that it had gotten worse.

And not only did the Auditor General cite this in his report, but he said the NDP had done nothing to assist. They had thrown money at it; they had not developed a system of measurement; they had not made school divisions accountable for how they spent their money, and they had not insisted to receive information and data about progress. There was no bench lining. This is only one indicator inside all of the indicators of poverty reduction and social inclusion.

On page D3 of the budget, the member understands these indicators include social and affordable housing, they include community belonging, high school graduation rates, participation in adult-learning programs, employment rate, average weekly earnings, minimum wage, low income rate, income equality, post-secondary education participation, availability of child care, number of children in care, teen birthrates, potential years of life lost by income quintile, prevalence of chronic disease, average monthly number of persons in co-ordinated home-care services, continuity of physician care, number of people using access centres.

Now, the member have—has spent the entirety of his time on one indicator in a list of more than 20 that I have just read into the record. I invite the member to go on other indicators and ask me questions about those as well.

**Mr. Chairperson:** Before we can continue, would the member please introduce your staff member?

**Mr. Allum:** Yes, I have the exquisite Emily Coutts with me now.

**Mr. Chairperson:** Thank you.

**Mr. Allum:** I'm pleased to hear—at least I think I hear that the Finance Minister will adopt the indicators of poverty reduction and social inclusion that were developed out of the ALL Aboard strategy that was done in broad consultation with Manitobans and that he will stick to those. It's funny, as he went through the list there, he jumped right over minimum wage without paying any attention to it.

But I'm glad to hear that he will have measurable outcomes and I'm sure there will be more substance to this section next year, at least we hope so; we'll certainly put him on notice now that that's what we'll be looking for, and we'll be looking for much more information when it comes to poverty reduction than what's he delivered in his budget that frankly failed Manitobans and especially the most vulnerable Manitobans.

I just wanted to get a point of clarification; I think we agree on this, but I wanted to get a point of clarification around the Rent Assist program, that it will continue to apply to both those who are on income assistance, as well as those who are low-income Manitobans?

**Mr. Friesen:** Again, I invite the member to understand that as I look at my Supplementary

Information for Legislative Review, I don't have a responsibility for Rent Assist, but there is a minister who has that responsibility. And that responsibility—the statutory responsibility and the appropriation, is housed inside the Department of Families. So at the Committee of Supply for Families the member could ask a question specific. He'll understand that that's not a tax credit program and it's not a tax rebate program; it's a granting program. And that program, of course, reflects—it's noted in the budget because our government has strengthened the payment, a payment that the previous government left unstrengthened for years and years and years.

But I won't get into that discussion because it's outside of the purposes of—well, it's actually outside of the appropriations of this discussion. So I know that, Mr. Chair, were I to go there, you would quickly rule me out of order. So as to not test the patience of the Chair, I will take my time, instead, to circle back to a question the minister—or the member raised this morning. And he was talking about the fact that he thought that the procedure of five quarters in a fiscal year would, perhaps, break the law because it would contravene the budget implementation and tax statutes act. He had referenced the Seniors' School Tax Rebate and indicated, well, it would break the law for us, as a new government, to bring a change to any tax item and implement it at a certain time.

Now, I assured the member this morning that that's not the case and he's not reading the BITSA bill the correct way, but I want to give him four specific examples where his own budget has done the same just in previous years.

The first is in 2008, where he will see in that budget, on page C1, for Budget year '8-9, the Film and Video Production Tax Credit, there was an enhancement. And he'll see there, in the year of the enhancement, the revenue—sorry, that would not be a revenue item to government; it would be a cost to government, right, so that the amount is \$4.5 million. Now, that's indicated as a budget-year amount representing five quarters, so that's the year of the implementation of the enhancement. But, in the next column, it indicates the amount as 3.6. So it's a difference of approximately \$0.9 million. And you can see—so there's an implementation amount in the first year, but then there's an ongoing amount.

It's the same when it comes to Budget 2011 on page C1 for the budget year '11-12, and there were children's arts and cultural tax credit, there was

Primary Caregiver Tax Credit and some farmland rebate. And those items, as well, were all indicated in the first column as an amount for the budget year in which these changes were implemented. And, then, in the next column, on a go-forward basis, the amount would show as a full-year amount.

In 2012, there was a dividend tax credit change—a decrease to that—in the same way the two amounts indicated. In the year of implementation, five quarters, and in the full year, four quarters.

The last one that I would indicate to him was just in last year's budget, the '15-16 budget. And there were three other changes, and one of them I would cite in particular, because it was the voluntary firefighters' tax credit introduced, and that was supported by our government as well. And that—you'll even notice for even that smaller tax credit, indicated as \$0.6 million the first year but 0.5—think of it as a reconciliation. In the first year, it must accommodate the first quarter of the fiscal year at the previous level, and then, going forward, on the new level.

So in the same way as this—consistent with this—with the exact same practice in place—that is why, when he looks at the page that he referred to previously in our budget and sees the Seniors' School Tax Rebate in two separate columns, it is reflective of the exact kind of generally accepted accounting practice as I've just referred him to in these examples.

**Mr. Allum:** Well, I'm glad the minister was able to catch me up on a conversation we had earlier this morning. I appreciate that.

\* (15:40)

He mentioned earlier that one of the tools the government intends on pursuing in the future to address poverty, in the absence of a concrete poverty reduction plan, was social impact bonds. So could the Finance Minister please define what he means by a social impact bond and indicate to the committee exactly how he intends to implement a social impact bond?

**Mr. Friesen:** Again, we're tempting the Chair to rule here because, obviously, I'm looking at my supplementary information, and I recognize that this is flirting on the edge of what would be allowable. And so, understanding that the Chair can rule with an iron fist sometimes—I know the individual well—I will attempt to answer the question in a way that will not provoke his wrath.

But I appreciate the question because it gives us opportunity to talk. I think it relates to our discussions in this way: that it focuses our attention not just on government spending, but on value for money and results. And that is a conversation that I would tempt the Chair to allow in his benevolence.

In any case, social impact—I said benevolence, by the way. Not malevolence. But in any case, social impact bonds are not a panacea and they are not an answer to all of the ills that face us. But we understand, in Manitoba, we have challenges not just in respect of the fiscal situation that faces this new government and, indeed, all Manitobans, but we have challenges in terms of the poor condition of so many social situations and social contexts, including, but not exclusive to, child poverty rates; education performance by our young people in science, literature, mathematics; the number of children in the care of child and family agencies.

And social impact bonds are one opportunity for government to work with partners. These partners could be the private sector, these partners could be faith-based groups, they could be community groups like United Way, they could be trusts, they could be non-profit groups.

But the idea behind the social impact bond initiative would be for government to additionally address social challenges by leveraging the institutional knowledge and the expertise and the relationship of these non-government partners, if I can refer to them that way; I wouldn't use the American term of non-government organizations because that implies something different.

We know that out there in the community there are many groups delivering services in our communities. I think, too often, our predecessors took the view that they should be the only ones in the marketplace trying for solutions. I think we saw that they proceeded on that basis and delivered variable success, in many cases, a lack of success, in many cases, the situation deteriorating rather than improving.

So, in this case, the benefit on a financial level is that not only do we leverage the institutional knowledge and expertise of relationships that are in place in these groups, but we leverage their investment. So, in these cases, it is not government capital at risk but it is, rather, these groups bringing projects to government for consideration, having projects approved, putting them in place on a limited scale and then having the project reviewed and

adjudicated by government according to agreed-on criteria. And where the results are showing, then government can choose to reimburse the entity, expand the program, duplicate it in other jurisdictions. We could always reassess how it's working. We can change the terms of reference. We can re-examine.

So not only did we think it was an idea worthy of merit but in a report that was issued on social impact bonds, the member for Point Douglas (Mr. Chief) expressed his support for the idea, and Kerri Irvin-Ross, as a former minister of this House, expressed her support for the idea.

So, certainly, this is an idea that has already been recognized by members on the other side of the House, and we stand with those members in saying let us not take an ideologically fixed approach. I believe it was once said that fixed positions is the essence of idiocy. So we must constantly re-evaluate, and that's what we plan to do.

I think it was Napoleon who—

**Mr. Chairperson:** The honourable member for Fort Garry-Riverview.

**Mr. Allum:** I'm impressed that the Finance Minister's quoting Napoleon for us. That's very good. I hope that he's able to bring more quotes from past historical dictators to the floor of the House at any time. I'm assuming those are his heroes, but I don't know that for sure.

The question was raised, Mr. Chair, because the Finance Minister himself raised the issue of social impact bonds, and we're trying to get some clarity from the government around a term that they throw around without—I don't know that they have proper appreciation for what the definition is there. That was kind of a moving target definition that we just heard.

We are, on this side of the House, familiar with the research that's been undertaken where they have been tried in other jurisdictions, and so we want to be careful to understand if, and quite likely when, the government brings social impact bonds to the floor of the House that we have a proper appreciation for what it is that they're pursuing, what their objectives are and if they'll be successful in any way. I have to say that the evidence suggests, at this point, that they have not been all that successful. But, you know, time will tell when the minister introduces the concept into his poverty reduction plan that doesn't exist this year, but we hope will exist in years to

come, that there'll be more substance around that particular mechanism that he's describing.

\*(15:50)

I would just want to indicate for the Chair that we had agreed to bring in the minister of corporate–Crown–*[interjection]* Crown Services, thank you, for 4 o'clock, so my time is running shorter here. So I'll ask him if he could just describe for us his plans for Accommodation Services this year. Accommodation Services were, as he knows, and happened under our government, removed from Manitoba Infrastructure and Transportation–MIT–last year, into his department.

And, so, we're interested to know, at this stage, what plans the minister has for Accommodation Services. I have to say that the—I believe it's the associate deputy minister for that particular branch of government, was formerly the assistant deputy minister in Education and Advanced Learning, and I have great respect for him. I know he'll do a very good job in that particular area.

So, we're curious to know what the minister's plans are for Accommodation Services going forward. It's our understanding that there were about 150 projects in place for Accommodation Services going forward this year. We're interested to know if he's going to continue all of those or if he has plans to make cuts in that regard.

**Mr. Friesen:** I'm pleased to have a question that actually pertains to the Estimates book by the member opposite.

So I'm referring, although he did not cite it, I'm referring to page 77 in the Estimates book under the area of Responsibility of the Finance Minister, entitled Central Services, and under the subappropriation 7-5a, Accommodation Services.

Now the member may be referring to the amount—when he's referencing this question, he may be referring to the line under Other Expenditures where it's indicating less recoverable from other appropriations.

Now we had a question similar in an earlier consideration of a matter pertaining to Red River College. So he will see here, yes, there is an actual reduction year over year from '15-16 to '16-17 of approximately \$5 million, from \$30.7 to \$25.773 million. And the rationale for that reduction he will see underneath on the same page being expressed as

they're all related to the Red River College divestiture.

My officials have explained to me that over time, you know, originally the government would have undertaken to perform certain functions for our colleges, and as those entities grow and become more self-sufficient, there is an effort made to then place this responsibility back under their operating authority. And that means that then that change is reflected in this one set of Estimates, both in terms of full-time equivalents and related funding.

So the member could look and see the reduction here, and then later he could look and see the increase to Red River under a separate amount. He also will notice the same is true when it, up on top, when it comes to professional and technical support. That change is also reflected.

So I want to ensure him that in no way does this change somehow reflect that anyone has been released or any budgetary amount has been lost. As a matter of fact, he will note, at the bottom of the page, under the total subappropriation, there is an increase of approximately \$3 million in this area of function.

I have just a minute or so left. In that time, then, what I would do is also point him to the Capital Investment amount that is detailed on page 97 of the Estimates book. And if the member was referring instead to Capital Investment, he will notice that under Accommodation Services Capital Projects, there is no change from year to year.

**Mr. Chairperson:** Thank you.

We'll just take a chance opportunity to switch ministers for the Crown Services.

*The committee recessed at 3:58 p.m.*

*The committee resumed at 4:00 p.m.*

**Mr. Chairperson:** The floor is now open for questions.

**Mr. Ted Marcelino (Tyndall Park):** To continue with the Estimates process for the Minister responsible for Crown Services, let me start off today with a statement that Liquor & Lotteries Corporation, which is one of the Crown corporations who have been very well run, made a conscious decision to locate their head offices at the Medical Arts Building and build—or renovate it and put in a new extension.

Now, that was announced sometime in September, and during that time, there was a comment on the part of the critic then that it was all right. It must have been studied and it must have been well planned out. What has changed?

**Hon. Ron Schuler (Minister of Crown Services):** It's great to be back in Estimates, Mr. Chair, and great to be back in Estimates with the critic, an individual who I know has a great standing in his community, who's served not just his community here but has also got service back home.

*Mr. Scott Johnston, Acting Speaker, in the Chair*

He's—wherever he is, he serves with great distinction and I am pleased that he's the critic for Crown Services. And I know that the critic has availed himself of some of the things that we have done to depoliticize the Crown corporations. We believe very strongly that corporations should be treated with respect, something that wasn't done by members opposite. And we know that he was one of the key members of that government who made decisions to politicize—we know that he was part of a government that politicized the Crown corporations, and there are numerous examples of the kinds of things that were taking place—unfortunately taking place.

And we know that each and every one of the members on the opposite side made themselves avail to taking Jets tickets, and when it walked down past their offices into the Crown corporations and demanded that they get Jets tickets when there were people five, six thousand deep wanting to get a Jets ticket. I know first-hand there was not a chance that a mere mortal like I could even come close to a Jets ticket, and yet the Cabinet ministers in the NDP government had no problem scoring fantastic Jets tickets. In fact, the minister of Justice at the time, the member for Minto (Mr. Swan), has a great photo of himself right close to the ice, cheering for the Jets there, and what the newspaper forgot to mention was that he was cheering his free Jets tickets.  
*[interjection]*

So now the member for Point Douglas (Mr. Chief) seems to have picked up where the member for Elmwood (Mr. Maloway) left off yesterday. He seems to think that this is a debate. Or maybe he thinks this is a hockey game. But I'd like to point out to him the way it works today is that the critic asks a question and then the minister answers, and then the critic asks again and the minister answers. And if the member for Point Douglas wants to get his words in, what he should actually do is wait his turn. Now, we

know he was once a Cabinet minister as well. He should know this system. But chirping when others are trying to put their answers on the record is, probably, not the best way to be doing this.

Anyway, we know that the member for Point Douglas and other members, certainly the member for Minto, were seen in the media cheering for the Jets. Well, actually, it wasn't that they were cheering for the Jets; they were cheering for their free tickets, and great tickets those were. So, you know, we felt that that was an issue, and I remember asking—it was—Jim Rondeau was the minister, the former member from Assiniboine. I got up and asked him that question. In fact, it was in Estimates. So I want to encourage my critic. Estimates is a very important place to be asking questions.

So I asked the then-minister if anybody had availed themselves of free tickets, and about six weeks later I got up in question period and asked the same question, and Jim Rondeau was good enough to say that they didn't have time to get that list together. So I asked him exactly how many Jets tickets did they take that they needed six weeks to compile the list. And clearly, there were a lot of tickets, and we know that there were a lot of apologies. And, in fact, a lot of individuals were writing cheques back for tickets they weren't deserving of.

And what we have done as a government is we have stopped that process whereby individuals can go right into the Crown corporation and avail themselves and interfere and make decisions and get involved in the corporation. We believe that the system that we came up with is a good system, and I take it the member took some time yesterday to read the letters that we sent out. We sent out the framework letters to each of the Crowns and, in true openness never seen in the last 17 years—never before have we had a government as open and transparent as our government, where we went so far as to table letters and not needing for a FIPPA request or needing to be asked for them. We tabled them, and we are the most improved province in Canada.

**Mr. Marcelino:** I did not hear an answer, again.

And it's a very simple question. I didn't realize that the honourable Minister responsible for Crown Services can be the minister for stonewalling.

Let me repeat the question. When it was first announced, the Progressive Conservatives said that it was looking good, meaning the new headquarters at

the Medical Arts Building for the Manitoba lotteries and liquor will be a good move. I think that's what they said, at least. And the main question that I have is that there are some decisions that have been made, especially when a real estate deal has been closed, and plans have been made, that you cannot just scuttle plans for the simple reason that you want to do it.

\* (16:10)

I beg to disagree with the minister that it is up for review by just issuing a—now he calls it a framework letter instead of a mandate letter. Beautiful words, but meaningless. So what has changed since November 1st when the deal to buy the Medical Arts Building was closed? What has changed?

**Mr. Schuler:** I would hasten to add to the member's question, one should always be careful when quoting. Usually one should quote accurately. It's usually a good place to start. You, you know, find out what the person says and then you quote them verbatim.

So the member said that he was quoting me, sort of; that he was kind of maybe quoting something that we sort of perhaps might have said. And I would point out to the member that we have been very consistent when it comes to the Crown corporations. We said then our expectation is that the Crown corporation makes decisions in the best interest of the ratepayers and of the taxpayers of Manitoba, and that was our comment on the record at that time.

If the member took the time to read the framework letters that we tabled, he would find that basically the framework letter consistently says what we said back then, what I've said in this House as minister, reaffirmed with the minister's mandate letter from the Premier (Mr. Pallister)—by the way, something which we're still waiting for the member for Tyndall Park (Mr. Marcelino). We're waiting for the member to table the mandate letters that Cabinet ministers got. We would love to see those mandate letters, but in 17 years, not even a redacted copy, not a sniff of a copy of those letters. We received nothing from the member opposite, and the question is why not.

What is so fearful in those letters? What is so scary in those letters that the member won't release them? And what did we do? We released them and it was very clear that what we said when we were in opposition to the mandate letters given by the

Premier to the Minister of Crown Services, and very clear in the framework letters that were given to the Crown corporations, we expect the Crown corporations to run their affairs in the best interest of all ratepayers and all Manitobans, and that is laudable.

And I know that the member opposite is used to getting very simplistic answers, so he would go to the member for Point Douglas's (Mr. Chief) office, the minister, and he'd say, you know, is it possible I can get Jets tickets tonight, and the member for Point Douglas would say, nope, they're all gone; answer is no. And he's used to very political answers. The member for Point Douglas could give him an answer right off the hop.

Now, that's not the way things are running anymore. We do not interfere in the Crowns. I do not avail myself of any sports tickets whatsoever from the Crown corporations. In fact, I don't even speak to individuals within the Crown corporation. My role is to deal either with the board chair and the board or I deal with the pre-eminent Deputy Minister of Finance. I speak to him about issues, but I do not directly deal with the Crown corporation.

So the member asked what has changed. Well, one of the things that hasn't changed, unlike members opposite, our position has been consistent. Before the election, our position was that we would not interfere in the Crown corporations, that we expected that the boards would make a decision that was in the best interest of the ratepayers and the taxpayers.

That was in the mandate letter given by the Premier to myself, and it is in the framework letter that was then sent on to the Crown corporations; that's what our expectation is.

And to go the route which the member opposite is suggesting, that we get back to the dark days of political interference, the last 17 dark, dark years of interference in the Crown corporations, that, I'd have to say, we reject.

**Mr. Marcelino:** When the new board of directors of Manitoba Liquor & Lotteries were appointed just two days after the honourable Minister for Crown Services was sworn in, there was a lot of clinking of glasses, something like that. And it's amazing how we are trying to find a way to determine the reason behind the wholesale replacement of boards.

Let's talk about the Manitoba Liquor & Lotteries. And somebody was appointed chair and

that would be Ms. Polly Craik, and from my notes, I think she was a huge PC supporter. Is that true?

**Mr. Schuler:** I'd just like to point out for the record that no Manitoba Liquor & Lotteries board was appointed two days after the Cabinet was sworn in.

**The Acting Chairperson (Scott Johnston):** Order.

**Mr. Marcelino:** I stand corrected. How many days was it when the wholesale replacement of Manitoba Lotteries members of the board was done?

\* (16:20)

**Mr. Schuler:** I thank the member for his question. And again, we want to always be factual here. I mean, one of the things that happens when there's a change in government, and I would point out to the member, that same thing happened in 1999, that the government comes in and wants to put forward a new agenda, show that there's a new government in charge.

In the case in 1999 when the NDP won, they wanted to put in a board that would represent how they wanted to run the Crown corporations. I don't think those boards were necessarily in agreement with the politicization that would then take place. I don't think any board would have agreed to that. Certainly, they wouldn't have been consulted on it, but that was the end result. And it is something that takes place.

In fact, I would suggest to the member that he goes back to the British parliamentary model, and it's something that—Mother Parliament in Britain—that governments tend to put in individuals that they, then, feel will come in with a—new ideas and new management style. And I don't know if the member realizes, even in a republic system like in the United States, I believe the President of the United States appoints some 6,000 appointees, and that is how a mandate from the people is then implemented. Because I don't know if the member opposite is under the impression that, somehow, it is a government that runs all this.

Now, I understand that his model comes out of the dark ages of the last 17 years where boards were disrespected. So I guess from his question, basically what he's saying is, you know, why would you change anything if you were just going to keep up with the NDP model of politicization of Crown corporations.

And we wanted to send a message that we were not going to do that. We appreciated very much the

individuals and the work they did on those boards. We had no issue with the board members. Our issue was with the NDP, with the member, and the way he and his team felt that the Crown corporations were just another political wing of the NDP party.

And that, unfortunately, was the case. And we were going to send a message. There were—in every instance I sent every member of the Manitoba Liquor & Lotteries board a letter—who was on the previous board—and I thanked them. I thanked them for their service; I thanked them for what they did, and we certainly appreciated the time and effort that was put in.

Our issue was with the NDP, with the NDP caucus, of which the member opposite was a member. And never once do I remember him ever standing up and standing tall and strong for the Crown corporations. Never once did he stand up and defend the Crown corporations' right to be independent of political interference.

Now, maybe he did and I wasn't in the Chamber and, you know, I—I, too, could be corrected on the record, but I would be interested to know why he never once stood up for one Crown corporation when he could see the political interference that was taking place—and maybe directed by him, we're not too sure who was all directing it. Maybe it was the current Leader of the Opposition. Maybe she was one of those who was actively involved with directing the political interference, but it was on that side. So, we set a tone and we set that tone for all Manitobans to see that there would now be a change.

**Mr. Marcelino:** So, the question remains: Is Ms. Polly Craik a PC supporter, a Progressive Conservative Party supporter? That's the question.

**Mr. Schuler:** It's very interesting that the member would ask a question like that.

We fundamentally believe, in the Progressive Conservative government today—of today, in a thing called the secret ballot. We believe that individuals have a right to go and vote as they see fit. It is why we put a cardboard surrounding when people mark their ballot. They walk in and the ballot is folded. They mark their ballot. *[interjection]*

I just wanted to make sure I had the member's attention. I noticed he was having a sidebar and, if he wants, we could just take a little bit of a break and he can have a sidebar, but I just wanted to make sure that we had this very clear, that individuals have a right to have a secret ballot.



And that is something that has been hard fought. It's something that a lot of people have spilled a lot of blood for: the right for a secret ballot and that, you know—the right for us, as politicians, wannabe politicians, can go door to door. We can make our sales pitch. Individuals can talk to us one way or the other. But in the end, they go into the ballot booth and they mark their ballot, and that is a secret ballot. And we have seen throughout time, and recent history, in fact, where pollsters have predicted something would happen, and the people went into the ballot box and decided something completely different. And that's fascinating, because that's the by-product of a secret ballot because, in the end, the people have a right to choose. And it is something—we have a new bill that was introduced yesterday and it gets back to the secret ballot.

And we believe that the right to vote without anybody seeing how you vote—in fact, I would suggest to members, when I was in Ukraine—and I was there twice as an election observer for the presidential and then the parliamentary election—people take it very serious, and they should. That who they support—I mean, they can tell one party or the other how they're going to support, and they can go on lists and wear buttons and all the rest of it, but what they do in the ballot box might be something different, and we don't know. Because even when the ballot goes in the ballot box, there is no number, there's no identifier, there is no way to tell. In fact, I love how our system works in that there's a pencil there, there's an instrument there, and it's always the same colour. And we don't ask them to write the name in because then you can actually see handwriting. It is a simple X, and it is very, very secret.

And so, we believe that's important. When I was in Ukraine, and, you know, they're really trying hard with their democracy, and what they did is they went with ballot boxes—they have very substantial ballots. They're, like, quite large. And they have see-through ballot boxes so that way you can see that the ballot box has not been stuffed. The only thing is, when the sheet of paper sometimes isn't folded properly, as it falls in you can just stand there and see how everybody votes. And, you know, we were there to observe and not necessarily to change their system, but we go with a system whereby, you know, the ballot box is open, we look into it, there's no ballots in there, and then people start putting the ballots in. And nobody can see how you vote. And that's very, very important.

If the member is really interested in knowing how board members vote, I would suggest to him this isn't the place to ask that question. He should probably contact whoever he's interested in knowing how they voted, and he can ask them directly. I doubt he'll get an answer, because it, in actuality, is none of his business, nor is it anybody else's business how they voted. But if he's interested in how different members on different boards voted and who they voted for, I would strongly suggest he would best go and speak to those individuals.

\* (16:30)

**Mr. Marcelino:** I'll take that as a yes.

Ms. Polly Craik, the chair of Manitoba Liquor & Lotteries Corporation, is a member of the Progressive Conservative Party, and I thank the minister for the answer.

Now, let's go to Tracey Maconachie. Was she the previous candidate for the Progressive Conservatives somewhere in 2016?

**Mr. Schuler:** One of the things that I think is so beautiful about our political system is that we get great individuals running. We get really neat individuals running. In fact, I would suggest to the member opposite that one of the most interesting things about coming into this Chamber is that there are 29 new members of the Legislature, and it is really great to see. What a renewal of this Chamber, that all these individuals put their names on the—on a ballot and, I'd say, if you look at the Liberal Party, they increased their representation in their caucus by 300 per cent. And it just—it was just so necessary, and it is a very positive thing that we have individuals who're prepared to put their name on the ballot.

In fact, two elections ago, I had the opportunity to have a Liberal candidate who is an artist. His name is Ludolf Grollé, and I'd say to Hansard, you'll have to google it; he's an artist; he's got a studio in Fort Garry Place. And I went to one of my first debates and being on the slight side of OCD myself, he showed up and laid out all his pencils from smallest to longest and his—everything was neat and tidy and he had everything set up perfectly at his table, you know, getting himself ready for that debate. And we ended up actually having interesting debates.

In fact, the NDP candidate, her son used to be the goalie on my son's soccer team, and we had

gotten to know each other quite well, and my son, as a centre defender, had a lot to do with the goalie. And, you know, she was a great candidate. You know, we had interesting debates and had an opportunity to get to know where we stood on different issues.

In fact, in the case of Ludolf Grollé, we ended up becoming very good friends, and he's a Liberal. He didn't win, thank goodness, and—but just a great guy. In fact, I'd say it was way better that he didn't win because he is, I think, a far better artist than he is a politician. He's just a great artist. And, in fact, I got him to paint a picture for me and it's hanging in our living room and it is just magnificent. I would suggest to anybody who is looking for great art, go to Fort Garry Place; he's got a gallery there, sells art from other great Manitobans who, you know, produce art and great stuff.

In fact, I know he's got some art in the art bank here in this building. He's fantastic and, you know, maybe I'll encourage him to run in Elmwood. Maybe he could become the MLA for Elmwood—he'd probably do a lot less chirping—and he'd bring a artistic flair to this place, which I would suggest would be better than what we're getting these days from the member from Elmwood. The only thing we get from him is chirping from his chair.

So, there were very, very good men and women running. In fact, Georgina Spooner ran against me, I think in the 2003 or 2007 election for the NDP. And she got elected on one of the Crown corporation boards. And I want the member to know that I actually sent her a letter. I congratulated her on—clearly, she wasn't successful in her campaign against myself—and I sent her a letter and I congratulated her for her appointment onto a board. She was a very credible candidate.

She comes from the Spooner family from East St. Paul. They grew up in the town of Birds Hill, good family, good people. In fact, I believe she did a great job and campaigned and got an appointment, and I actually sent her a letter and congratulated her, and I think I bumped into her once in the hallways here in the Legislature and could extend my congratulations to her personally. So, you know, I think she had worked hard and I sort of accepted it that, you know, she had worked hard; she had gone out there, done serious campaigning, and I accepted it that she got an appointment to a board and, you know, Georgina Spooner, I take it she served with distinction.

**The Acting Chairperson (Scott Johnston):** Just a reminder to all honourable members that when speakers have the floor, there is an expectation of courtesy.

**Mr. Marcelino:** I take it that is a yes again.

The person who was appointed chair of the Manitoba Hydro-Electric Board, Mr. H. Sanford Riley, is one of the most respected persons I think in the province, isn't he?

**Mr. Schuler:** I'd like to thank the member for the question, and he is absolutely right. Sandy Riley is the chair of Manitoba Hydro, and he is an outstanding individual, has done awful lot for this province. He's done lots for the city, and I would say he is a great Canadian, and we are so pleased that he decided to take on this role as a chair of the board for Manitoba Hydro.

I would point out that he had indicated that he was prepared to put in a lot of time, and I believe he is putting in more than full-time hours as chair of the board of Manitoba Hydro. And here's an individual who can demand great payment for his services and for, you know, his time spent sitting on boards, and he is currently being paid, and this is all very public, the member can look this up in order-in-councils; Sandy Riley is being paid \$50,000 a year for this.

Now, he takes it serious and he's clearly not doing it for the money. And I was telling Sandy Riley a story that I went home and I was telling my children that we had pointed this outstanding individual as chair of the board. And that he is like—he's like the million-dollar executive and he's just great guy and he's going to do such a good job for the ratepayers of Manitoba. And my youngest, Corina, she's listening intently and she's 16, and I said, you know what, we are going to pay him like, you know, \$50,000. And she says, wow he must be good if you're paying him that much.

*Mr. Chairperson in the Chair*

I had to point out to her that actually \$50,000 wasn't really that much. And when I told Sandy Riley that story, of course, he really enjoyed it. And I said, you know, that's what we have to do when we run these Crown corporations. We have to remember that there are individuals—a widow on Inkster Boulevard who is on a fixed income, who, every time the NDP raised the hydro rates because of mismanagement and political interference, because of those reasons, it was placed on the backs of individuals who can least afford it. And I said to

Sandy Riley, I said, you know what, let's keep in mind that for some people, you know, \$50,000 is a lot of money, and even a simple hydro rate increase—and under the NDP, it wasn't a rate increase; it was a cascade. It kept coming and coming and coming.

In fact, we have another rate increase that just came in, and that wasn't even for hydro. The rate increase that we just got is because of the political interference, because of the shenanigans of the NDP, the mismanagement of Manitoba Hydro. Because of that, that rate increase is going to pay for Bipole III. It's not even going to the Crown corporation. It is going solely to help pay for the debacle of Bipole III. And the member should apologize—should apologize—to the widow on Inkster avenue who is now going to have to pay more for her hydro because of his mismanagement.

\* (16:40)

And I have several individuals in my constituency who, during the election, talked to me about how tough it was and after 60 years they were going to sell their houses because of under the NDP the kinds of taxes that were going up with school taxes and all kinds of other taxes and the hydro rate increases, that their pensions weren't keeping up, they were going to sell their houses. And there were two seniors who talked to me and said they can't afford the NDP any longer. They had to sell their houses.

And I said to Sandy Riley, let's run the company with those people in mind, that we run it what's best for the people of Manitoba. Let's run it for what's best of those individuals who are in a fixed income. Let's run it and put the political interference and ideology and the kind of nonsense that was going in the Crown corporations aside and run them for what's best for the people.

**Mr. Marcelino:** I want to read into the record the mandate letter coming from the honourable Premier Brian Pallister, dated May 3rd—the honourable—

**Mr. Chairperson:** Refer to the person by their constituent name

**Mr. Marcelino:** And it's in a letter dated May 3rd, 2016, and it's paragraph 2. And I will quote it: At the outset I want to remind you of the need to comport yourself at all times with personal and professional integrity as a representative of our new government. I insist we adhere to the pass—to the highest possible standards of accountability and respect in the conduct of the province's business.

Accordingly, I expect you to be fully aware and compliant with all ethical rules and guidelines currently established as well as those which will be part of our open government initiative. Close quote.

Question that I have for the Minister responsible for Crown Services: Is his manner of answering the questions during Estimates part of the mandate?

**Mr. Schuler:** Well, first of all, I'd like to say to the honourable member opposite, isn't this a glorious day that a member of the opposition can quote out of a mandate letter given to a minister, something that was denied myself for 17 years as an opposition critic? And never once did the member for Tyndall Park (Mr. Marcelino) ever stand up and say we should get the mandate letters from the ministers and publish them publically. In fact, we even have them on the Internet, this new thing Al Gore invented. You can go on the Internet and you can find the letters. What a glorious day.

You know what? We should all pause for a minute and rejoice and shake hands together that we actually have come to a point in time that not just do you have to beg and go through FIPPAs and be denied and get nothing, and if you got something all of it was redacted. Nothing was redacted in the letter. It was all open and transparent.

So I would suggest to the member the fact that he can even quote from the letter what a great day for democracy. Isn't that fantastic that we have the opportunity? And even—[interjection] I just wonder if the member for Elmwood (Mr. Maloway) is done. And you know what? If the member for Elmwood wants to interject with a question, like, I'll cede the floor to him and he can ask a question. I—but, I'm trying to answer the critic's questions and I seem to continuously be having an echo, and, you know, these are serious; these are serious questions, and I want to answer the critic's question. So if the member for Elmwood wants to, if he'd like to ask a question, I'll cede the floor to him and then, afterwards, I can continue answering the questions for the critic. But, like, I don't know if this is the way we want to continue, that I'm answering a question and there seems to be somebody who's speaking the whole time with me. And I don't know if that's what the critic—how he wants it, then, I guess we'll just continue, but—

**Mr. Chairperson:** Okay, what we'll do is we'll continue with the questions and answers if we can, and if the opposition have questions, the minister will answer them, okay?

And we'll have one at a time and, if another person wants to ask those questions, we'll give them the opportunity, okay? Okay.

**Mr. Schuler:** So—and to compound that, and I'd like to say to the critic, never before, in all the years that I've been here, not just did we make it easy for the critic that he got the mandate letter, but he also got the framework letter in the way that the government was going to deal with the Crown corporations. And I would say to the member opposite, he was at a lot of these committee meetings. He knew exactly what was going on and never, never was any of this given.

And I would say to the committee, the only thing we redacted on the framework letters was private addresses because some of these letters went to private addresses and we felt, out of respect, that we wouldn't put those on the record. But we never touched anything else on any of these letters so that individuals could see, freely, what our approach was going to be to the Crown corporations. And I would say to the critic that, yes, I have lived up to every word in that paragraph. And we started living up to that—every word in that paragraph starting on April the 19th when we received a mandate from the people of Manitoba.

We have been the most open and transparent government that we have seen and, certainly, the last 17 years. I know the bar isn't very high, but I can tell the member we have far exceeded anything that was done in the last 17 years. I can remember, the Leader of the Opposition, there was a three or four—I think it was a 300-page document that was tabled for the Leader of the Opposition of which, basically, 300 pages were redacted. It was, actually, an insult to any critic. And here, my—the critic for Crown Services has the mandate letter given to the minister and has the framework letters given to the Crown corporations. It's all there. And, yes to the critic, I have lived up to every expectation in that letter.

I'd like to point out to him he should have a good read through this and, frankly, all of us should be thankful that we now have the most open and transparent government in Manitoba, in the country.

**Mr. Marcelino:** I think I'll go to another matter. It's regarding Manitoba Hydro.

\* (16:50)

And Manitoba Hydro, there was one member of the board—or the position of one member of the board

was taken out. Can you please ask—Mr. Deputy Speaker, tell the minister, tell us why one member of the Manitoba Hydro-Electric Board's position was cancelled or removed?

**Mr. Schuler:** I would suggest to the critic that, maybe, he check back with his researchers—whoever is doing the research. The Hydro board was always a board of 10, and right—I believe it was after the election, and I don't know—now I'm looking—it was right before the election or right after the election that the member's own leader, the member for St. Boniface (Mr. Selinger) booted the former MLA, Jim Rondeau, off of the Hydro board, and we had nothing to do with that. We weren't government until the 19th so, actually, we didn't boot the member off. It was the member for St. Boniface, his leader, who booted the MLA from Assiniboine off the board.

So, I—I don't know—I'm not too sure about the member's research, but, you know, I—I'm actually thankful that the premier of the day, the member for St. Boniface, unceremoniously booted one of his own colleagues off the board because, I mean, Jim Rondeau is a friend of mine and I think he did great work and I don't understand why the NDP felt they had to kick one of their own off the board right—it was either right before or right after the election. I think that was very disrespectful of Jim Rondeau, and I think Jim deserved better. In fact, I think Jim probably would have appreciated it if I would have taken him off the board. I mean, somehow there would have been karma in that, and Jim would probably have appreciated that karma. But I was not given that opportunity.

No; there was a vacancy on the board before we became government. I believe it was before the 19th of April, so we were not—I do not believe we were government. It was right before that that Jim Rondeau was unceremoniously booted off the Hydro board.

**Mr. Marcelino:** I know of one member of the board of the public utility of Manitoba—I mean the Manitoba Hydro-Electric Board, and his name is Larry. His last name is Vickar, V-i-c-k-a-r. He's one of the more respected businessmen. He owns a lot of car dealerships. He rose from being a salesman to becoming the owner of a few dealerships. And he was dumped by this minister, and I'm looking for a reason.

Is it because he was appointed by the New Democratic Party?

**Mr. Schuler:** And I just want to put one of the facts on the record, that Jim Rondeau was booted out by the NDP on April 22nd, which was after the election.

And I guess my question to members opposite would be: Was Jim Rondeau booted off the board by the NDP because he was an NDP member? I mean, I—you know, I can't imagine why that would have been the case. I do want to address—and I'm loathe to speak to any one individual and I'm not going to address any one individual.

We happen to think that the boards of the Crown corporations were doing their best. We happen to think there were great individuals who were appointed to those boards, and I would like to say to the member that, when we changed the boards—and it does happen—and I would suggest to the member opposite, in their time—in fact, as late as April 22nd, they made changes to the board. And they even boot—removed one of their own members off the board unceremoniously. I don't even think he got a nice letter. And, you know what? Maybe the critic and I could confer and, perhaps, you know, maybe I should be sending him a letter, too, and just thanking him for his time, because I understand he never got even a courtesy letter.

The individuals that served on those boards served with distinction. They did what was best, they felt, for the Crown corporations. What concerned us was not the boards. What concerned us was political operatives, including the critic across the way, the member for Tyndall Park (Mr. Marcelino), who spent a lot of his time running interference in the Crown corporations, getting himself free Jets tickets and all kinds of other stuff and being in the Crown corporations and trying to direct the Crown corporations and trying to tell them what they should or shouldn't be doing.

So, the issue is not about the boards of the Crown corporations; it was about the NDP. And I would suggest to the member opposite that there were good people on those boards. We, as a government, placed new boards in place, and governments do do that from time to time. That is what takes place. Boards are put in; boards are

replaced; it's what happens. It happens around the world. And I would say that we have one of the best systems in our democratic system, where boards are appointed, new governments come in; they put new boards in. It's a very congenial way of doing it. It's very respectful. And I think that that's what we want to continue in that process. We sent very respectful letters to each and every one of the members on the board, and we thanked each and every one of them.

And I would say to the member opposite, I have met with a lot of the board members from the past board and I've thanked each and every one of them personally for their time and the effort that they put in, and they said yes, they appreciated the letter that we sent; we appreciated the respect we were showing them, and they understood that a new government is put—going to put in new boards, and offered—it's interesting. You know, every one of them that I met indicated that if they—if I so choose, they would be more than willing to come in and speak to me and give me some advice, and I'm going to take them up on that. I'm going to ask them what they, you know, what their experience was on the board and how things went when they were on the board, and, you know, what were the issues and that kind of stuff.

And I was very impressed that these are Manitobans who care about their province. These are Manitobans who care about their Crown corporations, who want to do what's best for their province and for their Crown corporations, and I was really impressed with them. And I think that's what we want to continue, in that tradition. We know we've got very good members of the board who are working hard, and the member opposite spoke about Sandy Riley and, yes, Sandy Riley is taking his position very serious. And the board chair of Manitoba Liquor & Lotteries, Polly Craik is taking her position very serious and is doing an amazing job. And we have great confidence in our board chairs, and—

**Mr. Chairperson:** The time being 5 p.m., I'm interrupting proceedings.

The Committee of Supply will resume sitting tomorrow morning at 10 a.m.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 16, 2016

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