

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

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The Honourable Myrna Driedger  
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
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	Man.
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
LAMONT, Dougald	St. Boniface	Lib.
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, Hon.	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	Ind.
SCHULER, Ron, Hon.	St. Paul	PC
SMITH, Andrew	Southdale	PC
SMITH, Bernadette	Point Douglas	NDP
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, Hon.	Gimli	PC
WIEBE, Matt	Concordia	NDP
WISHART, Ian	Portage la Prairie	PC
WOWCHUK, Rick	Swan River	PC
YAKIMOSKI, Blair	Transcona	PC

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Monday, October 22, 2018**

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

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

Please be seated.

**ROUTINE PROCEEDINGS**

**Madam Speaker:** Introduction of bills?

**An Honourable Member:** Madam Speaker.

**Madam Speaker:** Oh, the honourable member for Assiniboia.

**Hon. Steven Fletcher (Assiniboia):** On a matter of privilege.

**MATTER OF PRIVILEGE**

**Madam Speaker:** The honourable member for Assiniboia, on a matter of privilege.

**Hon. Steven Fletcher (Assiniboia):** This is the first opportunity I have had to raise this matter.

Madam Speaker, on the last sitting on a week Thursday, we passed some legislation, including The Loan Act, providing the opportunity for the government to loan about almost \$4 billion.

However, Madam Speaker, the order-in-council of October 3rd, 2018 indicated that the Minister of Finance (Mr. Fielding) was delegated the authority to borrow about \$3.4 billion, approximately. Usually one would expect that the statutory authority to borrow would come before an order-in-council to borrow, especially at this magnitude of funds.

There is a provision to allow for \$200 million to be borrowed to a maximum, but, in this case, it appears that section 53 of the financial amendment—or fiscal administration act, which explicitly states a statutory authority should be given for the borrowing of funds, may have been violated because the

statutory authority did not occur until the last moment of our sitting day.

So, in other words, Madam Speaker, the OIC seems to have got ahead of itself, and the \$3.4 billion, plus or minus a few hundred million dollars, it's in question because it's not clear where that money is being allocated to, under what fund? Is it a consolidated fund? Is it a Manitoba Hydro issue? Or is it some other reason?

So, Madam Speaker, I move, seconded by the member from Maples, that this matter be referred to the Auditor General.

**Madam Speaker:** I would just point out for the member that what the member is raising is not a violation of the privileges of the House or of members. It is a matter that the member is certainly entitled to have an opinion on, but it is not a matter of privilege, and nor does the Speaker determine the appropriateness of fiscal actions like this.

So, with all due respect, the member does not have a matter of privilege.

\* \* \*

**Madam Speaker:** Moving forward, introduction of bills?

**Mr. Fletcher:** Can I see if there's willingness to challenge the Chair on that?

**Madam Speaker:** Does the member have three other members in support of challenging the Speaker?

Leave has been denied.

Committee reports?

**TABLING OF REPORTS**

**Hon. Heather Stefanson (Minister of Families):** Madam Speaker, I wish to table the Social Services Appeal Board Annual Report for 2017-18 and the Manitoba's Poverty Reduction and Social Inclusion Strategy for 2017-18, Annual Report.

**Hon. Cathy Cox (Minister of Sport, Culture and Heritage):** I am pleased to table the Annual Report for the Manitoba Arts Council for the fiscal year 2017-18.

## MINISTERIAL STATEMENTS

**Madam Speaker:** The honourable Minister for Status of Women, and I would indicate that the required 90 minutes notice prior to routine proceedings was provided in accordance with our rule 26(2).

Would the honourable minister please proceed with her statement?

### Persons Day

**Hon. Rochelle Squires (Minister responsible for the Status of Women):** I rise today to acknowledge Persons Day, which was last Thursday, October 18th.

The British North America Act of 1867 is our country's founding document. This act used the word persons when it referred to more than one person and the word he when it referred to one person.

In the 1920s, women's groups began pressuring the federal government to appoint a woman to the Senate. Governments argued if the word person applied only to men, that only men could be appointed.

In 1927, Manitoba's own Nellie McClung and four other prominent Canadian women—Emily Murphy, Irene Parlby, Louise McKinney and Henrietta Muir Edwards—convinced the government to submit a question to the Supreme Court: Does the word person in section 24 of the British North America Act include a female person?

After five weeks of debate and argument, the Supreme Court of Canada decided that the word person did not include women.

These five women, who became known as the Famous Five, were appalled by the decision and refused to give up the fight. They took their case to the Privy Council in London, which was the—Canada's highest court of appeal.

On October 18th of 1929, the Privy Council announced its decision, that the exclusion of women from all public offices is a relic of days more barbarous than our own. And to those who would ask why the word person should include females, the obvious answer is: why should it not?

The Famous Five not only won the right for women to serve in the Senate but also paved the way for women to participate equally in, and contribute equally to, all other aspects of public life in Canada.

So, on October 18th, every year, we celebrate this historic occasion when women were deemed to be people. In the years that followed, countless other women and men pushed even further for gender equality in all aspects of Canadian society. Even so, almost 90 years later, we know that the work of the Famous Five is far from over. Women are still underrepresented and excluded from many aspects of our society, and while we recognize the enormous progress that has been made, we also need to recommit to this important work.

Persons Day reminds us that all women's voices matter. When women step forward and make themselves heard, changes they create benefit us all.

Thank you very much, Madam Speaker.

\* (13:40)

**Ms. Nahanni Fontaine (St. Johns):** We're honoured to commemorate the historic Persons Case of 1929, in which Canada's highest court of appeal expanded the legal definition of persons to include women. The court's decision to grant certain women the ability to participate in political life was due to the dedication of the Famous Five.

And while this ruling paved the way for female representation in politics, indigenous women were excluded, Madam Speaker. Within indigenous politics, women and men have always been considered equal. However, Canadian law developed by settlers did not recognize or appreciate indigenous women in the same way.

Indigenous women continued to be—fought to be seen as persons and continue to fight for equitable representation and the right to be safe, Madam Speaker.

And all women, still today, continue to strive to break barriers and strive for our human rights.

We fight for a harassment-free work environment, total control over our bodies and the opportunity to excel in both our professional and personal lives.

We fight against systemic discrimination preventing us from engaging in public life in the same way that men do.

We fight for inclusivity, recognizing indigenous women, women of colour, black women and the LGBTTQ women must enjoy and have equality. Democracy is only possible if there is true equality,

Madam Speaker. Therefore, it only improves our democratic processes.

Finally, every time a woman asserts herself and demands and commands her space, her rights are respected, the world becomes a better place for all of us.

Miigwech, Madam Speaker.

**Ms. Cindy Lamoureux (Burrows):** It's great to stand today and have the opportunity to speak about Persons Day.

Madam Speaker, Persons Day marks the day that some women first won the right to vote here in Manitoba. It was followed in 1960 with laws that gave indigenous women the right to vote.

As we reflect upon the Famous Five, we think about the five women who fought for equality and women's rights. It is because of their courage and strength that opportunities were created for women to participate in our democracy and our parliamentary institutions. We celebrate them on this day as we acknowledge Persons Day because they were the ones who spoke up and paved the way.

You know, Madam Speaker, in talking about individuals who speak up and are paving the way, I wanted give a shout-out to a friend of mine, Hannah Guenther-Wexler, who has joined us here in the gallery today. Hannah was recognized this year for Persons Day because of her dedication and hard work in politics. She is an inspiring young woman who is passionate, enthusiastic and striving to make a difference in the fight for gender equality.

Madam Speaker, Hannah has goals of running for office one day, and we need more women like her here in these Chambers.

So, in closing, thank you, Hannah, for being such an inspiration for women all over the world.

## MEMBERS' STATEMENTS

### Run Sage Creek

**Mr. Andrew Smith (Southdale):** I rise today to recognize the first annual Run Sage Creek and those who volunteered their time in order to make it a successful event in our community.

The run took place on October 7th of this year, with both myself and the Minister of Sustainable Development (Ms. Squires) who had the privilege to participate in the five-kilometre run. Not only could people take part in the run itself, but they could also

choose to participate in it as a walk, or even pushing their stroller, so that the entire family could take part in the race.

As well, Madam Speaker, in order to accommodate everyone's level of fitness, there were several different races that consisted of courses of distances between one, three, five and 10 kilometres. All participants paid a registration fee, with all proceeds going to the École Sage Creek parent advisory council. A portion of the funds will be used for levelled reading books for both French and English programs at École Sage Creek School, with the rest being put forth to continue funding school and community events and initiatives.

In order for such an event to be a success, a significant amount of advanced planning has to take place, along with many hours of diligent volunteer work from those who co-ordinated their efforts. We have with us here today in the gallery the core group who donated their time in order to make the Run Sage Creek possible.

Please help me in recognizing Becky Hryniuk, Andrew Hryniuk, Sandra-Dee Beer, Paul Jonker, Jen Shapka and Dorothy Komzak. Please give them a round of applause.

**Madam Speaker:** The honourable member for Southdale.

**Mr. Smith:** I do ask permission from the House to place the names in Hansard.

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

*Run Sage Creek volunteers: Sandra-Dee Beer, Becky Hryniuk, Andrew Hryniuk, Paul Jonker, Dorothy Komzak, Jen Shapka*

### Health-Care Support Workers

**Mr. Andrew Swan (Minto):** I'm proud today to thank Manitoba's health-care support workers for everything they do for Manitoba patients.

I thought maybe the minister would rise on a ministerial statement about Health Care Support Workers' Week; however, he didn't, because this government cares so little about health workers they don't even know when the week should be. And I've got one proclamation here signed by the minister for October 8th to 12th, 2018, and another one signed by the minister for October 15th to 19, 2018.

But this should not surprise anyone working in health care—

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

**Madam Speaker:** Order.

**Mr. Swan:** —or, for that matter, anyone who needs health care in Manitoba.

This Pallister government has been—made life miserable for Manitoba's health-care workers. They refused to bargain fairly, by freezing future wage increases without negotiation, which is now being challenged in court.

They've turned countless families' lives upside down by issuing thousands of deletion notices and forcing employees to play musical chairs for jobs which, if they exist, may be at a different facility, at different times, or in a different field, without any allowance for retraining.

They're ignoring employees' autonomy to be represented by their current bargaining agent by now forcing health-care employees into needless representation votes, in the cynical hope it'll distract health-care workers from challenging this government's cuts.

They frustrate health-care employees by forcing them to do more with less, which means less care for Manitoba patients.

This government's even restricted basic supplies like underwear, pads and blankets available to health-care support workers to give to their patients.

Whether Health Care Support Workers' Week was last week or the week before that—this government doesn't know or care—New Democrats stand with Manitoba's health-care support workers all year-round and will fight for health-care support workers to continue play their important role in providing care and comfort for Manitoba patients.

#### **Alec Baldwin**

**Hon. Jeff Wharton (Minister of Municipal Relations):** Madam Speaker, I am pleased to rise in the House today to recognize a remarkable young man, Alec Baldwin. Alec, age 24, has had to journey through life on a different path than his peers. He has autism that affects his ability to communicate with people respectively and expressively. But his determined attitude and motto, Keep Moving Forward, sees him through the challenges.

This multitalented young man is kind, generous and very easy to talk to, especially if you share his love of dogs. His passion for dogs started at a very young age, and when he had earned enough money,

he bought his first beagle, Shiloh. Alec took dog-handling classes and has shown his dog in three provinces and including Fargo.

He began to draw and paint his favourite dogs, winning best acrylic at the Icelandic Festival art show in 2016 and was commissioned to paint the program cover of the National Dog Show in Philadelphia in 2017.

The summer—this summer Alec hosted his 11th community dog party.

He is a talented musician; he sings, plays piano, clarinet and guitar. He has won the trophy class of sacred solo and instrument class at the Evergreen festival of arts.

He is a—he's an accomplished athlete, training five to six times per week. He has—he's competed in Special Olympics in snowshoeing and track and field in four provinces, Madam Speaker.

Alec also loves to help the elderly and hoped to train in—his new beagle pup to be a therapy dog that he can take to visit nursing homes and hospitals.

I have no doubt this remarkable young man will always find a way to achieve his goals.

I would ask my colleagues to join me in welcoming Alec, his mother Tanis Benson, his father Joel Baldwin and his sister Nicola Baldwin to the gallery today, Madam Speaker.

#### **Sidewalk Safety**

**Mr. Mohinder Saran (The Maples):** Madam Speaker, it is observed in my constituency, as well as in other areas of the city, that many important roads and intersections lack any sidewalk. There are many schools and busy business establishments and offices that are not well safeguarded by appropriate sidewalks. When we say safety first, we should act for safety first. Roads and streets without at least one sidewalk is always a risk for the passerby. The risk is specifically high for children and elderly people. Some sidewalks provide school-going children space for some light sports and physical activities, at least some stretch-ability and relaxed feel. Sidewalks have psychological implications as well, as additional space always provides people a sense of additional security and comfort.

\* (13:50)

I suggest that the government should bring legislation to enforce on the city all new roads and streets must be constructed with keeping a

mandatory provision of at least one sidewalk. Improvements should be brought to old city roads as well.

Madam Speaker, I also want to raise the—raise other issues of The Maples constituency. The Maples constituency is one of the fastest expanding constituencies. Therefore, the constituents are constantly in need of essential civic amenities. Construction of new schools and a community centre is a dire need to The Maples residents.

The previous government already approved two schools. The previous minister recommitted to keep the promise. However, the construction experiences a series of delays and backlogs. I request the present Education Minister to speed up the process further. I also request the government to approve one more high school and help to build a new community centre for the diverse needs of diverse people of The Maples constituency.

I hope the government plays sensitive and caring attention to these dire needs of The Maples constituents so that they not consider themselves excluded and discriminated.

Thank you, Madam Speaker.

#### **Cassandra McConnell**

**Hon. Ron Schuler (Minister of Infrastructure):** Madam Speaker, it gives me great pleasure to recognize Small Business Week in Manitoba and to celebrate Cassandra McConnell, who owns a small business called We All Have Cravings Etc.

Small Business Week highlights the importance of self-employment in the success of our local economies. Manitoba's more than 120,000 small businesses employ 72 per cent of the Manitoban workforce. One of these success stories is Cassandra McConnell and her take-home meal and catering business.

For the first few years, Cassandra's business was just a hobby, making take-home meals and desserts for family and friends. Her delicious food was a hit, and, in 2015, with an expanding customer base, Cassandra saw the need for a retail location in Oakbank. It was right beside my constituency office, and she definitely got rave reviews from the MLA's office for her lunch specials and daily baking.

Cassandra's success was also recognized with the 2016-17 Business of the Year Award, which I was pleased to present to her at a Community Futures banquet with her daughters, Ella and Taylor,

present. Her daughters' initials plus her own initial create the et cetera—ETC—in the name We All Have Cravings Etc. The family touch truly makes this a family business.

The success of We All Have Cravings Etc. did not stop there. With the growing demand, Cassandra has changed locations once again and now has her own commercial kitchen. While continuing her retail sales, she now also supplies wholesale take-home meals and frozen entrees for 12 retail outlets in Springfield, Winnipeg and across Manitoba.

This expansion has also allowed her to specialize in a wider variety of dietary limitations. Always community-minded and dedicated to youth in her community, Cassandra often provides cooking workshops for kids and teens to create fun specialties with gluten-free cookies and to learn kitchen safety.

Congratulations to We All Have Cravings Etc. and to all Manitoba entrepreneurs and business owners. Your business achievements and dedication to excellence do not go unnoticed.

Joining us in the gallery today is Cassandra McConnell, her daughter Taylor McConnell and her mother Wanda Howard [*phonetic*]. Would you please join me in welcoming them to the Chamber.

#### **Introduction of Guests**

**Madam Speaker:** Prior to oral questions, we have some guests in the gallery.

And in the loge to my left, firstly, I would like to introduce to you Doug Martindale, the former MLA for Burrows. And we welcome you back to the Legislature.

And I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us today Mr. Tim Abbott, who started with the Assembly on Monday, October 15th, in a term position as a Committee Clerk. Tim holds a bachelor of law degree from the University of Reading in England, and he has several years' experience working with public sector and government accounts for an IT consultancy in the UK.

On behalf of all members here, we welcome you to the Manitoba Legislature.

And also in the public gallery we have with us today the provincial executive of the Manitoba Teachers' Society, who are the guests of the

honourable Minister of Education and Training (Mr. Goertzen).

On behalf of all honourable members here, we also welcome you to the Manitoba Legislature.

### ORAL QUESTIONS

#### Northern Health Services Investments Needed

**Mr. Wab Kinew (Leader of the Official Opposition):** Madam Speaker, it's hard to go anywhere in northern Manitoba these days without hearing about health care, as I found out over the past week or so. Families there are worried because they don't have enough doctors. Seniors are worried because they don't have access to the same facilities that we do here in the south, and northerners feel left behind by this government.

Now, when northerners look to this government, they see the Premier doesn't seem to care. This is a Premier who cancels clinics in The Pas and in Thompson. This is a Premier who has cut escorts for the Northern Patient Transportation Program. That program helps family members go with loved ones when they have to come here to Winnipeg for surgery or for medical treatments.

Now, the Premier needs to hear the voice of northern Manitobans who are calling for more investment, who are calling for more doctors, who are calling for more supports for health care in the North.

Will the Premier stop his cuts for health care? Will he listen to people right across northern Manitoba?

**Hon. Brian Pallister (Premier):** Madam Speaker, we're investing, this year alone, \$700 million more than the NDP ever did in health care. The member's preamble is false, and our concerns for health-care access in the North remain steadfast.

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

#### Health-Care Case Concern Request for Inquest

**Mr. Wab Kinew (Leader of the Official Opposition):** Well, there was a big tragedy that happened since the last time we gathered for question period here in the House. It's very tragic, the case of Mr. Abraham Donkey. It illustrates the challenges that all northerners have to face when they try to access health care in this province.

Now, we know that Mr. Donkey died on a bus travelling to Winnipeg for follow-up treatment after his recent heart surgery, and his death leaves many questions: Why did he die alone? Why wasn't anyone accompanying him while he was on the bus on his way to medical treatment? What was he doing on the bus in the first place? If he was sick enough to pass away while riding on the bus, shouldn't he have been on a plane?

Mr. Donkey—his family wants the government to take responsibility for finding out the answers to these questions and why he passed away on the bus. We need to know that this government is going to make sure there is an inquest.

The question for this Premier is very simple: Will he stand up; will he take responsibility for finding out the answers to these questions, and will he support an inquest into the death of Mr. Abraham Donkey?

**Hon. Brian Pallister (Premier):** No, Madam Speaker, the member's preamble is false, and the fact remains that our sadness for Mr. Donkey's family is sincere. And the fact remains that we'll continue to stand steadfastly in favour of supporting health care for northerners, regardless of the community or the jurisdiction they live in.

**Madam Speaker:** The honourable Leader of the Official Opposition, on a final supplementary.

**Mr. Kinew:** Well, it's no surprise, though it certainly is very disappointing, that the Premier will not support an inquest into the death of Mr. Donkey.

My preamble was simply the questions that are left by his death on a bus while coming to treatment here in Winnipeg, so I'll repeat them for the benefit of the Premier: Why did Mr. Donkey die alone? Why wasn't anyone accompanying him? And if he was sick enough to die on the bus, shouldn't he have been on a plane? Supporting an inquest will be able to create answers for these questions on the part of the family.

We know that this Premier found 2 and a half million dollars last week for another political inquiry. Why can't he support a simple inquest into the death of Mr. Donkey?

So I'll ask him again: Will the Premier rise in his place and commit to supporting an inquest into the death of Abraham Donkey?

**Mr. Pallister:** First of all, Madam Speaker, when it comes to waste, the NDP threw \$15 billion at



unnecessary hydro projects that we could have been using for health care right now in this province, so I think I need no lectures from the member opposite. I also don't think that Manitobans benefit from political showboating by the member. This is a federal decision, and he understands that fully and understands that well. He understands the federal government is reviewing the decisions that led to it, and he also understands there was exactly the same process in place for years under the NDP government.

So, Madam Speaker, this is just political showboating, trying to profit politically on the backs—[*interjection*]

**Madam Speaker:** Order.

**Mr. Pallister:** —of a disaster that affected a Manitoba family. That's shameful. The member should apologize. [*interjection*]

**Madam Speaker:** Order. Order.

\*(14:00)

The honourable Leader of the Official Opposition, on a new question.

#### **Education Review Commission Inclusion of Stakeholders**

**Mr. Wab Kinew (Leader of the Official Opposition):** I've spoken to the family—I don't know if the Premier has—but they want an inquest. And that's where the nature of the questions arise from.

There were provincial cuts made to a provincial health program. He was in a provincial health facility. Therefore, the leader of the provincial government should—[*interjection*]

**Madam Speaker:** Order. Order. Order.

**Mr. Kinew:** —support an inquest.

Now, we know that we are joined by our esteemed colleagues, many of them teachers, in the gallery, here today. While I was up north, I also heard an earful from many teachers who are afraid of this government's upcoming education review. Now, part of the reason they're so worried is because they know that when this—[*interjection*]

**Madam Speaker:** Order.

**Mr. Kinew:** —government says review, it really means develop a plan for cuts.

Now, the reasons for the concern are numerous. There's, you know, impacts on the collective

bargaining agreement, impact on the funding for schools. But what I heard time and time again from teachers in Thompson, where EAs and library—teacher-librarians have been cut, is the impact on the students themselves.

Now, the Teachers' Society is not sure whether they will have a voice in this education review process.

I would ask the Premier: Will he commit to giving the Manitoba Teachers' Society a seat at the education review—

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

**Hon. Brian Pallister (Premier):** Again, Madam Speaker, the refuge of inaccuracy is the one that the member hides in. There are \$400 million more being invested in education this year than ever under the NDP—\$400 million. It doesn't sound like a cut to any common sense Manitoban.

Now, needs for change in education. Madam Speaker, teachers have been telling us that for years. We'll pursue that with their full participation in the K-to-12 review.

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

**Mr. Kinew:** Well, the Premier says full participation of teachers, but inquiring minds would wonder whether that includes the representation of the organization that represents teachers right across Manitoba, Madam Speaker.

Now, we know that the direction that this Premier is choosing is not one that matches up with the values of Manitobans. Now, we know that when we talk to the average parent in this province, they want their child to have more one-on-one time with their teacher. More individual attention leads to better outcomes for students.

However, this government has cut the small class sizes initiative. This government has also handed down de facto cuts for education funding, even as enrolment is increasing, right—[*interjection*]

**Madam Speaker:** Order.

**Mr. Kinew:** —across the province. The government's made these moves even though they still can't point out one parent who wants their child to have less one-on-one time with their teacher.

So I'd ask whether parents and the representative organizations of the other stakeholders are going to be included in this education review.

Will the Manitoba association for parent councils and other stakeholders be included in this Premier's education review commission?

**Mr. Pallister:** Of course, Madam Speaker.

But the member speaks about choosing values and choosing behaviours that demonstrate the values of Manitobans, and I would invite him to debate me on that aspect of his argument at any point in time. I'd be happy to follow up with him on that.

We have chosen values that Manitobans believe in. We value education. I myself am a former member of the Manitoba Teachers' Society and a former union representative for that organization. And—[interjection]

**Madam Speaker:** Order.

**Mr. Pallister:** —I am proud—I'm proud of my association with the MTS and I couldn't have got through university without a scholarship the MTS provided for me. And I'm deeply appreciative of them as an organization, as I appreciate the parents who involve themselves in parent councils around our great province, Madam Speaker.

Most of all, I would hope the member would join with us in appreciating the need to review our educational structures in a meaningful way and make sure we do the best possible job for our students in this province.

**Madam Speaker:** The honourable Leader of the Official Opposition, on a final supplementary.

#### **Gimli High School Music Room Expansion**

**Mr. Wab Kinew (Leader of the Official Opposition):** Glad the Premier is so high on the Manitoba Teachers' Society, because I'm going to table the January 2016 edition of The Manitoba Teacher wherein the Premier said: "You have to allow local autonomy to exist. School boards have decisions to make." That's a direct quote.

But the Premier is not allowing the Evergreen School Division to make decisions, Madam Speaker. He's telling them they're not allowed to build a new music room for their students in Gimli. They need a new music room because the existing one is too cold. Even instruments are being damaged in this room. [interjection]

Now, the division has already raised the funds—in answer to some of the heckling that I'm hearing across the way—they simply need an approval from the government. It won't cost the government a cent, and yet the government is still saying no, at the order of this Premier, to the creation of a new music room in Gimli.

Now, this decision only makes—[interjection]

**Madam Speaker:** Order.

**Mr. Kinew:** —sense if the Premier is planning to amalgamate school divisions. But perhaps that's for another day, Madam Speaker.

The question today is: Will the Premier let the school division build a music room with money that they've already set aside?

**Hon. Brian Pallister (Premier):** I've had the benefit of guidance from music educators in my K-to-12 experience and post-secondary as well, and I deeply appreciated that opportunity as a person, as I know many members of this House have and do. But, Madam Speaker, the truth of the matter is we're playing catch-up in this province because the previous government chose to spend billions of dollars on things that didn't help education. Fifteen billion—[interjection]

I would—

**Madam Speaker:** Order.

**Mr. Pallister:** I would ask the member for Fort Rouge to give me the respect I've given him in asking his question. I did not intervene. I would appreciate if the member for Fort Rouge would be silent—

**Madam Speaker:** Order, please.

**Mr. Pallister:** —when I'm giving my answer. [interjection]

**Madam Speaker:** Order. Order. Order.

**Mr. Pallister:** Fifteen billion dollars that went to unnecessary Hydro projects that could've built schools, and instead, kids are in portable classrooms all over the province—[interjection]

And we're building seven—

**Madam Speaker:** Order.

**Mr. Pallister:** —new schools, Madam Speaker, right now, to catch up so that we can help make sure that children get educated in a good environment in a quality school.

Now, the member opposite was, quite frankly, quick to throw his former leader under the bus. Perhaps he'll get up in his next preamble and throw him under the bus again for not building schools in this province and not prioritizing—*[interjection]*

**Madam Speaker:** Order.

**Mr. Pallister:** —the education of the children of this province.

### **Gimli High School Music Room Expansion**

**Mr. Matt Wiebe (Concordia):** Madam Speaker, students at Gimli High School are in desperate need of a new space for their music learning program. The program has 'gron'—grown well beyond the current space. Students are being forced to practise in storage closets, and in the winter months, students often have to put on their winter clothing—*[interjection]*

**Madam Speaker:** Order.

**Mr. Wiebe:** —and instruments—*[interjection]*

**Madam Speaker:** Order.

**Mr. Wiebe:** —are being damaged by the cold.

I hear a lot of laughing, Madam Speaker, but the students are here—*[interjection]*

**Madam Speaker:** Order.

**Mr. Wiebe:** —in the gallery—*[interjection]*

**Madam Speaker:** Order.

**Mr. Wiebe:** Madam Speaker, we're joined today by the superintendent, the assistant superintendent, the principal of the school, the music instructor, just a few of the so many students who are concerned about this project.

The community has the funds. They've raised the funds to move this project forward, and yet the government has so far said no.

The simple question is: Why?

**Hon. Scott Fielding (Acting Minister of Education and Training):** First of all, I want to commend the students for the passion they're showing about education. That's something that our government very much shares. That's why we're engaged in a review, K-through-12 review. We think that's important.

We made substantial investments in the education system; over \$399 million are being spent

than when taken office under the Conservative government.

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

**Mr. Wiebe:** Madam Speaker, elected officials on Broadway need to do a better job of promoting the work school trustees do, giving them autonomy and giving them local decision-making powers. The best decisions are made at the local level because they know what's happening in the area. More than anything, it's about respect.

That is a quote from this Minister of Education in 2016. And yet the Evergreen School Division, who has decided to make this project a priority for their community, these students, who have come down to this Legislature, are making this a priority. And yet the minister will not stand up and support this project.

The simple question is: Why?

**Mr. Fielding:** Our government is committed to the education system. That's why we want to improve it. We know the system that was left under the NDP government. We're spending close to \$1 billion in debt-servicing costs. Those are monies that could not be spent on important improvements, whether it be in Gimli, whether important improvements on other areas.

What this government is very proud of is the fact that we've commissioned over seven new schools. So if you look—you talk to children, whether it be in Templeton, whether it be—*[interjection]*

**Madam Speaker:** Order.

**Mr. Fielding:** —Waterford Green, whether it be Waverley West, these are important areas that we think we need investments, and that's exactly what this government has done.

**Madam Speaker:** Before the—I recognize the honourable member for Concordia, I'm wondering if the documents on his desk are something that's going to be tabled or—I'm hoping he's not using them as props for anything. If he's not tabling them, I would ask him to put them under his desk.

And then the honourable member for Concordia.

\* (14:10)

**Mr. Wiebe:** In fact, 170 people from that community in Gimli have written to the minister, have demanded that this government reconsider. And

yet, we hear nothing from this minister other than his own talking points. *[interjection]*

**Madam Speaker:** Order.

**Mr. Wiebe:** The only answer that this—that the students have gotten so far is to wait for their political—politically motivated review before they'll move forward on this project.

That's not good enough for this community and that's not good enough for us.

Students, parents, teachers, school trustees, principals, superintendents, community members—everyone has united behind this project and simply asking this government: Why is the minister standing in the way of this much-needed project?

**Mr. Fielding:** I know an important dialogue is happening with the group. We'll continue to do that. I can say, as a government, we built over seven schools—or, are in the process—*[interjection]*

**Madam Speaker:** Order.

**Mr. Fielding:** —of building over seven schools in our first two years. We know under the NDP government, they didn't do that. They didn't do that at all, Madam Speaker. Fact—*[interjection]*

**Madam Speaker:** Order.

**Mr. Fielding:** —they left a lot of deferred maintenance, whether it be things—important investments like education, housing, health care.

That's the record of the NDP. We're making important investments for Manitobans.

**Madam Speaker:** I have been standing for a little bit and I'm asking everybody that, when the Speaker stands, there is to be silence in the House. And the reason I'm standing is because we do have students in the gallery, and I think when we have students in the gallery, I have a much higher expectation of all members on this floor to be respectful in the dialogue and the questions and answers so that we can show that there is a place for good democracy.

I've been asking for order a number of times, and if we want to be good role models for these students that are learning about democracy in their schools, I shouldn't have to be calling order as often as I am, when we're not even halfway through oral questions. So I'm going to ask everybody to please be respectful of each other.

I'm having a hard time hearing as well, and so I need to be able to hear the questions and answers. So

for all of the people that are watching on the Internet, in our galleries and particularly for the students here, I think we need to do a better job right now and cease the heckling that is going on on this floor.

### **Women's Reproductive Health Access to Mifegymiso**

**Ms. Nahanni Fontaine (St. Johns):** Well, it's been two years since Canadian women and girls finally got access to Mifegymiso. As I've said, the abortion pill is a fundamental game-changer in reproductive health.

A recent analysis examining access to the abortion pill across Canada shows Manitoba women are still struggling to access the abortion pill, owing to this Premier's (Mr. Pallister) terrible, and I quote, record in dealing with this file.

The Premier continues to play politics with women and girls' reproductive rights.

Will the Premier provide comprehensive access to the abortion pill for all women and girls in Manitoba, starting today?

**Hon. Rochelle Squires (Minister responsible for the Status of Women):** Speaking of playing politics with the lives of women and girls, we know that that is something that this member is very fond of doing. But that doesn't entitle to—her to her own set of facts.

Madam Speaker, the reality is is that our government has done more to enhance the lives of women and girls in this province, including access to health-care services and so much more than the NDP ever did, and we're going to continue to do that.

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

**Ms. Fontaine:** This government has dragged its feet for months with all kinds of so-called reviews. Then they restricted access to the abortion pill only to locations currently offering surgical abortions in Winnipeg and Brandon. Let me say it again, Madam Speaker: this does absolutely nothing for women and girls accessing Mifegymiso who live in rural and northern areas.

Here are what the experts are saying. Dr. Wendy Norman says Manitoba's policy, and I quote: appears to be more political than making sense for the health of the people.

Will the Premier stop playing politics and provide comprehensive access to the abortion pill for all women and girls in Manitoba, starting today?

**Ms. Squires:** I would ask this member to stop playing politics with this issue and stick to the facts.

The facts are—is that we put Mifegymiso on the formulary in July of 2017 and have made available coverage for women throughout the province. That is the reality. That is the fact.

She refuses to accept it because she wants to play politics with this issue. Shame on her. *[interjection]*

**Madam Speaker:** Order.

The honourable member for St. Johns, on a final supplementary.

**Ms. Fontaine:** The executive director of the women's health centre asks this government to improve access to abortion in Manitoba. The executive director says these improvements haven't been, and I quote, entertained. Why?

We know that fewer than two dozen doctors have been trained to prescribe the abortion pill. Again, why, Madam Speaker?

Whether or not this Premier and his Cabinet believe it, reproductive health care is a human right for women in Manitoba, and this Premier is acting as the gatekeeper to women's reproductive health in Manitoba. Why?

So I ask, for the umpteenth time in this House: will the Premier stop playing politics and provide comprehensive access to the abortion pill for all Manitoba women and girls, starting today?

**Ms. Squires:** And I have asked this member, for the umpteenth time, to stop putting misinformation on the record.

The reality is, is that we put the drug on the— *[interjection]*

**Madam Speaker:** Order.

**Ms. Squires:** —formulary in July of 2017. We've also enhanced the funding for the Women's Health Clinic to historic levels, unlike the NDP ever did. We've increased the funding to other women's agencies in the province, and that is what we're committed to. We're committed to enhancing the lives of women and girls in this province, unlike members opposite, who is only interested in playing politics with the lives of women and girls.

### Emission Reduction Carbon Pricing

**Mr. Dougald Lamont (Leader of the Second Opposition):** Madam Speaker, allow me to quote from this Premier's climate plan. Quote: A carbon levy is simpler and more effective for Manitoba. It can cover more emissions in our economy, leading to more reductions, which is the goal. It gives price certainty to business, helping them plan and invest accordingly, and it costs less to put in place than any other system.

This is the only part of this plan that was actually going to happen. As for the rest, it's not made in Manitoba and it's not a plan. It's a nice list of things to do, without any commitment to do or fund a single one. The only action this government has made on climate change so far is to back out of the only concrete commitment they promised: the carbon tax.

Does the Premier believe that a price on pollution will make a difference in reducing emissions or not?

**Hon. Brian Pallister (Premier):** I appreciate the fact that the member from Ottawa-west wants to support Ottawa-east in invoking the carbon tax, Madam Speaker, and he wants to join with the NDP in advocating for it.

But, Madam Speaker, we're concerned for the welfare of Manitobans and we're concerned that the federal government has failed to demonstrate any respect for the green record this province has and continues to have. And so, because of that, we're saying no to the carbon tax and yes to our green plan. We'll continue to make progressive changes to make sure that we leave this province cleaner and better for those who follow us.

**Madam Speaker:** The honourable Leader of the Second Opposition, on a supplementary question.

### Manitoba Hydro Financial Position

**Mr. Dougald Lamont (Leader of the Second Opposition):** Madam Speaker, I don't know why the First Minister always refers to Ottawa when I ask questions. *[interjection]* When it came to my leadership, my election campaign and my caucus,— *[interjection]*

**Madam Speaker:** Order, order.

**Mr. Lamont:**—everybody was born and raised in Manitoba, which is more than the First Minister can say.

This government has complained that the federal government refused to give them credit for billings and hydro development—*[interjection]*

**Madam Speaker:** Order.

**Mr. Lamont:** What matters is what this province will do in the future to reduce emissions, not what it has done in the past.

We all know, as the First Minister has said, that billings of investment as Hydro hasn't been well spent, and, clearly, the Premier knows this since he repeats it every other day and several times a day in the House. But now the government is going to spend 2 and a half million dollars hiring Gordon Campbell to look into Keeyask and Bipole III, when I, along with many other Manitobans, could have told him what the problem is for free.

I understand—*[interjection]*

**Madam Speaker:** Order.

**Mr. Lamont:** Surely they could have found a consultant in Manitoba who did not also personally approve a hydro project whose costs are spiralling out of control.

Mr. Gordon Campbell might be a very fine person, but he approved Site C in BC, which was originally supposed to cost \$8.3 billion, costs have risen to 10.7—

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

**Hon. Brian Pallister (Premier):** Well, Madam Speaker, I assure the member that I am born and raised in Manitoba, but that in no way—*[interjection]*

**Madam Speaker:** Order.

**Mr. Pallister:**—that in no way should be misinterpreted to be taken as a condemnation of anyone who wasn't born and raised here because we are the most open province in the country, which is the most open country in the world. I'm open to ideas from everywhere, Madam Speaker.

\* (14:20)

The reason I refer to the member's position as supportive of Ottawa-east, being he is Ottawa-west, is because every position he's advocated for so far is

equal to the position advocated for by the Trudeau government.

**Madam Speaker:** The honourable Leader of the Second Opposition, on a final supplementary.

**Mr. Lamont:** The Premier's mistaken again, Madam Speaker. When it comes to Hydro, we know what happened and what needs to be done. Everyone thought that oil would stay at \$100-a-barrel-plus forever; no one saw fracking coming and no one remembered the lessons of the 1980s that oil prices could plummet.

We know the NDP government forced Hydro to move bipole at colossal extra expense, and we know that this government, like the NDP before it, has continued to use Hydro as an ATM.

When Manitoba Hydro's board resigned en masse, they made it clear, and I quote: the previous government rightly deserves to be criticized for putting Manitoba Hydro into such a perilous state, but those who become aware of the problems and fail to deal with them are equally responsible. For Hydro to survive, this government needs to stop hiding its debt on Hydro's books as the NDP did.

Will this government stop raiding Hydro so it can recover and maintain affordable hydro rates for all Manitobans?

**Mr. Pallister:** That doesn't merit applause, I don't think, Madam Speaker. The fact is that the—the fact is that Manitoba Hydro actually saves hundreds of millions of dollars by using the credit rating of the Province every year and was charged 1 per cent for that fee, which is negligible.

The fact is that the review that we have commissioned is a forward-looking review. The member claims he knows it all when it comes to Hydro. I doubt that, Madam Speaker, and I think Manitobans deserve a full review, and they deserve a forward-looking review, and that's what they'll get.

The member refers to the cost of the review. The review, I should share with the member, as a percentage of the expected cost of bipole and Keeyask, is not 1 per cent, but 0.0001 of a per cent of the expected cost of those projects.

Madam Speaker, we have to learn from the mistakes of the past, or—*[interjection]*

**Madam Speaker:** Order.

**Mr. Pallister:** –we'll be condemned to repeat them, as the member has clearly indicated he is willing to do here today in the House.

### **Deer Lodge Centre Staffing and Budget**

**Mr. Andrew Swan (Minto):** Madam Speaker, it's pretty clear when—*[interjection]*

**Madam Speaker:** Order.

**Mr. Swan:** –it comes to health care, this government only cares about the bottom line.

Last year, this government cut 15 nursing positions from Deer Lodge Centre in St. James, and now this year the cuts are continuing. Earlier this month, staff at Deer Lodge were informed that the Pallister government is now cutting health and rehabilitation aides, nurse case managers and volunteer co-ordinators at Deer Lodge.

Why is this government only focused on the bottom line and not the quality of care of people who need our support?

**Hon. Cameron Friesen (Minister of Health, Seniors and Active Living):** Well, once again, Madam Speaker, this member of the Legislative Assembly has his facts wrong, but I'm happy to stand and to correct those errors. I would like to inform all members of the House that the latest projections show that the number of nursing positions in the—in Manitoba is up over 100 positions.

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

**Mr. Swan:** It was just last year the Pallister government said it was offsetting cuts to nurses at Deer Lodge Centre through the use of health-care aides, but one year later, through a memo that was sent on October 9, 2018, we now know the Pallister government's cutting those very health and rehabilitation aides as well.

The Pallister government's treating this health-care system like a game of musical chairs, but it isn't a game and the quality of our health-care system is at stake.

Why is this minister cutting staff at Deer Lodge Centre for the second year in a row now?

**Mr. Friesen:** Well, the member is either uninformed, or he's trying to mislead the House. That member should know that Veterans Affairs Canada does a determination of supplementary staffing and

funding for services within personal-care homes specific to veterans.

As veteran numbers reduce in those facilities, they recalibrate that number of spending. That, of course, has meant that the feds have made some changes. However, we are working to make sure that affected staff in this case have suitable opportunities elsewhere in the WHRA.

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

**Mr. Swan:** Yes, the memo makes it very clear there are some federal cuts to Deer Lodge Centre, and it also makes it clear there are provincial cuts for messengers, prime health-care aides, rehab aides, volunteer co-ordinators, personal-care unit clerks and nurse case managers in day hospitals.

And it tells us additional cost-saving measures have been implemented to reduce the recreation entertainment budget for patients at Deer Lodge Centre, reducing the costs associated with volunteer refreshments—so we take away a cup of tea and a box of Peek Freans cookies for people coming in to bring flowers or read to people in Deer Lodge Centre—and eliminating the continuing education budget which was previously announced. That's all this government.

Why are they making such mean-spirited cuts to people at Deer Lodge Centre?

**Mr. Friesen:** Well, again, Madam Speaker, maybe he should pose the question to the individual seated just to the left of himself. In this case, it's a federal government decision to reduce their funding in that facility because of the number of veterans that are reduced there.

Nevertheless, I give him the assurance that we are working closely with affected staff in that facility to make sure that there are suitable opportunities elsewhere in the WRHA where they can continue to be working.

### **Shoal Lake 40 First Nation Freedom Road Update**

**Mr. Bob Lagassé (Dawson Trail):** Madam Speaker, for more than a century, the residents of Shoal Lake 40 First Nation have been without an all-weather road. Earlier this year, our government, along with the federal and municipal partners, announced funding for phase 2 of this historical and long-overdue project.

Freedom Road will significantly improve the well-being of community members and is a major step towards unlocking economic opportunities for the community and advancing reconciliation.

Can the Minister of Infrastructure provide us an update on this project?

**Hon. Ron Schuler (Minister of Infrastructure):** I'd like to thank that member for a great question, Madam Speaker.

And our government was elected to repair the services of Manitoba. In fact, Shoal Lake 40 leadership and members begged, asked, requested, pleaded for 17 years for the NDP to do something on Freedom Road. And they chose to do nothing.

Madam Speaker, under the leadership of our Premier and our government, we decided to take on the Freedom Road and, as of December 1st, there will be a complete connection between Shoal Lake 40 and Highway No. 1. In fact, under the NDP it was estimated to be \$54 million. It came in at \$32 million.

Yes, Madam Speaker, we were elected to repair the services, and that's exactly what we're going to do.

#### **Climate and Green Plan Act Request to Table Amendments**

**Hon. Jon Gerrard (River Heights):** Madam Speaker, the Premier has done a complete about-face on Bill 16, his plan to address climate change and to save the planet.

We will soon have committee meetings on the Premier's plan, or lack of it, to address climate change. *[interjection]*

**Madam Speaker:** Order.

**Mr. Gerrard:** People wishing to present at the committee would like to know the specifics of the amendments the Premier will put forward—*[interjection]*

**Madam Speaker:** Order.

**Mr. Gerrard:** —to Bill 16 so that they can provide useful advice on saving the planet.

Will the Premier table today his amendments to Bill 16 so that all will know the specific changes he's proposing?

**Hon. Rochelle Squires (Minister of Sustainable Development):** I'd like to take this opportunity to

express my sincere appreciation to everybody who signed up to present to Bill 16 committee last week, and I'd like to say shame on that member and his Liberal caucus for having members of the public come down to this Chamber, to this Legislative Building, to make their voices heard, only to be thwarted by that member playing politics.

So shame on him, and I certainly hope that he will not do that again this week when we invite—

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

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

**Mr. Gerrard:** The Premier wanted to take this to committee without the amendments, without people knowing what was going to be in this new bill after he'd ripped it apart.

Now, even with the price on pollution in the original bill, it was pretty darn weak. And now, without a price on pollution, major improvements are clearly needed. The IPCC is saying there's a greater urgency—*[interjection]*

**Madam Speaker:** Order.

**Mr. Gerrard:** —than ever to save the planet. William Nordhaus is being recognized with a Nobel Prize for work showing that putting a price on pollution is effective.

What is the full extent of the changes the Premier's proposing? What will the new bill look like?

**Hon. Brian Pallister (Premier):** I'm really appreciative of the member's preamble because we now finally, for the first time, have a position that's different with the Ottawa-west and Ottawa-east. Because Ottawa-east has said that they want to introduce a lower levy than the one we had originally proposed. That's what they said: a lower levy. And the member just went on record as saying it's not high enough.

So good. Good for him. He and Prime Minister Trudeau are in conflict with one another. Now he's got disagreement with Ottawa-east. Congratulations.

\* (14:30)

We're taking the carbon tax out of the bill. *[interjection]*

**Madam Speaker:** Order.



**Mr. Pallister:** We're taking the carbon tax out of the bill because it's dangerous for Manitoba and its future, and the people of Manitoba will benefit from that amendment. *[interjection]*

**Madam Speaker:** Order.

The honourable member for River Heights, on a final supplementary.

**Mr. Gerrard:** Madam Speaker, Bill 16 without the price on pollution is like a ghost bill without a physical framework. Economists are clear: putting a price on pollution is much less restrictive to businesses and more economically efficient than regulatory approaches. The Premier actually said that before.

Businesses need to know what regulatory approaches the Premier will take. It's only reasonable for the Premier to release his amendments ahead of time, as he now opposes the central premise of what was Bill 16.

Will the Premier please table his amendments today so that presenters to Bill 16 know what the government plans at committee stage?

**Mr. Pallister:** Well, Madam Speaker, the member seems confused, and he wasn't confused in the '90s when he served as a Member of Parliament and cut health-care transfers to the provinces. He wasn't confused then. He supported reducing support for health care in the 1990s. And now, I don't know how we can get it any simpler for him: we're taking the carbon tax out of the bill.

It's as straightforward as it can possibly be. We're saying no to the carbon tax. We're saying yes to green. We're going to move ahead with our green initiatives, Madam Speaker. There are many of them and we're serious about them. But the NDP and Liberals now have to fight over who wants to raise the carbon tax higher so they can go after that special-interest vote that they're so concerned about.

Madam Speaker, the people we're concerned about are the people that are going to have to pay \$1,500 more a year for higher home heating and gas for their vehicles. We're concerned about them.

Madam Speaker, we'll stand up for Manitobans. He can stand up for Ottawa.

#### **Northern Airports Snow-Clearing Funding**

**Ms. Amanda Lathlin (The Pas):** This government is making cuts to northern airports that First Nations

leaders say are appalling and unacceptable. We've heard from MKO Grand Chief Garrison Settee that just over \$2 million in funding has been cut from northern airports and marine operations.

That means that runways at over 20 northern airports will no longer be cleared of snow unless there's an emergency—weekend emergency—a medical emergency on weekends.

I don't know if the Premier (Mr. Pallister) knows this, but medical emergencies don't take weekends off and they don't have time to wait for runways to be cleared.

Will this government reverse this cut immediately?

**Hon. Ron Schuler (Minister of Infrastructure):** Well, Madam Speaker, I wish to assure the member that we will continue to clear the railway—the airports. I want to be very clear that this is a federally mandated standard and we will continue to clear the runways to the federally mandated standard.

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

**Ms. Lathlin:** We know that snow clearing isn't being done as usual because Barren Lands First Nation Chief John Clarke heard about the cuts when his flight home last Saturday was diverted to Thompson because the runway wasn't clear.

Chief Clarke says that some passengers on his flight who weren't prepared for a diversion couldn't afford accommodations for the night. This government's decision is leaving people vulnerable and stranded in airports with no money.

Will this government immediately restore funding for weekend snow clearing at northern airports?

**Mr. Schuler:** Well, and I always appreciate the member's passion for airports in the North. I want to be very clear to the House that we continue to clear the runways. We will do so to a federal standard and we will take her particular case forward and ask the department to come forward with more information, but I do want to be very clear to the Legislature that we continue to clear the runways to a federal standard.

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

**Ms. Lathlin:** Mr. Abraham Donkey died because he didn't have timely access to health care.

Can it be shown any more clearly, Madam Speaker? This government's failure to invest in northern infrastructure, their refusal to help people get health care in their communities, cuts to the Northern Patient Transportation Program, cuts to northern airports and a privatization approach to Lifelight, with—all increases the possibility that more low-income northern Manitobans will die.

Will this government recognize the danger of their approach and reverse all of these reckless decisions?

**Mr. Schuler:** Well, Madam Speaker, I'd like to reference the reckless decision that was made for 17 years by the NDP when Shoal Lake 40 came forward. In fact, they even walked for 80 kilometres along railroad tracks. They camped out on railroad tracks to try to—*[interjection]*

**Madam Speaker:** Order.

**Mr. Schuler:** —get the NDP government's attention, and the NDP decided to do nothing.

Madam Speaker, we are focused on what's going on in the North, and we will continue to stand up for the North, and we'll continue to clear the runways to a federal standard.

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

### Speaker's Ruling

**Madam Speaker:** And I have a ruling for the House.

During orders of the day on Wednesday, June 6th, 2018, the honourable member for St. Johns (Ms. Fontaine) raised a matter of privilege, alleging that the then honourable government House leader was putting false information on the record in comments he had made on Monday, June 4th, 2018. She went on to say that the then honourable government House leader attacked the character of members of this Chamber without cause or justification. She concluded her remarks by moving, and I quote: "that a committee of this House be struck to examine the member's statements and recommend whatever action is necessary to restore trust and honour to this Chamber."

The then honourable government House leader spoke to the matter before I took it under advisement to consult the authorities.

As members know, there are two conditions which must be met to demonstrate a prima facie case

of privilege: time limits and the demonstration of sufficient evidence to prove that the privileges of the House have been breached.

In her submission, the member did not make any reference to whether or not she was raising this matter at the earliest opportunity. Therefore, I must rule that she did not meet the test of timeliness.

In seeking to demonstrate which privileges were breached, the honourable member for St. Johns argued that by putting false information on the record, a member, and I quote, "arbitrarily flouts the rules of his House and takes it upon themselves to decide which rules it will follow and which rules it will break." She concluded that, "this fundamentally interferes with the rights of all members to exercise their privileges as members."

On this point, I must indicate that disputes between members regarding information put on the record are neither matters of privilege nor order, but rather are matters of debate. As the 6th edition of Beauchesne advises in citation 31(1), a dispute over the facts does not fulfill the criteria for a prima facie case of privilege.

Further, on page 148 of the 3rd edition to House of Commons Procedure and Practice, Bosc and Gagnon state that, and I quote: "If the question of privilege involves a disagreement between two (or more) members as to facts, the Speaker typically rules that such a dispute does not prevent Members from fulfilling their parliamentary functions, nor does such a disagreement breach the collective privileges of the House."

In consideration of all of these factors, I must respectfully rule that the member does not have a prima facie case of privilege.

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**Madam Speaker:** Petitions.

**An Honourable Member:** Point of order.

### Point of Order

**Madam Speaker:** Oh, the honourable Leader of the Official Opposition, on a point of order.

**Mr. Wab Kinew (Leader of the Official Opposition):** So, on a point of order. Again, I don't necessarily support everything that my colleague from St. Boniface does. In particular, blocking the public from weighing in at committee and then coming back a few days later to ask why people

couldn't make a point at committee struck me as odd earlier today.

\* (14:40)

But I do certainly support his right to exercise his duties as a member of this Legislative Assembly. Earlier today, during question period, the Premier (Mr. Pallister) referred to him as the member for Ottawa-west, in the first response, I believe it was, to one of the questions from our colleague from St. Boniface. It is a rule of this House that we're supposed to refer to people either by their Cabinet portfolio, if they are in Cabinet, or by the constituency which they represent. We should all be referring to our colleague here as the member for St. Boniface (Mr. Lamont) or perhaps the Leader of the Second Opposition (Mr. Lamont), whichever title is most appropriate, but we should not be calling him the member for Ottawa-west or, you know, any similar such claim. So I'd simply ask that the Premier be called to order and refrain from using such language in the future.

**Madam Speaker:** I would point out that the member does have a point of order. We are all to be using our names either as a constituency or a minister, and that was—I apologize; I did miss that in question period.

So the member did rise on a valid point of order that when we refer to other members, we refer to them by their names of their constituencies.

## PETITIONS

### Seven Oaks General Hospital Emergency Room

**Mrs. Bernadette Smith (Point Douglas):** I wish to present the following petition to the Legislative Assembly. *[interjection]*

**Madam Speaker:** Order.

**Mrs. Smith:** The background to this petition is as follows:

(1) The provincial government has announced the closures of three emergency rooms and an urgent-care centre in the city of Winnipeg, including closing down the emergency room at Seven Oaks General Hospital.

(2) The closures come on the heels of the closing of a nearby QuickCare clinic, as well as cancelled plans for ACCESS centres and personal-care homes, such as Park Manor, that would have provided

important services for families and seniors in the area.

(3) The closures have left families and seniors in north Winnipeg without any point of contact with front-line health-care services and will result—*[interjection]*

**Madam Speaker:** Order, please.

**Mrs. Smith:** —in having them to travel 20 minutes or more to St. Boniface emergency—St. Boniface Hospital's emergency room or Health Sciences Centre's emergency room for emergency care.

(4) These cuts will place a heavy burden on the many seniors who live in north Winnipeg and visit the emergency room frequently, especially for those who are unable to drive or are low income.

(5) The provincial government failed to consult with families and seniors in north Winnipeg regarding the closure of their emergency room or to consult with health-care officials and health official workers—health-care workers at Seven Oaks to discuss how this closure would impact patient care in advance of the announcement.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to reverse the decision to close Seven Oaks General Hospital's emergency room so that families and seniors in north Winnipeg and the surrounding areas have timely access to quality health-care services.

Signed by Marife Cadag, Aaron Cadag, Rhodesia Celog and many, many other Manitobans.

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

### Vimy Arena

**Hon. Steven Fletcher (Assiniboia):** I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

The residents of St. James and other areas of Manitoba are concerned with the intention expressed by the provincial government to use the Vimy Arena site as a Manitoba Housing project.

(2) The Vimy Arena site is in the middle of a residential area near many schools, churches, community clubs and senior homes, and neither the

provincial government nor the City of Winnipeg considered better-suited locations in rural, semi-rural or industrial sites such as the St. Boniface Industrial Park, the 200,000 acres at CentrePort or existing properties such as the Shriners Hospital, old Children's Hospital on Wellington Crescent.

(3) The provincial government is exempt from any zoning requirements that would have existed if the land was owned by the City of Winnipeg. This exemption bypasses community input and due diligence and ignores better uses for the land which would be consistent with a residential area.

(4) There are no standards that one would expect for a treatment centre. The Minister of Health, Seniors and Active Living has stated that the Department of Health had no role to play in the acquisition of the land for this Manitoba Housing project for use as an addiction facility.

(5) The Manitoba Housing project initiated by the provincial government changes the fundamental nature of the community. Including park and recreational uses, concerns of the residents of St. James and others regarding public safety, property values and their way of life are not being properly addressed.

(6) The concerns of the residents of St. James are being ignored while obvious other locations in wealthier neighbourhoods, such as Tuxedo and River Heights, have not been considered for a Manitoba Housing project, even though there are hundreds of acres of land available for development at Kapyong Barracks or parks like Heubach Park that share the same zoning as Vimy Arena.

(7) The Manitoba Housing project and the operation of a drug treatment centre fall outside the statutory mandate of the Manitoba Housing renewal corporation.

(8) The provincial government does not have a co-ordinated plan for addiction treatment in Manitoba as it currently underfunds treatment centres which are running far under capacity and potential.

(9) The community has been misled regarding the true intention of the Manitoba Housing as the land is being transferred for a 50-bed facility, even though the project is clearly outside of Manitoba Housing's responsibility.

We petition the Legislative Assembly of Manitoba as follows:

(1) To urge the provincial government to take the necessary steps to ensure that the Vimy Arena site is not used for an addiction treatment facility.

(2) To urge the provincial government to take the necessary steps to ensure the preservation of public land along Sturgeon Creek for the purposes of parkland and recreational activities for public use, including being an important component of the Sturgeon Creek Greenway Trail and the Sturgeon Creek ecosystem under the current designation of PR2 for the 255 Hamilton Ave. location at Vimy Arena site, and to maintain the land to be continued to be designated for parks and recreation activity neighbourhood and community.

This petition's been signed by Al Conwell [*phonetic*], Alan Rads [*phonetic*], Richard McLeod and many other Manitobans.

Thank you, Madam Speaker.

#### **Tina Fontaine—Public Inquiry**

**Mr. James Allum (Fort Garry-Riverview):** I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

(1) Tina Fontaine was murdered at the age of 15 years, and her body was found in the Red River on August 17th, 2014.

(2) Tina Fontaine was robbed of her loving family and the Anishinabe community of Sagkeeng First Nation.

(3) Tina Fontaine was failed by multiple systems which did not protect her as they intervened in her life.

(4) Tina Fontaine was further failed by systems meant to seek and pursue justice for her murder.

(5) Tina Fontaine's murder galvanized Canada on the issue of missing and murdered indigenous women and girls, MMIWG, as she quickly became our collective daughter and the symbol of MMIWG across Canada.

(6) Manitoba has failed to fully implement the recommendations of numerous reports and recommendations meant to improve and protect the lives of indigenous peoples and children, including the Manitoba Aboriginal Justice Inquiry, Royal Commission on Aboriginal Peoples and the Phoenix Sinclair inquiry.

We petition the Legislative Assembly of Manitoba as follows:

\* (14:50)

(1) To urge the Premier of Manitoba and the Minister of Justice to immediately call a public inquiry into the systems that had a role in the life and death of Tina Fontaine, as well as the function of the administration of justice after her death; and

(2) To urge that the terms of reference of a public inquiry be developed jointly with the caregivers of Tina Fontaine and/or the agent appointed by them.

This petition is signed by Bronwyn Guard, Julia Huard, Laura Gillies and many other Manitobans.

### Medical Laboratory Services

**Hon. Jon Gerrard (River Heights):** I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

(1) The provision of laboratory services to medical clinics and physicians' offices has been historically, and continues to be, a private sector service.

(2) It is vitally important that there be competition in laboratory services to allow medical clinics to seek solutions from more than one provider to control costs and to improve service for health professionals and patients.

(3) Under the present provincial government, Dynacare, an Ontario-based subsidiary of a US company, has acquired Unicity labs, resulting in a monopoly situation for the provision of laboratory services in medical clinics and physicians' offices.

(4) The creation of this monopoly has resulted in the closure of many laboratories by Dynacare in and around the city of Winnipeg. Since the acquisition of Unicity labs, Dynacare has engaged in anti-competitive activities, where it has changed the collection schedules of patients' specimens and charged some medical offices for collection services.

(5) These closures have created a situation where a great number of patients are less well served, having to travel significant distances in some cases, waiting considerable periods of time and sometimes being denied or having to leave without obtaining

laboratory services. The situation is particularly critical for patients requiring fasting blood draws, as they may experience complications that could be life-threatening, based on their individual health situations.

(6) Furthermore, Dynacare has instructed that all STATs patients, patients with suspicious internal infections, be directed to its King Edward location. This creates unnecessary obstacles for the patients who are required to travel to that lab rather than simply completing the test in their doctor's office. This new directive by Dynacare presents a direct risk to patients' health in the interest of higher profits. This has further resulted in patients opting to visit emergency rooms rather than travelling twice, which increases costs to the health-care system.

(7) Medical clinics and physicians' offices service thousands of patients in their communities and have structured their offices to provide a one-stop service, acting as a health-care front line that takes off some of the load from emergency rooms. The creation of this monopoly has been problematic to many medical clinics and physicians, hampering their ability to provide high-quality and complete service to their patients due to closures of so many laboratories.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to request Dynacare to reopen the closed laboratories or allow Diagnostic Services of Manitoba to freely open labs in clinics which formerly housed labs that have been shut down by Dynacare.

To urge the provincial government to ensure high-quality lab services for patients and a level playing field and competition in the provision of laboratory services to medical offices.

To urge the provincial government to address this matter immediately in the interest of better patient-focused care and improved support for health professionals.

Signed by Marilyn Hooper, Yong *[phonetic]* Edgar, Jodi Robertson and many others.

**Madam Speaker:** Grievances?

I have a statement. Oh.

**ORDERS OF THE DAY**  
**GOVERNMENT BUSINESS**

**Speaker's Statement**

**Madam Speaker:** I have a statement for the House.

I am advising the House that I have received a letter from the Second Opposition House Leader (Mr. Gerrard) indicating that their caucus has identified Bill 216, The Human Rights Code Amendment Act, and Bill 231, The Municipal Harassment Policy Act (Various Acts Amended), as their last two selected bills for this session.

As a reminder to the House, rule 24 permits each recognized party to select up to three private members' bills per session to proceed to a second reading vote, and requires the House leader to provide written notice as to the date and time of the vote.

The Second Opposition House Leader has therefore advised that both selected bills will be scheduled for second reading debates and votes on Thursday, October 25th, 2018, as follows: Bill 216, The Human Rights Code Amendment Act, to be moved at 10 a.m. and debated until 10:30 a.m.; Bill 231, The Municipal Harassment Policy Act (Various Acts Amended), to be moved at 10:30 a.m. and debated until 11 a.m.; the questions on both bills shall be put consecutively at 11:55 a.m.

**House Business**

**Hon. Blaine Pedersen (Acting Government House Leader):** I would like to announce that the Standing Committee on Legislative Affairs will meet on Wednesday, October 24th, 2018, and, if necessary, on Thursday, October 25th, 2018, at 6 p.m., to consider Bill 16, The Climate and Green Plan Implementation Act.

**Madam Speaker:** It has been announced that the Standing Committee on Legislative Affairs will meet on Wednesday, October 24th, 2018, and, if necessary, on Thursday, October 25th, 2018, at 6 p.m., to consider Bill 16, The Climate and Green Plan Implementation Act.

**Mr. Pedersen:** Madam Speaker, I would like to announce that the Standing Committee on Social and Economic Development will meet on Wednesday, October 24th, 2018, and, if necessary, on Thursday, October 25th, 2018, at 6 p.m., to consider the following: Bill 8, The Government Notices Modernization Act (Various Acts Amended);

Bill 12, The Red Tape Reduction and Government Efficiency Act, 2018; Bill 24, The Social Services Appeal Board Amendment Act; and Bill 27, The Fiscal Responsibility and Taxpayer Protection Amendment Act.

**Madam Speaker:** It has been announced that the Standing Committee on Social and Economic Development will meet on Wednesday, October 24th, 2018, and, if necessary, on Thursday, October 25th, 2018, at 6 p.m., to consider the following: Bill 8, The Government Notices Modernization Act (Various Acts Amended); Bill 12, The Red Tape Reduction and Government Efficiency Act, 2018; Bill 24, The Social Services Appeal Board Amendment Act; and Bill 27, The Fiscal Responsibility and Taxpayer Protection Amendment Act.

\* \* \*

**Mr. Pedersen:** Could you please call Committee of the Whole to consider Bill 34.

**Madam Speaker:** It has been announced that the House will consider Committee of the Whole on Bill 34 this afternoon. The House will now resolve itself into—oh.

Just as a reminder to the House, as per the sessional order adopted on June 25th, 2018, on days when the budget implementation and tax statutes amendment act is considered in the Committee of the Whole, the House will sit until 6:30 p.m. instead of rising at 5 p.m.

The House will now resolve into Committee of the Whole.

Mr. Deputy Speaker, please take the Chair.

\* (15:00)

**COMMITTEE OF THE WHOLE**

**Bill 34—The Budget Implementation and Tax Statutes Amendment Act, 2018**

**Mr. Chairperson (Doyle Pivniuk):** Will the Committee of the Whole please come to order.

Does the minister responsible for Bill 34 have an opening statement?

**Hon. Scott Fielding (Minister of Finance):** Well—I can sit down?

**Mr. Chairperson:** Yes, you can sit.

**Mr. Fielding:** Mr. Deputy Speaker, it gives me great pleasure to extend our sitting here and have debate

with Manitobans. We know that that was, of course, a contentious issue in the fall, and so the agreement amongst the House leaders was to offer up more than nine hours more in public—or, rather, sessions from the opposition in committee as a whole.

It's an important process, to make sure everyone has all the information related to the budget implementation bill. As mentioned, the bill really provides legislative authority for implementation of the tax, financial and other measures such as introducing professional incorporations for such things as chiropractors.

Mr. Deputy Speaker, based on the evidence and expert advice and Manitobans' input, we are tabling concrete steps for Manitobans' most improved province. BITSA 2'18 delivers on our commitment to restore stability of our finances, strengthen the economy, ensure that Manitobans' tax regime and supports continue to meet their needs of outcomes of fiscal responsible manner.

The bill streamlines processes for Manitobans who own homes and provide caregivers accessing provincial credits, extending cultural tax credits, introducing new supports for families, for infants, enhancing supports for venture capital, improving enhancements to our taxes.

Some technical and administrative amendments are also included, Mr. Deputy Speaker, and the bill, of course, is here to be debated.

So thank you very much, Mr. Deputy Speaker, and I welcome any questions from the opposition.

**Mr. Chairperson:** We thank the minister.

Does the critic for the official opposition have an opening statement?

**Mr. James Allum (Fort Garry-Riverview):** Mr. Chair, I want to first begin by welcoming the new Finance Minister to his portfolio and wish him the very best. I hope that he's able to do what his predecessor couldn't do, which is to be fully transparent—both with the House and with the people of Manitoba—when it came to matters financial here in this great province. He will know, because he was here in the spring in another portfolio.

I know that this legislation should have actually been introduced and debated and actually passed in the spring, and yet here we are, middle of October, heading toward November, and we're only now getting to do—to debate and to ask questions about

the BITSA legislation, when it should have been done four or five months ago.

This is not the kind of conduct that we would expect from a responsible Minister of Finance. It suggests, in fact, that the former minister of Finance didn't really understand what his job was and wasn't able to perform his duties as they should be.

We know further that in the interim, Mr. Chair, that the government has been called out by the Auditor General for very significant mistakes that were made during the budgeting process, all intended to mislead, frankly, the people of Manitoba as to the size of the actual deficit here in Manitoba, all intended to justify a continuing barrage of cuts to the services that Manitobans rely on and all intended, frankly, to justify an austerity agenda which simply does not work and is the politics of the past.

\* (15:10)

We have many questions about the BITSA legislation that we're going to be asking over the course of the next several hours to the Finance Minister. What we're really asking, though, is—direct—asking for, Mr. Chair, is direct answers to direct questions. His predecessor was unable to do that. I'm holding—I'm hopeful that the new Minister of Finance (Mr. Fielding) will be better prepared and more willing to talk openly and transparently to the people of Manitoba during this question-and-answer period on the budget implementation bill.

Thank you.

**Mr. Chairperson:** We want to thank the member.

Does the critic for the second opposition party have an opening statement?

**Hon. Jon Gerrard (River Heights):** Yes, Mr. Deputy Speaker. Yes, I have several comments that I want to make. This is a very unusual time in this Legislature that—with the delay of the BITSA bill and, oh, the budget bills, some of them being passed quite recently, we have a government which has just notified us very recently that it is not proceeding with the carbon tax—or with the price on pollution, as it's probably better described—and that the government is instead going to proceed with Bill 16. And the problem here is that the carbon tax, or the price on pollution, was going to bring in a lot of dollars. And, all of a sudden, the dollars that were to come in are not going to be there. And so we're hoping for an explanation from this government of what is going to happen, how he is actually going to

meet the numbers in his budget when a lot of the money that he budgeted as revenue is no longer there.

The second question that we're interested in some answers for is the cannabis tax. The—cannabis is now legal. We are hearing that the retail sales of cannabis have been very high in the first few days and presumably bringing in quite a bit of tax. The government has said that all the money bringing in from that tax is going to look after the issues related to the implementation of the tax that they have to look after. And so that now that it's clear that there's going to be significant dollars coming in, and with rather vague promises on how the money is going to be spent at this point, we're very much looking forward to an explanation from the minister in terms of how much money, now that he has a better idea of what the situation is, is going to be in new revenue and precisely where those monies are going to be spent.

A third question, which seems to be quite important, was, indeed, a—an issue raised by the member for Assiniboia earlier today that the government apparently passed an order-in-council to be able to borrow something more than \$3 billion even before the loans act—which would be permissive of that order-in-council—was passed. And so we're trying to understand what the—procedure the government is following and how the government can be spending or borrowing more than \$3 billion without even having passed the legislation which is—supports that.

So there are a lot of questions this time around, Mr. Deputy Speaker, about what this government is doing. Those are just scratching the surface, really, of the questions which I could be asking, but they are ones which have come up very recently and certainly need attention. And we're looking forward during the course of this discussion of this important financial bill to be able to get some answers to these questions.

**Mr. Chairperson:** We want to thank the member.

**Hon. Steven Fletcher (Assiniboia):** Thank you, Mr. Chair—

**Mr. Chairperson:** Are you asking for leave?

**Mr. Fletcher:** Oh, yes. Can I have leave to speak, please?

**Mr. Chairperson:** To the House to give leave for the member for Assiniboia to have opening statement? *[Agreed]*

**Mr. Fletcher:** Thank you, everyone.

A few rapid-fire questions related to the budget. First is: Why are we dealing with the 'bubet'—

**Mr. Chairperson:** I just want the—have the member—if this is an opening statement, the questions are—come out later.

So do you have an opening statement for the member—for the Minister of Finance (Mr. Fielding)?

**Mr. Fletcher:** Well, like in Jeopardy, I'll form my opening statement in a question, a very long question.

I wonder—I look forward to an explanation to why the budget implementation bill was not brought in in a timely manner. I look forward to an explanation why we had to wait until August 15th—in the middle of summer—for the implementation bill to come in.

I'm looking for an explanation of why the government used the cannabis as a scapegoat or a way to justify the delay of the budget implementation bill but, yet, really, it's not significant relative to \$16 billion. It's really not a reason to delay. Often in those kind of cases, you just budget zero and deal with it later.

I'm looking for an explanation to the order-in-council of October 3rd, which I raised earlier today and the member from River Heights reiterated. It looks like there was an OIC directive for the minister, from the Minister of Finance, before the legislative authority. We passed the loans bill last Thursday for \$3.8 billion and it's not clear if that is related to the OIC; and if it is, why are we approving legislation before the—or, doing an OIC before the legislation? Seems in contradiction to section 15—or 53 of The Financial Administration Act.

I'm looking for an explanation on the carbon tax. How can the government possibly go forward and have a flip-flop on its major revenue-generating—and it is a tax grab—program and then continue on like nothing has happened? The government projected an annual revenue of \$260 million on that alone, say \$300 million, plus \$67 million in green funds from the federal government. So not only have they foregone the carbon-tax tax grab, they have also foregone the federal monies. So that's \$300 million. So that's a \$600-million difference in what they had originally planned. That is off the top and without any analysis.



So I'd like to get an explanation on how the government can—it seems extraordinary that the government can just flip-flop on a major—an ill-thought-out, by the way, Mr. Chair, tax initiative. They should never have done it and they know they shouldn't have done it. You know how I know? Because I told them that. Yes, I told them that and I got the boot.

So let that be a lesson, Mr. Chair. If you want the Premier (Mr. Pallister) to listen to you, come and join me on this side of the House.

\* (15:20)

The issue of the tax and undermining all the Conservative governments in Canada—because they've already disagreed on the—or, already agreed that the federal government has the ability to impose the tax and they just couldn't agree on price.

The Province an—wanted to tax faster and more than the federal government. They flip-flopped and now there's a huge hole in the budget with no explanation, so I would look forward to the minister answering these questions.

**Mr. Chairperson:** The member's time is up. We thank the member for his comments.

Before we get on to the preamble and the enacting clauses, clause-by-clause, is it the will to the House to—the committee to actually ask questions on—ongoing here? *[interjection]* A question on the bill. Agreed and so carried.

Now we'll start with the questions.

**Mr. Allum:** Mr. Chair, as I said in my opening statement, the minister knows that BITSA is tabled in the spring. It has been a tradition here in Manitoba not only for decades but, you know, for a generation or two, and the only time that doesn't happen is when there's an election.

So maybe the minister can start by telling us and the people of Manitoba why did the government delay BITSA and hide it from Manitobans for months?

**Mr. Fielding:** And the government did not hide BITSA. In fact, we worked with the opposition. There wasn't—all the appropriate information, as it relates to BITSA, we worked with the opposition to find a process where which, I believe, was agreed to, where information of BITSA was produced in August 15th. A part of this process is today's session

where we have over nine more hours of implementation questions that are associated with it.

Let's be clear: The budget was tabled in, you know, first quarter—just in the first quarter of last year, so, to be fair, we're halfway through the year. We needed more information from the federal government on a variety of 'topcs', so that's why implementation was there.

But I guess I would turn it back to you and ask yourself and your caucus why you didn't want to delay the implementation of BITSA.

**Mr. Allum:** Sorry, madam—Mr. Chair. I didn't quite hear what the minister was asking me. Maybe he's got this a little mixed up. We ask the questions; he's required to give some answers, and that was not really very good.

We need an explanation—the people of Manitoba deserve an explanation as to why BITSA was not introduced in the spring until the opposition rallied, held the government to account, pressed them to do something, and only then—only then—was that bill introduced and was there an agreement about when it would come forward and what other aspects of debate would happen.

The minister also says that it was delayed for a variety of reasons. Now, I said the bar was pretty low with the previous Finance minister. He's not really jumping over that bar very well if he can't be able to give us specific—a specific explanation and specific reasons why a bill traditionally introduced in this House, in the spring, debated in the spring, passed in the spring, wasn't introduced until late, late summer, and only then after the opposition and the NDP did its work here in the Chamber.

So could he provide a proper explanation? And instead of giving explanations around a variety of reasons, could he articulate those reasons for us today and, through us, to the people of Manitoba?

**Mr. Fielding:** My answer really doesn't change. It's a matter of the opposition, so although this may be not a question period to answer yourself, maybe that's an area that you can look yourself in the mirror.

BITSA is obviously that we introduced the budget in the last quarter of this year. There was more information that was needed on the carbon tax. I think that was—or rather the cannabis, and so that was well documented at the time, a part of the process. In fact, the government went into extension in terms of the time frames when we were sitting to

talk about other legislation that's there. I know the opposition didn't want to debate that at that point, but I can tell you we came forth with an agreement that would allow for more time for BITSA to be discussed.

That information was provided. We suggested that we were going to provide that information by August 15th. I can tell you that I was the minister at that point, and we provided that information to the members of the Legislature. We are here debating this session as we speak. And that's really the focal point of why there was a delay. It was information related to the cannabis. And that's—was well documented at the time. So the answer does not change from the previous minister in respect of that answer.

**Mr. Allum:** Well, I don't quite follow that answer, Mr. Chair.

Initially, he said that the government minister said that the government needed more information on the carbon tax. Maybe he just misspoke there, I'm not sure about that, because there were projections in the budget around putting a price on carbon. But, regardless, the Premier of Manitoba (Mr. Pallister) woke up on the cranky side of the bed one day and decided to pull that central 'tenet' of their green-washing plan out of the mix, even though, as we all know that during the course of the last two years, the government caucus, every minister, every backbencher was on the doors of Manitoba promising, committing to put a tax on—put a price on carbon. And yet now we find the—a monstrous flip-flop and, frankly, a drive-by deception on the part of the government, who simply failed to live up to their commitment on putting a price on carbon.

But he—the minister asked me some question about, well, what were we doing. Actually, we were holding the government, the Premier, the Cabinet and the former Finance minister to account for failing to introduce BITSA in the proper and appropriate time frame. And he still—the new minister—and, admittedly, he was not the minister at the time, but he should know as a member of 'cabinet', as a minister of the Crown, that these decisions are not only made collectively, but they are to be held accountable broadly for the government.

So, to simply say, well, I wasn't in that job at that time so don't ask me is really quite insufficient. He's a member of Cabinet, a minister of the Crown, and he ought to be accountable and responsible to

this Chamber in providing direct answers to direct questions.

So I'm going to ask him one more time: Can he please clarify for us—and, through us, to the people of Manitoba—why a bill traditionally introduced in the spring, debated in the spring, passed in the spring was delayed for several months and now here it is in late October, and we're only getting to do that now.

Could he please explain that circumstance to us and to the people of Manitoba?

**Mr. Fielding:** I'll repeat it for a third time. The member may not like the answers, but the—but my answers will remain the same. So we can—we do have nine hours to debate this. If you like, we can debate on this all afternoon. But I'll explain it one more time just so the member has that opportunity to understand what our position is.

We did have two interim appropriation acts in spring, as the opposition would not agree to pass the appropriations act. I think we can all agree to that. Exceptional year, as we were discussing the implementation of the green plan and cannabis legalization in the summer. The federal government delayed the cannabis legalization for similar reasons. I think we all realized that the date went to October 17th and the Province and the federal government were not ready. And that's clear because of the change of the date.

So that is my answer. That will remain my answer if we ask four or five times. And otherwise we can get on to other topics. We clearly have more than nine hours here of further debate, which we are excited to tell Manitobans in terms of the steady process, the steady progress we're making on reducing deficits and reducing taxes for Manitobans.

**Mr. Matt Wiebe (Concordia):** Thank you to my colleague for kicking us off this afternoon and asking some questions—some important questions about BITSA, about the budget and about this government's priorities.

I did just want to spend a little bit of time this afternoon talking about cannabis. Of course, it was a momentous week last week in the country. Cannabis is now legal. The minister will know that we spent quite a bit of time back in the spring, again, as my colleague mentioned—when we had hoped to spend more time talking about BITSA and talking about the budget—about the expected revenues. And, at the time, the government was saying, you know, look, we understand a little bit more about the

expenditures. I think the number kicked around was \$100 million in expenditures but could not come up with an estimate on revenues. Now that the roll out has begun, and, certainly, there's been some sales in the province—I've heard stories that the—some stores were running out that evening in the middle of the night.

\* (15:30)

Can the minister give me a sense of what those revenues, over the first few days, look like and what revenues to the Province in terms of the levy were generated in those first few days?

**Mr. Fielding:** We know that cannabis is a new venture not just in Manitoba—across the country. We also know what the NDP's budget forecasting process has been like in years. In fact, I think the last year of your budget process, you over—in fact, your budget projected that it would be \$400 million less than it actually was. I'm not quite sure how you can miss that target by that much and be that much in the glue. But what I can tell you is that it is a new venture. We're asking the departments to track and monitor not just costs but revenues. It's not surprising that the NDP really wants to talk about revenues all the time.

For our point of view, it is a new venture that's going forward. We're asking departments to review what costs were. There's a lot of variables that go into the equation, depends on the strain of the drug that you're—the amount of cannabis that you're doing. There's different things like edibles that will play into the equation in future years. There's—really, we don't know what the uptake is. We're four days into this, so I think a true sense of where we are will probably be six to eight months into the legalization regimen. And we're hoping to have our budgets take into some costs that are associated with it, and we're continuing to work with the departments in respect to that.

**Mr. Wiebe:** Well, again, I appreciate the—you know, the fact that this is a new process, that, you know, we are just days into this—into legalization. And so, you know, I can understand that the minister wants to have as complete a picture as possible. You know, I don't need the kind of level of analysis that I think the—maybe the minister is thinking that I'm asking for in terms of revenues versus projected costs.

Certainly, I can understand—again, the government has been clear right from the beginning. One hundred million dollars is what the—their

estimate was on cost to legalize cannabis. But what we're talking about here is simply revenue.

Maybe I could just get a little bit of clarification because I'm still a bit unsure about the taxation on cannabis here in this province. The government collects a levy; is that right? Maybe the minister can just give us a bit more information about exactly what kind of taxation has been in place so far on cannabis over the last few days.

**Mr. Fielding:** We, as a government, wanted to keep the cost of non-recreational cannabis as low as possible, and the reason why we did that is to ensure we get rid of the black market, the people of the illicit drug trade. That is important to this government. It's—I think it'd probably be important to everyone—members of this Chamber. With that, we didn't introduce a tax that's associated with non-medical cannabis. We introduced a social responsibility fee. The social responsibility fee is something that will help pay for advertisements—some costs for addictions that are there. We will be asking the retailers to collect this. It'll be remitted back to the government in 2020—June of 2020. And so we think that retailers have a part and everybody has a part to play in terms of the social responsibility component of it.

There is also a cost-recovery markup that is very similar to what alcohol may be. It's different kind of levels, and alcohol's more of a complicated markup system. But those—the approach, and we didn't introduce a provincial sales—rather, a sales tax—a tax on the cannabis because we want, again, to keep the cost as low as possible.

**Mr. Wiebe:** So the social responsibility fee, is that something, then, that the government would set aside exclusively, as the minister says, for issues of social responsibility? So, in other words, if the revenues are—and I'm just picking numbers out of a hat, but the minister had talked about \$100 million in costs. I recognize it wasn't this minister; it was the previous minister. If there was \$100 million in revenue, that \$100 million in costs would go—or the \$100 million of revenue would go directly to addressing those costs, or if—or is there any element that the funds collected go directly into general revenue?

**Mr. Fielding:** Well, just as a bit of clarification, I did look at that \$100-million cost. I don't believe that was actually the context the former minister had said, so I did scour through our Hansard in respect to that. What I can tell you is, again, the social responsibility

fee—it is a fee—will be collected and be remitted back to the government in 2020.

And that's—we feel, obviously people that are retailing this have a part to play in this in terms of the social responsibility, so we will know in June of 2020 what is collected in terms of social responsibility fee, where there will be some information—there will be, obviously, revenue sources or money that is—flows from the federal government is for things such as the device and for some training. That, of course, was announced at the federal government level and so that will be forthcoming.

**Mr. Wiebe:** Okay, now I'm even more confused, which is, you know—well, you know, it does happen, does happen from time to time, as members from the House are happy to remind me of. I guess what I'm confused about—the minister is talking about the social responsibility fee. That is from retailers.

I guess what I was asking about is the tax that's applied to the product itself that consumers are paying. So when they walk through the door, you know, the—there's some kind of tax on that. So I'm just trying to get a clarification, what is the percentage that they're paying, or is it a flat fee, or what? How—exactly what is that amount that's being taken in by the government?

**Mr. Fielding:** I think what you're maybe talking about is in terms of the dollar fee that's associated for the federal government that's associated. Right now, we don't have an agreement with the federal government. We've put a 75-cent placeholder, 'thach' would be equivalent to what the federal government has talked about. So that is the money that it's associated with.

**Mr. Wiebe:** There is no provincial tax on cannabis in this province?

**Mr. Fielding:** That's right.

**Mr. Wiebe:** Okay so—but the minister mentioned 75 cents as a placeholder amount, so again, I mean, we're, you know, talking, I would imagine pretty simple math for—well, not for me, maybe, but for the very smart people in the Department of Finance, I'm sure this is simple math.

We have an idea of what the cannabis sales were on day one, on day two, on day three, on day four, on day five. So I'm just—I guess I'm trying to understand what would the—can the minister give me any kind of—maybe I could put it in simpler terms. Instead of

asking what the specific amount would be, have sales met the expectations that his department had drawn up, or were they lower or were they higher?

**Mr. Fielding:** Well, I—we're four days into the new venture. I mean, you know, without even just a back-and-forth of political, I don't think four days you can measure, you know, whether we'll have the—what revenues are going to come in. It's pretty early to identify what revenues are going to come in. There's other stores that will come online soon. There's edibles that will happen later on down the line.

So, to be fair, four days isn't a long enough time to identify, you know, are we on track or not. Maybe talk to us—probably in six to eight, six to nine months, we'd be able to identify what sort of revenue. But to be fair, after four days, it's really hard to give you an accurate number. That's not just political rhetoric. It's, you know, it's got the added benefit of actually being true.

**Mr. Wiebe:** Well, you know, the minister did say six to eight months. Now he just said six to nine months. So I'm, you know, I'm going to hold you to that, the minister, there. We're adding months already.

You know, I'm just—no, I guess what I'm trying to get a sense of, like, in other jurisdictions, obviously, they're—we know that cannabis has been legalized in other jurisdictions. I think when we asked the minister, the previous minister about this, he said, well, you know, these are different places. We don't know what the demand is going to be. We don't know; we don't understand what the market looks like here in Canada.

I know that other provinces also, you know, were struggling with this, and I've heard some various numbers. Did the minister go out and talk to those other provinces and say, okay, so what are your numbers that you're working with?

And again, I understand that these are—we're talking, you know, just a few days of rollout, but I think it's, you know, at least given us a bit of a snapshot of what the demand or the market might look like.

So, when he's talking—I'm just asking the minister, you know, when you're talking to your officials, when the minister's talking to his officials, are they saying, you know, this is pretty much rolling out how we expected? Are they saying, well, actually the demand seems to be higher than we expected?

Is—are they saying, no, actually, it seems like the market might be smaller than we expected?

\* (15:40)

**Mr. Fielding:** While I haven't had a ministers' meeting—you know, quite frankly, I haven't had a ministers' meeting since I was elected, I have met with a minister for Newfoundland; I've had some brief discussions with the minister of— from Saskatchewan, the Minister of Finance in Saskatchewan. There hasn't been a ministers' meeting in respect of that. You do look at some of the other provinces. There's been some dramatic changes in terms of their approach. Ontario came in and they changed their model quite extensively, and, in fact, I think, their delivery system; I believe I'm not mistaken, that they can only buy online for the first little while.

So, you know, to be fair, we're into a new venture. There's a whole bunch of different variables in terms of this. You know, when strength—I'm using the wrong words, but you know what I'm saying: the strength of the product and you're looking at a whole bunch of variables; you don't know how well, except that this will be—one interesting aspect of this will be the sociology of this. This is something new that's brought in as a new law, and we'll see how relevant it is. You might have a budget in your own household for maybe you have a glass of wine or a beer on a weekly basis—is that going to change? Is that going to impact beer sales, for instance? Some people think it will.

So, you know, I'm not trying to be coy; I'm just realistically telling you that we don't have a great indication right now, and whether you say six, eight, nine, 10 months, I think we'll have a better track—not tracking system—a better indication of what costs and revenues are there, and I can tell you, from a government point of view, that we truly believe that our costs for this are going to far 'outceed' the revenues for a number of years.

**Mr. Wiebe:** Okay, and—I mean, is that the minister's estimation or is that based on the documents that have been prepared from his department? Has he gotten, you know, an estimate of expenditures and revenues from his department that he's basing that on? And, again, can we just shed some light on to the, you know, where we're getting those numbers from for the expected revenues that are coming in?

**Mr. Fielding:** Well, as mentioned, we didn't book any revenues associated with it into the budget, so I

can't tell you about 2018. What I can tell you and, I think, would be appropriate, in 2019, as we go through the budget process—we generally introduce the budgets in March, you know, April, February, March or April, one of those types of months. We've asked departments to track and monitor, specifically some of the costs that are associated. But, quite frankly, you know, again, we don't know how many people are going to, you know, whether be going to emergency rooms, how much policing costs there is, how much bylaw enforcement costs there is. So, to be fair, we were—that is a part of our Budget 2019 Estimates process, and we anticipate, you know, getting a number, but I think with these things, you want to be somewhat conservative because if the costs are a lot higher than we anticipate, then, you know, clearly we'd be short for the budget. So we want to make sure it's an appropriate number but, again, there's so many variables. I think what we'd like to do is have kind of six or eight months of actual sales and we'd have a better indication of what the costs will be.

**Mr. Wiebe:** Okay, so in my understanding that the—when the minister's working through this process of budget '19 and what's—what you're telling me in—I guess maybe this goes back to my question before about exactly how the taxation works, if we're talking about a social responsibility fee, the—it's kind of a money-in, money-out kind of proposition, so the minister's saying that, in fact, until we know what those revenues will be, we won't know what the expenditures will be?

**Mr. Fielding:** I'm sorry. Could you repeat the question?

**Mr. Wiebe:** Yes, sorry. Just to repeat the question: Is the minister waiting to see what the revenue will be before determining what some of the expenditures in terms of costs of legalization would be?

**Mr. Fielding:** Well, we're working, again, through the departments or our budget process to find out what the actual costs will be. I mean, do we exactly know how many people would be going through emergency rooms or, you know, having to deal with the bylaw that the cities may face or municipalities may face or addiction treatments? These are items that we don't know, but we've asked them to give an estimate of costs. Again, from a budgeter—budgeting point of view, you want to make sure you're 'conservative' with your revenue projections and/or your costs because then it leads to problems later on down the line. But one thing I would re-emphasize is

the fact that we don't see this as a huge money-maker for the Province, at least for the first two or three years. In fact, we think that our costs will be higher than our revenues that are associated with it.

**Mr. Wiebe:** Okay, well, so it sounds like the minister have a—has a pretty good sense of what those revenues might be, and I'm just trying to get at exactly how he gets a sense of that.

Obviously, there would be some kind of study, some kind of documentation that's been prepared for him, because, obviously, he wouldn't come into the House and just start saying that, well, of course, it's going to be more expensive than the revenue that we're bringing in.

So I'm just trying to get at why, exactly, is the minister saying that. What is the documentation that he's working with to give that kind of assertion?

**Mr. Fielding:** Well, I think, publicly, the only thing I've said is I've talked about the costs associated with cannabis. To be fair, we don't know the revenues. There's a whole bunch of variables that go into the amount of cannabis that will be sold. It will really depend on societal costs, you know, whether people accept this into their households. There's probably a whole generation of people that may not necessarily see it as a social—something they won't accept right off the bat, so we don't quite know what the revenues are. We've asked the departments and also municipalities to track both their costs, which we think is important, and the revenues.

**Mr. Wiebe:** Right, but the minister said that the revenue, whatever—and I can understand the minister can't, you know, possibly know by himself that, you know, what the revenue's going to be. You know, as a minister, you don't necessarily know that, but I'm sure your department has done that work. Maybe Liquor & Lotteries has done that work. Where are you basing this—the fact?

And so let's start with \$100 million, because, despite what the minister is saying, and I did spend countless hours in Estimates with the minister of—the previous Minister of Finance, and, you know, I don't know what—what Hansard—the minister—the current minister was reading, but the minister was very clear that there was a \$100 million—now, he said we don't know if it's all going to be spent; we don't know what the costs are going to be. There could, as the minister now is saying, could be more, you know, more costs in policing or could be more costs in health care.

But the minister was pretty clear that \$100 million was set aside for the costs for implementing legalized cannabis in Manitoba, and now the minister is saying, well, we don't think we're going to make any money from the sale of cannabis in Manitoba.

So that means that either the minister is saying there's going to be \$100 million of revenue and \$100 million of costs and that's it, or the minister has some information that he's not sharing with us about what those revenues would be.

So I'm just trying to understand: Who is giving the minister the information on the revenues? The costs have already—and don't—so don't—I'd prefer if the minister didn't talk about the cost, because I've already gotten that from the previous minister—*[interjection]*

**Mr. Chairperson:** Order.

**Mr. Wiebe:** What I'd like to get from this minister is where is he getting the information about the revenues? He said he hasn't talked to his provincial counterparts in other provinces, but, certainly, some people from his department must have. They must have gotten this information from somewhere.

Where is he getting that information from? Can he just give—shine a little bit of light into where this estimate of \$100 million in revenue, coming in, and \$100 million of revenue, going out, is coming from?

**Mr. Fielding:** Well, I don't know where you're getting this \$100-million fee—or \$100-million amount that you're talking about. That, certainly, wasn't the way I read Hansard. In fact, I had talked to the former minister and I don't think he referenced that. So I'm not quite sure—you know, why don't we cut to the chase? I mean, how much do you think we should put in as revenue?

**Mr. Wiebe:** I'm sorry; I didn't hear the question. If he could—if the minister could repeat that, please.

**Mr. Fielding:** My question is, is we're asking questions about the budget implementation process, so I'm just wondering what your thoughts are. How much should we include, in terms of revenue, for cannabis?

**Mr. Wiebe:** Well, I mean, that's why I'm asking the question, right, is I'm trying to understand for myself, for my constituents, for Manitobans, where this revenue is coming from.

Now, I have not walked in and said that the revenue is going to be X or Y or Z. It's been the minister who has said that. So now the minister has—either he's pulling numbers out of the air or he's getting some information from his department or from his officials. So, if he has that information, just share it with the House.

Now, I can understand that, you know, maybe the—you now, as he said, four days into legalization, maybe we don't know if the revenues are going to be as high as the estimates will prove out, but we at least need to know what those estimates are.

Why is the minister coming forward with numbers without actually telling us what those numbers are? Give us a peak behind the curtain, is all I'm asking for.

\* (15:50)

**Mr. Fielding:** Well, I guess the question I'd ask you is you can't have it both ways. Either we have a number, which you're somehow saying we have a number, or we don't have a number. So I don't quite know what the answer is. I'll—maybe I'll start from the beginning again, respectfully.

This is a new venture. We're trying to keep the cost as low as possible for Manitobans. We're one of the only provinces to not have a tax that's associated. We had a social responsibility fee. We think that everyone has a responsibility in terms of the legalization of cannabis. We don't know. There's so many variables that are out there in terms of how much people buy, the amount they buy, when edibles comes into the equation. There's a lot of variables that go into the equation.

We clearly have said there wasn't any money that we built into the 2018 budget process. For the 2019 budget process, we've asked our departments to look at costs that may be associated with cannabis. But what I can tell you is on a budgetary basis, there's sometimes—you try and identify what costs are.

We've started—I can tell you that we just started our budget process. I had some successful meetings in Manitoba earlier on today to get topics, and Manitobans have clearly said to us that we need to evaluate how we're doing things. And so, as a budget process starts, we'll be asking departments to track and monitor those costs.

So I'm not quite sure of how much more information I can share with you. But I think, as we

go forward, since it was legalized four days ago, we're going to have more information which we can inform our budget process in 2019 of what costs and revenues. But I can clearly tell you that we anticipate costs are continue to be higher than revenues.

**Mr. Wiebe:** Well, again, we only know one number in this equation, and that's the \$100 million that the previous minister spent hours and hours in Estimates telling us would be spent in legalizing cannabis in this province. So that's the only number that I'm privy to.

And, you know, for the minister to say that he can't give me any indication as to what the revenues are—are just, you know, just false. He can give me an idea. You know, we have a FIPPA request that clearly shows that the minister does have that information in his possession. Obviously he would; there's no way that a government would not give some kind of projection on revenue from taxation. And it's played out in this FIPPA request.

We know, based on this freedom of information request, that the minister has that information in hand. Now what I'm trying to get at is that I understand that, you know, it's going to take six to eight months for the minister to give us specifics on those numbers. But he has a model that his department has created. He has a formula that they were ready to move on. And the rollout of cannabis has given us the first bit of market information that we were missing. We now know what some of the demand looks like in this province and we know what some of the sales were.

So I'm asking if the minister has the information as to what his department thought the revenues would be, if he has an idea of what the actual market looks like or what the rollout at the very least in the first few days look like and he knows that it's going to cost, his former minister said, \$100 million to pay for all of the costs associated with legalization—is he telling me, then, based on that model that his department has given him that he expects that \$100 million in revenue is coming his way and that \$100 million of revenue is going to be spent in—specifically—on specifically social, you know, responsibility issues around the legalization of cannabis?

**Mr. Fielding:** Well, I'm not sure I agree with much of the, you know, statements the member opposite has put on the table just now. And same thing with the—I think I've dealt with the \$100-million issue right off the bat. And you can maybe ask the

minister—the former minister of that House if you like. That was not my interpretation of it.

What I can tell you: there is no revenue in core government in 2018 that was a partial—and it was a partial year, and the social responsibility fee does not start until January 1st of 2019. And the payments will not be made until June of 2020. But we're also seeing in the first four days, there are some media reports that there could be a shortage of cannabis.

So I would assume the member would agree, if there is a shortage of cannabis, that would impact probably both cost and revenues. Would you not agree with that?

**Mr. Wiebe:** Just to inform the minister, he doesn't need to ask me questions; he needs to answer the questions. That's what we're doing here.

So I have a—much less information than the Minister of Finance does. That's why I'm asking the questions on behalf of Manitobans. It's pretty straightforward stuff.

I just wanted to get back to the—again, the social responsibility fee. What the minister is saying—and, again, this is just so that I can understand it, because I don't quite know, and I've had constituents ask me as—you know, as the minister would know, it's created a lot of buzz over the last, you know, little while and—*[interjection]*

Okay. Anyway, we won't go there. But it's certainly something—it's a talker, right? We can at least all agree that it's a talker. Certainly, people are interested in understanding how this rollout is happening, how this legalization is going to impact them. And what—some of the questions that I've had is, what is the percentage, you know, tax that we're paying to the federal government; what's the percentage tax we're paying to the provincial government; what's the retailer taking in; what's the municipality taking in?

So I'm just—and I'm not quite sure, and I wasn't able to answer that question. So I'm just trying to understand, as a percentage, what is the provincial percentage, the federal percentage? Is there a percentage for municipalities, or is that come out of one of those other carve outs? And maybe he could just shed some light onto that.

**Mr. Fielding:** Yes, well, first of all, in terms of municipalities, I'll—can speak a little bit with some understanding that I was a municipal councillor for eight years. What we have said to municipalities is,

No. 1, we want you to track and monitor your costs. And, from a municipality's point of view, there are going to be some costs, I think, from their perspective, what they would say. And I know the City of Winnipeg did a bit of an analysis on this. They suggest that the majority of their costs would be related to kind of policing. As mentioned, there is an agreement from the federal government to pass on some of the policing costs, I guess, if you will, for things like the device as well as some of the police training. That is money that will be there.

But we have asked, exclusively to the municipalities, to track and monitor their costs and also their revenues. For municipalities, they're going to be creating a couple things. They're going to get a revenue line from some of the business taxes that they'll—will be associated with it to set up kind of a shop. They'll be collecting some property taxes that would be part of it.

In terms of—you know, hope that answers your question. There is a 6 per cent retail sales. There's also—the markup for Manitoba Liquor & Lotteries is 9 per cent plus 75 cents per gram provincial share of the excise 'tas'—tax.

Now, that is a placeholder. This—that is a placeholder. We're still waiting for agreement with the federal government on the federal excise tax. So whether it—the federal 'excetise' tax is in place or the placeholder, that will be revenue neutral. So there isn't any difference with it.

**Mr. Wiebe:** Okay, so—and I know I can check Hansard, so I will go through those numbers again, but I just want to be clear. Six per cent retail, that's the federal government's portion? That's the provincial—

**Mr. Chairperson:** The honourable Minister for Finance.

**An Honourable Member:** —oh, sorry. Yes. Okay. Go ahead.

**Mr. Chairperson:** The honourable member for Finance.

**Mr. Fielding:** That's—there's a social responsibility fee. There's a markup fee that is very similar to—that's a cost-recovery 'marketa' fee. That there is an ability for Liquor & Lotteries to change up and down, I guess, if you will. Our premise is really to keep cannabis as low cost as we—possible. And, again, we're trying to do this to get the black market out of the business—the illicit drug trade. So we think that's



important, so that's why we'd introduced a tax that associated with it too. But, again, there's the—as mentioned, there's the retail—the social responsibility fee as well as the markup that's associated with Liquor & Lotteries and the distribution of it.

**Mr. Wiebe:** Okay. I'm going to trust that I'm going to look through Hansard and that's all going to make sense, because I'm having a hard time understanding the difference between a markup fee, the tax and the social responsibility fee, which is kind of all separate things is what I'm understanding, but—and—I was given the percentage of 6 per cent for the markup fee; 9 per cent is the tax; and then 75 per cent is the—75 cents—sorry—is the social responsibility fee.

I could give the minister an opportunity to answer that, but maybe I can just move on, too, because I can look through Hansard unless he wants to clarify now.

**Mr. Fielding:** Yes, I do want to clarify. There is no provincial—there is no tax in Manitoba on it. There's a social responsibility fee, but there's no tax. Social responsibility fee is for retailers, okay. So markup is paid by consumers, right. That would be part of the actual cost. And that's a very—I won't say it's similar in terms of the amounts, but, if you look at the way there's a markup right now on Liquor & Lotteries, whether you're—whatever spirits you're buying, that's a process that's in place right now, so very similar. And what it is, it's a cost-recovery basis in terms of that fee.

\* (16:00)

**Mr. Wiebe:** So I know one of the balancing acts that, you know, not just this government but, of course, across the country governments have been wrestling with is the balance between the black market and the legal market and allowing for the government to take in revenue but at the same time not giving an opportunity for the black market to also thrive under this.

So I'm wondering about the analysis that was done to arrive at these numbers and how that was done with regards to understanding the—again, understanding the black market, understanding what the retail market might look like. Was that done by the Department of Finance? Was that done by Liquor & Lotteries? Who did that analysis and how were the numbers arrived at?

**Mr. Fielding:** I would say the markup fee is a similar regiment—again, I'm not going to say it's the same amount for alcohol and things such as

cannabis, but for the markup, for the most part, we're seeing it as a cost-recovery basis. That's some of the analysis that was taken into consideration for this.

We, as a government, wanted to keep—you know, again, we wanted to keep the price as low as possible; quite frankly, probably under the \$10 marker. There is some flexibility on the markup fee as similar to alcohols and spirits where they're able to move up and down in terms of a whole bunch of variables. That's, you know, kind of related to the Liquor & Lotteries piece.

So there is, again, some flexibility on the markup. The social responsibility fee, again, is paid by retailers, and that is an important process because it helps to pay for things like addictions, goes—advertisements, a whole bunch of different areas like that.

**Mr. Wiebe:** So—and I guess this, I mean, this is the balancing act that, again, I can certainly appreciate. I think a lot of people have put a lot of thought into that and trying to understand what that amount might be.

And so the minister is saying not only that that amount is moveable or changeable, so if the market is showing that there's a high demand for the legal product and not as high a demand for the illegal product, there could be an opportunity to raise that, or, vice versa, if there was still a strong illegal market, that the government would then lower that amount.

Is that—that's pretty much what the minister was trying to say there?

**Mr. Fielding:** Sorry, just a point of clarification. Did you say the social responsibility fee, or you're talking about the markup?

**Mr. Wiebe:** Okay, so, I had understood the minister was saying the social responsibility fee would be the market tool that the Province would use to potentially increase or decrease demand versus the black market.

**Mr. Fielding:** It's our intent to bring in the social responsibility fee, and that covers the costs; probably more flexibility in terms of the markup. We see that as a similar regiment, I guess I would call it, as alcohol. Again, the numbers may be different and the numbers vary quite differently upon alcohol as well, but there is some flexibility. And the reasons why we want to have flexibility is we want to keep the price

of non-cannabis very low, and that is the essence to take the black market out of the equation.

And the one advantage of going through, potentially, the government system as opposed to buying it from the black market or streets or illicit drug area is you've got—the quality control will be there, right? You don't have to worry about the drugs potentially being laced or anything else like that. So that is a process that we think, you know, has advantages.

**Mr. Wiebe:** Okay, so that makes—that does make a little bit more sense, I would say, with regards to the social responsibility fee. But just, again, to clarify, is the social responsibility fee is being collected by the federal government, and then the idea is, is that is going to be then transferred to the Province. But I heard the minister say that there had not been an agreement yet with the federal government, and so I'm just trying to understand that.

There had not been an agreement yet assigned with the federal government, and so if this is one of the tools that he thinks, he believes he has in order to, you know, adjust to market demand, without that agreement, how does the minister see that process playing out? In other words, without having the control, you know, of having an agreement with the federal government, is there an opportunity to make any adjustments in there?

**Mr. Fielding:** Yes, as it relates to the federal excise tax, we don't have an agreement with the federal government. We've put our proposal, the social responsibility fee. They haven't let us know. But what we did is it's pretty much a neutral-sum game. We've introduced a twenty-five–75-cent placeholder, so once we hopefully sign on with the federal government, that will be revenue neutral. So there won't be any difference in terms of the cost. But, until we get agreement with the federal government on the federal excise tax, the 70—you know, seven five–75-cent per gram placeholder will be in place.

**Mr. Wiebe:** So, and trying to bring this, then, full circle back to the questions that were initially asked by my colleague in—from Fort Garry-Riverview with regards to the budget implementation and tax statutes act and the delay that we're experiencing here and now obviously spending our time here in fall talking about this and giving us an opportunity to talk about cannabis.

But, if there was a—you know, there—I mean, we talked about this during the summer. Of course, we

kept the Legislature in session asking for BITSA to be brought forward. And, over and over again, it was the minister who said, well, BITSA is being delayed because we're waiting on an agreement with the federal government. And, you know, one of the issues that was brought up was this—the excise tax.

Is the minister saying that the Province still hasn't made—hasn't come to an agreement with the federal government over the issue that delayed BITSA in the first place?

**Mr. Fielding:** No, that's not at all what I'm saying. That's not even close to what I'm saying.

The government had to get more information on cannabis. We know that the date, of course, was also pushed back in terms of implementation date as governments have been trying to get everything in place. You know, there was—you need to make sure that everything is in place.

We have approached the federal government on the federal excise tax. We haven't heard back on them. In fact, we feel we're more transparent because we could have just introduced some of the information upon our approach to cannabis, whether it be a social responsibility fee and having no actual tax.

We introduced that prior to the 15th. So we worked with the opposition—yourself and I guess at that point it was the independent MLAs—to get the information out there. We put out our information upon our approach to 'cannis', even before August 15th. And, when August 15th came out, we made the contents of BITSA public as a part of the agreement. And we also agreed to extending the time frame where people, you know, have a chance to debate these things.

And so we think we have been open and transparent. I think we're going to have, probably, agreement—we can probably agree to disagree in terms of whose fault it was, but I can say that we've been very open and transparent in our process. In fact, we've been ahead of the time frames of when we're going to provide that information.

**Mr. Wiebe:** Well, I wouldn't characterize it as assigning fault or blame. You know, the government wasn't bringing forward an important bill, and we as the opposition held this government to account. That's the job of the opposition. We were happy to do that.

It was a fun few weeks in summer there. I think a few of us were hoping it would continue on, maybe not so much some of our staff here in the Legislature. They're looking at me a little strange right now. But certainly as an opposition we were quite happy to hold the government to account.

But, at that time, when we did mention, you know, hey, look, we are—we want to have BITSA brought before this House so we can properly debate it in the spring. One of the issues that was brought up by this minister's predecessor was that we were waiting for a deal with the feds on the excise tax. And now the minister is saying we still don't have a deal with the feds on the excise tax?

So why was it that the government was able to bring forward BITSA now when before they said, well, no, no, that's the reason we can't bring BITSA is because of this—we're waiting on this deal? The deal is still not there; BITSA is here. What was the holdup before?

**Mr. Fielding:** Well, as I mentioned, we have proposed this to the federal government. In fact, we proposed our approach to cannabis in August. That's something that was—we made public as soon as we provided the information.

So it has been sitting with the federal government. We're working with them to an agreement on the federal excise tax. There isn't agreement as of yet. But I guess what probably is important is the same regiment where the federal government are talking about the split, I guess. The 75-25 split is similar. In fact, it's the same. There's a placeholder, so the same amount that will be collected will be collected when the federal excise tax is agreed upon.

\*(16:10)

**Mr. Wiebe:** So I guess, maybe, the minister could just give us a bit of a peek behind the curtain here if we could again, just to talk a little bit about what this—what the process looks like going forward. I understand the placeholder amount, but, you know, can we expect a deal shortly? Is this something that's being worked on? Are they at a standstill as they are with so many issues with the federal government? Where are they—where are things headed here, and when can we expect—is it six to eight months, or what's the time frame to get that deal signed?

**Mr. Fielding:** Well, you know, as it relates to the federal government, we sometimes agree with the federal government. Sometimes we work with them

very effectively. But, when we don't think that they're standing up for Manitobans, then we have a problem with the federal government. A good example might be in terms of the health-care funding. We know that it's gone from kind of an inflationary increase by 6 per cent to 3 per cent. I know the new member from St. Boniface agrees with our position and thinks the feds should be incorporating a good amount, because health care is important to us. We've had some pretty good agreements with the federal government on things like housing and child care. We think those are important agreements. In terms of the federal excise tax, that is with the federal government's hands. We've given it to them in August; we're waiting to hear back a response from the federal government in respect of that.

**Mr. Wiebe:** Just going back to the question that I had asked about the process of consultation for, you know, applying the legalization and coming up with some of the numbers with regard to the social responsibility. I know that, you know, the Province just brought in a \$350,000 ad campaign for cannabis, which was, you know, maybe you could argue, was a little late in coming, but that money was spent.

So I'm just wondering what kind of consultation was the government—had they done, what kind of experts did they speak to in order to create that campaign and in terms of the dollars spent in the rollout.

**Mr. Fielding:** Well, we think it's important to have discussions with 'Manitobas'—Manitobans all the time. We—in fact, I've had the pleasure of speaking with Manitobans over the last week, week and a half, with our budget consultations. Last year, that was part of our budget process; as you probably know, it was brought up quite a few times. We had, you know, I know—I'll have to get back with exact numbers for you, but close to 32,000 Manitobans participated in our budget process last year. We think that is a very high number of people. We'd like to emulate that this year in our budget process, and so that's why we started our process off early where we were up—in fact, last week we were in Thompson. Then we went to Flin Flon. We flew—then we came into Dauphin. We had a session in Dauphin. We had a session in Brandon, and we also had two other sessions, one in Selkirk last Monday night, and we had a session in Winnipeg south. On Thursday night—we're having another one this Thursday; I invite you to come out. It's going to be held right here at the Legislature.

And so we are always consulting Manitobans on these important issues, but I would reference the fact that this is information that we got from the budget process—32,000 Manitobans spoke pretty clearly on it—on not just this topic but a lot of topics.

**Mr. Wiebe:** So I appreciate, you know, that's part of the job, is getting out and talking to Manitobans; that's what we do as MLAs. It's an important thing and glad to hear that the minister is doing that. But I guess what I'm just asking a little bit more specifically is about the ad campaign for cannabis. And I would imagine it's important to talk to stakeholders, but I would also imagine it would be just as, if not more, important to talk to experts in the field. And, again, you know, new process here in Canada, although there's probably some lessons already we could learn from other provinces. But there, you know, certainly, are—other jurisdictions have gone through this rollout throughout North America and the world.

So I'm just wondering exactly who did the minister consult with in order to come up with that ad campaign, but, more specifically, to understand what that rollout—why is it \$350,000, why isn't it \$100,000 or why isn't it \$1 million? You know, again, when contrasted with \$100 million budgeted for the costs related to legalization of cannabis, \$350,000 is a much smaller amount. So I'm just wondering—I'm just trying to get some sense of that.

**Mr. Fielding:** Well, our government was fairly vocal in terms of the fact that we thought the legalization of cannabis should've been delayed so all governments had a better chance to be prepared from it. Now, with that being said, the federal government went ahead with a date of October 17th. We made—again, we were very vocal in the fact that we thought that it should've been a longer date to make sure you get implementation right. I can tell you, from a government point of view, this really touches upon a whole bunch of different areas in the regulations, and fees and a whole bunch of things that you need to take care of.

The advertising cost, we think, was appropriate. It's to inform Manitobans about cannabis, as well as the implications of cannabis. These are the types of campaigns that are run for things like drinking and driving, which I think has been effective. So we tried to model these after other campaigns that really take a look at other items, whether it be drinking and driving or other—distracted driving is another one that's there. So we put together a campaign that we're

hoping to get and touch base with as many Manitobans as we can, and as we go forward, we're committed to continuing that process to consult with Manitobans and make sure they're really informed, not just the health-related issues, but everything they need to know about cannabis.

**Mr. Wiebe:** Well, thank you, Mr. Chair. Appreciate that. I'm not sure I got quite the answer I was hoping for. And, you know, again, this is a—you know, the minister's come in here with some pretty bold claims about the amount of revenue that he's willing to say that they're expecting and is saying that that money is, you know—all the money that's coming into the government is going to be spent—you know, is going to be spent. It's going in and out. There's nothing left over for the government; everything is going out in terms of the rollout of legalization.

So, you know, I guess—I'm just wondering, is this a one-time campaign? Is this something that's going to continue? Is—you know, if the minister could give us a sense of what the actual dollar numbers would look like on an annual basis, that might be helpful.

**Mr. Fielding:** Well, we are consulting a part of budget '19, and that's an opportunity for Manitobans to tell us where we should be investing our money. That is a topic that I think we've gotten, already, some information on. So a part of budget '19. Every year, you're looking at costs and expenditures related to that. I think you probably want to know how effective it is, and if it's effective campaign, then you want to obviously encourage it. The campaign was really developed mainly through the Health Department, as well as with consultation from MPI, as well as Education and public safety. So that's a process that we—as we go forward, we're going to consider.

I think I was pretty clear we had a back and forth in terms of costs. That is another variable in costs that I can't tell you what they're going to be. It really depends how effective the campaign is. If it's a effective campaign, then you might spend more money, and—or if it isn't as effective, you might change stripes. But all indications Manitoba have—Manitobans have seen the campaign, are well aware of it.

**Mr. Wiebe:** Well, I do hope that the—you know, that we'll have some numbers quicker than six to eight months. I would imagine, you know, this is probably an area where, if the government had some good news to share, they're probably going to be very happy to share that. I do hope, though, that we can

keep the, you know, one-time hit that we saw in 2018 in mind when it comes to expenditures that the government is claiming that they will have to make over cannabis rollout.

So far, you know, I can say—I can relate to the House that I was out in downtown Winnipeg over the weekend, and it was a great atmosphere. The restaurants were full, and people were out on the streets, and I didn't see any catastrophe happening. It seemed like people—in fact, if you wouldn't—and I've heard this, actually, from constituents. If you hadn't been told that there had been—cannabis had made—been made legal in Canada, you wouldn't have noticed any difference at all. There really was no difference. And in fact, I think people were maybe being more socially responsible with their cannabis use than I've seen in the past. So I think that's a good rollout, a good beginning.

But certainly we're going to be watching those revenues very closely because I think the government has yet to give us any information as to where they're estimating the revenues, but they've been sure happy to talk about some of the costs. And that \$100-million benchmark is—I'm sure the minister's looking for every way to spend all that money, but it certainly is going to be interesting to see what those revenues look like.

**Mr. Fielding:** Yes, you know, again, just to correct the record about the \$100 million, I think I've identified that wasn't the context the former minister had brought it up in. You know, so—you know, the costs will be what the costs are driven from. And we're reviewing that through the budget process.

\* (16:20)

**Mr. Tom Lindsey (Flin Flon):** Just a couple of questions and certainly just to follow up on what the member from Concordia said, and I know the world didn't end up in Flin Flon when pot became legal. We are, of course, interested to see what the revenue will be and how it will be accounted for and how it will affect things like taxes going forward because it's my understanding that the government now has made some changes to the education property tax rebate, which is going to affect people throughout the province, certainly people in my constituency.

So could the minister tell us how many ratepayers will see their property tax increase as a result of the government's elimination of the ability to transfer the Education Property Tax Credit to the municipal taxes, and by how much?

**Mr. Fielding:** Yes, well, we made the change for the education property taxes to match other credit programs that are in place. That's how others are funded. I can tell you that more than 96 per cent of people will see absolutely no change at all to their property taxes.

What I can tell you is that all renters will benefit from the elimination of the \$250 deductible that reduces the amount of rent needed to be eligible for the full \$700 credit.

I can tell you that of renters, and there's about 133,000 renters in the province, there'll be 107,000 that won't see any change at all, which is about 80 per cent, and 28,000 renters—sorry—26,000 renters will actually see a decrease, so they'll be paying less. So we think that's important in terms of the approach, but it is very similar to other processes that are in place.

The two other items that I'll tell you that the reasons why we're doing that. It does streamline the process a little bit for taxpayers as well as we're moving towards summary financials. The Auditor General has talked exclusively about why it's important to move to summary financial and that's—this will allow us to incorporate those changes and have the true cost for government.

**Mr. Lindsey:** So did the government conduct any review or examination to determine the impact of the changes to the education property tax, what it would have on individuals?

**Mr. Fielding:** Sorry; could you repeat the question, sir?

**Mr. Lindsey:** Did the government conduct any review or examination to determine what that impact is going to be on the individuals that are impacted by the change?

**Mr. Fielding:** Well, I can tell you that, you know, over 95 per cent of people, like 96 per cent of people won't be impacted at all. Again, this is the way the property tax credits are associated; that is the way they're done on the school taxes for all the other property taxes, so very similar to other processes that may be in place for credits, and what I can tell you is, again, the numbers—people, because of the elimination of \$250 that's associated with it you're going to actually see renters be benefit from this. In fact, there's about 133,000 renters; 107,000 won't see additional change, but there'll be about 26,000 renters that will actually see a decrease, which we think is good.

**Mr. Lindsey:** So who all did the government consult with before they made these changes to the education property tax rebate?

**Mr. Fielding:** Well, No. 1, it's consistent with the other property—or the other credits that are associated with government, so that is very consistent with it. We, of course, have our budget consultations. There's over 32,000 people that were associated with our budget consultations in the past, as well as there has been some consultations with AMM.

**Mr. Lindsey:** So you didn't actually talk to any taxpayers personally. You talked to the AMM. You did your budget consultation, but in that process did you advise people that you would be changing the education property tax rebate and did you advise people that came out to speak or perhaps even before people came out to speak so that people were aware of what you were planning?

Did you advise them how it would affect people and what income range or what—not income range, but what property ranges would be most affected and who would be affected so that they could prepare and come out, or did you just kind of leave that slate more or less blank and figure, well, nobody came out to talk about it, therefore there mustn't be an issue with it?

**Mr. Fielding:** Well, I guess what I would say is we always really enjoy talking to Manitobans about taxes and what we're doing.

We've obviously made some changes to the personal—basic personal exemption, also things like indexing tax brackets. It will put a little bit more money in your pocket. We're also committed to reducing the PST by one point by our first term of office.

This is very consistent—in fact, it is consistent with all the property—with all the credits that are in place. There's a number of credits that are in place and it's all done through the school taxes that are there. So we have continuous conversations with individuals and we also talked to AMM in terms of the change.

**Mr. Lindsey:** So I take from the minister's answer that he didn't actually tell anybody ahead of time before their budget consultations that this is what they were contemplating, or anything else that they were contemplating, and then gets to sit back and say, well, nobody told us it was going to be an issue.

So was there any advance notice that these were things that people should be aware of? People that—you know, a lot of people don't necessarily follow along with everything that we do every day of the week, but all of a sudden when they get their property tax bill and it's gone up and they feel that they haven't really been notified or consulted—so you've talked a lot about this consultation process, but if you don't give people the advance notice of things that they should be aware of—so was there any kind of idea for the average taxpayer to be able to make an informed choice to come out and talk about things that were going to impact them or not?

**Mr. Fielding:** Well, I guess what—I would refer to the fact that through our budget consultations the taxation is something that we talked a lot about last year. In fact, we also made that part of our big process going forward. We've already had lots of discussions for Manitobans.

I would refer to the fact that over—almost 96 per cent of people will not see any change at all. In fact, renters—the hundred-and-thirty-some-thousand renters—133,000 renters will see either no change or they'll see a benefit because the 250 has been deductible—deducted.

I will say that there's no change to the education property tax in the amount. Up to \$700 stays the same. We aligned it to cover the school taxes like other property tax credits. So similar to the other property tax credits—a lot of people enjoy them, I think they're great programs—they're aligned to the school taxes. So this is just alignment with what's already in place.

**Mr. Lindsey:** This minister talks about the 96 per cent and the renters. So I know just as an example from one community—one community that's somewhat near and dear to my heart—more than 440 Flin Flon homeowners have been warned that they will be affected by the government's changes to the education property tax rebate. Now, these are not high-value homes, they're homes that have been assessed between \$15,000 and \$72,000.

So these are not the well-to-do homeowners, nor are they the poorest of the poor, but certainly somebody that's living in a \$15,000 house probably is living there for a reason. So why has the minister pushed these costs onto those with the most modest accommodations?

**Mr. Fielding:** Well, I would say the vast majority of homeowners in the city of Flin Flon continue to see the full benefits of the Education Property Tax Credit as a result of the changes. More of a renter's—and that's important: renter.

I was just in Flin Flon on—my day—I'm getting my days mixed up here—on Wednesday, and I can tell you that renters in Flin Flon may benefit from the elimination of the \$250 deductible because the total amount of annual rent needed to receive the full \$700 drops from just over \$4,700 to \$3,500.

So I guess my point is there is a lot of renters, not just in Flin Flon, but, really, across the province, that are going to see a benefit to eliminating the \$250 deductible.

**Mr. Lindsey:** So what about homeowners? Have you got something against homeowners that own modest homes that you've decided that they should bear the brunt of this change that you've made?

\* (16:30)

You've talked a lot about renters and how renters will benefit—

**An Honourable Member:** So where is it?

**Mr. Lindsey:** Except they won't, yes.

What about homeowners, particularly in the North? Have you done the analysis that talks about what the difference is in assessed values between, say, the city of Winnipeg and the city of Flin Flon, or the Pas or somewhere like that, that, really, these costs are going to start hitting people that are already suffering loss of employment, loss of employment opportunities. Property values may go down in the future as, like, mining companies shut down and—so now, people that can least afford it are going to be impacted the most by the changes that you've made.

So, can you explain that?

**Mr. Fielding:** Yes, I would say that over 96 per cent of people will not be impacted at all by the changes. I can tell you again that there's going to be over 26,000 renters that will actually be—will benefit, as well as over 207,000 renters that won't see any changes at all. And in terms of homeowners, there's probably about 4,400 homeowners that will benefit from the changes.

We, as a government, have really made a focal point of keeping more money in your pockets, whether that be through basic personal exemption, whether it be things like indexing tax brackets, as

well as making a commitment to reduce the PST in our first term of office.

So we truly value ensuring that people have more money in their pockets, and so those are some items. But the change of policy is very consistent with all the other tax credit programs that we have in place.

**Mr. Lindsey:** Well, I'm pretty sure there's at least 440 Flin Flon homeowners that will dispute the minister's claim of how much better off they are under this government. Certainly, taxes on many things have not gone down for certain classes of people. The—some of the things that the minister talks about certainly help those at the upper income level more than those at the bottom income level.

People that are living in houses valued at \$15,000 generally aren't the people at the upper income level that the minister's wondrous tax changes have helped the most, and now he's decided that he should attack them again by changing the way the property tax credit works for those potentially least able to bear the brunt of another thing that isn't going to help them.

So I've got to ask: why does this government and this minister continue to make cuts that hurt vulnerable and low-income Manitobans?

**Mr. Fielding:** Well, first of all, I disagree with a lot of the premise that the member brought the question for. As I said, and I'll repeat it again, there's over 96 per cent of people will see no changes at all.

And the member uses some charged-up language of somehow attacking people. Well, I guess the opposite true. If you don't support this, then I guess what the member is saying is that you don't support the 133,000 renters that're actually going to see a benefit from not having the \$250 deductible, that's a part of it. So, I don't know, could be some tough conversations to the 26,000 renters that are actually going to benefit from this change.

So I'm not sure how you have those conversations. I was just in Flin Flon, and I can tell you that taxation was a big issue for Manitobans, and it's going to be tough going back to the constituency and saying that you don't support, you know, over 133,000 renters, that's a part of this. In fact, 26,000 are going to see, you know, a reduction, in terms of the changes were made.

But that's really between yourself and your voters, your residents that are there. What I can tell

you is we're doing this because it aligns with the other tax credit programs that are in place. It also has no impact at all on over 96,000—or, 96 per cent of residents. In fact, all renters will see either no change or a benefit.

**Mr. Lindsey:** The minister keeps alluding to his recent journey to Flin Flon. So—I mean, it was never announced that the minister was going to be in Flin Flon. Certainly, as the MLA for the area, it comes as a surprise to me to hear that the minister had been there.

So, can the minister tell us how many Flin Flonners he consulted with while he was at this mysterious visit to Flin Flon about his property tax credit changes?

**Mr. Fielding:** Well, I can tell you that we publicized the fact that we were going for budget consultations. The mayor of Flin Flon picked our group up from the airport, so he obviously got notified from that. I'd say we probably had about 25 people out from Flin Flon. That included a whole host of people. I can get you the names and the positions of different areas that were a part of it. I think there is—I think if you ask individuals, there were some very in-depth discussions, and, again, we can forward the news release that talked about our budget consultations.

The member is in luck because we are having a budget consultation here on Thursday; I believe it is right at the Legislature. I'll get back to you an exact time. I think it starts at 6:30 or 7 o'clock; I believe it is 7 o'clock. We're not done our consultations. We did—over 32,000 people were involved in our process last year. We anticipate we would like to have a good number of Manitobans participate. We'll be doing venues such as open sessions, where we had in Thompson. In Flin Flon we had a good group of individuals that were a part of it. We had an open session in Brandon. We had sessions in Dauphin. We had sessions, again, in Flin Flon. We had sessions in Winnipeg south last Thursday, and we also had a full house in Selkirk last Monday night. That's just part of our process for consultations. We think it's important.

There'll be global town hall meetings that people can participate. And, as of today, we put a new mechanism on our website that allows you to look at the budgeting process. It allows you to make changes in terms of the budgeting and seeing the process as we go through. So we think that's innovative.

And we also had a media advisory that went out in Flin Flon. So maybe I'll just get the member to recheck his emails to make sure he did get it because there was a media advisory that went out that talked about it.

**Mr. Lindsey:** So how many mobile home owners did you consult with before making this change?

**Mr. Fielding:** Well, I'd like to say that mobile home park residents with assessed school taxes are part of their property taxes continue to be eligible for the Education Property Tax Credit. So I want to repeat this because it was wrong information; I know the member from Concordia put the wrong information on the record. So I want to clarify this. Mobile home park residents, with 'sussed' school taxes as part of their property taxes, continue to be eligible for the education property taxes. Even if a mobile home is not assessed for school taxes, residents may also claim the education property taxes on their personal income tax return based on the lot fees they paid out as rent. This means that mobile home residents also benefit from the elimination of the \$250 deductible because a lower amount of lot fees are required to receive the full \$700 education property taxes.

And you might ask the next question: Well, how many of these mobile homes are assessed under the education property taxes? There's 77 mobile home parks in Manitoba, of which 72 do not have their properties assessed for school taxes. For those that are assessed to the education property taxes offset their school tax portion. So there is opportunities, and I want to clarify that for the record.

**Mr. Lindsey:** So, if the minister could just clarify, there's 77 mobile home parks in the province of Manitoba and 72 of them are treated one way and the remainder are treated another. Could just clarify what the difference is there, please?

**Mr. Fielding:** There are 77 mobile home parks in Manitoba, which 72 do not have their property assessed for school taxes. For those that are assessed through education property taxes offset, their property portions. What I can also tell you, again, mobile home park residents with assessed school taxes are part of their property taxes continue to be eligible—so they continue to be eligible—even if a mobile home is not—and this is an important part—is assessed—assessed for school taxes, residents may also claim the Education Property Tax Credit on their personal income tax; they can claim it on their personal income tax returns, based on the lot fees they are paid to rent. This means that mobile home



residents also benefit from the elimination of the \$250 deductible because a lower amount of lot fees are required to receive the full \$700 of education property taxes.

\* (16:40)

**Mr. Lindsey:** So there will be a majority of mobile home parks and mobile home owners, then, that will have to pay the full \$700 that they presently get, but they'll be able to claim some portion of that back on their personal taxes?

**Mr. Fielding:** Yes, and I also do want to clarify about us being in Flin Flon. You probably read the local media that—there was discussions in local media about the consultation session happening in Flin Flon.

**Mr. Lindsey:** Certainly, the notice that was sent out didn't say anything about there being a budget consultation in Flin Flon. It does say that they were having budget consultations in Thompson, which I was well aware of, but the media notice that was sent out does not specify that there was anything taking place in Flin Flon, so I'm not sure what the minister's alluding to, that there was some sort of notification that was sent out prior to, because I certainly never got that.

**Mr. Fielding:** I'm confused because you said you didn't know about the consultation, but now you're telling me you did know about the consultation, so which was it?

**Mr. Lindsey:** There certainly is some confusion, and I suspect maybe the minister hasn't spent much time in the North. Thompson is not the same community as Flin Flon. The notice that came out said there was budget consultation meetings taking place in Thompson. It did not say that there was budget consultation meetings taking place in Flin Flon. So I'm not sure just what notification the minister alluded to that said there was something taking place in Flin Flon, so perhaps the minister could attempt to clarify that.

**Mr. Fielding:** Well, I can tell you that we had a budget consultation in Flin Flon. I can tell you that it was well attended. I can tell you that it was—there was media notice put out for it. I can tell you that there was a media story after, as I understand, from the local paper in respect to that. And any time the member wants to talk about the budget, I—my door is always wide open, and so we can have the discussions. We're having some of the discussions now. We also are having a session this Thursday,

right at the Legislature, so you don't have to leave the confines of the Legislature here. You can stay a little bit later on and you can have your say. We want as many Manitobans to be involved in the budget process as we had in previous years—in fact, 32,000.

I can contrast this. Before I was elected, I was a city councillor, and I went to one of the NDP budget 'consultation' sessions at Woodhaven, and I can tell you that there wasn't a lot of consultation that was going on there. They had members there, but clearly this was some sort of a game to somehow fool Manitobans that the consultation was going to happen, because of the fact that they didn't introduce a budget. They had a budget consultation, 'inchy' the budget.

What I can guarantee you here, today is that we will introduce a budget based on the budget consultations.

**Mr. Lindsey:** So, speaking of games being played: you send out a notice saying there's going to be a budget consultation in Thompson and Winnipeg, and I forget where all else, but I do know where it didn't say there was going to be one. So perhaps, maybe—I'm not sure of the process, whether I can ask the minister to undertake to send me that notice, because certainly didn't see it come in the email along with the other notice that I did get. So what notice is the minister referring to that talked about budget consultation meetings in Flin Flon?

**Mr. Fielding:** Well, I can tell you that we had a budget consultation, because I was at it, and there was clearly a lot of people from Flin Flon that were there. I don't know how much more clear I can be. There was a number of people. We had the mayor that picked up. There was people from the business community; there was people from a whole number of groups that attended the budget consultation. And, you know, I guess the member would have to follow some of the information sessions about the budget consultation.

Again, I'm here answering questions on, of course, the budget implementation bill, but there's many, many sessions available for Manitobans to get their process in place. I can tell you—very proud of the fact that we did introduce, very recently, a prebudget consultation is under way: Provincial launched a interactive citizens budget—an interactive citizens budget feature, which will allow Manitobans to build their own provincial budgets as part of the—Manitoba's prebudget consultation, said myself. Building on a provincial budget is similar to

preparing your family's budget, just on a much larger scale. You have to consider how much money is coming and how much is going out, and the interactive feature will allow Manitobans to create their own provincial budget based on their priorities and share their priorities with Manitobans.

I can tell you that we listened to Manitobans and a part of that will be making the decisions on priorities that Manitobans want us to focus in on in the upcoming 2018 budget.

**Mr. Lindsey:** Just before I leave the notice that there was going to be a budget consultations in Flin Flon, if you do a, you know, look at the website that advertised the budget consultations it, in fact, does not include any mention of there being a budget consultation taking place in Flin Flon.

So, again, I don't know where the minister advertised this budget consultation. I'm certainly not disputing that he was in Flin Flon. He may very well have been there. He may very well have met with 25 selected people to have a consultation with, but where was it advertised that he, in fact, was coming to Flin Flon ahead of time, because I can't find that?

**Mr. Fielding:** Right. I'll refer you to my previous statements on it. It's very well documented that the government of Manitoba was doing consultations across the province. If you want to follow some of the government Twitter accounts in terms of where we've been, I can tell you that we've been all over the province and we're not going to stop until we understand what the true priorities of Manitobans are.

I do want to reference this and compare and contrast ourselves versus what the NDP did, where their budget consultations were a complete sham, Mr. Deputy Speaker. I went to one of them. I can tell you that they clearly didn't want information from Manitobans. If you did, then you would have introduced the budget the last session before you got kicked out of office.

**Mr. Lindsey:** Well, I thought I was going to leave that, but I'm not going to.

I also participated in budget consultation processes in Flin Flon under the previous government. And why, you might ask, was I able to do that? Well, simply because I knew there was going to be a budget consultation in Flin Flon.

When, I don't know, because I don't follow maybe the minister's personal Twitter account. But I

do actually get the government news releases, and it didn't say there was going to be one in Flin Flon. So perhaps maybe if the minister's going to stick to his story that it was so well advertised, he can show us, other than his Twitter account, where, in fact, it was advertised.

If he could supply that to me, then, you know, I guess I'll apologize. But, until such time, I'm not prepared to do that, because I didn't know the minister was coming to town. The news release that was put out didn't say the minister was coming to Flin Flon, so I think the minister should apologize to the citizens of Flin Flon, perhaps, because they didn't know he was coming either.

So, having said all that—

**An Honourable Member:** Waiting for the apology.

**Mr. Lindsey:** Well, I guess I'll wait a long time for that, probably. But does the government realize that the cost of these changes will impact a lot of mobile home owners, as they will stand to lose the entirety of the rebate, even though they may be able to claim some portion of that back somewhere else? But the chances are when they now go to pay their property tax, \$700 is coming out of their pocket right now, as opposed to potentially, maybe, possibly, getting something back somewhere else.

Does the minister realize that, and has he actually talked to people that will be impacted by that change to have a sense of what that change will mean to them?

**Mr. Fielding:** Well, I can tell you that mobile home park residents, with assessed school taxes, are part of the property taxes continue to be eligible for the education property tax credits.

I can 'alt' say that this means that mobile home residents also benefit from the elimination of the \$250 deductible because a lower amount of fees—lot fees—are required to receive the full \$700 education property taxes.

This is one element of the fact that the government has made these changes, and you're going to see people that are renters benefit from this. There's over 107,000 renters that will see no changes, but there's about 26,000 renters that will actually see a decrease. So we think this is appropriate. This is exactly similar to other tax credit proposal—or programs that are in place that are done on the school taxes.

\* (16:50)

So we truly think that this will benefit a good amount, and specifically in terms of renters, they're going to be a benefit to Manitobans.

**Mr. Lindsey:** So just—one of my colleagues has pointed out to me that he's checked the minister's Twitter account, and there are certainly tweets after the fact saying he was there, but he was unable to find any beforehand saying he was coming.

So could the minister explain that oversight?

**Mr. Fielding:** Well, we're always pleased to show Manitobans how hard we're working from budget consultations.

The problem is there's clearly a difference between our provincial government—the provincial government run by the Conservatives and the New Democrats. We actually listen to Manitobans, and that's something that we take pride in.

We know the fact of what the NDP did—*[interjection]*—and I know the member from Concordia finds it amusing, but I think if you asked a lot of people, residents of Concordia, when the fact—when he probably—not sure if he was elected at that point, but probably would have if he didn't—knocked and talked to residents, said they weren't going to increase the provincial sales tax and then did, I think they would be very disappointed and didn't think that their budget consultation was appropriate.

So from—when we compare and contrast our approach to governing and our approach to budget consultations versus the opposite, you guys didn't do what you said you were going to do. In fact, what you did is you jacked up taxes. We're not going to make that mistake for Manitobans again.

Clearly, we've got a difference of opinion in terms of our approach. We think that Manitobans are taxed to the max. The NDP clearly don't think that. That is the reason why they are not in government. That's why we're in government; because we put a realistic plan to Manitobans to spend appropriate money for services and supports. In fact, we're getting a lot better results from some of the investments that we're making. We think that's important.

And we're also looking to make it a little bit smoother for Manitobans in terms of your taxation, whether that be indexing tax brackets, whether that be things like basic personal exemption, or whether that is things in terms of lowering the PST. We think that's important. That's what we've been hearing

Manitobans. And we're going to continue that course as long as Manitobans deem that as a priority.

**Mr. Lindsey:** A couple more questions before I turn it over to somebody else.

Are there any other communities that you're planning to hold budget consultations in that weren't included in the news release that went out?

**Mr. Fielding:** Yes, I'll just refer you to my previous comments.

**Mr. Lindsey:** Are there any other communities that were not included in the news release that you're planning to hold budget consultations in?

*Mr. Dennis Smook, Deputy Chairperson, in the Chair.*

**Mr. Fielding:** We're having extensive consultations, as mentioned. What we had last week, that's not done.

Our budget generally will be introduced in February, March or April. That's generally when governments introduce the budget. We're not going to stop listening to Manitobans. That's a part of it.

I identified a new piece that we put on the budget document that talks about an ability for Manitobans to view how tough it is to form budgets. We're going to continue to consult with Manitobans in so many different ways. We think it's important to get the priorities. We're not going to make the mistakes that the previous NDP government did.

**Mr. Lindsey:** So the changes to the education property tax were projected to be roughly revenue neutral. Does the minister still believe that that's the case?

**Mr. Fielding:** What I can tell you is the answer is yes. And what—I can tell you that over 95—or, 96 per cent of people will actually have no impact.

But what is important is that people—renters—we're going to have close to 130,000 renters—133,000 renters—in fact, 26,000 will see, actually, a reduction because of the elimination of the \$250—deduction of the \$250 deductible.

**Mr. Lindsey:** So I'm just—the taxes from cannabis that so far the minister—and he may have already answered this, and I apologize if he did—they—they're not sure what that revenue is going to look like. Has the minister, or has the government, determined what the revenue split will be for a province's—or for a municipality so that municipalities have some vague

idea if they will be getting any revenue from the sale of marijuana or not?

**Mr. Fielding:** Well, what we have asked municipalities to do is to track and monitor their costs as well as their revenues that are associated with it. I can tell you from a—being a former city councillor, probably the vast majority of the costs that will be incurred are related to things like public safety, the devices that either police officers, RCMPs, will be using, as well as some of the training. And a part of that money, there's been earmarked the funds the federal government is—will be passing on. I believe it is through the provinces to municipalities. But, clearly, we've asked municipalities to track and monitor their costs—their costs but also the revenue. And an example of this, of course, whether it be you're in city of Winnipeg or you're in—wherever you are, there's going to be some revenues associated for municipalities. So, to be fair, we've asked them to track and monitor this process.

**Mr. Lindsey:** So you've asked municipalities to track what their costs are, but they have no idea of what the split may be when it comes to the revenue sharing. So they're kind of left scrambling to bear the costs and hope for some return later on. Is that kind of a fair statement? And I understand that you just said that the municipality bears the cost of the devices for roadside testing and stuff. Correct me if I'm wrong, is that not a cost that's borne by the federal government?

**Mr. Fielding:** Well, two points I would make. Number 1, at least the—any analysis that I've seen, a lot of the costs for municipalities—the vast majority of costs will be taken on by the Province, in terms of what your costs will be. If there is costs, and there will be some, from municipalities, the vast majority of those costs will be on things such as the devices that are being used and some of the training. The federal government has identified that they will be appropriating money that will be going to municipalities over a five-year period. So, of course, that money will be something we'll be in discussions with the municipalities, I can tell you, as it relates to the social responsibility fee that will be collected in June of 2020 and remitted back to the Province. So, in the interim, we've asked municipalities to track and monitor what their costs, but I want to be clear that the vast majority of costs are going to be taken on by the provincial government, as opposed to municipalities. Municipalities also has—have an ability to raise revenues if they have business fees, whether they have property taxes for these shops that are set

up that will be there. So there'll be some revenues that the cities or municipalities will take on. And so we've asked them to track and monitor those costs and revenues.

**Mr. Lindsey:** So, when municipal organizations, the municipality, is making their budgets, they haven't got any idea because the Province won't give them any idea of what kind of revenue share may take place. You've talked about a social responsibility tax. You call it a fee; it's a tax. You know what that number's going to be or you don't know that either; you only know what the costs are going to be?

**Mr. Fielding:** Well, no, I don't agree with the premise of that. What I would say is that our approach is similar to other provinces regarding municipal cost sharing. I can say, again, that there will be some costs that municipalities bring on. If you look at the examples, the City of Winnipeg brought out their cost estimates. The vast majority of their costs are things in terms of the public safety, the policing, so things like the devices to track if people, you know, obviously, are driving while intoxicated, I guess what word would be, for marijuana, for cannabis, as well, and also the training costs.

So there is a federal fund. I think this is a public document. I think there's—they recognize there could be \$81 million across the country that's dedicated towards that over the next five years. And so, of course, we're going to work with municipalities as it relates to that federal dollars.

\* (17:00)

**Mr. Lindsey:** So just back to mobile homes for a minute, can you just make it real clear so that I can understand, so that everybody that I'm going to talk to about mobile homes can understand, are all mobile home owners going to be able to get this tax credit, and was that always the case?

**Mr. Fielding:** Well, I'll start a little bit from the beginning. The vast majority of homeowners in the city of Flin Flon or other jurisdictions continue to see the full benefit of the Education Property Tax Credit as a result of the changes. In fact, I think I've mentioned 95 to 96 per cent.

'Moreover,' the more important thing is renters in Flin Flon or other jurisdictions may benefit from the elimination of the \$250 deductible because the total amount of annual rent needed to receive the full \$700 drops from over \$4,700 to \$3,500.

What I can say is mobile home park residents with assessed school taxes as part of the property taxes continue to be eligible for the Education Property Tax Credit. Even if homeowner—I'll say that this means that mobile home residents also benefit from the elimination of the \$250 deductible because a lower amount of lot fees are required to receive the full amount.

**Mr. Lindsey:** So you're suggesting that mobile home lot fees are going to go down by \$250 a year? Is that what you just said?

**Mr. Fielding:** No, what I'm saying is that 95 or 96 per cent of Manitobans will see no impact. I'm saying that all of our tax credit programs are based on the school taxes. I'm saying if you're a renter through apartments, the vast majority of people will either see no difference or in fact some 26,000 Manitobans will actually see a decrease because of the \$250 deductible.

So what I'm saying is that we think that's an appropriate, consistent change with the tax credit programs that are in place right now, and there's a vast majority of people in Manitoba or—will see no change at all or they'll see some benefits, whether it be mobile home owners or people that live in apartments. *[interjection]*

**Mr. Deputy Chairperson (Dennis Smook):** There's a request for a five-minute recess. Is that okay? *[Agreed]*

*The committee recessed at 5:03 p.m.*

*The committee resumed at 5:07 p.m.*

*Mr. Chairperson in the Chair*

**Mr. Chairperson:** We'll continue the Committee of the Whole. The next question up is—or is it—the Second Opposition House Leader (Mr. Gerrard)—not House leader, but leader.

**Mr. Dougald Lamont (Leader of the Second Opposition):** Just a—you say that BITSA was held up because of the marijuana legislation, so what changes were made to the bill, or what had to be filled in or held back on in the bill because of the uncertainty around marijuana—or cannabis legislation?

**Mr. Fielding:** Well, obviously, there was a little bit of uncertainty in terms of cannabis. There—obviously, the date was established on October 2017.

We didn't have all the information. We didn't have an agreement on a whole bunch of things with the federal government. There needed to be more information that was put forward. What we did is we worked with the opposition at that point and said it's important to move it forward. We had three extra weeks to debate it, although we didn't necessarily debate BITSA, but we did debate other legislation that was important to Manitobans. We made a commitment to release our information, a part of BITSA, on August 15th. We also went a little bit further in terms of the transparency and openness by releasing our regiment in terms of the cannabis days prior. In fact, it was—it don't know the exact date, but it was about a week or so prior to the 15th so everyone would have an indication of what the government—what their intentions were as it relates to cannabis.

**Mr. Lamont:** I understand that in the federal budget 2015—and I may be wrong—that the excise tax was estimated to be about \$1 per gram. Is that in the ballpark of what we're looking at?

**Mr. Fielding:** Yes, I believe that is the case. Yes.

**Mr. Lamont:** So in—as I understand it, with the excise tax, there's—the idea is that there's a 75-25 split between the provincial and federal government. The federal government originally proposed 50-50, but then changed it in two ways: the feds keep 25 per cent of the first \$100 million, and after that, the Province keeps all of it. But I also understand that it was—that 25 per cent is supposed to be shared with municipalities who are making the same argument as the Province, that they'll have greater costs, especially policing costs. Is that—am I correct in that?

\* (17:10)

**Mr. Fielding:** A part of—I don't think that was a requirement, a part of the excise tax. I think there was discussions. I wasn't at the meeting, so I can't—you know, I can probably get information from the previous minister, but I believe there was discussions that the municipalities wanted a part of the revenue. And so I believe the federal minister at the time—or, the ministers from the federal level, had indicated that the provinces could share—could share—revenue with the—with municipalities.

That wasn't part of the excise tax, as I understand it.

**Mr. Chairperson:** The honourable second leader of the opposition.

**Mr. Lamont:** When it comes to Manitoba liquor, lotteries and cannabis—or whatever it's called these days—in terms of its purchasing, is there—I know that there's a certain amount that it's buying from licensed growers, then there's a 6 per cent social responsibility fee, a 9 per cent handling fee.

Is it possible—is there any kind of markup at all in terms of the purchasing, let's say, in terms of what—of the MLCC purchasing from the dealers. Is there anything that they would actually be making a profit in any way, or is there a fixed price? I mean, how does that work in terms of the MLLCC purchasing from licensed—how does that pricing work?

**Mr. Fielding:** Right. The markup that you refer to, it's a—kind of a 'sivilar'—similar regiment towards alcohol.

Now, again, I want to be clear. It's not the exact amount in different spirits in alcohol. As learning this process, I was understanding, too, the markups that are associated with certain alcohols and spirits, and there's ability to change up and down. There's a variety of reasons why they may change up and down.

What we want to do, again, is to be—keep it as low as possible to keep it out of the black markets and the gangs' hands. I don't know if that totally answers your question. But, really, it's cost recovery for the most part, a part of Liquor & Lotteries corporation. There is an ability for them to increase that and decrease that. And, again, that's something that happens right now in the alcohol markups that are a part of it as well.

So I believe that process is very similar to other provinces as well.

**Mr. Lamont:** One of the issues I'm wondering about is that I'm not—it's not clear to me why this is supposed to cost less or why this is not supposed to be revenue generating for a number of years. For example, when the Conservative government brought in the omnibus crime bill, which was designed to throw more people in jail, we didn't always hear that there were going to be huge increases in policing costs that we never—we suddenly had to fund, because we're now talking about not arresting people and not throwing them in jail, and in terms of police enforcement, police are now going to be handing out tickets for hundreds or thousands of dollars.

And the other thing is that many of these policing costs are not provincial in Manitoba; they're municipal. So I have trouble understanding exactly how it is that these are supposed to be provincial costs, because, as you say, the government keeps arguing that there are going to be new policing costs enforcing a law that doesn't exist anymore. But, again, these policing costs happen to fall mostly on the municipalities, as—certainly, in the city of Winnipeg.

So I—why is this supposed to cost the province more?

**Mr. Fielding:** I don't quite understand the question. I guess, if the question is, why do we think that we're going to have the majority of costs, I think if you look at the social service costs, the cities for the most part aren't involved in addiction treatments. We'll be doing advertisement campaigns. The hospital systems, of course, are affiliated with the provincial governments. There has obviously been some reports in terms of what our Health Department may estimate the cost to be. There's Justice costs; that is not something the City picks up.

And, even if you look at what the City of Winnipeg and identified whether you think that's a high estimate or a low estimate—I probably think it's probably quite a high estimate—but what, clearly, they're saying is the vast majority of their costs will come from the justice side—like, for policing, for training, for instance, and for the devices. There could be some bylaw costs that they would have. But you got to remember, too, there are also going to be charging a fee, a—business taxes. They're being—charging a fee. They're also be—charging property taxes for people that decide to set up these shops. So, even, if—again, if you look at the city's—you know, the City of Winnipeg's proposal, the vast majority of the costs are justice related.

The federal government has announced—this is a public, you know, indication—they're saying there'll be \$81 million associated with things for the devices as well as training over the five years. So that is money that the federal government has talked about. But the vast majority of the cost for those particular areas are provincial responsibilities. And so that's why we think the vast majority of these costs will be associated with the provincial coffers.

**Mr. Lamont:** Is there any data that suggests we'll actually see an increase in addiction? I mean, one of the things—there was a report that came out, I believe, in 2015 on the use of drugs in Canada, and Canada

has one of the largest percentages of young people using marijuana or cannabis in the world. It's over 20 per cent.

It's a far greater percentage than in Colorado prior to legalization in Colorado. And one of the things that happened in Colorado, apparently, was that the number—that new regulation actually restricted access to it, and youth use dropped.

So I don't—I'm having trouble seeing—is there any data or justification, or are there any models, that this is—I know that it's—we're the only—we're only the second country, but there are many jurisdictions that have legalized marijuana—to actually suggest that there are—that there is going to be a spike in addictions treatment around marijuana?

**Mr. Fielding:** Well, I agree with the Leader of the Second Opposition (Mr. Lamont) in respect to, we don't know what we don't know right now. I mean, you talked about some studies in Colorado and others, but that's probably reason why we haven't been able to put an additional revenue piece that's there. We don't exactly know.

There's a bit of uncertainty too because edibles are in place. So right now you might know—for instance, if you go out to watch a hockey game or what have you, you might have one beer and that might be appropriate for some people drive—might not be appropriate for everyone to drive. That's obviously important to—as Manitobans, to understand that.

But what I can say is, with edibles, the uncertainty is there, right? You don't exactly know how much you consume and how that will impact you and the time frames. It could delay, you know, kind of, the high, I guess, that's associated with cannabis later on down the line. So you might realize from—if you have a beer, you could drive two three hours later or whatever it is.

With edibles, you don't exactly know, so there is a lot of uncertainty that's there. And again, this is a new venture for Canada, and we'll have to see. So there's going to be a lot of trials and errors here.

**Mr. Lamont:** There are a couple of other issues—there's—when it comes to some tax changes for Canadian private corporations. And I earlier brought up the issue of conflict of interest, and I have to correct myself: the conflict-of-interest laws in this province are so weak that it's perfectly legal for members to vote themselves to personal benefit.

But, when it comes to Canadian private corporations, there's a term called snow washing. We often talk about offshore tax havens, but Canada itself is actually a tax haven because it's easier to start a corporation in Manitoba than it is to get a driver's licence because there's no registry of beneficial ownership.

And one of the things in the BITSA bill, as I understand it, there's supposed to be \$7 million in savings for small businesses, but there's no distinction about how it's to be distributed. Studies by Jack Mintz—he's a professor of finance at the University of Calgary—said about 60 per cent of Canadian private corporations are owned by households with over \$150,000 in income, which is actually only about 10 per cent—or less than 10 per cent of the population. And Jack Mintz is not by any means a Liberal.

But another—a further study showed that very high-income individuals tended to own not just one, but entire networks of private corporations. And they're not mom-and-pop stores; they're not creating jobs; they're not risk-taking small businesses. They exist for one reason only, which is to convert personal income, which could be taxed as personal income, into corporate income, which can be sometimes taxed at a rate of zero.

So, as it stands, it's perfectly legal for members opposite to vote for this BITSA bill, which delivers tax cuts to small businesses and benefits insurance companies.

So is this government considering any sort of declarations on beneficial ownership or improving its conflict-of-interest legislation, or is it just business as usual?

**Mr. Fielding:** You know, we heard a lot of this type of rhetoric at the federal level. We hear it pretty clearly. I think the federal Liberal government heard pretty clearly that their approach to taxation, calling people tax cheats that have been on Revenue Canada's website for many, many years is the wrong approach to take, and I think they've dialed that back.

You know, and so obviously the member wants to align with his federal colleagues that really pit society versus the small-business owners. And I can tell you that we truly think that small-business owners make up the vast majority of the job creations in Manitoba.

In fact, last year we created almost 12,000 new jobs by the private sector alone, which is a

substantial amount more than has been done in many years here in the province of Manitoba. So we think that providing—and Manitoba, of course, has the zero small-business tax rate, and we increased the thresholds from 450 to 500, very similar to other provinces. Our friend Saskatchewan has still created that higher bar where there it's \$600,000.

\* (17:20)

But we think the vast majority of people—and if you have started a small business, you know that's something that is important when you start a small business in terms of the amount of taxes you're doing. And so we want to—small businesses to grow and prosper. We think it's going to create jobs and so we're very proud of our approach to small business tax—zero small business taxes.

**Mr. Lamont:** Well, I have helped start—I have started a small business. I've helped other people start small businesses and small corporations. And their challenge is usually access to capital rather than tax cuts, because if you're not making any profit, you don't pay any taxes.

But, again, my question was that we have a situation here where we have a conflict of interest declaration which is essentially meaningless in that MLAs are still allowed to vote on—for—to vote for themselves at private benefits, which would not pass muster in any other province. It wouldn't happen in Quebec or in Ontario or Alberta—even Quebec.

So my question is: Is this government considering beneficial ownership or is it in—considering improving conflict of interest to the legislation, or is it just business as usual?

**Mr. Fielding:** We know from the examples of what the federal government went through in the sponsorship scandal, of course, in the '90s, and so we want to be as ethical as we can. I know the federal Conservatives at that point introduced legislation. I know the member from Assiniboia is back and he was a leader back then in terms of making sure ethical approaches to government is important.

The auditor—or, rather, the independent officers have come up with recommendations in terms of strengthening the laws. That's something that we identified and so we're reviewing that right now as a government. We're making some decisions in the near distant future.

**Mr. Lamont:** I'm done. Thank you, sir.

**Mr. Chairperson:** Any other questions?

**Mr. Fletcher:** Thank you, Mr. Speaker—or, Mr. Chair.

Bill 32, section 2: Can the minister please explain the purpose of this section?

**Mr. Chairperson:** We're on 34.

The honourable member for Assiniboine, we're still on bill—we're doing actually—debating the—Bill 34.

**Mr. Fletcher:** In regard to—well, this is related to budget implementation act, because this is the \$3.8-billion loan that was requested—or, passed last Thursday.

And the question is: Is that money in any way being used for the budget implementation or cash flow issues, or for what?

**Mr. Chairperson:** Okay. I just want to let the member for Assiniboia know that this is a—we're dealing with Bill 34, but if you're talking about the 'implementation' and the loan that relates to Bill 34 for the minister, then it's appropriate.

So what is—is the question going to—

**Mr. Fletcher:** Bill 32, section 2, is that related to Bill 34 insofar as the funding of the items in Bill 34 in any way?

**Mr. Fielding:** Yes. I've got an answer for this. So this should address this issue all out.

So, the member asked the question on The Loan Act and in OIC, the OIC would have been authorized under last year's loan act and not the most recent Loan Act that was just passed before the break. Loan acts always overlap fiscal years to ensure entities with a reporting entity can continue on.

**Mr. Fletcher:** Again, my question wasn't about the OIC. My question was about The Loan Act, section 2 of that act, and how it relates, if at all, to Bill 34.

If it does, how, and if it doesn't, where is that money supposed to go?

**Mr. Fielding:** I believe my response addressed that concern.

**Mr. Chairperson:** The honourable member for Assiniboia, if there's any more questions on Bill 34.

**Mr. Fletcher:** The minister did not answer the question.



The question is, is the borrowing request—or not request—in—that was passed in Bill 32 related to Bill 34 in any way?

**Mr. Fielding:** Well, I can say, you know, the question that the member clearly asked about loan act and the OIC, the OIC would have been authorized under last year's loan act and not the most recent loan act that was just passed before the break. Loan acts always overlap fiscal years to ensure entities with a reporting entity can continue on. So, I'm not sure what—how much more I can relate to that.

**Mr. Fletcher:** Mr. Chairperson, I am—at no time have I talked in this session about the OIC. I am talking about the budget bill, 32, section 2, and if it is—has any relation to Bill 34. Yes or no?

**Mr. Fielding:** Well, I think I have answered this question.

What I will also table, not for this member's question, but for the previous member's question, about our budget consultations in Flin Flon, I can mention, this is a who-when-where and—topic in terms of media outlet for Flin Flon. It talks about that the budget sessions will happen on—tomorrow on Tuesday, December 18th; where: 2 p.m. at the friendship centre, multi-purpose room, 4 Nelson Road in Thompson. And it's at 5:15, Flin Flon City Hall, 20 1st Avenue in Flin Flon.

It's a media advisory. So I'll table that for the House.

**Mr. Chairperson:** The honourable member for Assiniboia. And I just want to warn the member for Assiniboia, if he can complain to Bill 34.

**Mr. Fletcher:** Yes, I—Mr. Chair, I understand that very well, and it's—this is an issue of cash flow, borrowing and money. It's a budget implementation issue, and we're trying to find where and how the money is going to be implemented.

Now, we could have done this six months ago or nine months ago if the government had its act together for the budget implementation bill, but they didn't. We sat for three months in June—or three extra weeks in June in an emergency debate talking about night hunting and not the budget. We get the budget implementation bill in the middle of summer, middle of August, and now we're dealing with it at the end of October.

So, yes, this is very relevant to Bill 34 because Bill 34 should have been done a long time ago. Now

we have a bill dealing with \$3.8 billion of loan borrowing that seems to be far beyond anything that we've seen before with no explanation of where that money is going.

Is it going to help with borrowing costs related to Bill 34, or is the money dedicated somewhere else? Because it's darn—it is not clear, and the minister has refused to answer. He's—talks about tweets, but he don't—but he won't talk about Bill 34.

Can the minister answer the original question: does Bill 32 have anything to do with Bill 34?

**Mr. Fielding:** I conveyed with our officials on specifically this topic. I'd given the answer, and the answer is very straightforward and clear. I'm going to refer you back to my last answer; that's conferring with our officials. That is the answer that our financial official's conveying, just to double-check what I thought was the case, and that is the case.

\* (17:30)

So, I mean, we can continue. Maybe you don't like the answer, but the answer is what our financial officials are telling us. And, you know, again, we can spend all afternoon, but the answer really is the answer, and it's not going to change. So, again, if you want us to look further for some information and provide that back to you, we're willing to do that, but, again, the answer is the answer is the answer, and it's not going to change.

**Mr. Chairperson:** The honourable member for Assiniboia—again, I'm warning that if he doesn't go—Bill 34, then I'm going to ask someone else for some questions—ask some questions.

**Mr. Fletcher:** Well, that's—I have the floor right now. It's beyond the scope of the Chair to do that, with all due respect.

Look, Mr. Chair, the minister has been asked a straightforward question. He says the answer is the answer is the answer, but he won't give an answer. Maybe he can repeat the answer.

Is Bill 32 related to Bill 34 in any way?

**Mr. Fielding:** Right. Appropriation act deals with funding. This is BITSA, which makes legislative changes to implement measures in the budget and some technical changes, mainly tax changes, legislative changes.

**Mr. Wiebe:** I, you know, I can certainly appreciate my colleague's frustration with the process. I think, you know, I think what we're hearing is a further

frustration. Earlier we had talked about the delay of the BITSA bill and the reason—some of the reasons that were given by this minister or by his predecessor, and that can certainly, you know, be frustrating in terms of this process.

I know we have a number of questions that we would like to actually get answers to, and, you know, we did hold this Legislature in the summer. We held the government to account. We forced them to sit a few extra weeks until they relented and said, okay, fine, we'll bring forward our budget implementation bill, and given us some opportunity to ask questions. But I think part of that process is, hopefully, getting some answers. So, hopefully, we'll get some answers yet this afternoon.

And my question is with regards to social housing, and this is probably a good spot for the minister too, and I think I see him closing his book. He can answer these questions because he knows a little bit about the housing situation in Manitoba, and now as the Finance Minister I'm sure he's eager to get some of those funds flowing to the much-needed housing here in this province.

So, specifically, when it comes to the sale of the Manitoba Housing building on Smith Street, is it the intention of this minister to use that \$16 million that was generated from that sale to address the low-income housing deficit?

**Mr. Fielding:** Well, I can tell you that we are proud of the fact that under our government we've opened up close to—and it's probably more now, I'm probably a little bit out of tune with the exact numbers since I'm not the minister responsible anymore—but over 487 new social and affordable units were being constructed. I know there's hundreds more that are in the works of being constructed, both affordable and social housing.

One thing, and this will kind of be a roundabout answer to you, but it will be a direct answer, since taking office, we have actually supporting close to 3,000 more people on the Rent Assist program than when we took office. We know that of the money that was—the 185 Smith was sold for, there was \$16 million, but that wasn't the exact amount because there's monies that were owed on, kind of, loans—I don't have the exact figures in front of me, I think it was in the realm of seven or eight million dollars—and so the money will help pay for things such as enhancements in terms of the amount of people that are supported for the Rent Assist program.

**Mr. Wiebe:** Okay, so, I mean, that's part of an answer there, which is encouraging. So the minister is saying, no, it wasn't \$16 million. It's his contention it was, in fact, only eight—I think I heard him say \$8 million, somewhere in there. And that's fine; we can—he can get those numbers to me tomorrow if he'd like. But those—that money, that revenue, came in—what he's saying is that money actually is not going towards social or affordable housing. In fact, it's going towards the Rent Assist program, which he's very proud, you know, that poverty is going up and more people need Rent Assist in the province.

But that money is going to be spent entirely within that program, or is it being spent elsewhere?

**Mr. Fielding:** Well, I just want to correct the record that actually child poverty—we used to be the child poverty capital of Canada, which is probably a distinction I don't think anyone would be proud of.

Under this government—and I'm not saying it's everything to do with this government—probably with the hard work that Manitobans have, we are not the child 'poverty' capital in the country.

And, when this number came out—Stats Canada's number—so it's not the government numbers; it's Stats Canada's numbers—that is independently verified for the income survey, we're about the middle of the pack. And so I think that's a positive trend.

And we had extensive conversations with our officials at that point from Housing, and I said, well, of all the things that are going on in Housing, what would make us move—or, what would allow us to improve the child poverty rate in Manitoba the most. And, you know, I said, would it be the CCB—the Canadian child-care benefit? And they said, well, that would impact everyone, but it's across the country. It's not something that's just specific to Manitoba. So that will help everyone kind of lift people up. And I think it's—was an important program.

One thing that we could identify was the changes to the Rent Assist program. So I'm not proud of the fact—in fact, I'll phrase it this way—I would say that we are proud of the fact that we have been able to help out over 3,000 more Manitobans to have more money in their pocket and to live above the poverty line. What we think is important is to—supporting vulnerable Manitobans. And, from a government point of view, the Rent Assist—and it's a portable shelter benefit—we think is important. And the reasons why it's important is you can provide

supports to individuals, whether they live in a Manitoba Housing stock that we build and we create—there's a lot of that done under the previous government.

We've done some of that, but we've also said, okay, we're going to diversify. What we're going to do is we're going to have a portable shelter benefit. And I had numbers done, and really, to build affordable housing unit to support them and the—kind of the debt financing that you would need to build one unit costs you about \$23,000 a year. Well, the actual—you know, if you measure out what Rent Assist does, you can support probably about six times more people under a kind of a portable shelter benefit than just building one unit of housing.

And the other benefits of using a—kind of a portable shelter benefit is immediacy. So you can actually get into a—you know, a place right off the bat. You don't have to be on a wait list or anything else that's there for social housing. You can get into a facility. So do—you get immediacy, you can support more than six times more people.

And we're trying to take a balanced approach with housing in terms of building some housing—social and affordable—as well as providing Rent Assist. And so that's an important piece. And we think that—those are some of the reasons why we've—we're not the child poverty capital in Canada anymore.

**Mr. Wiebe:** Well, I will note, Mr. Chair, just how easily the minister slid back into his talking points as former minister of Housing. And he certainly got those down pat. But, again, I mean, we're—he's now the Minister of Finance and so we are talking about the dollars here and we're talking about the specific money from the sale of the Manitoba Housing building on Smith Street.

And, you know, there's a massive deficit of income—low-income housing that, you know, the previous government was chipping away at on a regular basis. New government comes in; everything stalls. No new housing is built; the Province falls further and further behind.

But here the minister has some money that presumably he could go to his boss and say, you know, Mr. Premier, there's a huge deficit, I'd like to spend this money. And that's an appropriate place to spend it. It's Manitoba Housing dollars, so to speak. And, you know, if you want to think about it like that, you know, this would be money that's coming

out of a department going straight back into the department. So you would think that that would be a worthwhile use of that money.

So I would imagine the Minister of Finance (Mr. Fielding), especially again having that background in—as minister of Housing, would have made that a No. 1 priority, went to the Premier (Mr. Pallister) and said this is where this money should go. But it sounds like—I think what I'm getting from the minister is that's not the case.

So is it his contention, though, that he is going to spend all of that money at—in the Rent Assist program instead, and would that be every single dollar from that sale?

**Mr. Fielding:** Well, the money can go to a variety of sources. I was just identifying a vast majority goes to the Rent Assist. We have had these conversations, and from a Housing perspective we've tried to take more of a balanced approach.

We know when we came to office that there was over \$500 million of deferred maintenance costs on some of the housing stock, which we thought was troubling. We want to improve the housing stock for Manitobans. And, you know, we are trying to take a balanced approach.

\* (17:40)

So, again, I use this analogy: if I can help six times more people to have some sort of housing supports as opposed to just one, you know, we're going to try and take a balanced approach. So that's probably some of the reasons why we've been able to support more than 3,000 people, you know, on important programs like the Rent Assist program since taking office. So we're very proud of that. We think that may not be the only reason, but we think it is a factor of why less people are living in poverty here in Manitoba, not just child poverty, but all-out poverty.

A balanced approach—and again, we have invested—built over eight—487 new units of social and affordable housing. And not only—you could argue, well, some were initiated under the previous government, and—but what I would refer to you is, when this government came to office, there was a number of projects in a whole bunch of areas that we decided not to go ahead in and we delayed. And so what we could've done is we didn't have to go ahead with these, but we made the determination that they are important investments, and so we went ahead with them.

We've appropriated money, and I'll tell you how we've appropriated money. We've appropriated money on the financing piece of it for building them, but we also appropriated money for the operations of these centres. So, again, we didn't have to go ahead with them but we made the important investments, and that's why we've been building houses, over 487 new social and affordable housing units. There's over 100 and probably 30 or 40 that are being built as we speak, plus the 3,000 more people on the Rent Assist program.

**Mr. Wiebe:** Well, again, it's very easy for the minister to slip back into the talking points from his role as the minister of Housing, and we can certainly go over those issues once again. You know, the last time I think we asked the minister about affordable housing construction in the province, he very proudly tabled a couple of photos—well, maybe more than a couple of photos. There was four photos—three, four photos that—one of them was of a field, a muddy field that he was standing in that—*[interjection]*—in Thompson, the minister is pointing out. Another picture was the minister with Jimmy Carter. That's right. And, of course, on this side of the House, we've got a lot of respect for Jimmy Carter and the work that he's done with Habitat for Humanity, but as part of an affordable housing plan, I think that just doesn't meet the mark that Manitobans would be expecting of their government.

So, again, I understand all the talking points that the minister has memorized and is very happy to share with us. But specifically we're asking about this project. And so now he's saying no, it is not just Rent Assist that this money would go towards; he's saying it could be a number of things. So he would—presumably, he has to now open that book back up and go back into those—the book opened itself back up. Okay, so the numbers are all in front of the minister, and he can go in and find that line and find out where that money is—from that sale is going to and find out if that is, in fact, going to affordable housing specifically and exclusively or whether that is going elsewhere, as he mentioned Rent Assist, other housing projects.

**Mr. Fielding:** Right, yes, so, again, you're right. The sale price was the sale price. I think it was around \$16 million, but there was a lot of money that was owed on the building, and so you obviously need to take that money off. So the realm of money, I think it was around seven or eight. And again, I'll have to double-check. I don't want to use that as the exact amounts, but that's around the ballpark figure.

And so we've tried to take a balanced approach when it comes to housing. We built some exclusively for ourselves as—in terms of Manitoba Housing. We've let other would-be developers, non-profit housing corporations, build some for us. We've invested certain things for fixing up some of the centres. In fact, when there was first the SIF funding, which is the first of—housing fund—I think it was around \$166 million. Anyway, there was a large money that was invested, a commitment with the Province and the federal government.

We have made important investments in housing. We've taken a balanced approach. And I wait—want to refer the member to the new National Housing Strategy. The Province, of course, has signed on to that. There is significant amounts of money that will be available for Manitobans to invest in housing because we think it's important. But we're not just taking an ideological approach where the government of Manitoba needs to build these centres. If you can have non-profits build it, that's great. The federal government has talked about shifting towards a portable shelter benefit that I don't think, for the most part, anyone would disagree in this Chamber is a positive thing. We think it's a balanced approach that will make a difference to Manitobans.

**Mr. Wiebe:** Well, I'm glad the minister mentioned the federal government, because I'd, you know, forgotten there is a big infusion of dollars coming their way. Despite all the fights that this minister and others have tried to pick with the federal government, they continue to furnish this government with resources to address the problems that they are—seem unable to address or unwilling to address.

So, you know, I guess that's more money, you know, that we need to account for and I'm sure there'll be lots of opportunities to ask the minister more questions about where that money's being spent or how that money's fitting into the budget. But, specifically, this is money that is within the—under his department, so that's the big concern there.

So, you know, I'm trying to think of a new way to get at this question other than to ask the same question again, and maybe, you know, sometimes repetition works. They say that that's helpful, especially in politics. You know, same thing over and over again, finally the message gets through.

Well, so I'll ask the question, I guess, just simply again, then. So is the \$16 million, or \$8 million, or

whatever the minister—number comes back with from the sale of the Manitoba Housing building on Smith Street to address the low—going to be used to address the low-income housing deficit in this province?

**Mr. Fielding:** Well, I would say that we've taken a balanced approach to housing. We're building some housing. We're also allowing non-profit housing co-operatives to build centres. We're also using the Rent Assist, which is a portable shelter benefit that the federal government has identified as one of the three areas under the National Housing Strategy. They clearly think it's a good idea to invest in a portable shelter benefit, and so we've taken that approach.

In fact, we're going to make the suggestion—in fact we are making the suggestion that we really pushed for this program when we were in opposition. This was done kind of at the last minute. I'm not sure if it was done for political reasons, but who knows, by the former government at the very last days, last dying hours of the NDP administration.

But, in any event, that's something that we had pushed hard for, and we think we're seeing some benefits in terms of the child poverty rates that are—have been going down under—over the last two years. And so if we can use the money for things like a portable shelter benefit or building houses, a balanced approach is what this government's looking to do.

**Mr. Lindsey:** Just—I appreciate the fact that the minister has supplied me with the media notice that came out on October 15th, 2018 advising that there would be a meeting in Flin Flon at 5:15 on October the 16th.

Now, if he sent that to the local paper, the minister may not be aware of the fact that the Flin Flon Reminder is not a daily newspaper. It comes out once a week and, generally, you have to have a notice in the Friday before, before it actually hits the newspaper. So I'm not sure how the minister thinks that sending a notice somewhere the day before that's not going to become public knowledge is really giving average people in Flin Flon the opportunity to come out and share their views.

So maybe the minister could expound on that for a moment, if he would.

**Mr. Fielding:** Yes. I would suggest that our budget consultation process has been very robust, to say the least. We've had over 32,000 Manitobans that participated last year. We started our process off

earlier. We think that's important to make some important decisions. There will be sessions where Manitobans can come to open sessions. There'll be sessions where people can—in fact, they'll be going in this Thursday at the Legislature. People can come and make presentations. You can submit things online in terms of written presentations. You can also fill out a budget survey that was there.

There is a new tool that we put on the budget to allow residents to have a say in terms of the process where they are able to kind of play around with the numbers. If you make certain investments in certain areas you've got to figure out a way to make everything blend in. Appropriate—we think that's an appropriate use.

We know that the media did show up at that event, of course, in Flin Flon and we're going to continue to consult with Manitobans. In fact, we're going to have a global town hall meeting. If the member would like us to target some areas in Flin Flon—for Flin Flon for additional purposes on that, you know, some sort of a town hall meeting, we'd be more than open to do that.

When you have more than 32,000 people support a budget consultation process, you know, I would suggest that it is a robust process.

\* (17:50)

**Mr. Lindsey:** I appreciate the minister's non-answer to my question.

He talks about people's ability to participate in the budget consultation process, but, again, if the notice that citizens of a community get doesn't actually get to citizens of the community, how on earth does the minister expect citizens of that community to actually come out and share their views?

Unless—and I, certainly, wouldn't suggest this was the case—that it was designed to only accommodate a select few people to come out and share their views.

**Mr. Fielding:** Well, I'll always love visiting Flin Flon. I know they have a paper, whether it's weekly or daily. I know the 'menner' has indicated that it is weekly, I believe. They also do, of course, have a radio station that's there. And, if the minister—rather, if the member would like me to go on the radio station to talk about the budget process, that's something that I would most—you know, be agreeable to do.

**Mr. Lindsey:** Well, I would just suggest to the minister that if he's going to come to Flin Flon—or any other community for that matter, certainly, I'm just talking about Flin Flon because that's the one where I was unaware that he came—was coming.

If the minister wants to have meaningful consultation with people, he should perhaps tell them more than the day before when their print media doesn't publish the day before, when they get a notice like that. It doesn't bode well if the minister is, in fact, planning to go to other communities, that he can say, well, I was there; I gave advance notice—not very much, not enough so that people would actually know that he was going to be there.

So does the minister foresee going to other communities with a day's notice or less and calling that actual consultation when it isn't?

**Mr. Fielding:** Well, I'd refer back the—to—the member to our 32,000 Manitobans that were part of our budget process last year. We're hopeful that thousands of Manitobans will participate in the budget process this year.

Again, if the member has—instead of just asking questions on it, if you have some constructive ways for us to get the information more out to Flin Flon, be willing to go on the air and talk about the budget process. We could spend as much time as need be there.

We'd love to get the message out about the budget process. So, if you want to work with us to make those arrangements, we'd be more than interested in getting the message out about the budget process, because what's important to us is understanding the priorities of Manitobans.

**Mr. Lindsey:** Well, certainly, I believe I have made a constructive suggestion to the minister that if you're going to a community such as Flin Flon that only has a weekly newspaper, that perhaps a little more advance notice that the minister's planning to be in attendance, whether it's for budget consultation or for any other matter. Certainly, more notice the better.

So I believe that is somewhat a constructive suggestion for the minister to take forward, that—particularly, if he's coming north, that he gives more notice so that people have an opportunity to actually show up and make a presentation.

So will the minister accept the fact that a day's notice is not sufficient?

**Mr. Fielding:** You know what, I'm willing to hear from Manitobans as much as we can. If the member wants to set up some sort of session on the radio station, I would be more than interested in doing that. I'm assuming that gets good reach to everyone, if, obviously, that's live and if the publications only go out once a week, maybe that's the best venue to do it.

So I'd be more than interested in staying on the radio as long as I can to answer people's questions and get their feedback. And, if the member would be interested in setting that up, working with us to set that up, we'd be more than interested in getting as much feedback as we can from Manitobans.

And that's something that I've offered as an olive branch to the member. And, if he wants to accept that and work with us, then we can hear the priorities of not just all Manitobans, but people from Flin Flon, across the province.

**Mr. Lindsey:** Back to mobile homes. So the overwhelming majority of mobile home owners don't pay education property taxes. In fact, for many they don't pay a direct tax at all, they pay a fee or a levy to their municipality. And the size of that fee or levy depends widely, depending on the municipality and whoever happens to own the trailer court, I guess.

So these mobile home owners in the past, even though they didn't pay the education property taxes, were still eligible for the rebate. Is that still the case?

**Mr. Fielding:** Well, maybe I'll revert back to my previous question, but I can—if you want, I can read it out into the record. The answer hasn't changed. It's very similar to what it was about an hour, hour and a half ago.

But I can tell you that the vast majority of homeowners—not just mobile 'hone' owners in the city of Flin Flon—continue to see the full benefits of the Education Property Tax Credit as a result of the changes. 'Moreover', renters in Flin Flon are going to benefit—so the renters in Flon Flon are going to benefit from the elimination of the \$250 deductible because total amount of annual rent needed to receive the full \$700 drops from just over \$4,700 to \$3,500.

So the mobile home park residents with assessed school taxes of part of their property tax continue to be eligible for the credit, even if a mobile home is not access—assessed, rather, by school taxes. Residents may also claim the education property taxes on their personal income tax returns based on their lot fees they paid as rent. Now, this means that

mobile home residents also benefit from the elimination of the \$250 deductible because a lower amount of lot fees are required to receive the full \$700.

**Mr. Lindsey:** So the short answer, which I realized the minister just gave me a really long answer: people that are in mobile homes that—even though they don't pay the education property tax, they were still eligible for the rebate.

Yes or no—pretty short and simple—are they still eligible for that property tax rebate?

**Mr. Fielding:** Well, I would say that mobile home park residents with assessed school taxes are a part of their property taxes continue to be eligible for the education property taxes, even if a mobile home is not access-assessed for school taxes. Residents may also claim the education property taxes on their personal income tax returns based on the lot fees they paid as rent.

This means, and this is important—this is a little bit different from what I said before. Well, maybe it's actually very similar to what I said before. This means that mobile home residents also benefit from the elimination of the \$250 deductible because a lower amount of lot fees are required to receive the full \$700 education property taxes.

**Mr. Gerrard:** Let me start out by asking: There are a number of tax credits, deductions or decreasing the amount of tax being taken. What is the total impact of the BITSA bill in terms of net revenue?

**Mr. Fielding:** Well, that's hard to determine. It really depends on how many people apply for these credits.

**Mr. Gerrard:** The—in the last couple of weeks, we've learned that the government will not be taking a carbon tax. In the budget, there is \$143 million this budget year to come in from that carbon tax—or price on pollution.

Are any of these deductions at risk because there will be 'ress'—less revenue because the government is no longer putting a price on pollution?

\*(18:00)

**Mr. Fielding:** Sorry, could you repeat the question?

**Mr. Gerrard:** Well, in the Finance Minister's budget, there is a budget line for a carbon tax; there's a price that the government was going to charge on pollution but is not going to anymore. There's a budget line of \$143 million for this fiscal year. Because that \$143 million will not be coming in, are

any of the tax reductions here at risk, or is the government going to continue with these regardless of the fact that it will not be bringing in revenue from its price on pollution or carbon tax?

**Mr. Fielding:** Well, at the time when we announced that we will not be introducing a carbon tax, we also said that the basic personal exemption tax decreases will be delayed.

**Mr. Gerrard:** When will the personal tax exemption be delayed to, just to 'clarificay.'

**Mr. Fielding:** The schedule was to reduce to \$2,020, in 2020. So that's the amount. There was about \$75 million per year, I would—in the next two years, that were appropriated for the basic personal exemption. We still aren't indexing them, but we have delayed the implementation of that. So a part of budget '19 and '20, we'll be talking about those in the future budgets. But we did announce at the same time that we weren't going to introduce a carbon tax, that our basic personal exemption increases will not be implemented at this time—at a later date.

**Mr. Gerrard:** So the 'bersonal'—personal basic income tax exemption will not be implemented for the current fiscal year or for the next fiscal year, but you will look at it in 2020? Is that what you're saying?

**Mr. Fielding:** What I'll say is we have announced a part of the carbon tax, not introducing the carbon tax, that we'll be delaying the personal—basic personal exemption. There was a schedule, over the next two years, of increasing that; it's around \$9,300. We had plans to move it up, to be more in line with other provinces, and we've announced that we are going to delay that over the next two years. We haven't made a determination, and that will be discussions that we have in 2019-2020, those budgetary processes, and going forward. But I can say that we have announced that we are delaying it—the implementation of it; it is indexed, though. We are indexing it.

**Mr. Gerrard:** But the—so the delay will mean that there will be no increased exemption for the current fiscal year. Is that correct? But you would consider it in the next budget year or the following one?

**Mr. Fielding:** I said that we're committed to indexing the basic personal exemption. We have delayed the big increases in personal—basic personal exemption, because of our approach to not introduce a carbon tax. I can tell you that every budget is different, so we haven't made a decision of when that will be implemented. But those are discussions that

happen—part of the 2019 budget process as well as the 2020.

**Mr. Gerrard:** The part of those discussions, of course, that deals with budget implementation, the government had signed on to the federal Green Plan or the federal carbon tax initiative. Does that mean that the government has now signed off to that, or what is that status?

**Mr. Fielding:** Could you ask the question again? Sorry.

**Mr. Gerrard:** Well, the—we were told that the government had signed on to the federal Green Plan, and—but does the decision to remove the—or to not collect the carbon tax or the price—charge a price on pollution, does that decision mean that the provincial government has now signed off on the federal plan? Signed—well, has taken its signature back from the federal plan?

**Mr. Fielding:** Well, I think there's ongoing discussions federal government. But, to be fair, I think that's the federal government's decision—not ours.

**Mr. Gerrard:** Well, that at least puts the situation clearly, and I thank the minister for that.

The—I'd like to ask, what are the enabling regulations regarding Green Energy Equipment Tax Credit? What equipment are we talking about, and what's the plan?

**Mr. Fielding:** Well, I can tell you the generalities of this, the green equipment tax credit. Obviously, it's something that we think is important for environmental purposes, and it does help with sustaining our environment in so many different ways, and so that is an extension of it.

**Mr. Gerrard:** All right. But there could be all sorts of things that would be green energy equipment. Is this wind or solar power? Is this more efficient vehicles? Is this transit buses which go electric? What is covered by the green energy—or what is planned to be covered by the Green Energy Equipment Tax Credit? It's an essential part of this bill.

**Mr. Fielding:** Well, the regulation adds new categories of this equipment. For sure, we think it's an important investment, and there is a large discussion that is ongoing in terms of the equipment. And I believe we're open, as a government, to being as efficient as we can from a government point of

view in terms of any credits that are associated with it.

**Mr. Gerrard:** Yes, I would ask, what new categories of equipment would be covered? And what is the government's plan to make that information widely available?

**Mr. Fielding:** Right, I'm going to have to take that under advisement. I'll have to get back to you on the specifics of that one credit program. So I'll have to—I'll get back to you later on today.

**Mr. Gerrard:** Yes, is there any relationship of this Green Energy Equipment Tax Credit—is this a part of what's being called the made-in-Manitoba climate and green fund?

**Mr. Fielding:** Just to answer some of the questions, in terms of the new—the categories for equipment I think you asked: energy-conversion equipment, and we are looking at incentives.

**Mr. Gerrard:** Now, is this related or not to what the government has referred to as its made-in-Manitoba climate and green fund?

**Mr. Fielding:** Well, I think those discussions are under way right now, and so I don't have an answer for you. But I think, you know, this government has been very open to tax—types of credit programs. We introduced a child tax credit. Clearly, as, probably, Conservatives, people know that we think it's important, and we think it's good use of the tax code to 'incentive' different areas. And so, if we can have more incentives for people doing the right things, that's probably a process we'll take a look at.

**Mr. Gerrard:** Yes, I'm just going to—again, this is implementing the budget—part of the budget, and the minister's not sure whether this will or will not be part of or related to the made-in-Manitoba climate and green fund, but I understand that there is to be a green fund secretariat, which will in—somehow oversee the made-in-Manitoba climate and green fund. Who does that secretariat report to? Which department or which minister or which ministers? And how is this to be implemented, you know, if the discussions are ongoing in terms of exactly where it fits and how exactly this Green Energy Equipment Tax Credit fits?

**Mr. Fielding:** I can maybe address a little bit of this. So, really, what we're doing is we're giving the Minister of Finance (Mr. Fielding) the authority to add, by regulation, classes of equipment for the Green Energy Equipment Tax Credit. So we are



looking at all sorts of things. To be fair, the other points probably could be best addressed through the Minister of Sustainable Development (Ms. Squires) through Bill 16.

\* (18:10)

**Mr. Gerrard:** Yes, so this—what we're having in terms of the green fund secretariat that does not report to the Minister of Finance (Mr. Fielding), and the—our ongoing discussions about where this Green Energy Equipment Tax Credit, whether it would fit into that made-in-Manitoba climate and green fund or not, so—but you can at least confirm that the green fund secretariat does not report to the Minister of Finance. Is that correct?

**Mr. Fielding:** Right. So the process—the Minister of Sustainable Development is the one that—the minister responsible for developing all aspects of our green fund, she announced that with the Premier (Mr. Pallister), you know, over the last year. So we think that's an important step forward.

We've clearly said that we're for green, but we're not for a carbon tax. In respect to the secretariat, that does—I guess I'll say the relationship is the tax element of things really belongs to the Minister of Finance in so many different ways, but the day-to-day functioning of the green fund will be the responsibility of the Minister of Sustainable Development.

**Mr. Gerrard:** I'm trying to track down this green fund because I don't think I was able to see it in this—under the budget for the 'sayustainable' development department. And I just wondered, you know, where the money was coming from for this made-in-Manitoba climate and green fund.

**Mr. Fielding:** Well, I think anything to do with the budgetary process comes from, essentially, from the government. It's passed through Cabinet and through the Minister of Finance. That's where all funds, of course, from the provincial government come and reside. And, you know, what happens is different departments will come on a budgetary process, in the Estimates process, and make their presentations of how money should be spent and how money should be saved. And, really, Cabinet as a whole makes those final decisions of—in terms of the budget process for it.

So it's a combination of both, I would say. Appropriations of dollars obviously clearly comes from the government and the Department of Finance, but the day-to-day functioning of the green plan will

be administered through the Minister of Sustainable Development.

**Mr. Gerrard:** So I think, if I interpret the minister correctly, that what he's saying is that the administration—or that the—there's nowhere in the BITSA bill that there would be allocation of funds which would be going toward the made-in-Manitoba climate and green fund.

And I'm interested in this because I couldn't find them under the Sustainable Development Department, and I wanted to make sure as I search around for where it might be that it's not in here. Maybe the minister knows where it is. But at least I presume he can confirm that it's not part of this budget implementation and tax statutes amendment act. Is that correct?

**Mr. Fielding:** Well, I can globally say, obviously, the Minister of Finance sets the budget for the yearly basis. The Estimates come up through the departments.

I don't want to give you wrong information on this. There's some elements of this, of course, is still being developed. So I'm going to take this question under advisement and I can give you either written response or verbal response to give you the exact information. But I can't—I don't want to give you the wrong information on the House here, so—but, globally, that's how it works.

And there is times, to the member for River Heights (Mr. Gerrard), where there's joint submissions that will come. You know, there's two departments that may be involved, whether it be—I'll give you an example. Because the Finance Department's in charge of our computerize system, the BTT, for instance, but it might be a department—maybe it's Families—that has a child-care IT type of need. So it's jointly brought up through our process. But for the most part, Finance controls the dollars. But to a certain extent, it's the department that oversees the operations and implementations of the bill. We handle kind of the money portions of things.

**Mr. Gerrard:** One of the elements which is part of this BITSA bill is a child-care credit. And I would like to ask who was consulted in the development of the concept for this credit?

**Mr. Fielding:** We consulted with Manitoba—the Manitoba Child Care Association, and other child-care organizations that were a part of it. We think this is an important endeavour. It's a little bit unique and it's innovative. I'm very proud of the

fact—I was—not that I was, you know, one in putting this all together. We had officials that led us through the process, but we wanted something a little bit more innovative from the child-care centres. We have made important investments very recently, about a \$47-million commitment with the federal government on child care, but the child-care tax credit is important.

There was one at the federal government level a number of years ago, but it wasn't as impactful, and the—really, the two reasons are this: was because they tied the money that they would get back to construction costs. We're not tying, you know, the money that—you know, the \$10,000 per spot to the construction of it. If someone wants to turn a centre—there's some standards, of course, in terms of what the infrastructure needs to look like in a child-care centre, but we're not tying it to the construction credit.

And we've had, actually, quite a bit of—in fact, I think there'll be probably some public announcements that will be coming up fairly soon of people that are looking to take us up on this tax credit. So we think it's a innovative approach to create spaces in Manitoba, and it looks like there is a number of workplaces that agree with us, and we'll be making the announcements on it.

**Mr. Gerrard:** Yes, the minister indicated that the federal fund that was set up a number of years ago in this like kind of fashion, or similar kind of fashion, didn't work, and he said there were two reasons that it didn't work, and then the minister provided one reason, which was that it was for building the infrastructure, but—or the building, but it wasn't broad enough.

What was the second reason?

**Mr. Fielding:** It wasn't promoted. It wasn't very—in fact, when we first went to the Manitoba Child Care Association, they were actually unfamiliar with the program that was eventually eliminated. So we've really taken time to consult with some of the stakeholders of Manitoba Child Care Association as well as other associations that are there.

We've actually worked with the chamber of commerce. We've had meetings at the chamber of commerce and other business organizations that can help promote this. And there was some interest, I guess, prior to my leaving my other portfolio, to have kind of a full-day session with businesses and workplaces of what that may look like.

So we think the two elements of trying it to the actual construction—and ours is non-refundable as well. That's a part of it, as well as advertising and getting out in the community, talking about, has led us to a bit more success, and I'm sure you'll, in the coming days, see what the approach will garner.

**Mr. Gerrard:** One of the elements in the BITSA bill is a phasing out of the enhanced deductions for credit unions. I wonder if the minister can explain, you know, what the plan is and what the impact will be on credit unions.

**Mr. Fielding:** I took a question under advisement, so I'm just going to answer that for a couple, and then I will answer the other question too.

First of all, you talked about the green fund, so I advise you to look on page 119 of the budget Estimates. It refers to the green fund. It should identify some aspects of that as well as the conservation trust fund, right? So there's a conservation trust fund. I think the numbers were about \$102 million that were set up, and that will provide some green initiatives that were there.

Also, in terms of the child care tax credit, it was offset, so it—and it was only offset by the federal income taxes, so, for instance, non-profits, for instance, couldn't benefit from that, so if you have the YMCA or one of these organizations that aren't, you know, doing the personal income tax, they're—because they're a non-profit, they couldn't benefit from it. Now, your final question was—and also was non-refundable, so ours is refundable.

The other question was in terms of special deductions for credit unions. Is that right?

**Mr. Gerrard:** Yes. It had to do with a phasing out of the enhanced deductions for credit unions and explanation of this and how—you know, what the impact is on credit unions.

**Mr. Fielding:** Yes, well, okay, this is—phasing out the credit unions—phasing out the special deduction for credit unions is something that we offset by eliminating the profits tax for credit unions. This is a move that is similar to other jurisdictions. In fact, the Government of Canada and the government of Prince Edward Island, Quebec, as well as Saskatchewan have worked to phase them out.

\* (18:20)

We have identified phasing out the special deduction over a five-year period. Saskatchewan is actually—has done that in a shorter time frame. So we

think that is appropriate. The credit unions are important, but they are a mature institution. You have the banks that pay upwards of \$100 million in capital taxes; credit unions don't do that. But, again, there is an offset for the credit unions because we have eliminated the profits tax, which would, in this year have a benefit of somewhere around \$1.5 million to credit unions.

**Mr. Gerrard:** Is that \$1.5 million to all credit unions or to individual credit unions?

**Mr. Fielding:** The impact will have impacts on all credit unions and, again, just want to re-emphasize the fact that this is a change that has happened at the federal level. Things—provinces like Quebec, PEI and Saskatchewan have phased out the similar credit from credit unions.

**Mr. Gerrard:** So the total impact on all credit unions is \$1.5 million, or is the impact on each individual credit union \$1.5 million, so the total impact on all of them is considerably larger?

**Mr. Fielding:** We are immediately eliminating the profits tax for credit unions, so that is something that they will benefit from immediately. What we are doing with the special deductions for credit unions, we're phasing that out over a five-year period.

**Mr. Gerrard:** One and a half million dollars that the minister's talking about, is that the amount that's going to be involved over a five-year period, and is that for all credit unions or for each individual credit union?

**Mr. Fielding:** Eliminating the profits tax for credit unions will have on an annual basis \$1.5-million benefit for credit unions.

**Mr. Gerrard:** Okay. One of the things that we have going on at the moment is a crisis with the use of meth in Manitoba. It—we have suggested that some of the money from the—that is—minister was earlier on talking about addictions; some of the money coming from cannabis revenue could be used to address the meth epidemic. Is this something that the Minister of Finance (Mr. Fielding) is looking at?

**Mr. Fielding:** Well, I, you know, I think, for the most part, it—the Minister of Health works hard with his officials on policy implementation. I can tell you that we have made important investments in things like meth. I've seen it myself, representing the social services minister, took a tour of the Main Street Project. And you could see it, you know, over the last number of months where you hear that meth is

becoming more of a—and a more an issue, and that's why our government is taking such strong action.

We, first of all, commissioned the VIRGO report, 40-some-odd recommendations deal with mental health and addictions. We also increased beds at the Health Sciences Centre as well as AFM; put beds in for female patients. We think that those are important steps and a part of the cannabis monies that are associated with the social responsibility fee, that is to deal with all aspects.

There's a number of costs that are associated with it, and I think, personally, if you ask my personal opinion, we need to deal with it on two fronts. I think we need to deal with it on a policy front in terms of providing supports and services, but if you ask my honest opinion, I think we also need to go after the meth dealers. I think these meth dealers that are in our communities that are selling our drugs, we need to go after them.

**Mr. Gerrard:** I am hearing from some that one of the reasons why have had this meth crisis, is that there are drug dealers out there who have traditionally been dealing in cannabis who now know that they won't be able to doing that in the same way, and so they've been trying to transfer people over to meth, and so there is maybe a direct association or between bringing in and legalizing cannabis and this effort by some drug dealers, who you're talking about, to shift people onto meth. And so becomes really important if this is in part a side effect of legalizing cannabis, that, you know, the dollars coming from cannabis are there to address one of the side effects, which could be the meth crisis and the meth epidemic.

What has been done so far is relatively small, right, in terms of the extent of the problem and when we've got communities like St. Theresa Point which are really suffering badly because of the increased meth use there that happened because many people were evacuated and came down here and young people were induced to start using meth and so on.

So I just would ask the minister to comment on this and to what extent there may be money from the cannabis revenue which is going to be used to address the meth epidemic.

**Mr. Fielding:** Well, I think that we should be putting more resources towards—I mentioned some of the items that I think government has done that are important and, you know, the reports as well as some

beds at HSC and the AFM and the RAAM clinics that are opening up; I know two opened up last week.

The Premier (Mr. Pallister) made some comments last week, and usually when he says these things, he means it, and he says we're on it in so many different ways. And, from a government point of view, I think it's really important that we deal with this issue.

Again, I saw it first-hand from the social services. You hear this. You hear this from police officers. So I think it is something that we need to move on, and not just move on. I think it's a balanced approach. There's the programming piece, but I truly think that we need to go after these scumbag meth dealers that are dealing drugs in our communities. I truly think that we need to go after them.

**Mr. Gerrard:** So the minister had said earlier on that he's still trying to understand what the taxes are going to be in terms of what the funds are generated from the cannabis revenue. I don't recall seeing any figure in the budget or any mention of what that revenue might be in the BITSA.

Does the minister have any better estimate today of what that revenue would be through—let's start with through the end of March of 2019, which would be the rest of this fiscal year?

**Mr. Fielding:** Well, we—this is a new venture into cannabis, obviously, so there's going to be costs. There's some revenues that are associated with it through the social responsibility fee. We've asked—we believe retailers—everyone has a—should be part of the solution of this by addressing any issues with cannabis.

We asked them—we are having them collect their social responsibility fee that we remit back to government in June of 2020 so we'll have a true indication of what the revenue associated with cannabis is. We're asking our departments to track

and monitor what costs may be associated, what revenues might be associated, and we're going to incorporate that into Budget 2019.

**Mr. Gerrard:** But, in the statements for the summary financial statements when they come out for the fiscal year 2018-2019, which we're currently in, that will have to state what the revenues are for the period up to March 31st.

Does the minister have any idea what that number might be?

**Mr. Fielding:** Well, I do want to reference the fact that the social responsibility fee will be collected as of January. It's not being collected right now. It's being collected January 1st of 2019, so, clearly, there will be some monies for that three-month period until the end of the fiscal year March 31st. We don't have any money booked into our '18 budget-'18-19 budget process for that, but, again, we've asked departments to track and monitor what costs will be.

**Mr. Gerrard:** When will the minister be able to make an estimate of what that would be? Would it be in the third quarter report?

**Mr. Fielding:** I would say that it wouldn't be in the third quarter report because we don't start collecting it until January 1st of 2019, so obviously the third quarter—fourth quarter starts January until March, so we wouldn't have collected any money through the social responsibility until after January 1st—

\* (18:30)

**Mr. Chairperson:** Committee rise.

Call in the Speaker.

#### IN SESSION

**Mr. Deputy Speaker (Doyle Pivniuk):** The hour being 6:30—past 6:30, the House is now adjourned and stands adjourned until 10 a.m. tomorrow.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, October 22, 2018

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