

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

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Forty-Second Legislature

Member	Constituency	Political Affiliation
ADAMS, Danielle	Thompson	NDP
ALTOMARE, Nello	Transcona	NDP
ASAGWARA, Uzoma	Union Station	NDP
BRAR, Diljeet	Burrows	NDP
BUSHIE, Ian	Keewatinook	NDP
CLARKE, Eileen, Hon.	Agassiz	PC
COX, Cathy, Hon.	Kildonan-River East	PC
CULLEN, Cliff, Hon.	Spruce Woods	PC
DRIEDGER, Myrna, Hon.	Roblin	PC
EICHLER, Ralph, Hon.	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FIELDING, Scott, Hon.	Kirkfield Park	PC
FONTAINE, Nahanni	St. Johns	NDP
FRIESEN, Cameron, Hon.	Morden-Winkler	PC
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin, Hon.	Steinbach	PC
GORDON, Audrey	Southdale	PC
GUENTER, Josh	Borderland	PC
GUILLEMARD, Sarah	Fort Richmond	PC
HELWER, Reg	Brandon West	PC
ISLEIFSON, Len	Brandon East	PC
JOHNSON, Derek	Interlake-Gimli	PC
JOHNSTON, Scott	Assiniboia	PC
KINEW, Wab	Fort Rouge	NDP
LAGASSÉ, Bob	Dawson Trail	PC
LAGIMODIERE, Alan	Selkirk	PC
LAMONT, Dougald	St. Boniface	Lib.
LAMOUREUX, Cindy	Tyndall Park	Lib.
LATHLIN, Amanda	The Pas-Kameesak	NDP
LINDSEY, Tom	Flin Flon	NDP
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Malaya	Notre Dame	NDP
MARTIN, Shannon	McPhillips	PC
MOSES, Jamie	St. Vital	NDP
MICHALESKI, Brad	Dauphin	PC
MICKLEFIELD, Andrew	Rossmere	PC
MORLEY-LECOMTE, Janice	Seine River	PC
NAYLOR, Lisa	Woleseley	NDP
NESBITT, Greg	Riding Mountain	PC
PALLISTER, Brian, Hon.	Fort Whyte	PC
PEDERSEN, Blaine, Hon.	Midland	PC
PIWNIUK, Doyle	Turtle Mountain	PC
REYES, Jon	Waverley	PC
SALA, Adrien	St. James	NDP
SANDHU, Mintu	The Maples	NDP
SCHULER, Ron, Hon.	Springfield-Ritchot	PC
SMITH, Andrew	Lagimodière	PC
SMITH, Bernadette	Point Douglas	NDP
SMOOK, Dennis	La Vérendrye	PC
SQUIRES, Rochelle, Hon.	Riel	PC
STEFANSON, Heather, Hon.	Tuxedo	PC
TEITSMA, James	Radisson	PC
WASYLIW, Mark	Fort Garry	NDP
WHARTON, Jeff, Hon.	Red River North	PC
WIEBE, Matt	Concordia	NDP
WISHART, Ian	Portage la Prairie	PC
WOWCHUK, Rick	Swan River	PC

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, October 2, 2019

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

INTRODUCTION OF BILLS

Bill 200—The Legislative Assembly Amendment and Legislative Assembly Management Commission Amendment Act

Mr. Dougald Lamont (St. Boniface): I move, seconded by the member for Tyndall Park (Ms. Lamoureux), that Bill 200, The Legislative Assembly Amendment and Legislative Assembly Management Commission Amendment Act; Loi modifiant la Loi sur l'Assemblée législative et la Loi sur la Commission de régie de l'Assemblée législative, be now read a first time.

Motion presented.

Mr. Lamont: This is a bill that's designed to modernize and address an antiquated definition of official party status that we hope to—*[interjection]*—and with it we hope to—we believe will enhance democracy and freedom of speech in this, the House.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. Order.

Is it the pleasure of the House to adopt the motion? Agreed? *[Agreed]*

Committee reports?

TABLING OF REPORTS

Hon. Kelvin Goertzen (Minister of Education and Training): Madam Speaker, I'm pleased to table the University of Manitoba Annual Financial Report for 2019.

Hon. Scott Fielding (Minister of Finance): Madam Speaker, it's my pleasure to rise today in the Assembly to table the Manitoba enabling and other appropriations 2018-19 annual report.

It's my pleasure to rise today in the Assembly to table volume 1, 2 and 3 of the Public Accounts for fiscal year ending March 31st, 2019.

Hon. Eileen Clarke (Minister of Indigenous and Northern Relations): Good afternoon, Madam Speaker.

I'm pleased to table the 2019 Annual Progress Report for The Path to Reconciliation Act for the Department of Indigenous and Northern Relations.

Hon. Jeff Wharton (Minister of Municipal Relations): Good afternoon, Madam Speaker.

I'm pleased to table the reports of the 2018-2019 annual report for the Manitoba Water Services Board.

MINISTERIAL STATEMENTS

Madam Speaker: The honourable Minister for Status of Women—and I would indicate that the required 90 minutes notice was provided in accordance with rule 26(2).

Breast Cancer Awareness Month

Hon. Rochelle Squires (Minister responsible for the Status of Women): I'm proud to recognize—our government is proud to recognize that October is Breast Cancer Awareness Month.

The current five-year survival rate is now 87 per cent, due in large part to research advancements that have improved early detection, diagnosis and treatment.

But there's still more work to do. Breast cancer continues to be the most commonly diagnosed cancer and the second leading cause of cancer-related death among Canadian women. One in eight Canadian women will be diagnosed with breast cancer in her lifetime. An estimated 26,300 Canadian women—or 72 a day—and 230 men will be diagnosed this year.

All of us know someone who is dealing with breast cancer.

The Canadian Cancer Society would remind us that Breast Cancer Awareness Month is about more than just raising awareness of breast cancer. It is about joining a collective of Canadians who are proving that life is bigger than breast cancer. This collective helps fund the best breast cancer research, provides the largest cancer support system in the country and advocates on behalf of all Canadians for important societal change. Due to ongoing research, the breast cancer death rate has dropped by 44 per cent since the late 1980s.

An emerging area of research is around breast density. Some women have dense breast tissue and therefore may benefit from additional screening benefits. Our government is working towards making sure that all women are informed of this issue. Thank you to Dense Breasts Manitoba for raising awareness on this issue, and our government commends them for the work that they do.

I would like to remind all of my colleagues to get screened and that this year's CIBC Run for the Cure will take place on Sunday, October 6th, and I hope to see many of you there. Let's work together to create a world where we no longer lose our mothers, our daughters, our sisters, our wives and grandmothers to breast cancer.

Thank you, Madam Speaker.

Ms. Malaya Marcelino (Notre Dame): Breast cancer is the most frequently diagnosed type of cancer in Manitoba amongst women. This year, 850 women in Manitoba will be diagnosed with breast cancer and 180 of us will die of this disease.

Every family has been touched by cancer, my best friend included. She was recently diagnosed with breast cancer and she is going in for surgery later this month. She's a stay-at-home mom and supports two young children aged five and seven. This disease places a heavy burden on many Manitoban families, and I know it will for my dear friend.

We know that women living with breast cancer need affordable and accessible health-care services, but this government's health-care cuts have put that care at risk. This government cancelled plans for a new CancerCare Manitoba facility, cut the Mature Women's Centre, which treated young cancer survivors, among other patients, and made cuts to CancerCare's mobile breast cancer screening services that led to last-minute appointment cancellations. When we talk about Breast Cancer Awareness Month, it is important that we also talk about cuts that make it

harder for women in the province to be diagnosed and treated.

I urge everyone to take some time this month to reflect on how we can be part of this fight against breast cancer, whether it's on their own cancer journey or that of a loved one. I encourage other members to do the same.

Thank you, Madam Speaker.

Madam Speaker: The honourable member for Tyndall Park, seeking leave?

Ms. Cindy Lamoureux (Tyndall Park): Yes, Madam Speaker, I'm seeking leave to speak in response to the minister's statement.

Madam Speaker: Does the member have leave to respond to the ministerial statement? *[Agreed]*

Ms. Lamoureux: I stand today to acknowledge Breast Cancer Awareness Month.

Breast cancer is the most common form of cancer faced by women, and on average, 70 women a day are diagnosed here in Canada. And, Madam Speaker, although breast cancer rates are high, the rate of survival continues to improve thanks to advancements in research at institutes such as CancerCare Manitoba.

* (13:40)

The crucial work performed by researchers, nurses, doctors and other health professionals to assist Manitobans on their journey cannot be understated.

Madam Speaker, there are many ways we can be supporting breast cancer awareness this month. Here's kind of a cool example. A local pool hall, which happens to be in Tyndall Park, is doing what they can to raise funds for the breast cancer fight. Starting yesterday and continuing for the next two years, Madam Speaker, Alfie's restaurant, lounge and billiards on Keewatin will be donating \$5 for every hour that one of their six pink pool tables are used, to CancerCare Manitoba. Now, when I say pink pool tables, I mean pink pool tables. Alfie's converted the felt on its tables to pink. They brought in pink chalk and they even changed the 8-ball to a pink ball with a little bow on it.

Madam Speaker, I want to thank the minister for bringing forward this statement and I want to applaud Alfie, the owner of Alfie's, for taking this initiative and encouraging those around to do what they can to support CancerCare Manitoba.

Thank you, Madam Speaker.

MEMBERS' STATEMENTS

Childhood Cancer Awareness Month

Mr. Wayne Ewasko (Lac du Bonnet): Madam Speaker, today I have the great honour of acknowledging Bill 209, a bill I worked hard to accomplish that holds a special place in my heart. Bill 209 proclaimed September as Childhood Cancer Awareness Month. Childhood cancer remains the most common disease-related cause of death in children.

Madam Speaker, today six children will be diagnosed with cancer.

Today I honour these little warriors and their families: families like Marco and Suzanne Suzio. Marco and Suzanne's son, Madox, lost his fight with a rare form of a brain tumour on August 8th, 2014. Marco and Suzanne keep Madox's memory alive through a charity organization named in his honour: Madox's Warriors.

Most recently Madox's Warriors put on an event on September 3rd, 2019 in Memorial Park. Supporters gathered to place 6,000 yellow flags to bring awareness to childhood cancer month. At this event, I was joined by the member from Radisson, as well as the member from St. Johns.

The Suzios are not the only family keeping the spirit of young fighters alive. The Team Brody Foundation is a not-for-profit organization founded by the parents and family members of Brody Birrell-Gruhn, who passed away September 1st, 2015. The foundation keeps Brody's memories alive through fundraising events like the Team Brody Foundation kids Halloween party and carving on October 29th from 6 to 8 p.m. at the Earl Grey Community Centre.

Abigail Stewart, a childhood cancer survivor, created Abby's Balloons for Childhood Cancer, and this year held a community bake sale on September 28th. Over the last couple of years, Abby has raised over \$60,000 in support of childhood cancer research.

These are just a few examples of families doing their part to fight against cancer so that future families do not have to suffer as they have.

Madam Speaker, I encourage all honourable members, not just in September, October, today, but each and every day to reach out to those impacted by cancer as well as their families and see how you can help in the fight against this terrible illness.

Let's kick cancer, Madam Speaker.

Valour Community Centre

Mr. Adrien Sala (St. James): Madam Speaker, as we know, community centers are incredibly important resources that provide families with access to affordable programs, activities and social supports. I rise today to recognize the contributions of the Valour Community Centre, an exceptional community organization.

The Valour Community Centre is composed of three main sites: Clifton and Isaac Brock, which are located in the West End portion of the St. James constituency, and Orioles.

Each site offers a vast range of programming for students, families, and seniors. For example, they have recently developed a wildflower garden to help combat the decline of local bee populations.

The centres also hold a Valour Rocks music program, which provides free instruction on various instruments, vocals, DJ skills and songwriting lessons to children.

The centres allow youth to participate in different sport teams at an affordable rate, and they also have family fun nights, a healthy baby program, senior's engagement, and many more essential programs everyone in the community can benefit from.

Today we are joined in the gallery by Elizabeth Jackimec, president of the board, who has been with the organization for the past 7 years, and I can attest she has worked incredibly hard to advance that organization in our community.

If you were to speak with Elizabeth on the true value produced by the Valour Community Centre, she would praise them for creating a space where people can meet their neighbors and build tighter bonds in their community. She would also highlight how the programs they provide are vital to keeping youth in the community off the streets by keeping them involved in a positive recreational and leisure activities.

Seventy-one years later, the Orioles site continues to be one of Winnipeg's oldest community club locations. However, seven decades also equates to some much needed repairs, so for anyone who is willing, Elizabeth made it clear that donations are highly welcomed.

Thank you to the Valour Community Centre for strengthening our communities, youth and helping

maintain our sense of connection in the St. James and Wolseley neighbourhoods.

And, Madam Speaker, I'd like to ask for leave to include the name of my guest in Hansard.

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

Elizabeth Jackimec

Seine River Constituency

Ms. Janice Morley-Lecomte (Seine River): It is an honour to stand before the Chamber today and represent the constituents of Seine River. As this is the first election after the electoral boundary changes of 2018, I would like to take this opportunity to describe my constituency.

Seine River has expanded both in terms of geographic area and cultural diversity. The new riding brings together and harmoniously blends both urban and rural communities and landscapes.

La partie ouest de la circonscription est riche en histoire. Ceci est clairement démontré par les nombreux sites et monuments de cette région. Le marché de Saint-Norbert, le monastère des Trappistes et le club des aigles ont tous une signification historique qui dépasse de loin les limites de la circonscription.

Translation

The western part of the constituency has a rich history, made evident by the numerous sites and monuments of the area. The St. Norbert Market, the Trappist Monastery and the Eagles Club each have historic significance going well beyond the boundaries of the constituency.

English

The east side of Seine River is home to diverse cultures and long-standing businesses. St. Mary's Road represents a veritable belt of greenery as Winnipeggers come from across the city to purchase the wide variety of plants, shrubs and trees available at the many greenhouses and nurseries located in the area.

Seine River is also the proud home of the St. Vital Mustangs and St. Norbert Celtics sports teams.

While this constituency may be geographically defined by the south Perimeter Highway and the Seine and Red rivers respectively, it is ultimately defined by the people and communities which reside within its boundaries: people and communities which I am

proud to represent here today as we help move Manitoba forward.

Thank you.

Flin Flon Constituency

Mr. Tom Lindsey (Flin Flon): It's an honour to have been re-elected to represent the Flin Flon constituency and so many great people in Flin Flon and northern Manitoba. There are so many people in Flin Flon who are doing their best to help our community grow and prosper.

There is a vibrant arts and culture scene, evidenced this past weekend with the ever-growing Culture Days lineup of activities. Also, the Blueberry Jam music festival this summer was a huge success.

What is really too bad is this PC government that seems to do everything in its power to kill the community, or at the very least, its refusal to support growth in Flin Flon or the North.

Some Honourable Members: Oh, oh.

Madam Speaker: Order.

Mr. Lindsey: Young people do not want to stay or come if they cannot—[*interjection*]

Madam Speaker: Order.

Mr. Lindsey: —give birth in this community and seniors do not want to stay when they cannot get a doctor or home care. The Pallister government's continued cuts in health care and Northern patient transportation are driving people away.

It speaks volumes about this government's commitment to the North when we saw The Pas in trouble and the government did nothing. Same when the rail line was out going to Churchill and this government did nothing. And again, when Thompson was losing hundreds of jobs, they would not even allow the community to access funds designed specifically for that purpose.

With Flin Flon potentially losing hundreds of jobs, the Pallister government said, business as usual. They said they didn't believe in using tax dollars to help private industry, yet they were more than willing to expend tax dollars for a pea processing plant, for a meat plant in the south, both very successful private industries.

We certainly do not begrudge the help they are offering farmers with the hay crisis but are tired of the North being ignored.

The voice of the North was heard loud and clear this election as all the North rejected the PCs, even their hand-picked candidates. The collective voices from all communities in the North will be heard one way or another, whether this government likes it or not, so it's time for them to listen, respect and support our—

Madam Speaker: The honourable member for Dawson Trail.

* (13:50)

Campaign Volunteer Appreciation

Mr. Bob Lagassé (Dawson Trail): Madam Speaker, I would like to start today by thanking the people of Dawson Trail for putting their trust in me once again to represent them here in the Legislative Assembly.

Next, I would like to thank a few volunteers who were key in getting me re-elected: Ted Schellenberg, my official agent; campaign manager, Ian Pfeiffer; sign co-ordinator, Jim Teleglow; volunteer co-ordinator, Mikayla West; sign crew, Garth Deschamps, Sheldon, Christine, J.J., Ty Beckman, Kent Koop, and also—who also helped at the doors along with Christine Wiebe.

Madam Speaker, did you know we also had an official baker? Her name is Diane Schellenberg.

It also takes money to run an election. Thank you to the many contributors to our campaign.

I can't forget Jen Plett, who, as I have stated in the past, is one of the key persons in getting me into this Chamber.

My wife Andrea, thank you for the best—sorry—and I saved the best for last. My wife Andrea, thank you for loving me and supporting me on this crazy adventure of our shared life.

To my son Seth, my daughters Zayne, Eden, Nevailynn—a.k.a. app tech wizard—and my youngest daughter Ahmaris, who were all key in helping at the doors as well as where it was needed, I love you all and thank you for supporting me.

To all the volunteers, thank you once again, and, as always, I am humbled by your support and encouragement.

Thank you, Madam Speaker.

Introduction of Guests

Madam Speaker: Prior to oral questions, we have some guests that I would like to introduce to you.

Seated in the public gallery we have with us today guests of the honourable Leader of the Official Opposition (Mr. Kinew): Kathi Avery Kinew, his mom; and Lynn and Bill Balfour, his aunt and uncle.

And also in the gallery today we have with us Balwinder Singh Laddi, MLA from the Punjab Assembly, who is the guest of the honourable member for The Maples (Mr. Sandhu).

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

I would like to draw attention of members to the Speaker's Gallery where the six individuals who are serving on the Manitoba Legislative Internship Program for the 2019-2020 year are seated.

In accordance with established practices, three interns were assigned to the government caucus and three to the official opposition caucus. Their term of employment is 10 months and they will be performing a variety of research and other tasks for private members.

These interns commenced their assignments September 9th, 2019, and will complete them in June. And they are, working with the government caucus: Ms. Maria Gheorghe, the University of Manitoba; Ms. Kelsey Hrapstead, University of Manitoba; Mr. Declan Moulden, the University of Winnipeg. And working with the caucus of the official opposition we have: Saio Mansaray of the University of Manitoba; we have Ms. Chishimba Ngulube, of the University of Manitoba; and Ms. Bailey Pelletier of Brandon University.

Professor Kelly Saunders of Brandon University is the academic director for the program. The administration of the program on a day-to-day basis is carried out by our Clerk, Patricia Chaychuk, and the caucus representatives on the internship administration committee are the member for Riding Mountain (Mr. Nesbitt) and the member for Flin Flon (Mr. Lindsey).

I would like to take this opportunity, on behalf of all members, to congratulate the interns on their appointment to the program, and hope that they will have a very interesting and successful year with the Manitoba Legislative Assembly. Welcome.

ORAL QUESTIONS

Health-Care Service Reform Increase Bed Capacity Request

Mr. Wab Kinew (Leader of the Official Opposition): I want to take a moment to congratulate and welcome our interns and also wish them a great year of study here. Hopefully, they do learn a thing or two from the Legislative Assembly.

I also want to take a moment to acknowledge federal NDP leader, Jagmeet Singh, who confronted some racism in a very public way earlier today, and yet continues to show grace and courage as he breaks down barriers for all of us in this great country of Canada.

The question that I have for the First Minister today has to do with the ongoing cuts to health care.

Through the inquiries that we've launched in the Committee of Supply and elsewhere, we now know that his government has seen fit to cut 131 beds from our health-care system. That's 131 fewer places in hospitals for patients to get care.

Will the First Minister admit that his plan for cuts is failing and commit to building new bed spaces across Manitoba?

Hon. Brian Pallister (Premier): Well, I'll just add to my honourable colleague's comments of welcome to our interns and say that we've been blessed in this Chamber for many, many years to have had the support—inclusive involvement of many through the internship programs. Some have gone on to, even, service as members of the Legislative Assembly. So I welcome our interns. I wish them the very best in the experience that they've begun.

As far as breaking down barriers is concerned, Mr. Singh has also positioned himself in support of a provincial veto against any projects of interprovincial nature and that is counterproductive to building a nation. We wouldn't have a national railway if Mr. Singh's positions were adopted by any subsequent federal government, whether he was part of a coalition or solely in charge. And so it's a dangerous position for one to support. We wouldn't have a national highway; we wouldn't be able to build interprovincial connections in terms of hydro energy and the like.

So in terms of advocacy for a federal party, I would ask if the member considers seriously how counterproductive it would be to support anyone who wanted to give provinces a veto over national projects.

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

Mr. Kinew: Well, it's no surprise that the Premier doesn't want to answer the question about closing 131 beds in hospitals in Winnipeg because such a move is one of the reasons that the wait-times situation is getting worse across the Winnipeg health region.

It's one of the reasons that St. Boniface emergency room, one of the most important emergency rooms in our province, is routinely turning patients away now, for the first time ever. That's happening multiple times a week under this Premier's leadership.

We see that there's less resources. In addition to 130 fewer bed spaces there's \$17 million less being invested in these acute-care centres. There's \$4.6 million in long-term care that has been cut. In total we see that the approach to cutting health care is failing Manitobans, it's failing patients and it's failing seniors, Madam Speaker.

Will the Premier commit to stopping the health-care cuts and opening new bed spaces in acute-care centres across Manitoba today?

Mr. Pallister: Well, the failure, Madam Speaker, is on the part of the leader opposite, who continues to spout tired rhetoric that is misrepresenting the facts of the situation. We've invested more in health care than any previous government in the history of the country. We focus our investments on areas of high priority within health care and in health care specifically—almost \$400 million more in health care this year alone budgeted than the NDP ever did.

It's not a question of investment; it's a question of strategic investment. That's why we're investing in things like transition home programs, community programs, why we are moving to reduce wait times to get into PCHs, not lengthen them as happened under the NDP.

So while the member concerns himself with tired rhetoric, we concern ourselves with getting better results.

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

Mr. Kinew: Madam Speaker, we have a growing population in Manitoba. We have an aging baby boomer population in Manitoba, and we have many Manitobans with unique and complex health-care needs like multiple sclerosis or type 2 diabetes.

What this all creates is an increasing demand for places for people to receive health care. That means there's a need for more beds in our health-care system, and yet even though those pressures are increasing, this Premier has cut the amount of bed spaces, the amount of places where average, everyday Manitobans go to receive health care from nurses, from health-care aides, from other health-care professionals.

That's why they can't recruit new nurses. That's why wait times are increasing, because they've reduced the amount of spaces for Manitobans to get health care.

This plan is failing.

Will the Premier abandon these cuts and today announce new bed spaces to be added across our health-care system?

* (14:00)

Mr. Pallister: Well, the member, again, demonstrates his failure to understand that results are what matter. When patients are concerned with health care, they're not concerned with rhetoric; they're concerned with getting the results they need, the care they need.

The member speaks about the number of beds, but he doesn't speak about the incredible waits. I remember my mother waiting for months and months to get into a PCH, and I know that those wait times for PCHs now have diminished by over 80 per cent. That means that people—seniors, for example—who need a personal-care home placement can get it.

The member speaks about the number of beds, but he doesn't speak about the actual results that matter to people and the ability to get into a bed when one needs to is more important than the rhetoric of the member opposite will ever be.

This is a political organization opposite that jacked up taxes on seniors on this province, even proposed adding death taxes to the list of already punitive taxes, that doesn't support taking the education tax off property that forces seniors out of their own homes.

The member should get with the program.

We're on it and we're making life better for Manitoba seniors and those who need health care are getting it.

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

Addiction and Mental Health Provincial Funding

Mr. Wab Kinew (Leader of the Official Opposition): Madam Speaker, the smell of smoke still lingers over the Osborne Bridge as we meet here this afternoon. There was a fire which consumed a good portion of that tent camp that's been located under that bridge for a number of months now.

Now, I want to congratulate and thank first responders while we await news about the status of injuries. There may have been some.

But this does speak to the emerging issue of tent villages around our city and province, which has been driven, exacerbated by the meth crisis that we face here. There are numerous issues that we need this government to act on, but this is perhaps one of the more urgent.

Through our inquiries this week we have uncovered that this government has actually cut \$15.5 million from community and mental health supports, even at a time that this meth and addictions and mental health 'crisen'—crisis worsens.

So my question for the Premier is: Why did he cut 15 and a half million from mental health even as he's receiving millions more from the federal government every year to fight the addictions crisis?

Hon. Brian Pallister (Premier): While the smoke didn't end over the Osborne Bridge. It continues to hover around the head of the member opposite when he speaks about cuts that haven't occurred and spouts facts that are false upon investigation. He discredits himself with his allegations, Madam Speaker.

The fact is that we have a Safer Streets, Safer Lives program under way that's the result of an incredible amount of effort and work and collaboration that will focus not only on additional treatment in respect of meth and other drugs and other addiction issues, but will also focus on preventative efforts that were never undertaken in 17 years by the New Democratic Party. Educational programs for drug prevention were never, ever updated during their entire four terms in office, Madam Speaker.

These are important investments. These are important, progressive steps we're taking, and we'll continue to take them because we understand that solving the concerns of these issues is more important than just criticizing the actions of others.

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

Transitional Housing Support

Mr. Kinew: So quick point of fact: the 15-and-a-half-million-dollar cut to mental health was contained in the documents that this Premier's government tabled in this very House this week, Madam Speaker.

Transitional housing is an approach that could help alleviate the current situation that we're seeing. Transitional housing could support people as they get out of tents and into more stable housing situations. It can also help somebody who's transitioning out of a treatment program to go back into sobriety in the community with additional supports like mental health supports, like counselling, like even community living sort of supports; and yet this transitional housing piece is sorely missing from any current plan that the government has offered.

Game of Thrones fans like to say that winter is coming, and we know that that's the situation here.

So will the Premier stand in his place today to announce transitional housing supports for people who are living in the tent villages like the one that caught fire this morning?

Mr. Pallister: Well, the member's credibility and that of his party has been diminished considerably when one considers that they neglected to cost out in their platform a few weeks ago over \$1 billion of spending.

You know, the fact is that the member is making suggestions—that we're already acting upon—that have come from others. I appreciate his suggestions because, as I've said to him, I think this is a nonpartisan issue. We need to proceed in a way that is progressive and productive and that achieves the results that we are attempting to achieve together.

We're all in this, and the fact is we have collaborated with many others as well—rural and municipal partners, experts in the field—and continue to take significant and necessary steps and make the significant and necessary investments to achieve progress on this file.

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

Social Housing Units Housing First Model

Mr. Wab Kinew (Leader of the Official Opposition): The results of the Premier's time in office are simple. They have built zero social housing units. They have cut \$170 million from the budget of Manitoba Housing, Madam Speaker.

Now, we know people in the community have many of the answers that are needed. What we need is the political will on the part of the Premier to implement these solutions. One of them is to use the Housing First model. What the Housing First model proposes to do is to put people into housing first. Then, once that person is stabilized, they can be tied into other supports like addictions treatment or perhaps the help in rejoining the labour force. But, again, it's all about the Housing First model. We've got a ton of expertise in the city about this, a ton of community leaders.

Now, we know that the \$170-million cut to Manitoba Housing was a mistake, so will the Premier commit not only to adding more resources to social housing but also to implementing them with the Housing First model in mind?

Hon. Brian Pallister (Premier): Well, Madam Speaker, we are investing more significantly in housing than ever before.

And the fact of the matter is we were left an incredible mess by the previous NDP government. The member needs to take responsibility for and accept over \$1 billion in deferred maintenance on public housing—\$1 billion, Madam Speaker. And we're investing to fix up our housing, which was left in an incredible state of disrepair by an NDP government that had four terms to get it right and managed to get it wrong time after time.

The member says the problems are simple. That reveals the fact that his simple solutions simply won't work, Madam Speaker. They're not simple; they're complex issues, and we're dealing with them. We're dealing with them in a co-operative and collaborative fashion, and that is the way we will continue to deal with them.

Manitoba's Civil Service Staffing Level

Mr. Mark Wasyliv (Fort Garry): Madam Speaker, the Pallister government has cut 50 per cent more jobs from the civil servants than they had pledged. Worse still, they kept that fact hidden 'til after the election.

Just last year, nearly 900 positions were lost. This is of deep concern to us and to anyone who values effective civil service. Manitoba has lost a generation of talented people, and they aren't being replaced.

Why has the minister and the Premier made such short-sighted cuts to our civil service?

Hon. Scott Fielding (Minister responsible for the Civil Service): I wish—I want to welcome the member to the Chamber. I have a feeling he'll fit right in with the NDP.

I can say a part of our commitments in terms of have the right sizing, have a right amount of employees—there is 97 per cent of the people that aren't with the civil service anymore—were done through retirement, through things like attrition. We think that makes sense. And if you look at our government versus a government such as Saskatchewan, there's over 1,000 employees less working for the government of Saskatchewan—there is in Manitoba.

We also think as a government we want to grow the economy, to have private sector jobs a part of our strategy moving forward, Madam Speaker.

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

Mr. Wasyliw: After the Filmon government completed their round of cuts, Manitoba was left with 13,305 people—*[interjection]*

Madam Speaker: Order.

Mr. Wasyliw: —in the civil service. Today—*[interjection]*

Madam Speaker: Order.

Mr. Wasyliw: —there are 466 less people working for the Pallister—*[interjection]*

Madam Speaker: Order.

Mr. Wasyliw: —government than in 1999.

Manitoba's population has grown by 150,000 people. Our population's more diverse; our problems are more complex.

Why have they run a wrecking ball through the civil service at a time when we need our civil service more than ever?

Mr. Fielding: Our government has put together a comprehensive jobs plan, a Manitoba Works! plan. We're going to create 40,000–30,000 private-sector jobs in the economy. We think that's important.

We know the NDP are the only party that really believes some sort of global recession apparently is going to happen by the amount of employees that Manitoba—the Manitoba government faces. We also know that there's some new faces over there at the NDP, but it's the same old rhetoric that's a part of it.

* (14:10)

Our government is committed and we're getting results for Manitobans, and the services that we're getting, whether it be health care, whether it be social services, whether that be 'unconny', whether that be in growing the economy, Madam Speaker—is second to none to any province within the country.

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

Minimum Wage Manitoba's Ranking

Mr. Mark Wasyliw (Fort Garry): The Premier (Mr. Pallister) and his ministers have cut harder and faster than they publicly committed. They've kept information hidden from view during an election. They clearly don't value our civil service.

But it's not just public workers that the Pallister government is going after. Their recent changes to minimum wages are simply not enough for working people to get ahead. We need a \$15 minimum wage and a government committed to working for people.

Why does the minister want to keep Manitoba as the second lowest minimum wage province in Canada?

Hon. Scott Fielding (Minister of Finance): The Manitoba economy is resilient, no matter how much the NDP are routing for the Manitoba economy not to grow and prosper. I can tell you, when you look at the Manitoba economy, we are leading the nation right now in private sector capital investment. There's more jobs coming to Manitoba.

Permit fees, Madam Speaker, a sign of how the economy is growing, is growing by over 15 per cent. Housing starts are at a 30-year high, over 34 per cent higher than the NDP government.

This is a strategy that's going to grow the private sector economy and create jobs for Manitobans.

Some Honourable Members: Oh, oh.

Madam Speaker: Order.

Early Learning and Child-Care Programs Request for Funding Increase

Ms. Danielle Adams (Thompson): Early child-care educators play a key role in our children's development, but it's sad to see that this PC government does not feel the same way.

Not only have they frozen operating funds for the last three years, the Department of Families' 2018-2019 annual report clearly indicates the little priority this government has on our children. The minister has cut \$6.3 million from its financial assistance and grants to early learning and child-care programs.

Will the minister reverse these cuts and increase the funding to Manitoba child-care centres?

Hon. Heather Stefanson (Minister of Families): I want to welcome the new member for Thompson to the Legislature and to her new critic role, Madam Speaker.

But—she may be a new face here, Madam Speaker, but it's the same old, same old NDP rhetoric. And that's unfortunate because we have committed to more than 3,000 new child-care spaces since we came to office. And with our 20 new high school—our 20 new school builds, that will also include more than 1,500 more child-care spaces in Manitoba.

That's what Manitoba's families want, and that's what we're delivering for them.

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

Children with Special Needs Inclusion Support Program Funding

Ms. Danielle Adams (Thompson): The minister and the previous minister had stood in this House and denied over and over again that they had cut—been cuts made to the inclusion support program, but the numbers tell a different story, Madam Speaker.

There are less children with special needs receiving inclusion supports in early child care in last year and the year before. In fact, there are less children receiving—with special needs receiving inclusion supports than in the last 10 years with—despite a growing demand for these services.

Why has the minister misled the House, and why would she take a knife to such an—important supports for the most vulnerable in our society?

Hon. Heather Stefanson (Minister of Families): I thank the member for the question.

And, of course, the inclusion support program is a valuable component, Madam Speaker, of Manitoba's early learning child-care system, and ensures that early learning and child-care programs are inclusive of children with very—with varying needs across our province.

And that's why our government is committed to increasing accessibility to early learning and child care, including options for children with disabilities and/or emotional and behavioural needs.

So, Madam Speaker, as part of Manitoba's action plan under the Canada-Manitoba Early Learning and Child Care Agreement, the department is piloting a new dual-stream service and funding approach focused on co-ordinating services to better meet the additional support needs of children with disabilities.

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

Services that Support Families Funding Concerns

Ms. Danielle Adams (Thompson): Madam Speaker, under this government, fewer children are receiving the supports they need. Daycares do not have the supports they need. Manitoba families are not getting the supports they need. Everyone is fearing the cuts that are coming under this government.

Will the minister reverse her cuts to children today?

Hon. Heather Stefanson (Minister of Families): Well, I would remind the member opposite that we inherited a mess, when it comes to child care in Manitoba, from the previous NDP government. In fact, under their watch the child-care wait list more than doubled, and we're in the process of trying to clean up that mess.

Again, we've committed to 3,100 more child-care spaces, with the build of—from the Department of Education. The Minister of Education has announced 20 new schools in Manitoba, Madam Speaker. That will be more than 1,500 more spaces for child care in Manitoba.

Where they failed Manitoba child care and Manitoba families, we will deliver for them.

French Language Services Government Position

Mr. Adrien Sala (St. James): Madame la Présidente, je suis fier et ça me fait grand plaisir, en tant que francophone, de poser ma première question dans cette Assemblée en français au sujet des affaires francophones.

On apprend dans le rapport le plus récent des comptes publics que le montant d'argent accordé à la santé en français a été réduit de plus de 200 000 \$.

C'est une grande réduction pour les services essentiels pour les aînés et les communautés francophones.

Pourquoi la ministre a-t-elle coupé plus de 200 000 \$ pour la santé en français au Manitoba?

Translation

I am proud and have the great pleasure, as a francophone, to ask my first question in this Assembly in French, on the subject of francophone affairs.

We learn in the latest Public Accounts report that the amount allocated to health care in French was reduced by over \$200,000. This is a major reduction in essential services for the elderly and for francophone communities.

Why did the minister cut over \$200,000 for health care in French in Manitoba?

Hon. Rochelle Squires (Minister responsible for Francophone Affairs): On a fait plus pour la communauté franco-manitobaine dans notre première session que le NPD a fait dans une décennie.

Translation

We have done more for the Franco-Manitoban community during our first session than the NDP did in a decade.

English

Our government has done a lot to enhance the francophone community in the province of Manitoba. We instituted Bill 5, which gave the francophone vitality act—brought that into legislation. We're also the first government to bring in French language service reporting requirements for all government agencies and entities.

We're moving forward on the vitality of the francophone community where the NDP failed.

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

Mr. Sala: Madame la Présidente, il y a une claire tendance avec ce gouvernement. Les services pour les francophones ne sont pas une priorité. On voit dans le rapport du budget provincial que le gouvernement Pallister a coupé plus d'un million de dollars pour les services de traduction.

En plus, on voit une réduction globale de 600 000 \$ pour le Secrétariat pour les francophones. Ça représente une réduction de 30 pour cent.

Pourquoi est-ce que les services pour les francophones sont une tellement faible priorité?

Translation

Madam Speaker, there is an obvious trend with this government. Services for francophones are not a priority.

We see in the provincial budget report that the Pallister government cut over a million dollars in translation services.

Moreover, we see an overall decrease of \$600,000 for the Francophone Affairs Secretariat. This represents a 30 per cent reduction.

Why are services for francophones such a low priority?

Ms. Squires: Merci beaucoup, Madame la Présidente, pour la question.

Translation

Thank you, Madam Speaker, for the question.

English

The member is misrepresenting the facts on our government's commitment to the francophone community. In fact, for example, our Bill 5 was this—largest significant commitment to the community since the 1998 Chartier report.

They had 17 years to act in the—on the betterment of the francophone community, and they failed. Where they failed the francophone community, our government's getting action.

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

**Bureau de l'éducation française
Assistant Deputy Minister Position**

Mr. Adrien Sala (St. James): La communauté francophone au Manitoba n'oublie pas le fait que le gouvernement a supprimé le poste de sous-ministre adjoint du bureau de langue française il y a quelques années.

La demande pour les services par les étudiants francophones ne cesse de grandir. C'est une claire demande de la communauté de restaurer ce poste.

Est-ce que le gouvernement va écouter? Est-ce qu'il va restaurer le poste de sous-ministre adjoint du bureau de la langue française?

Translation

Manitoba's francophone community has not forgotten the fact that the government eliminated the assistant

deputy minister position for the Bureau de l'éducation française a few years ago.

The service demand from francophone students keeps growing. This is the community clearly demanding that this position be restored.

Will the government listen? Will it restore the assistant deputy minister position for the Bureau de l'éducation française?

Hon. Kelvin Goertzen (Minister of Education and Training): The member will know that we created a position that now has direct access for francophone issues, when it comes to students, to the minister: they now have direct access, which didn't exist before, Madam Speaker. The community understood that and I think was pleased with that.

Not only that, we've also committed to a number of new schools when it comes to the francophone schools, not the least of which is in Transcona. As we announced during the campaign, there'll be three additional schools for BEF. And that was very well received by the francophone community, Madam Speaker.

North End Treatment Plant Upgrades Environmental Licence Renewal

Ms. Lisa Naylor (Wolseley): Madam Speaker, last year the Pallister government urged the City of Winnipeg to use funds that were committed to the North End treatment plant on—and to spend them on other initiatives. And now it appears that the City will not meet the conditions of their environmental licence.

* (14:20)

We're concerned that the Pallister government is not taking the health of Lake Winnipeg seriously.

Will the minister be amending the environmental licence and what steps will she take to ensure that the North End treatment plant is upgraded in a timely fashion?

Hon. Rochelle Squires (Minister of Sustainable Development): I'd like to congratulate the member for Wolseley on her election and welcome her to her new role.

On the health of Lake Winnipeg our government has taken strong action, including a historic \$100-million investment in cleaning up the wetlands. We know that the wetlands are going to be the kidneys of that lake and we are going to be getting action on Lake Winnipeg.

I'd like to remind the members opposite that they—under their fractured leadership, Lake Winnipeg became the most threatened lake in North America, if not the world, under their watch. That is their legacy.

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

Ms. Naylor: Madam Speaker, I am pleased to hear agreement from the minister that the health of Lake Winnipeg is under threat and needs to be healed, but the Pallister government pushed to divert funds needed for that upgrade and they haven't committed the necessary funds to see this project through.

Now the City of Winnipeg has indicated that they will not be able to meet the conditions of their environmental licence, and the minister will have to make a decision about whether to amend that licence and for how long.

And, most importantly, will her government put the resources forward to ensure that the North End treatment plant is upgraded?

Ms. Squires: Well, Madam Speaker, the facts are clear.

In 2003 when the Clean Environment Commission had asked the NDP to take action on Lake Winnipeg and do something about the North End Water Pollution Control Centre, they ignored that recommendation. In fact, they ignored that recommendation all the way until they were—they left office.

Our government has picked up where that government failed to get action on Lake Winnipeg. We've got a series of initiatives to clean up the lake and to clean up the entire watershed in the province of Manitoba that was left in disrepair by the NDP.

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

Ms. Naylor: Madam Speaker, the minister knows that this summer saw some of the worst algae blooms that Lake Winnipeg has ever seen, and the government has continued to make it easier, not harder, for water to flow from our southern neighbours with no condition on the quality of water flowing to our great lake.

And here in our backyard, the minister can't provide me with a basic answer just to the questions I asked: What are those plans? What will the Province be doing to contribute to this challenge?

Is she going to amend the environmental licence for the North End treatment plant? What conditions

are going to be put on this project, and what steps, if any, is her government doing to ensure that this project is completed?

Ms. Squires: Our government takes very seriously the mess that the NDP government left—the Lake Winnipeg, and that is why we have made a historic investment in cleaning up the watershed. This investment is being called a game changer by many people—stakeholders and people who are concerned about the clean up of Lake Winnipeg.

And so, while our government is working with all user groups and stakeholders to get action on Lake Winnipeg to clean up the mess that the NDP left behind, they continue to avoid the issue, as they did for 17 years when they were in office.

Income Inequality EIA Rates

Mr. Dougald Lamont (St. Boniface): Just last week Statistics Canada released some numbers about incomes in Canada. They found the incomes of the top 1 per cent are growing six times faster than incomes for the remaining 99 per cent, and the top are paying less in taxes.

Income is accelerating much faster for those households that already have the most while Manitoba has more people on EIA now than at any time in history: over 71,000 people, and that number has gone up every year since 2008.

Does the Premier recognize that his trickle-down economics is failing most Manitobans?

Hon. Brian Pallister (Premier): I would say to the member that he has now reinforced to Manitobans who are following the progress of discussions in this Chamber what they perhaps already knew: that if you want higher taxes, you have the Liberals for that.

The fact of the matter is that by lowering taxes as we have, Madam Speaker, we have left more money with Manitoba families. We have also raised the basic personal exemption and we've adjusted it annually now to inflation, something that was never done under the previous administration.

We have also eliminated the scourge of bracket creep which was a nefarious way for the previous government to gather up more taxes from working families by not indexing tax brackets at all. All of these measures combined have had the effect of slowing the increases that were out of control since the 2005 period, Madam Speaker, in terms of increased application for EIA supports.

That being said, we'll continue to work co-operatively with the agencies that want to support low-income Manitobans while making sure that all Manitobans have the opportunity to work themselves and to support themselves and their families.

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

Job Creation Unemployment Rate

Mr. Dougald Lamont (St. Boniface): Madam Speaker, there's a saying: the rich get richer while the poor get the picture.

Let's recall again, there was a record number of people on EIA in Manitoba: 71,000 people and growing. If this government created the 40,000 jobs they've promised just for people on EIA there would still be 31,000 people on EII-EIA, quite aside—*[interjection]*

Madam Speaker: Order.

Mr. Lamont: —from the tens of thousands of other people looking for work.

We need more jobs than this government has promised just to keep pace with population growth.

Does the Premier see that if he keeps his promise and creates as few jobs as they have, it means Manitoba's unemployment rate will actually go up?

Hon. Brian Pallister (Premier): Not having had the opportunity or had the experiences of wealth as frequently or as regularly as the member opposite, Madam Speaker, I can only say to him that I understand the challenges faced by low-income Manitobans first-hand, and I understand also very much that my top priority and the top priority of this government is to make life better for people. It is not getting larger office space. *[interjection]*

Madam Speaker: Order.

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

Education Tax Credit Request to Reinstate

Mr. Dougald Lamont (St. Boniface): BDO recently released an alarming survey about the financial fragility of Canadians. More than half of Canadians—53 per cent—are living paycheque to paycheque. For women it is higher: 60 per cent. For one in four Canadians debt is overwhelming. They do not have enough money for their basic needs.

But this government has been making life more expensive for Manitobans: tuition for students; hydro rates; MPI rates; bus fares; and tens of thousands of Manitobans faced a huge property tax increase because this government eliminated the education tax credit.

Will this government reverse its mistake and reinstate the education tax credit to save money for people who've had to pay out more because of this government?

Hon. Brian Pallister (Premier): Well, the member earlier in a preamble referenced a picture which he clearly does not get. He does not understand that lower taxes leave more money with working families. He believes that higher taxes redistributed by him or some other government, whether federally or provincially, will somehow be the magic bullet that aids all those struggling to make ends meet.

Madam Speaker, we understand the challenges are real to working families. That's why we have lowered taxes. That's why we will continue to lower taxes, and because we understand, we will continue to focus on putting more money on the kitchen table while the NDP and the Liberals opposite continue to focus on taking more money off.

Provincial Finances Deficit Reduction

Mr. Josh Guenter (Borderland): What a great team. When we first formed government in 2016 our PC team made a commitment to Manitobans that we would fix our province's finances. We have kept that commitment and Manitobans acknowledged this by re-electing the largest back-to-back majorities in our province's history.

The recently released Public Accounts show incredible progress in reducing Manitoba's deficit.

Can the Minister of Finance please share this progress with the House and tell us what deficit reduction means for the front-line services we rely on?

Hon. Scott Fielding (Minister of Finance): What a great first question for the member.

* (14:30)

Our government has made unprecedented progress in reducing the deficit to over \$163 million from a \$358-million pickup. This year is the biggest year-over-year reduction in Manitoba history, Madam Speaker.

Under the ND-former NDP government interests costs in terms of debt servicing became the fourth biggest department of government.

In this Public Accounts alone we're saving Manitobans over \$34 million in debt-servicing charges because of the hard work of this government. And this is a balanced budget dividend; we can invest more money in health, education and social services, Madam Speaker.

Northern Healthy Foods Initiative Provincial Funding Concerns

Mr. Ian Bushie (Keewatinook): Madam Speaker, every Manitoban deserves access to healthy, affordable food. Our families in the North are no exception. But, apparently, the minister and our government do not feel the same way.

The past fiscal year the minister underspent the Northern Healthy Foods Initiative by \$678,000. This is unacceptable. Our northern families rely on these programs.

Why did the minister underspend the Northern Healthy Foods Initiative by \$678,000?

Hon. Eileen Clarke (Minister of Indigenous and Northern Relations): I welcome the member from Keewatinook to this session.

I think we should go back to May 3rd, 2016, when I was first appointed to this position, and tell everyone what it was like for indigenous communities and our indigenous people in Manitoba and the relationship we had—they had at that time with the government of Manitoba: it didn't exist.

I remind you of the relationship they had with municipalities: it didn't exist.

I would like to go further and tell you about what the people of Manitoba thought about indigenous people; there was no communication.

I'm happy to say that a lot's changed since then.

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

Mr. Bushie: Madam Speaker, not only is the Northern Healthy Foods Initiative an important way for communities to access the nutritious food they need, but the program it funds helps to educate families and youth on the importance of healthy foods and gain valuable skills at the same time. That is why it is deeply concerning to see that not only did the

minister underspend her budget, she cut the program by \$12,000.

Why is the minister depriving our northern communities of vital programs that help them access the nutritious foods they need?

Ms. Clarke: I'd like to go further—what happened after May 3rd in 2016.

At that time, we started inviting indigenous leadership into the Manitoba Legislature to have conversations—conversations about what they were needing and wanting for their community, what had been lacking, why the relationship between government and indigenous communities was not working, why it didn't exist.

Those conversations went on for quite some time because we—they did not have to ask us for meetings; everyone was welcomed into our offices. And I'm happy to say that that trend is continuing and it is growing with this government.

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

Mr. Bushie: Over the last three years, Manitoba families have seen first-hand what happens when this government puts something under review: they cut, Madam Speaker.

The department's 2018-2019 annual report indicates that the northern healthier—healthy foods initiative program is currently under review. And not only is it under review, Madam Speaker, they're cutting the program for other—from our northern communities that rely on it.

Manitobans want to know: Are there more cuts to come with this review?

Ms. Clarke: I'm pleased to say there are no cuts within our department, and that was explained clearly during the Committee of Supply.

But I would like to go further about—on about our relationships with the indigenous communities, indigenous leadership. Not only is the Department of Indigenous and Northern Relations engaged with the communities, I'm very pleased to say that I'm sure almost every single minister has been to these communities not once, not twice, but many times. They do not have to drive hundreds of miles. They don't have to fly to Winnipeg and bring one or two people only because that's what's affordable.

We go to their communities, and we will continue doing that. We have done that throughout the past

three years, and that will only get better as time goes on.

Madam Speaker: The time for oral questions has expired.

PETITIONS

Legislative Assembly—Official Party Status

Mr. Dougald Lamont (St. Boniface): I wish to present the following petition to the Legislative Assembly.

The background to this petition is—*[interjection]*

Madam Speaker: Order.

Mr. Lamont: —as follows:

Fairness and justice are central to democracy and could be expressed in the treatment of parties in the Manitoba Legislature.

The clash of democratically expressed ideas in debate is enriched when a greater breadth of possible solutions are considered as a result of the inclusion and fair treatment of more voices which represent substantial proportions of Manitoba's population.

The current rules of the Legislative Assembly, which mandate that four MLAs are needed for official party status in Manitoba, were set up many years ago under a different electoral system. Those rules are referenced as early as 1924 and 1940 and now need to be updated for today's world.

Many other provinces have requirements which do not shut out parties that deserve to be recognized as legitimate. For example, there's a requirement for only two MLAs for official party status in Saskatchewan, Newfoundland, and Nova Scotia.

Other provinces, such as Nova Scotia, include other parameters than just the number of MLAs. In Nova Scotia the party must have run candidates in three-quarters of their ridings, receive—*[interjection]*

Madam Speaker: Order.

Mr. Lamont: —at least 2 per cent of the vote and have two elected MLAs.

Larger provinces like Alberta, which normally require four MLAs for official party status, have provided official party status to parties with fewer MLAs: two in Alberta and two recently in British Columbia.

The Manitoba Liberal Party has had a minimum of three elected MLAs for the past two legislative

sessions, winning more than 14 per cent of the popular vote in each election. It ran candidates in all 57 constituencies in the most recent election and deserves to be recognized as an official party in Manitoba, rather than have its members defined as independent MLAs.

The current rules requiring four MLAs for official party status in Manitoba are arbitrary and undermine the most basic tenets of representative parliamentary democracy: freedom of speech, local representation and the free exchange of ideas.

Democracy in Manitoba is better served if all constituencies can enjoy strong representation and healthy debate in the Legislature.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Manitoba Legislature to support a change in the Legislative Assembly rules on The Legislative Assembly Act, which will allow the designation of recognized opposition party status with the election of two MLAs for the same party, provided that the party achieve more than 10 per cent of the vote in the most recent provincial election.

This has been signed by many Manitobans.

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

Grievances?

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Kelvin Goertzen (Government House Leader): Madam Speaker, can you please resolve the House into Committee of Supply to consider departmental Estimates, with the understanding that the Chamber section will recess at 5 p.m. to consider second reading of Bill 22, and further, that the Chamber section will be considered to have risen at 6 p.m. if it does not reconvene in the Committee of Supply.

Madam Speaker: It has been announced that the House will resolve into Committee of Supply to consider departmental Estimates, with the understanding that the Chamber section will recess at 5 p.m. to consider second reading of Bill 22, and further, that the Chamber section will be considered to have risen at 6 if it does not reconvene in the Committee of Supply.

Mr. Deputy Speaker, please take the Chair.

COMMITTEE OF SUPPLY (Concurrent Sections)

EXECUTIVE COUNCIL

* (14:50)

Mr. Chairperson (Dennis Smook): Good afternoon, everyone. Will the Committee of Supply please come to order.

This section of the Committee of Supply will now resume consideration of the Estimates for Executive Council. As previously mentioned, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. Wab Kinew (Leader of the Official Opposition): I'd like to just return a bit to one of the issues we were discussing yesterday, which had to do with the job cuts in the civil service. I think we did cover that issue quite extensively yesterday, but there's, I guess, a related issue that I'm curious about and would like to ask the First Minister on.

The reduction in civil service jobs, public sector jobs is well-documented and been reported in the media overnight, but I'm curious to know about the use of consultants in government too. And I thought maybe about asking about consultants who are embedded in government as a starting point.

I'm wondering if there's a count that the First Minister can provide about the number of consultants who are embedded in management positions within the government, consultants who may be embedded in other aspects of government departments.

Hon. Brian Pallister (Premier): First of all, just have to get clarification from the member on what he—what does he mean when he refers to the term embedded, what does that mean?

Mr. Kinew: So these would be consultants in terms of, I guess, their legal job status, but they would be working within government departments day to day on a regular basis and in some cases maybe not every day but in close proximity. So that's what I'm looking at in terms of embedded.

Mr. Pallister: Maybe—I'm sorry to be not getting this, but maybe the member could elaborate a little more.

I can tell him I have been made aware that we disclose all contracts that the government enters into, that those are all proactively disclosed on the government website. So if he was referring to

consulting work that is contracted, that would be the way that's dealt with.

Internal in the civil service, I mean, we consult all the time—consult with a wide array of people in various positions. So, in a sense, every civil servant acts as a consultant in some way, so I'm not entirely sure.

As far as—perhaps he's referring to consultants in the tech sector, because they are that—in GET, I think, there is—there are tech consultants. So that would be a position that's described as a consultant in that department. But as far as job description within any other department of government, they're not—civil servants aren't referred to as consultants because they simply—as part of their normal course of work, I would say, they are consulted with at some level on various issues on a regular basis.

So I'm not entirely sure I'm getting the meaning of the member, and I don't wish to answer without understanding the question first.

Mr. Kinew: Okay, so perhaps we could just maybe back up a few steps and then arrive at a greater mutual agreement of—or understanding of what's meant here.

So there are a number of consulting firms, like KPMG and Deloitte, that have been retained by the government to provide advice in different areas. I'm wondering if the government tracks the amount of money that's paid to consultants and if the First Minister could provide that.

Mr. Pallister: Well, that information's all provided on the government website. It's all publicly available.

Mr. Kinew: So the Premier (Mr. Pallister) understands what's meant by consultant in that context, then—KPMG, Deloitte—and we've got a shared understanding?

An Honourable Member: Yes. Outside.

Mr. Kinew: Yes, these are people who, you know, maybe work for a big firm like KPMG and Deloitte; Ernst & Young we've talked about previously in this year's Estimates. I assume maybe there's smaller actors, people who have corporation partnerships, something like that, and they operate, you know, that way legally speaking—take out contracts with the government, provide services in return.

* (15:00)

And curious to know whether there's some additional consultants who might fall into that category that may be smaller operations not

necessarily reported in the areas being referred to by the First Minister in the previous answer.

Mr. Pallister: Well, I—any contract over \$10,000 reported in the Public Accounts, it's published. It's available on the website. So it wouldn't matter whether the person was an individual who structured themselves or their consulting operation as an individual proprietorship or whether they were in a corporate entity of some kind. It still would be disclosed in the accounts and would be made available to the public for their viewing. So that would be the nature of how that information is handled and disclosed.

As far as for—which begs the question, the member may want to go there—but, you know, how is it handled if it's less than \$10,000? And I—that's not a question I'm going to be able to answer without consulting with the clerk. But as far as for \$10,000 or more, that's how it's—and it's made publicly available. It's on the website.

Mr. Kinew: Are there many—maybe the best way to ask the question is just to ask whether there are many people working in that capacity under \$10,000.

An Honourable Member: Sorry, I missed that.

Mr. Kinew: Yes, just asking if—I still have the floor, right?

Mr. Chairperson: Yes.

Mr. Kinew: So just asking whether there are, you know, a significant number of people under that \$10,000. Like is it, five, 10, you know? If it's significantly more than that, then maybe we could talk about that for a bit.

Mr. Pallister: Yes. I'm hoping I'm getting more of where the member's going here so I can give him good information. So as he knows, his legislation—I can't—maybe my clerk could help me. What's the name of the legislation? [*interjection*] The Public Disclosure Act requires the disclosure of all salaries and payments to corporations, firms, individuals, other governments, any government agency, anything \$50,000 and over. So that document is available. In addition, any contract on a consultation contract over \$10,000 is also listed on that same site. So you can have all that information.

If it's under \$10,000, which the member is asking, it used to be the practice, apparently, that that wasn't, shall we say, overseen sufficient to assure the taxpayer that people were getting paid, say, \$9,999 several times. Treasury Board didn't oversee that practice.

So it could have been abused in the past, but no longer is that the case because the Treasury Board has toughened up on their instructions, their requirements to all departments. So now that is not only frowned upon, but forbidden, and so you can't multiple a small contract to somebody to try to get around the disclosure rules anymore, though that wasn't the case in the past. I'll give you—I could talk about Steve Ashton's Tiger Dams for quite a while if the member wants—and he may want me to.

But, that being said, you can't circumvent the rules anymore because Treasury Board has—it's called contract splitting and it's no longer permitted under this government. It was permitted previously.

Mr. Kinew: What is the value, the total value of money paid to consultants?

Mr. Pallister: I'm told that government doesn't track by subcategory consultants separate from every other type of purchase; they just put all the major purchases on the website and they aren't categorized. You can go on there and see all the payments that are made. It's all public.

As far as the breakdown who—by subcategory, it isn't—it hasn't been done and it isn't done now. But, you know, I'm happy to have the staff pull together a list of all the major contracts. If we get into, sort of, hiring somebody for two days to give advice on a certain issue, we're probably getting into, you know, quite a bit of analysis, and I don't want to undertake to get the department into that degree of work, unless the member is wanting to get into some specific areas of subcategorization or something that I could actually instruct our staff to get into. If he's interested in that, I'd be happy to pursue that.

Mr. Kinew: Yes, perhaps, but maybe before, we could just examine—I guess that practice is also—it's not tracked as a specific subcategory, consultants; they just appear within other line items, but I'm just wondering, why is that the case? Is there a specific reason why the consultants aren't tracked? That was practice before and continues?

Mr. Pallister: So I'm told that there is a line item for professional services, but that could include other things that may not be germane to what the member's asking me about, which is the consulting specifically, and this is the way it has been tracked.

I can give a bit of an overview on the major contracts that were entered into since we became government in '16, and just a—maybe just as a way of overview, these would represent the major contracts

that were entered into with consultants. The procurement modernization contract, which is—will result in an estimated \$180 million in cumulative savings over the next five fiscal years, and it is anticipated net annual sustained savings of more than \$50 million a year beyond that time, so beyond approximately 2025. That contract was for \$6.8 million, again estimated savings, just in the next five fiscal years, of about \$180 million. So a considerable return on investment in respect of that work is anticipated.

P3 review, and I won't get into the detail unless the member wishes me to, on the P3 concept, except to say that this was a study that was conducted to see if we could save money, and by using a P3 model specific to the schools that were planned at that time, which was seven—we now have an additional 13 schools in the planning process at various stages.

So this contract did not result in a P3 being used. The contract was for \$287,000, but from what we learned through that process of that study, our estimated savings are about \$18.6 million, and that's as a consequence of what was learned through the exercise of studying the P3 model. In simplistic terms, we're getting a school for free because of the—I'll say one aspect of this is it's a volume discount.

We're catching up on schools that were not constructed over many years; they're needed; the population is growing. The reality is that we've got, for example, two new schools going into—I see a new member of our Legislature here who I congratulate—and one in his area and one also in The Maples, that are going to be very well needed and appreciated by the people in those areas. The fact that we're able to proceed, that we must proceed, to build several schools in fairly close proximity—not physically to each other—in terms of time, in fairly close proximity in terms of time, allows us to save considerably on that. So there again: the consultation process of \$187,000; the actual savings, \$18.6 million.

* (15:10)

The KPMG study, the member is familiar with, for Health, costs there, approximately \$700,000; estimated savings, over \$1 billion. WRHA wait times, for example, we've saved approximately, so far, about 43 years of wait times, cumulative, for Manitobans versus August 16. So that's a significant achievement; it's about approximately 380,000 hours less than Manitobans have spent in the last two years we have data available prior to the last two of the previous administration.

So we have had significant investments made in consulting and expertise, that has already resulted in savings, that will result in ongoing savings to the people of Manitoba. This allows us to redirect those savings into greater investments in the things that matter most to Manitobans.

I have one minute remaining. I can also say that on FleetNet, I can speak more about FleetNet in a moment, and Pineland Nursery. These were two other examples where consultants were employed and the savings derived from the consultants' input are significant multiples of the cost of the consultant, to put it mildly.

Mr. Kinew: Are there any targets or caps around the use of consultants across government? A target being, you know, is there a certain amount that the government is looking to use, like, maybe, like, one per the M area, or is there a cap like, no more than X number per department? Just curious if there's any sort of criteria governing the use of consultants.

Mr. Pallister: I would say to the member, based on the numbers I've just shared with him, I would think it would be, and given the significant multiples of the investment that have been achieved already in terms of savings internally by reducing duplication, waste, overlap by increasing efficiencies in our organizational structures, it wouldn't be prudent or wise to suggest we should somehow cap the number of consultants that are employed.

That being said, we are—we did inherit considerable challenges in a number of departments. In terms of mismanagement, there were abundant examples, and so, in facing the challenge of addressing that mismanagement, we did feel it appropriate in these cases I've just outlined and some others to utilize the expertise of those who have a vast understanding of what best practices may be in other jurisdictions around the world, around the country.

And so I guess I'm, in summary, I'm saying we're cleaning up a mess, and we continue to. And as we do that, we use the best minds we can find to help us. I would also emphasize, though, that in many, many other areas, we use existing staff and their expertise and experience to assist us. And that is as it should be. We have people in our civil service that have great expertise, great range of expertise.

That was evidenced in a number of the projects that we prepared as a consequence of the rushed legalization of cannabis by the federal government. We had numerous departments assisting us and

internal expertise was used there in the Department of Justice, Department of Families, Department of Health, and various others, Sport, Culture, and Heritage as well, to assist us in getting ready to go and in launching our strategies around the legalization that Ottawa brought to bear last year.

So that's just one example where we've utilized internal staff expertise. There are many others. That respect for the people who work within the civil service is important, not just to have, but to utilize. And to demonstrate that, we launched our ideas fund, for example, which is an exceptional initiative that shows us leading the way across the country and actually going to people who work in the civil service and getting ideas from them that we can then implement to improve services.

And that fund I can share much more detail with you in the not-too-distant future committee members, but I would say that that fund is demonstrative of our willingness to consult with those people who are in government employ, to make sure that we're picking their brains and they have the opportunity to be heard.

This is another reason why I said to the member yesterday, and I'll say again, that reducing the size at the top of our organizational structure, reducing the number of layers between the front-line workers and the decision makers in management in government, is a critical aspect of how we get access to those ideas—improving the quality of work for people, in part, is about making sure they feel heard and feel respected in their ideas when they present them. And so, that is what's inherent in the idea fund that we brought forward for the core civil service as a transformation capital fund where we put \$50 million available to any departments, any staff in any departments to undertake transformative projects, and we also added to that fund after because there was such a positive response to it. We added an additional \$25 million.

We more recently announced in the election a dedicated \$40-million health sector front-line idea fund and a \$25-million teacher idea fund. So total support for the ideas fund concept is \$140 million so far, but I would say, like the use of other consultants—not just internal but external—we already had seen significant savings derived, significant funds made available for reinvestment and other high priority areas as a result of that consultative process. So we consult outside, but we also consult inside government, as well.

Mr. Kinew: See, I'm so inspired by what we've done here today. I knew that it would be a fruitful exercise

to spend the additional time in backing up and reviewing some of these outside actors, who were retained because now, after 20 minutes, we have a shared understanding of what consultant means. So it was a very useful exercise, I think, for us to spend that time and arrive at that understanding.

So perhaps we could return to the earlier point, now that we appear to be on the same page about what a consultant is. It's about consultants who are embedded within departments, and maybe it's useful to, you know, to share a few examples.

So what I'm thinking about in terms of consultants of being imbedded in department—within a department, rather—sorry. You know, I think there is a Department of Health consultant, who's embedded, by the name of Ian Shaw. That would be one example of what I mean by embedded: the relationship between that consultant and the Department of Health.

In the Department of Infrastructure, PricewaterhouseCoopers has been embedded within the department to collect information from staff and to return various advice.

So I'm just curious how many examples there are like that across government?

Mr. Pallister: I think it's a real good line of questioning. I think, now that the member has clarified his terminologies better, I have a better ability to share information with him.

I'll just repeat, all of this information that he's asking is made public, as I said earlier—is available to him. All past expenditures on consultants are made public not only through the \$50,000 cap disclosure piece on public disclosure legislative requirement, but also on the \$10,000 threshold. We'd go to a lower threshold for disclosure on consultants. Some work—and I'll get the member an example—he referenced work being done in infrastructure and also in one area of health care, which again, I would suggest if he wants to get into the specifics of that, I believe there's about 87 steps away—depending on the length of your steps, there's a Health Estimates discussion taking place. If he wanted more detail on the Health issue, I'd suggest the Health Minister might be the best to supply that at Estimates.

But, in terms of the concept, at least, let's take a look at which firm is it?

* (15:20)

Pricewaterhouse is doing on procurement. Yes, so we had the procurement modernization exercise

underway. This was a tendered contract. It was a—it's a three year contract. \$6.9 million awarded to PricewaterhouseCoopers, started in June of last year, 2018 will realize multiple cost savings over the investment by planning purchases better in advance across the board and then sourcing products and services on a category basis.

This is called category management. It's something that the government wasn't doing very well and we recognize that. Of course, back to Steve Ashton, we recognize that the purchase untendered of Tiger Dams products, for example—they were orange, they look like giant garbage bags, and they worked as well as giant garbage bags to prevent flooding. This was the analysis of the emergency management officials, but that report was covered up for about eight years by the then-minister and never released to the public.

So there's a contrast here that I need to make, which is that under the previous NDP government—and I'm not blaming the new NDP leader for this at all—but under the previous NDP government, not only were the procurement practices antiquated and prone to abuse—in this particular case it was alleged that Mr. Ashton was giving untendered contracts to a close personal friend, and I believe that to be the case. He gave not one but a series of them.

The report that showed that the product that he was buying from his friend wasn't working was out after the first or second contract was given out without shopping, without a tender. The other awards—a series of them were given out, after he not only knew the product didn't work well to prevent flooding, but he had also been instructed by the Auditor General, as had other members of his government, that they needed to upgrade the transparency with which they did their buying, and also that they needed to upgrade the degree to which they shopped before they awarded contracts—the tendering process itself.

We've done a lot of that upgrading in the last few years, but there's more to be done in terms of improving the nature of buying things in government. One of the areas we're certainly trying to advance with other premiers is on co-operative procurement of major health diagnostic equipment, testing equipment and so on. Each province, prior to this recent years, when Manitoba began pushing this along with the support of work from former premier Brad Wall in Saskatchewan, each province purchased their own MRI equipment separately, as an example.

Suppliers love that, but the taxpayer paid far too much for it, so trying to upgrade that value-for-money

proposition and doing a better job of purchasing more co-operatively across provincial governments, but within your own organization is critical. So that's why PricewaterhouseCoopers is working within government to work with government employees to train them on how to do a better job of making purchases and organizing and structuring purchases so we can get better deals. The savings will, no doubt, go to supplying more hips, knees, cataracts and all the Baby Boom services that'll be required in the coming years.

Mr. Kinew: Can the First Minister provide a list of these consultants who are embedded within government departments?

Mr. Pallister: Well, we're having an interesting sidebar here, because I'm kind of taking the side of the Opposition Leader, here, and think that the member should be able to get all that information, and my friends in government are saying, well, it could take several months if we go across all the partners.

Would the member be prepared to negotiate for the full disclosure of all major departments? Could we do that? Just because it might only take a few weeks instead of a few months to do it. I'm all for making this information public. It will be available, it will be publicly available at year end, but that takes a year from now, eh?

Well, I want to put it on the record: I think the member's asking a very fair question and I think he does deserve to get the information, and I don't like the fact that I have to defend that he won't get it for year, because I didn't like having to wait for a year when I was an opposition leader, either. But I would undertake that any major contract will be made public and that the information is all in the Public Accounts that comes out the following year. And I will undertake that for the member.

Mr. Kinew: There was, like, a great feeling of magnanimity in the air and I feel like we were on the—it felt like we were on the verge of something magical there, and then this—just short of a—hitting that point and kind of pulled back a little bit from the First Minister which is, you know, it's fair. We have our own different perspectives that we're operating under.

But, you know, what I think was very close was, you know, perhaps an undertaking to provide a list in departments like Health, Education, Finance, Infrastructure. I don't know if the Premier meant anything further, but I would certainly be interested in entertaining such an undertaking.

Mr. Pallister: Well, not to offer any legitimacy to the assertion of a budding bromance between myself and the Leader of the Opposition, I would undertake to make sure that the consultants in the departments he has mentioned are listed, the amounts of their contracts are added to that list and that information is made available to him because I think he has made a very reasonable ask and I thank him for accommodating the reality of the preparatory challenge that the government employees would face in respect of the complexity of a broader list.

I would—because I think it is worthy of note that our government is genuinely going to—inside the civil service—to ask for advice. To enunciate more clearly when I say an idea is fine, what are we talking about? Like, what kinds of ideas are coming up? What kinds of ideas are being brought forward by civil servants? And I'm just going to go on a couple of them; there have been many.

Is there a document? Fifty-seven, I think. Yes, there've been—no, 68 projects approved, but 57 have proceeded to begin to be implemented so they're beyond the application stage; they're actually being acted upon. So I'll just give you some examples.

In Agriculture, digital signatures for claims adjusting: the application process for Manitoba ag services corp. claims will be digitized. Now how's that a big deal? Well okay, if—and there's going to be a lot of claims this year, sadly. So when MASC—when the crop insurance people go out to a farm, and it could be they're in Portage la Prairie. They're based in Portage but they could go all the way to Pierson. They could be up in north of Swan River going to evaluate a crop. They go all the way up there and they have to visit that farm, obviously, to evaluate the damage that has happened to adjudicate the claim.

In the past—if you can believe this, members of the committee, Mr. Chair—they then had to go back to get signatures, sometimes multiple times. So travel costs, staff costs, the wasted time, it's not a fun part of their job but they were doing it because we didn't have digitized signatures. So a member of their team suggested digitized signatures. As soon as you hear it you go, well, duh, shouldn't that have been done years ago? Okay, well, better now than never. So that's one example.

The processing at the Food Development Centre, purchasing food analysis equipment required for plant-based protein analysis: up until now that Food Development Centre was outsourcing all of that, and now they'll be able to do it in-house. The cost savings

over a few years—I don't have the enunciated costings for each single idea, but I'm just sharing with you the general ideas. But I could get the cost savings anticipated for each of these.

Boardroom modernization, this one gets me. This came from several different front-line government employees in Ag, Sustainable Development, Families, Health and GET, Growth, Enterprise and Trade. They all made this suggestion. Okay, you won't believe it when you hear it. Boardrooms throughout government should be modernized with new technology so they can Skype into meetings. Wow, that wasn't being done. People were driving from all over the province coming into Winnipeg—and we all know that the roads are uphill going out so the meetings were never held outside. They were all held here—pretty much all, and now people from Pearson north of Swan River, Parkland, Interlake, who work for government, will be able to attend meetings, participate meaningfully using new technology. The savings are significant.

* (15:30)

I've got a number more; I think he might find these—Mr. Chair, I think you might find these very interesting to learn about because the cumulative effect of these changes, all of these coming from front-line workers throughout government, is that we're able to find resources and then redirect them to things that people value more than having people drive all over the province to get signature one, two, three and four times.

Mr. Kinew: I'd just like to pause for a second and, you know, the Premier (Mr. Pallister) makes reference to Manitoba ag services corporation.. I just want to say it's great to have on our team now somebody who used to administer the program in government, and so we certainly welcome excellent expertise that the member for Burrows (Mr. Brar) brings to our team and confident that meeting with KAP or other players that, you know, our colleague from Burrows is going to bring a lot of know-how and personal experience, personal connections. He's sharing it already over the past time since he was elected that he's been out talking to people in the Interlake, including some producers that he used to work with in his previous capacity, so we're just really happy that he's on the team and he's going to bring some of that know-how to help the Manitoba Premier. Just want to give him a shout-out, on the record.

In terms of just getting back to, I guess, the substance of what the Premier was saying there, I'm just curious, like, just to confirm, so that was an

undertaking to provide the—a list in amounts related to the departments that I mentioned there earlier. I got that right—yes—I see the First Minister nodding there.

And I guess what I'm interested in beyond that is just whether this is work being done by these consultants—was this work that was previously done in-house by public servants?

Mr. Pallister: No, no, it wasn't. That's the thing. Like, you know, we've got great expertise within government and within our Crowns and our agencies, but we can't be experts on everything simultaneously, and there are advanced levels of expertise available to us from some of these consultants—special expertise that we can avail ourselves of, and that's what we're doing.

So it is important, and I, too, would welcome the member for Burrows and congratulate him on his election, so we look forward to working with him as well.

Yes, these are—I believe it was Abraham Lincoln that said, if you give me two hours to cut down a tree I'll use the first hour to sharpen my axe, and I think that's kind of a reference to the importance of getting it right as best you can. And that means—it doesn't necessarily mean everybody has that expertise within government, but they do have the will and the desire to see government work better for other people.

And so, when I reference these ideas that I'm talking about in the idea fund, these are ideas that came from people who work in the front line. A lot of these are, you know, it's when you hear them you go well, why—why did we not listen a lot sooner to those people?

But there's also the broader issues like procurement and advanced health strategies that not necessarily everyone at the front line has the time to study because they're busy doing their thing. They're specializing in being a nurse or a teacher, and so it's—I think the approach we've taken is a reasonable one to outsource where we feel we need that higher level of international knowledge or cross-jurisdictional knowledge, but to go into our own services, into our own shop.

Certainly, as a former small-business owner myself, I can say that there is no way that our little business could have succeeded without the team and without having everyone on the team being heard, because each of us didn't have all the answers, but together we hope we have more, and so we went to each other with problems, and that's what this model is about on the ideas fund.

There's another one that came—this came from the—through the civil—employees' Civil Service Commission, I think. It's called physician consultation—consultant pilot. A physician consultant will help managers support employees with complex cases. By allowing for physician-to-physician discussions, clear and objective medical information will be received faster, ensuring the right steps are taken to support employees in returning to work safely. In this instance the focus was on having a backup to the physician because not every physician has a focused experience, and especially the general practitioners on every area of care.

So having a physician consultant available to assist you when you're working on a case where someone's been injured at work, for example, on when and how they should be transitioned back to work is a really critical aspect of giving a person their life back, really, you know, and giving them the opportunity to be productive again. To rush that process is really bad, and to delay it can be very bad as well. And so, this was—I—obviously, these are—there is a committee, multi-departmental committee that evaluated these applications, that felt this was a project worth pursuing, and as I learn more about it, I can't help but get kind of proud about the person who came forward with this suggestion and—because it makes such good common sense. Obviously, the committee felt it did as well.

Updating—another one came from Housing. This was on property network—the LAN extension for property network management. System responsible for monitoring the safety and security of the housing properties is going to be updated, which, essentially, by allowing that updating, you move a bunch of outdated equipment out and you improve the effectiveness and efficiency of the operation that is in charge of looking after the safety and security of people. There's a win-win here, of course, because the people in the housing units are going to be safer and more secure, but also the effective management that will lead to that is less costly than the old system was.

Community living—families put forward a services purpose-built home idea, one of their staff. Purpose-built homes—and I don't pretend to understand all the technical aspects of this, but there are folks living with challenging disabilities of various kinds who, in many cases, had—have had to have their housing adapted to them rather than constructed for their needs. And so the idea here was to build the homes with the purpose of assisting those with a specific disability or set of disabilities, as the case may

be. The current practice had been to put people into regular homes and then—and that meant additional staff. It meant additional facility costs and mostly it meant, you know, you had to remodel the homes to effectively accommodate the person after they'd been built instead of before.

Mr. Kinew: This is, you know, another set of good vibes. It's like there's Kumbaya, almost, being sang in the background with all these undertakings flying around these last little whiles.

Wondering whether I might push my luck, if you will, and just ask for a few other undertakings. I wonder if the First Minister could undertake to provide a staff lift—staff listing, rather, for Executive Council.

Mr. Pallister: I'm not sure how many inquiries the member's made, but I assure him, to keep the tone positive here, I'd like him to recognize that on every occasion he has asked for such information, I have willingly and fully provided it and will continue to do so. So absolutely, not a problem there.

But I will use my time, which, of course, and—as all members of the committee have time that is valuable and I know they would want to be illuminated about the projects that the team of people that are working in the civil service in Manitoba is coming forward with. Because I certainly—this is the kind of thing, and I don't think the member exaggerates when he uses that word, which I've never known what it meant, Kumbaya. I think someone could google it and share with us what Kumbaya really means.

But I think, in essence, what I take it to mean is that we're all very proud of the people who've come forward with these ideas and we recognize that they are positive and good, and we also recognize that it's better to have a structure where people can be heard in the organizations that they are part of. So that Kumbaya spirit that the member refers to is, I think it's worth pursuing.

So I will pursue it by saying modernizing employment and insurance assistance using web-based tools. A web-based portal will allow faster communication with EIA clients and improve employment and training assessments to help them get back to work sooner. Currently, the majority of communications—get this—takes place via regular mail. Yes. So that delays training opportunities, obviously, and the sooner that the person on EIA can get into a training

situation, most certainly that's a better thing for them to have that opportunity.

* (15:40)

Families—one of the staff came up with an idea of a Unit Condition at Tenant Exit Incentive Pilot Project. This sounds suspiciously to me like a damage deposit idea, but what it means apparently is Manitoba Housing is going to trial an incentive program expected to minimize the cost of readying housing units before new tenants move in. Now, we can get more detail on that, if you like, but that kind of sounds to me like trying to make people responsible, and I recall myself at university being a little less responsible than I might have been with my rented accommodation and, you know, that's why they charge me a damage deposit.

So I'm not sure if that's the nature of this specific project that's being suggested here, but obviously it would be beneficial to have housing units that are ready as soon as possible for people who need the housing when someone leaves them. And so I think that's the general goal there.

Digitizing Tax Return and Payment Processing. Manitoba Finance will invest in optical character recognition technology, which I'm sure the opposition leader can elaborate on in his next speech and preamble, that would allow the taxation division to scan and digitize documents for processing. That work is currently being processed manually. So, again, these are all savings and efficiency ideas that will allow workers to work more effectively for better outcomes.

Invoice management. Accounts payable invoice management. This came from our friends in the Finance Department. Expense claim and timekeeping modernization. Manitoba Finance will improve the processing of accounts payable invoices, employee expense claims, and timekeeping. This project includes the use of OCR technology—that's the previously mentioned optical character recognition—and employee self-service solutions to reduce the amount of staff time and duplication in the current processes.

And I have one minute to go with one more—I will. Robotic Process Automation Pilot. Now this sounds exciting to me. The department will trial—this is from Finance as well—the use of a robotic process automation software. Robotic automation software. And I know the Leader of the Opposition knows a lot

about computer technology, so he might be able, again, to elaborate on robotic process automation.

It will be piloted in three to six select areas of government that manage large volumes of repetitive and simple tasks. Savings will be achieved by redeploying staff to more complex tasks, reducing paper and reducing processing times. For example, automating the processing of simple claims forms. So these are ideas coming from staff. We don't want to do dull, repetitive tasks anymore. They'd rather have a computer do it so they can do something much more fun and rewarding.

Mr. Kinew: Yes, my understanding that robotic automation process will be used to automate the generation of answers by the government in question period. We've been having a fun time turning to each other in QP, and say, the minister's about to stand and say X, Y, Z, and then watch the minister stand and say X, Y, Z, so certainly it's a technology exists that will automate that process and save, you know, staff such a great amount of time. Obviously I'm taking a—*[interjection]*

Mr. Chairperson: Order a little bit. Let's keep it in line, here.

Mr. Kinew: For what it's worth, Mr. Chair, I, while completely respecting your interjection, I have to say I haven't seen so much life in the members opposite in this entire Estimates process until just now. An optical character recognition, that's computer scanners, you know, when you scan a photo, when you scan a document, something like that. Typically it generates a visual file, like a JPEG or a TIFF file. OCR—optical character recognition instead is a piece of software that converts that to an editable text format. Put a letter on there, and then rather than getting a picture on your laptop, you'd have a Word document that you'd be able to cite.

I just can't help but take the bait when it comes to being a nerd on computer stuff, as you can tell. But I am getting back to—

An Honourable Member: Kumbaya.

Mr. Kinew: Yes, Kumbaya, right? All right, the member for Brandon East (Mr. Isleifson), by the way, we had a little exchange of—outside of the recordings that I conducted at this committee, and I have to say that that was quite enjoyable to see him proffer a few explanations for what Kumbaya meant, but then to maybe correct himself after googling that a little.

Anyway, the point is—we're having some fun—getting—the point of this thing that I'm saying from my colleague in Concordia—you know, we're having fun, but I don't think that is the point of Estimates. I don't think anyone's ever looked at Estimates and thought, hey, fun, we're going to have a good time there. But important work it is, nonetheless.

So, just getting back to what I was asking about earlier, I was just wondering if the First Minister can provide the committee with a listing of the staff who are at Executive Council and an org chart for how it's organized right now.

Mr. Pallister: So I believe I undertook to provide all that information previously. I think the only thing is the member is now asking for a chart—like an org chart—as well. And that's in the annual reports of Executive Council, which provided the chart itself. Right? Yes. So that would be there. Right.

Well, okay. Well that's an interesting—I mean, I don't see why not. I mean, that's all written—it's going to be available for the Public Accounts; it just would mean finalizing a little earlier.

Now, with the latitude to make changes in the names, you know. Not as many as there were in the Selinger government towards the tail end, but there might be some staff changes and things like that. So I just add that as a qualification.

Sorry, I—maybe there was another—was there a supplementary ask? Or—

An Honourable Member: No.

Mr. Pallister: No, I think I—the status as of a certain point in time, but just with the caveat that it may change. Again, not as much as it did under the Selinger government with all the rebellion and departures and severance pay issues that were dealt with there at the expense of the taxpayer.

As far as the repetitive nature and the—of the answers the member alluded to in question period, I can only say that as a consequence of the repetitive nature of the questions, it would follow that there would be similar answers given on a regular basis. So it may be a sign for all of us to look for new theories in our questioning if we wish to have different answers.

On the data storage piece, though—and this is an exciting thing—by migrating data that is infrequently updated to a storage option that is backed up less frequently—secondary storage—the government would save money associated with backing up data on a daily

basis. In the past, according to some front-line people in Finance, we were backing up stuff on a daily basis we didn't need to back up on a daily basis. So we're saving some money that way, which can then go—of course, probably the Health Department, as it consumes much more of our resources than was ever the case under previous administrations.

We also have secure bulk email now. By adding a secure bulk email service that can be accessed by any department, the Province will save money that is currently being spent on the process of, believe it or not, printing, folding and inserting into envelopes and mailing bulk communications to clients. So here's another example where somebody in the—in this case, in the Finance Department—came up with an idea to use technology for what it was being used in the private sector effectively for, for perhaps a decade or two prior.

So appreciate these, again, are suggestions coming in from government employees that we are acting on and that are working to effectively reduce our deficits and allow us to improve service investments and lower taxes at the same time.

As to other investment ideas that are coming in, online tax credit and rebate registration system by introducing a web portal, Manitoba Finance will simplify the registration and assessment of eligibility for personal and corporate tax credits, rebates, grants which are currently managed through paper-based processes. Again, going away from paper based, going away from dull, repetitive tasks and moving towards using technology effectively. This has been a source of many of the suggestions for—coming from government employees.

*(15:50)

Geographic information system's an interesting one. This is a—came from Growth, Enterprise and Trade and it's a suggestion to support a five-day geographic information systems training program for 14 geoscience staff at the University of Winnipeg, and this training will prepare staff to produce high-quality digital and hard copy maps in reduced time frames, and I'll go on. There are other program's equally exciting and stimulating to learn about as we move forward with our ideas fund suggestions.

Mr. Kinew: So that's good, to get that clarification on the undertaking; appreciate that. And curious about Cabinet committees as well. I think some of them are—you know, there's requirements around certain committees, supposed to be—Healthy Child

Committee, as an example. But just wondering what the current status is. Is the Premier using, you know, Cabinet committees, or is it, you know, the sort of the DM tables we were talking about yesterday?

So I guess, just to begin, I'm just wondering if the Premier can share the amount of active—currently active committees of Cabinet right now.

Mr. Chairperson: Leader of the—sorry—Honourable First Minister.

Mr. Pallister: No, I apologize, Mr. Chair, no need for you to; I interrupted you, and I will endeavour not to do that again.

I would encourage the member—all committees are by order-in-council, and they are all available as he may be able to research this and get more detailed information than I would be bother the staff with, given that they are going to be compiling those previous lists that he asked for, and focusing on that. I'll just let him know that if he goes to oic.gov.mb.ca/oic he would get each of those committees and their memberships as well will be listed on there.

And I would also just share with the members of the committee that the overarching reality, because the member did ask and I will provide it, of staff in the Executive Council, and my—one of the department of government—which is approximately 35 per cent smaller than it was under Premier Selinger—just to give them an idea of some of the activities that happened around the time of the NDP rebellion, just so they get a sense of the costs associated with this internal squabble that the previous government entered into.

Now, this—by this, I would just be summarizing the information around new hires and salary increases between December 2014 and October 2015, so right around the time of the Cabinet revolt, the following attempt to hang on to power, the leadership contest which was largely decided by four or five public sector union bosses, and then the subsequent activities around hiring and dismissal and so on. During this period, which is approximately 10 months, the number of new political staff hired by the previous government was 33; the number of salary increases offered during that time over and above previous salaries was 12; the number of staff receiving severance payments was seven. If I recall, the total was approximately three quarters of a million dollars. And the total cost to the taxpayer of just that category was \$2,859,874.

Now, in that same time period, which, of course, was in the run up to the 2016 election, coincidentally, the number of new political staff hired, this would be 33; salary range was between \$37,000 at a low, I believe for a part-time position, and \$135,000 at a high. The average salary: \$67,000; the total additional salary for new hires was a further \$2,007,917. During the same time period, a number of staff received promotions and raises—this, of course, just in anticipation or in the preliminary days prior to the election—12 staff received raises. The range of salary increases went from 3 per cent to 60 per cent, and the average salary increase was 22 per cent, with a total additional salary to the taxpayer just during that time period of \$181,957.

And so, here we have just an idea of the relative expenses generated as a consequence of the NDP internal rebellion. Not, of course, a responsibility of the member for Wolseley (Ms. Naylor), but nonetheless important in the context, and understand, because not only is my office smaller, and my Cabinet, of course, 30 per cent smaller, but we're getting more done, and we're not wasting close to \$5 million doing it.

Mr. Kinew: I'm wondering if the Premier can tell the committee if the staff that support those committees of Cabinet, which I assume are active, if they're still listed in OICs, you know, where are those support staff located? And, you know, what are the roles there?

Mr. Pallister: So just to be clear, the member wants a list of all the staff who support the committees of government and where they are physically located in their offices? I just want to be clear before I undertake to do it, that I'm doing what the member is wanting me to do.

Mr. Kinew: Yes, I think we're on the same page, but just to clarify: the committees of Cabinet, is what I was saying. The Premier used a slightly different phrase but I meant committees of Cabinet.

Mr. Pallister: I've got a list now for the member of committees of Cabinet. I'll just read it off and if there's any additional information that he wanted, then he could just add that to the list.

So we'll pull this together for him: Priorities and Planning Committee; Treasury Board; Regulatory Accountability Committee; Healthy Child Committee; all aboard committee—poverty reduction; in addition, Economic Growth Committee, which was

just recently formed; Gender Based Violence Cabinet committee.

If the member had any other request there, I would be happy to accommodate it.

Mr. Kinew: Yes, no, that sounds good. So that's an undertaking, to follow up on that. *[interjection]*

An Honourable Member: Kumbaya, baby.

Mr. Kinew: Yes. We're still working out what that means, by the way, but the member for Brandon East (Mr. Isleifson) is working on it. I think Wikipedia says it's of disputed origin, apparently, so there's a range of interpretations.

I think there was a long pause I took there to reflect and then continue on—long pause that I took there, Mr. Chair, and then continue on with the same thought process.

Yes, so just to confirm that that's the undertaking. I just wanted to just confirm that before I was kind of distracted.

* (16:00)

Mr. Pallister: Undertaken.

Mr. Kinew: Reminds me of the name of one of the old wrestlers I used to watch back in the day, eh.

An Honourable Member: He's still wrestling.

Mr. Kinew: Still wrestling, I'm informed. Haven't been as closely watching that lately, though NHL season's starting, so that's certainly going to take up more time.

Perhaps we could change a bit and then—change subject a bit, rather, and talk a bit about education. I'm curious about the education review that's been launched. And I guess, as a starting point, wondering whether there's been an interim report submitted to government by the ed review.

Mr. Pallister: So just—I didn't want to go through the other 37 projects, but I'll leave that and just refer the members to news.gov.mb.ca, and they can go on the backgrounder that was put out on this a few months ago. So they can have a look at the other projects if they're at all interested in that.

No, there's no interim report.

Mr. Kinew: What sort of interactions have there been, if any, between the government and the education review committee? So, recognizing the answer the Premier (Mr. Pallister) just provided, that there's no interim report, just wondering what

interactions there have been between government and the ed review.

Mr. Pallister: I'll just review. The commission was named back in January of this year, kindergarten to—K-to-12 review, nine highly qualified individuals. The co-chairs are both well regarded, capable people: Dr. Janice MacKinnon, Mr. Clayton Manness. The other members of the commission include Terry Brown, Mark Frison—I won't give you the bios on each, but the information is out there if—and we can pull it up if anybody's interested—John Daniel Lees, Linda Markus, Laurel Repski and Denis Robert, and MLA Ian Wishart has acted in a supportive and co-ordinating role to assist in the consultative process.

I don't have a summary of the consultative work that was undertaken. *[interjection]* Anyway, just I would say I've thanked these members of this commission earlier, but I would put it on the record again today that they've been working very hard on this project. We've endeavoured to have this largely be on an arm's-length exercise so that they can listen to others beyond government and beyond political influences. And that, I hope, the member would also support and the opposition would also support.

I think education is obviously a high priority for all of us, and we want to have a system that works better for our children, and I think having a group of experts on this panel, as renowned as these folks are, is a valuable thing. They have been given a broad mandate. Over the last number of months they've consulted with students, with parents, with educators, with trustees, with administrators, with academics, indigenous organizations throughout the province, la Francophonie, municipal councils, various professional organizations, business community representatives—you name it—members of the public.

I am hoping I can obtain from my associates here more detail on the involvement at each of the consultation meetings, but I understand that the overall process involved thousands of people giving input, either online or directly by coming to public meetings. And meetings were held in various locations besides Winnipeg: Brandon, Steinbach, Carman, Dauphin, the Pas, Thompson—these are the various dates of the meetings, but I would prefer to see a summary of how many people participated.

The commissioner also drew on expert witnesses and solicited input from experts in education research, best practices in education reform, not just in Manitoba, but in other jurisdictions, as well.

And I'm told this is the most ambitious such exercise in an education review undertaken since the 1960s, and well—you know, I hope well supported by all members of all parties in the House. However they define themselves by number, I would hope that they would support the exercise.

I am—I do remember that, in total, the number of people who participated in the consultation round alone was in excess of 12,000 people. So our hope would be that they'll return. We have given them, I think, a reasonable time frame to do their work and I believe their report should be due back to us by March of this coming year. And, at that point in time, we'll have a chance to have a good look at the work of the commission and see where we can embark on doing a better job for our children or education system.

Mr. Kinew: Previously, the Premier (Mr. Pallister) and I had spoken—I guess several months back at this point, and I think the subject of the meeting was mainly about the election call and all that. But the topic of the ed review did come up.

And I just wanted to update the First Minister that even though I may not agree with the ideology of some of the people heading up the commission, that, you know, I did, you know, encourage people to participate because I do value public participation, particularly from, you know, teachers and parents and even students who may have liked to share their thoughts with the ed review.

And so I think the—I don't remember exactly what the Premier was saying, but he asked for some help in encouraging people to participate in that process—the public process—and so I'd just like to reassure the Premier that I did encourage people to participate.

And so I do value the, I guess, time and energy and thought that people put into the submissions that they made at the various public fora as well as any written submissions or other suggestions people have made through different venues—different avenues, rather, to the education review.

And again, just the proviso that, you know, I certainly heard many suggestions from the commissioners and don't agree with them, but at least do support people voicing their opinions—even if those opinions aren't ultimately respected or implemented by the review.

So I'm curious about, you know, what, I guess, the status is. You know, the Premier's talked about the timeline a bit, but, you know, what's taking place inside the review right now? You know, the

commissioners, I take it, are working on this. Maybe he's already provided a name.

Can the Premier provide a status update with the commission, give us some insight as to who's doing what in terms of some of the names that he mentioned, and update the committee on what they're devoting their attention and time to these days?

Mr. Pallister: I would suggest for that level of detail that the Education Estimates would be the appropriate opportunity for that information to be shared—the Education Minister's area of authority being that specific issue the member just raised.

*(16:10)

I would also encourage members, though, if they're more interested in researching this aspect of our discussion, to go to edu.gov.mb.ca. Again, edu.gov.mb.ca. And they could see on that particular website, Manitoba Commission on Kindergarten to Grade 12 Education and get updated on the information that's there. It gives a variety of information. The start of the process was a comprehensive public consultation discussion paper, which is on the website, that sets the context for the review, introduces the commission and its members and also provides an overview of funding and processes that will be undertaken. So it may be that the information the member just asked me for would be on this website. If not, of course, then the Education Minister would be happy to provide updates to assure.

In terms of the discussion paper summary, April of this year, that was posted as well. It's there, and then public consultations I referenced earlier. There were over 12,000 participated in one form or another in public consultation. There were online surveys, witness submissions. The deadline for submissions [*inaudible*] May 31st.

Briefs were also received. There were 62 briefs received and those are also viewable, so that if anyone would have any interest in having a look at those, they could. There is a list of all the presenters at public hearings. There is a complete list of all the briefs that were prepared and presented, and, in addition, the commission also collected what they call exemplary practices from educators, and they asked for those to be submitted by the end of June.

So that raft of material is pretty significant, is what they are, I understand, in a general sense only in the process of going through, and then they will, I am told, present their report early—relatively early in the

new year, sometime in the first quarter of the new year.

Mr. Kinew: All right, well, I thank the First Minister for that update. Previously, the First Minister's talked about conducting a mandate review for the Department of Education.

I'm just wondering if he can share his views as to what that process will be and why that's required.

Mr. Pallister: Sure, yes. Well, this K-to-12 education review is a historic undertaking, and it's, as members can tell from just that quick overview summary of the work that's gone into it, you know—thousands of Manitobans have been giving their ideas and input to that process—it's a monumental thing. And it's really important that we do everything we can to get the best possible education system that works well for our kids, but the internal review is to make sure that our own department is positioned to be able to do the things that we will be instructed on by the work of the review.

And so, yes, in a general sense, it's about getting our own act together—not just, you know, asking everybody else to do it. So that's the, yes, in the general sense—I'm using kind of, you know—I'm not using academic language to describe it—but I think it does come down to that. I don't think we can ask more of everybody in the education system and less of ourselves.

So our department needs to be sure that it's ready, mobile, agile, able to do the things that we're asking everybody else to do in the education system, and that means doing an internal review that hasn't been done. When was it—when was the last internal review—decades ago? It hasn't been, like you said about the K-to-12 education system, it hasn't been reviewed since Dr. Robinstein [*phonetic*]. Now, we've got an Education Department. We're going to ask them to be partners, work with other agencies, other levels of school system. And our own internal department hasn't had an internal review for decades either.

So it's time to make sure we get our own ducks in a row, if you will, and make sure that our department's capable of acting appropriately in support of all the work that Manitobans have put into this K-to-12 review thus far.

Mr. Kinew: So that's an interesting answer. So First Minister is using the term internal review. Is this going to coincide with the same timeline as the ed review, the commission that's taking place, or is there

a different timeline? Can the Premier shed some light as to this internal review process? How long is it going to take? Is this neatly designed to coincide with the reporting back phase, or is going to be something takes longer?

Mr. Pallister: Well, I hate to say it's a moving target because it sounds non-like, we don't actually know. But I think the honest answer is we don't actually know because we haven't done the internal review yet. You know, first we have to undertake to review the department, its functions, and how it's working; how are its synergies organized? How is it able to work proactively and reactively with other agencies involved in the delivery of education? That internal examination, hasn't [*inaudible*].

Obviously, it is important because when we don't know yet, of course, and won't until at some point, perhaps March of next year, what the recommendations are that are going to come down. But we do know that, given that it's been a half century since our education system was reviewed, given that our system is consistently ranked last in terms of achievement of outcomes for students, that there are going to be some changes recommended.

The reality is our education department will play a lead role, a responsive role, perhaps, a leadership role to some degree potentially in making the changes that are recommended to happen. In order to do that and in order to function effectively as a partner—because it is a partnership—and we'll bring education beginning with the family, moving to the classroom, moving up the system to, you know, the community and community support networks that are there, that must be there, right through to the curriculum development specialists and the various professionals that work in support of our children and their schools.

So, with this review internally, we'll get a sense of what changes may need to be made to better assist in the implementation of the recommendations. But as far as a specific time frame for that, that won't—would be difficult for me to predict. I think it's obvious that we believe it's important to get our ducks in a row in our own department in support of these other changes.

So I would say it is urgent and important that we do so with ambition, internally, with the suggestion be completed and done prior to the release of the report. I don't want to mislead the member because I'm not entirely sure what our internal review is going to show. So I would hope that much of the work would be able to be undertaken in anticipation of working and in support of the implementation of the K-to-12

review recommendations. And so, clearly, that's got to be early in the new year that we're, as much as possible, ready to go.

Mr. Kinew: So that sounds interesting and, you know, I think begs a few follow-up questions, certainly. I guess, one thing that's a little unclear to me is, like, who's conducting the review? Is this by internal review? This is Department of Ed staff who are reviewing the operation of the Department of Ed? Or is this, like, the Executive Council staff who are going in and examining? Just curious, like, how the internal review is conducted. Who is conducting it?

Mr. Pallister: The man to my left. The senior leadership in the department will be asked to investigate themselves, in essence. Sometimes that kind of process can be criticized; I've heard that criticism levied at the RCMP when they try to investigate their own people, but I'm hoping this isn't the same type of situation.

Mr. Kinew: Just for the benefit of, I guess, whoever's reviewing Hansard for this historic moment many years in the future, I'll just point out that the clerk of the Executive Council is the person the First Minister is referring to there, in addition to the senior leadership within ed that he also had referred to there.

So I think that there's a lot of interesting directions. Certainly, the ed review, if it's my understanding, is going to focus a lot on pedagogy within the classroom, on the way education is delivered, things like that, and then I guess this internal review will be more the way the Department of Education interfaces with the public school system, the K-to-12 system. So I think there's certainly a lot that could be, I guess, examined. Seems pretty broad, if I'm understanding correctly.

* (16:20)

I think one of the interesting things that I've picked up over the years, talking to people with educational expertise, is for sure we have a tremendous amount of expertise on the front lines: the teachers, the educational assistants, even some people like our colleague from Transcona who was a principal, vice-principal in the past. They're able to, like, quite easily go back and forth between the actual teaching into the classroom towards maybe the theory behind what they're doing, the explaining, you know, the pedagogy of that, meaning, like, the theory of why their teaching style, their teaching technique works.

So I think maybe a suggestion, based on what I've seen talking to those people—also, you know, people

who teach in the various teaching programs at the universities around the province, whether it's at BU, U of W, U of M or otherwise—is that there's a lot of expertise there. And so, you know, I think it would make a lot of sense that as this internal review is conducted that there be at least some consideration that, you know, having some expertise on the pedagogy be kept within the department, that people working within the department do have a good understanding not just of the nuts and bolts—for instance, things like Public Schools Finance Board and delivery of programs—but they also have understanding a bit of the state of the art and state of the science of what works in terms of teaching kids. That's pretty straightforward, and hopefully that's all within the purview of this internal review. And, you know, I just want to suggest that too.

Are there significant organizational changes contemplated as part of this review? Is this going to be, you know, looking at—for instance, one thing that was talked about during the campaign is moving child care under the Department of Education. We know that there's also a big operation in the Department of Ed that deals with post-secondary. So is this going to look at everything, including possible org changes like the one I described, or is this strictly K to 12 and the K-to-12 part of the Department of Education?

Mr. Pallister: I think it would be fair to say—this is the challenging thing, because it's so all encompassing, right? Education, what does that mean? And we've just had, you know, 12,000 different opinions expressed on that through the consultation process, and that was just your K-to-12 structure. We didn't get into post-secondary, just K to 12.

So it's fair—I think it's fair to say that the mandate review that I have asked for from my clerk and from the Education Department will, though not exclusively focused on K to 12, will be cognizant of the fact that we are currently in the midst of doing a review, which we will be in receipt of, on K-to-12 education. So it's going to be logical, I would expect, that they're going to be focusing, to a greater degree than would be the case in the absence of such a review, on how the department can respond to those recommendations.

I think it might be helpful for—certainly, for some of my colleagues, Mr. Chair—to just quickly review the mandate that the commission that we appointed has been asked to carry out. They've been asked to carry out an independent review of the kindergarten-to-grade-12 education system to improve outcomes

for students, ensure long-term sustainability and enhance public confidence.

Now, you know, I would say—and I referenced earlier the member for Portage la Prairie (Mr. Wishart) helping with the co-ordination of getting people out to the consultations, but I would also emphasize, as I did to my colleague from Portage in this process and to the minister, that this is not an exercise in politicking, and it has not been an exercise in politics, nor will it be. It's an exercise in making sure that people who want to come and present can; that people who want to submit a brief can; that people who want to go on the online questionnaire can; that we encourage teachers, trustees, parents, families, business owners, people from all walks of life that have an interest in education to take—and this is what the member alluded to earlier that I emphasized in our previous conversation with him and I have with, also with the Leader of the Liberal Party in our discussions—encouraged that Manitobans who have an interest, and we all should have an interest in education, but those who have an interest in participating in this process have the opportunity to do so.

What we've asked this commission to do is propose a renewed vision for kindergarten-to-grade-12 education, make recommendations to ignite change within existing systems, structures and programs which inspire excellence in teaching and learning and consider the continuum of early learning, post-secondary education and labour market needs as part of an integrated lifelong learning approach.

So, they're not excluded from referencing what happens after grade 12, but they—we have asked them to focus on the K-to-12 system. The review will be informed through extensive and transparent public consultations supported by research and learned from best practices.

The commission will seek the input of students, parents, educators, school boards, academics, indigenous organizations, the Francophonie, municipal councils, professional organizations, the business community and members of the public.

We asked them to focus on six key areas in their deliberations:

Long-term vision—what should the goals and purpose of kindergarten to grade 12 education be in a rapidly changing world?

(2) Student learning—what are the conditions required to achieve excellence in student achievement and outcomes in Manitoba?

Teaching—how can teachers and school leaders become more effective?

Accountability—(4) Accountability for student learning—how can the education system develop a stronger sense of shared accountability for student learning?

(5) Governance—what type of governance structures are needed to create a coordinated and relevant education system?

And finally, funding—what actions are required to ensure that the education system is suitable and provides equitable learning opportunities for all children and youth?

Now, we then asked them—this preparatory work began, as I mentioned earlier to—in answer to a previous question from the Opposition Leader, in December of 2018. Public engagement activities began early in 2019. And we've asked for a final report for early in the coming year, and that report's going to include key findings and recommendations, and it will be released publicly, all fingers crossed, on the report's completion as we've asked but, should it hit its timeframe, should be released publicly by March, 2020.

So not only all members of the Legislative Assembly, but all Manitobans can have a look at the recommendations that have come forward.

Mr. Kinew: Does the Premier (Mr. Pallister) expect that there'll be staffing reductions, job cuts as part of this internal review?

Mr. Pallister: I don't presuppose the outcome of—I'm excited to see the results of the work of the commission. We'll see what they are when they come out, and then we'll all have a good chance to discuss them at that point in time.

Mr. Kinew: And just curious about the same question around the internal review. So are there going to be staff reductions or job cuts when it comes to the internal review for the Department of Education itself?

Mr. Pallister: I'm not going to prejudge the work; internal reviews are internal reviews. We'll see what the staff comes up with as far as recommendations, but I'm not trying to predispose myself to be biased in respect of the recommendations that may come

forward. I've asked them to do that internal investigation and make sure we're positioned to do the best possible job for our kids.

Mr. Kinew: So, still on the topic of mandates within the department of ed., but shifting to the post-secondary side—I think the Premier's (Mr. Pallister) talked about issuing mandate letters to post-secondary institutions. I'm interested in that. I'm curious to know what's meant by that.

So perhaps, just to begin, I'd like to ask the First Minister what's being thought of behind issuing these mandate letters. What's the purpose? What's the genesis of this? Where's the Premier coming from when he's contemplating issuing these mandate letters to the various post-secondary institutions?

Mr. Pallister: I believe the plan would be to have those mandate letters out in the next 48 hours or so, so I'll just let that happen when it happens, and the member can review them and have his views on them expressed at that time.

Mr. Kinew: So just to clarify, the mandate letters will be publicly available or they're going to be sent to the institutions within 48 hours—if the Premier could shed some light on that?

Mr. Pallister: Both.

Mr. Kinew: All right, thank you, Mr. Chair. So I'll take a look at that, I guess, and Friday—I guess that's what the Premier's saying—later on this week.

I'm curious to know, I guess, what the Premier's views on a topic that I think is of mutual interest to both of us.

* (16:30)

One of the things that I was—popped up in numerous conversations that I've had with people in the private sector recently has to do with the alignment between post-secondary institutions and the workforce, right, and such a big topic, very big deal; it begins to loop in many other areas too. It touches, at least tangentially, on the question of immigration. It touches on earlier education, K to 12, you know, preparing people for post-secondary. It talks to what we do in areas like EIA, bringing people back into the workforce to civility; there are organizations who prepare people for the workforce there.

So I know that in—this is more of a theoretical, broad, general kind of question, I know, than the previous ones, which had been much more, you

know—what about this mandate letter, what about this mandate review—things like that, but I know the Premier has spoken previously about aligning the work of post-secondary institutions with the needs in the labour force and, you know, I've heard from business leaders—manufacturing stands out as one area in particular—about the need to ensure that we're not just educating Manitobans, but also that we're meeting some of the needs to fulfill jobs in the economy.

And I guess what I've heard in particular is that, while we are educating many people, there are certain areas, maybe, that are underserved, and anecdotally, at least, I heard from some people who have completed programs and were wondering where the job was for them after they did that.

On the flip side you've got these—when no manufacturers, you know, HVAC manufacturers, people in that sort of space—wondering why they can't staff up positions, and I guess I'm curious to know the Premier's plan for tackling that issue. I think it's certainly something that we all support, concerned not only that education works, but it works to support people in Manitoba obtaining good jobs.

So I'm just wondering where the Premier's at with that, whether there's specific initiatives that will tackle that and how we're going to move forward on that.

Mr. Pallister: I think the member raises a tremendously important point, and I think, also, that this is a great example of a subject that, and I'll just share with committee members that in my period of serving in federal office—federal elected office, I would say—and I spoke to both the member for Fort Rouge (Mr. Kinew) and the member for St. Boniface (Mr. Lamont) about this just briefly in previous chats, but I'm looking for suggestions, I said then, and I had a couple since, of topics where we could engage our members together in Committee.

I feel that, very often, when I look back on my time in Ottawa, that some of the most fulfilling time that I spent in the service of the people of my constituency was spent on committee work, and I'm paraphrasing what we have already spoken about, the member for Fort Richmond, the member for St. Boniface and I, in a brief discussion, but I feel, on looking back on it, that some of the best work that I had the chance to share and was shared at committee.

And yet, over the years here, I haven't seen committees used in the way that I have seen them very effectively used in other jurisdictions at times.

I think, sometimes, we're all of us guilty of doing a better job of digging a moat between us than we are building a bridge, and I would like to see, and especially given the commonality of—that I believe exists among all of us to see issues like the one that the opposition leader just raised, addressed more effectively. I think that this may be an area of study and co-operative research that we can engage in that certainly should not be a partisan issue, rather should be one where we could pull our heads together and get something effectively done.

Mr. Greg Nesbitt, Acting Chairperson, in the Chair

This issue has been—and there are side issues and multiple side issues to this issue—it is not just one, but I'll try to describe it in this way: It's about linking people to their potential as human beings; it's about linking our young people to their dreams potentially, and doing it in a way that serves their needs but also, of course, serves the collective need we have to build our economy as a province.

We've—I have—the member alluded to it, I have had so many discussions on this topic or satellite topics that emanate from this topic with people over the last number of years, that I think he's raised a very valid point in respect of doing a better job of helping connect our high-school graduates to the kind of training that will allow them to support themselves in their lives, support their families, support their dreams.

Now, also recognizing that sometimes that initial training—and I say this as a liberal arts grad—sometimes that training doesn't have immediate, you know, career opportunities you might have anticipated. In my particular case, I graduated with a liberal arts degree and then I pursued my teacher training.

In those days gone by, as the member for Transcona (Mr. Altomare) would remember, that was the 'jurish'—well, after normal school, okay. I'm talking—not that far back. My mother did it, my mother did attend normal school, and at that time we had permit teachers, of course. And people could qualify to teach in Manitoba—and there was an incredible need for teachers in Manitoba—with a one-year program. And I would invite members to visit the school on William Avenue.

And we trained rural and northern teachers, one year's training, and we had many, many young men and women go out into rural and northern communities with one year of training and teach

12 grades. That was our education system. It doesn't bear any resemblance to what we have today.

The needs of our education system have evolved amazingly, and this is part of the motivation, obviously, for a K-to-12 review. But this piece that the member's just raised has intrigued me in the fact that I have—and I've studied this topic quite a bit, and I can say I haven't been able to find a jurisdiction that has done a very effective job of doing what we've talked about. I think there are massive gaps in virtually every province in the country. I've raised it at the premiers' meetings and we look at each other and go, yes, that's something we should work on.

Well, I take the member's suggestion sincerely. I think this may be something that we could work on together. I think it would be very worthwhile to do that. And so I'll look for more suggestions from my colleagues if this is something they might like to pursue. I think we have something that we could all benefit from and perhaps could benefit the people of Manitoba as well.

Mr. Kinew: You know, I've got an open mind about the suggestion that the Premier's (Mr. Pallister) making. It's certainly an interesting idea. So we can follow up on that and figure out how that might work.

Just as a reminder, because we were sort of interrupted between the last time we talked about all-party committees and similar cross-party initiatives, things like that, by the recent election. I did put a few suggestions into writing and sent up to the First Minister's office.

One was brought to me by an outside organization. Actually, there's a group that lobbies on behalf of folks with type 1 diabetes in Manitoba. And they had actually requested that there be all-party work to look at issues like covering insulin pumps and some of the other ways that health care interacts with type 1 diabetes. So was happy to bring that suggestion that they had forward, share with the First Minister.

Mr. Chairperson in the Chair

Also, if we're going to look at type 1, it stands to reason type 2, you know, that we should be looking at diabetes more broadly, too. Especially given the, unfortunately, very high rates that we see here in Manitoba. So perhaps there's some issues that we could focus on there. Happy to resend the letter if, you know, perhaps that got lost over the past few months. But am interested in following up on some of these areas if we can.

We are at committee now, though, so share a few ideas with the First Minister while we're here.

When it comes to matching labour market outcomes with post-secondary—and I do note that the Premier said that grade 12, as well. I think there's some good examples in the K-to-12 system right now, preparing people, you know, maybe on the vocational side, things like that. There's certain new media programs out there. You've got Swan Valley secondary school, which has pretty impressive facilities for, you know, diesel mechanics and for carpentry. One of the interesting things about them, I guess, is that they jointly share those facilities with the high school and then the UCN campus that's close-by.

* (16:40)

So I think it might make sense in some of these endeavours to take a look at how effective that program has been because from the outside it certainly looks to be a great model of providing job-ready training for people while they're still in high school while also providing a pathway towards a post-secondary credential, if they wanted to take that next step.

I've spoken to some folks in, you know, the tax base, if you will. Pause here for a second to note there's a ton of work, including by big consultancies like McKinsey, including by many government agencies that suggest that there's a huge number of jobs that are going to be lost over the coming decades because of technology change—disruption—a term of art that's used there. Jobs are going to be disrupted.

So I talked to some local tech leaders here in Manitoba, and they say, yes, our economy's changing. You see that every time you go to Shoppers Drug Mart and you see the automated checkout counter, as an example, cashier jobs that aren't going to be there anymore, or perhaps in fewer numbers. At the same time, I think one of the sources of inspiration and optimism that I heard from these tech leaders in our province is that they said that, while there still are going to be jobs here in the future, they're just going to look different.

And so some of those things are jobs that we haven't created yet. As an example, Manitoba has a competitive advantage when it comes building server farms or tech facilities like that because of our cold temperatures and our relatively cheap hydroelectricity. If we were to land some of those facilities here in the province, a lot of that work is automated, but there is going to be a need for the

person who gets the call at two o'clock in the morning when something breaks down. And currently we're not necessarily training people for those jobs.

And so there's this area of potential future employment that we're not preparing people. And then there's, in more established industries, manufacturing where they're currently upgrading their technology. They're bringing in more high-tech manufacturing technologies into the workplace, and their need is different. They have current employees who they would like to see have their skills upgraded, and so they're looking to the public sector, post-secondary education institutions, and wondering whether they could step in and give the existing pool of employees some skilling up, some tooling up so that they'd be able to stay in jobs, but be able to respond to the changing workplace.

I think these are all very important areas. There are more areas, but they are some of the areas that I'd suggest examining.

Mr. Pallister: Yes, I think, we're—I appreciate the member's comments. I would—just to add linkages to financial supports as well—appropriate financial supports, we've greatly expanded the funds available for scholarships and bursaries, but are we actually putting the scholarships and bursaries in the hands of people who are going to be training to get jobs? What is the net effect of the investments that we're making? That's a question that needs to be evaluated. I am not convinced as effectively—as is effectively as is necessary been evaluated yet.

The other—and there are many aspects to this credentials recognition, something that we've talked about in the premiers' meetings that like ministers have spoken about, or people with a *[inaudible]* responsibility, especially in a province like ours with a high number of immigration—of immigrants, but with a high number of people coming in whose credentials were gained in another jurisdiction. We're in the past, at least, many of our provinces in the country haven't recognized or respected those credentials. Should they be respected and recognized in all cases? No, but should they be disrespected and not recognized in all cases? No. So we need to develop a better system of acknowledging and respecting our credentials recognition when it comes from off-shore.

But, in addition, because of barriers among the provinces, we still have a situation that is bizarre and archaic in Manitoba where credentials gained in one part of the country are not recognized in another part of the country. And this creates barriers to people who

work hard to get their qualifications, being able to even move. And Quebec, by the way, is one of the worst for not allowing people to come in and work in their own province and, you know, in the province they might like to adopt, they might like to move to it.

But you know, they get—you get skills as a welder or electrician and you want to move to Quebec, maybe because you met a gal from Quebec. It's just make—a possibility, right? And you want to move to Quebec and work. You can't do it. Something wrong with that.

So we've got—you know, a healthy country's got to be a place where capital and labour can be mobile. And we create these barriers within our own country to the success of our people; not helpful. So we need to do a better job of that too.

And so we're working very hard as a government. We're leading the way, actually, on getting these barriers down for people, so that, you know, that people can come here if they want to do work, they can go somewhere else if they want to do work. We can't lock them all in to our province and hope they stay. We've got to do a better job of making sure that we have an—open borders to the Canadian family.

That being said, we have labour needs because, specifically, our province has certain economic advantages. So we need to make sure we're taking responsibility for training the people up from Manitoba so that they can get those jobs in Manitoba because I'd kind of like to get to know my kids and you'd like to get to know yours.

So for too many years we weren't doing that very well. Leading the country in exporting people, and this can't be allowed to continue. So I'm with the member on the general and many of the specific points he's made. I think that there's—this is something we need to consider as an exercise I think we can engage in productively together.

I go—a little bit of background maybe for—and not exclusively for the new members of the Legislative Assembly, but I think of you and I remember myself when I was put in this position. And I would have appreciated a little more. I was the entire class of 1992. I didn't have any colleagues when I came in. It was me.

And everybody else having been here, most of them for a long, long time, there wasn't really an opportunity to learn much except by yourself. And at committees, they always assumed everybody knew everything when they talked.

So they didn't—and I'm not talking down to anybody. I don't want that misinterpreted. But I am going to review some stuff right now that some of you've been here for a while might already know, but some of the members of committee haven't had the chance to hear about. So I think it's important.

This Economic Growth Action Plan that we're working on is—it's—it is really important. And we've got a framework alignment recommendation that was released in March of last year on how we could do a better job of structuring our economic development as a province.

Up until recently there wasn't really a plan. There were, you know, close to 100 different so-called economic development granting organizations, but there was no strategy. And this is what the report recommended:

(1) Confirm economic development goals and objectives, like we've been talking about right now, so we have a province-wide strategy.

(2) Expand the review that is being done, was being done in GET, the Growth, Enterprise and Trade Department, to all economic development programs delivered by the province, because some of them were in that tube of that department but many of them were elsewhere.

(3) Consider establishing a dedicated arms-length economic development organization, which we have done, and I'll tell you more about that in a second because it's kind of exciting.

Mr. Kinew: So I'll just return—thanks, Mr. Chair, by the way—just return to some of the previous topics on workforce and just pick up on the Premier's (Mr. Pallister) comments about some of the barriers that stand between capital and labour mobility.

I do think it stands to note at this committee that one of the long-standing barriers to labour mobility does have to do with indigenous folks across Canada. Most of that is tied to the Indian Act and the past prohibitions against work and education that were contained within the Indian Act.

Some of it has to do with ongoing policy but, again, one of the areas consistently identified by corporate Canada, by indigenous communities, by many people who pay attention to this issue, is that participation rate on-reserve is very low—too low—and that educational outcomes have too persistent of a gap.

That—there is also, I think, a growing movement across Canada. There are areas that are rectifying this.

You have some school divisions—school districts rather, in British Columbia that have closed the achievement gap on First Nations students.

You have certain, I guess, more targeted programs that have seen progress made on mobilizing the workforce. I know there's an example in northeastern Alberta where it's actually a First-Nation-to-First-Nation program, where Fort McKay First Nation was transporting people in from the Kainai First Nation in southern Alberta. They had a surplus of jobs. The other community had a shortage, and they were using a lot of innovative techniques to be able to get people into the workforce.

* (16:50)

And so I think, like, when we're talking about ensuring that there's a good fit between education, training, ensuring participation in the labour force—and certainly we should be looking at some of these success stories—some domestically here, too, in Manitoba, as well, though I'm not sure how many of them are continuing.

There was a program called Connecting Aboriginals to Manufacturing that was a joint initiative between the private sector and the University of Winnipeg. You can tell by the nomenclature that the program's a bit dated, but essentially what they did is that they went onto First Nations and provided wraparound supports—soft supports, if you will—in addition to maybe more hard skills training. And then they provided support to these job candidates when they moved to various small towns, Altona being one example, and tried to ensure that the question of retention could be better answered by supporting these new job candidates.

And so you had people getting skilled up, you had people being provided with a job placement but then, importantly, somebody heard a disparaging comment at the, you know, hotel bar on the weekend or somebody hit a snag when it came to an interaction with their landlord—they still had a person acting as a support, you know, a shoulder to cry on, if you will, or just a source of advice when needed, and it actually did result in some good outcomes, in terms of retention. Often we have short-run pilot programs that can put people into positions. They run their course but then the longer term retention programs, a question as well.

I'd also note, you know, HudBay in Flin Flon seems to be pretty proud of one of the initiatives that they're running with another First Nation in their—

where their mining activities operate in that First Nation's traditional territory.

I think that there's a lot of good success stories. What might be of good use is to pull some of those best practices and see whether there's commonalities or at least whether there's additional supports that could be provided to some of those areas that have been successful.

So, you know, again, it's an area that I think about and am very interested in. You know, I know that having a job is about more than just a paycheque. Paycheque's super important but it's also about the discipline; it's about the dignity. It's about the pride that comes with being able to put in a hard day's work, and I want everybody in Manitoba to have that.

So I've spoken a bit about indigenous folks. I've spoken about other folks who are currently in the workforce, who maybe need upgrading, upskilling in order to be able to hold onto their jobs in a changing technological environment, and then I'm also speaking about young people from all of our different communities. They deserve the opportunity to be able to land a good paying job here in the province.

So these are some of the ideas that, you know, I just want to share at this committee, at the very least, notwithstanding whatever other undertaking or other enterprise might happen.

So, you know, these are some thoughts on post-secondary, and, you know, curious to hear if the Premier's (Mr. Pallister) interested in exploring some of those ideas further.

Mr. Pallister: Yes, I thank the member for his comments and I think his Kumbaya thing is not in danger of going too far. I think it probably hasn't gone far enough in the past. So, I thank him for the comments.

Yes, he references the program of HudBay and I think that's a really exciting example of a partnership that's taken some younger fellows from Cross Lake community principally and equipped them to have full-time, good paying jobs. And that was really an emotional ceremony that we were part of up there when they announced the grads for this program, because the young man who spoke referenced similarly to the comments of my colleague—that it was an opportunity not just for a paycheque but an opportunity for hope—hope for a life for himself and for his sons, and it was a really emotional presentations, sincere presentation.

The—but it was interesting—that program of training that we worked with UCN to help develop and partnered with HudBay and Cross Lake on—it was interesting to note, and I hadn't probably fully acknowledged this as much as I should have, which is pretty strange for a guy who comes from a pretty isolated rural background, next to Long Plain First Nation, to not have remembered, but I was reminded of it there. When the young man spoke, he said that they didn't teach us about mining first; they taught us life skills first, because for a lot of my friends who didn't get the same—we didn't have the same background and life skills enforcements coming up that we needed. And he referenced skills that they were learning through their training that they didn't have the opportunity—when I talked to the other grads, most of them said, you know, we didn't have the opportunity to have these skills reinforced when coming up. Punctuality is something that is—was ingrained. My mother was the timekeeper, and, you know, I had that influence, but not everyone gets that influence.

And the teamwork piece, the reliability piece, these are—and I hope I'm not oversimplifying, but I think life skills—to be able to not just have a job, but to be able to retain the benefit of that job through better management. And money management was one of the things that they had units study on, personal financial management and so on that were not—these were not skills that these young men I talked to had the chance to develop in their lives.

So I was really impressed with the work that UCN did in preparing the training programs, not just working with HudBay on how to, you know, how to drive a tractor, but working on the life skills piece as the preparatory piece to it. And the member, in his previous comments, quite rightly referred to retention. And I'm reminded of the stats on drop-out rates on technical schools, community colleges across the country, are very—are shocking for indigenous young people. Shocking in the sense that many, many drop out.

But yet, I remember my first year at university and I remember how it was for me, coming from a small farm and going to Brandon, which I thought was an enormously big city—and it's growing—but the contrast for me was pretty big. But for someone coming from an even smaller northern community, or from, you know, an isolated background, to going to Brandon is, like, you know, for somebody from Brandon to go to Toronto would be easy compared to that.

So no wonder people are dropping out. They didn't have the preparatory experience, and they didn't have the support networks and so on. My roommate in first year of university, his name was Edgar Reeves [*phonetic*] from Great Whale River—and he lasted three-and-a-half months, which was longer than the other two guys that came from that community lasted, because they were so homesick and so displaced, that they didn't stay.

Well, that's a shame and I've lost touch with him now. I don't know where he is, but I do know that better work on preparatory aspects, so that young people who go to or begin their training can continue on the path that they've chosen is better than seeing high rates of failure, of drop-out.

So we're—you know, we've done a lot—I referenced the scholarships earlier. We have 1,200 indigenous scholarships in the last year; it's a record. But it's not just a scholarship I'm concerned about. It's that it leads to the opportunity for people to find hope in their lives with the training that they want to get and a career that they can get from that training. That's what we are all advocating for.

Mr. Chairperson: The Leader of the Opposition has passed to—

Mr. Kinew: Yes, no, he wanted to ask a few questions.

Mr. Dougald Lamont (St. Boniface): I think it's funny that the Premier (Mr. Pallister) mentions his mother being a teacher. My grandfather was a lumberjack and a teacher and my aunt was actually one of those people when she was 15 or 16 and went to teach in a one-room school house. My dad grew up in a shack in Headingly and then Plumas but then places like Gladstone. But so there is an understanding about how much education has changed.

There are a couple of things—I'll just briefly talk about. A couple of things that were concerns as far as education is concerned. One is—and I hope that this is something that's considered in terms of the problems—issues with literacy. We had a teacher running for us who mentioned—who sat me down for 45 minutes, explained a lot of the woes of the education system, said that one of the big challenges is that we're actually—there are too many kids who are graduating grade 2 without the ability to read. That if we focused on that fundamental literacy and made sure that as many kids as possible could read by the end of grade 2, it would make an enormous difference, by going out throughout our system.

And the other was that when I was out in Brandon, I spoke to the president of the University of Brandon who said that we're losing a lot of young men, where they'll drop out in grade 10, and then they're sort of done. They're not coming back. And that was another issue. But—so I just wanted to make a couple of those comments.

* (17:00)

I wanted to ask a couple of questions just about the, sort of, the current state of the books. I know that we talked about this a little bit over the last couple of days. But I just wanted to get bit of a better understanding. I know the Auditor General has argued that the Workers Compensation Board should be considered part of the government's books, and you've argued that they're—so the Premier's (Mr. Pallister) argued that there's no control.

There was a CFIB news release for the timeline, which, you know, which just sort of laid out a series of meetings because they were essentially asking—they met with Minister Pedersen and the Deputy Premier and yourself, and then eventually in September, a year ago, the government announced they would no longer include WCB funds in the Province's summary accounts. And it was a list, a chronological list, which, at the end of it, says that the we—the WCB announces the first surplus review. So it seemed to them—the CFIB seemed to be suggesting perhaps that at least that their lobbying effort had been successful. And I don't know if you would agree or there—are they give—the CFIB giving you too much credit, or should they be giving the WCB credit in terms of this change?

But do you, just—do you see how the Auditor General might perceive that there's an element of control?

Mr. Pallister: I've been pretty clear. I think the Auditor General is defending past practices of auditors general in the past, and that is, I suppose, defensible on the basis of loyalty to one's predecessors, but not on the basis of practice. And the bulk of Canadian auditors general are treating the books the way we are proposing to treat them and are now, and I would say, on the—well, just on the fundamentally logical level, that the money itself is beyond our control, the money. The decision-making processes, we could talk about who met with who until the cows come home, but the fact is that the money that's in the Workers Compensation Board trust is irrevocably placed there for workers' benefits and is not accurately to show up on a consolidated

statement, summary statement, for the Province of Manitoba because we as a government are not able to access those funds.

And this would be the same for MASC, for the crop insurance—for the benefit of the new member for Transcona (Mr. Altomare), for the crop insurance trust money. These two funds are for farmers and their families or for workers and their families in a time of need, and they are not for everyone else to access. Therefore, it would be, in my estimation, clearer, and other auditors general and other governments agree, of various political stripes, as Liberal governments, NDP governments have presided over the books this way as well. This is not, to me, a partisan issue at all; it's an issue of accuracy and reporting.

So we're attempting to clean up the books. Now, the interesting thing is, when you go back a few years—and the member and I have different views on, you know, funding forward management of money and deficit financing and so on, I view the Province is, frankly, very—in a very different financial situation than the federal government, right? And I think the federal government has the fiscal room currently, for a variety of reasons, that the provincial government here does not have, to expand borrowing, to say that quite frankly.

I think the OECD averages are such that it states pretty profoundly that the Canadian government has room to borrow money. There's room to borrow money. Based on the percentage of GDP as a comparison, Canada is in a low-debt situation versus most of our competitors. Manitoba's not in a low-debt situation versus most of our competitors. And we just aren't. So for us to go ahead and borrow more money and say it's just cheap will hurt our children and grandchildren very much and will hurt our competitiveness very much because, quite frankly, if we're thinking seven generations ahead we have to understand paying a billion dollars a year in interest to some guy because we borrowed money too much in the past is not helping; it's not helping today.

So our debt is a significant concern. So we've had—so it's an ironic thing, in a way. Here we are, we're trying to make the books more clear, and we're—the effect is that we actually don't look like we're as good at managing money as we are because we're doing it, because if we'd left these funds in the government summary statements, we'd be in balance and we could run a parade all we want. But I don't do things that way, and I don't have a team of people in our government that do things that way. We don't

want to get credit for something we didn't do. We don't deserve to get credit for a bunch of money that's owed to farmers and their families or a bunch of money that's owed to workers and their families; it just isn't right. So we're saying, take those funds, report on them, let everybody see what they are, but don't pretend that just because the stock market did well last year on a trust fund, that you're a good manager of money, because that's not the case. That money isn't yours anyway, and you didn't manage it. You didn't make the decisions on it. Those decisions were made independently of government; the funds should be treated independently of government.

So that's, as clearly as I can put it, I think we're doing the right thing in making the books more understandable for us when we go through them because going through consolidated financial statements isn't easy, but when you go through them, there shouldn't be an optical illusion in there of, you know, at the end of the day that the government is managing money well, when, in fact, it's really the manager of a trust fund for a bunch of farmers or a group of working men and women.

So, we're putting them here so you can see them, independently review them, ask questions at the appropriate committee of the people managing them and responsible for it but, frankly, it isn't us. It's not the government of Manitoba, so it shouldn't be in the consolidated books.

Mr. Lamont: I mean, these are funds that—they're not accessible. It's not as if this is stuff that you could be spending on health care of anything else or roads or whatever.

So the government is in deficit, so—and so part of what I want to understand is something around the Fiscal Stabilization Fund. I mean, I understand the idea of having a nest egg and having this thing in case things go wrong. And this is, and forgive my ignorance, but if we are in deficit, are we borrowing money to put money into the Fiscal Stabilization Fund? Are we, in a sense, borrowing to save?

Mr. Pallister: Yes, that's an accurate portrayal and on the face of it would seem illogical.

However, I would argue a couple of things. One, the margin, or the difference between what our yield is versus what we're paying to borrow that money is, as the member quite rightly knows, the lowest it's been in decades. So it is not a significant cost to the people of Manitoba to maintain a Fiscal Stabilization Fund as it would've been in the 1980s when interest rates were,

as someone who had their first mortgage locked in and thought he was smart doing it, 17 and a half per cent for five years. I'm old enough to remember when interest rates were a little higher, and I expect maybe there's a couple of people left in the Legislature who remember that.

An Honourable Member: I'm not that old.

Mr. Pallister: No, but you might remember.

In any case, so, in effect, you're—it—I'll draw the parallel to personal financial management. One of the foundational things in financial planning is, of course, to have an emergency fund, in case you get laid off, in case you get sick or hurt and you don't have benefits, just some security there, just a nest egg for yourself and, of course, if you have a family, a critical thing. So you have an emergency fund, something, often the technical books will say, you know, three months of income, something like that, set it aside.

One could argue, well, why would you do that if you had a mortgage? I mean, really, you should just pay down the mortgage. Wouldn't it make sense? Well, then you wouldn't have the emergency fund. You'd just have an opportunity to go and borrow more money on your house when you have an emergency, and that's exactly the parallel here.

In Manitoba, we have floods, we have fires and when we have them, well, because, under the previous government, they took that rainy day fund—in sunny days they took it down, so it was getting up close to \$1 billion, almost \$900 million—took it down to \$100 million. Well, better not have been much of a flood because \$100 million get eaten up awful fast.

And then you have to go in at the wrong time, cap in hand, borrow the money. There are people in this room who know what that costs, and it costs a lot more when you need it than if you plan for it. How's that? If you plan in advance and you have those funds available, you diminish the risks associated with the disaster itself.

When would be the least opportune time to go to a bank, cap in hand? Well, probably when you have an emergency, when you were sick, when you lost your business partner, died in an accident, you know. These most vulnerable time periods are the time periods when you do not want to have to go to a bank and borrow money.

So, better if we have safeguards. And the safeguard that was recommended when this fund was originally established was, I believe, about 5 per cent

of annual expenditure budgets. So we're—you could say, give or take, about 800-840 million dollars what we should have.

* (17:10)

With this decision, what we've done is we've taken some advantageous occurrences, again, some luck more than brains—not a flood this year, less—fewer fires. Good, nice, one-time advantages. Rather than take that money and spend it, we set it aside. We say it's an opportunity. Set it aside, because next year, we may not be so fortunate. Kind of sounds like common sense to me, and I think, hopefully to you, Mr. Chair, and I think that's the principle behind a rainy day fund, exactly. It's why it's called a rainy day fund, I suppose. That, next year, well, we've all seen the fall we've had. Ground's saturated, likelihood of it if there's more snow like we had last spring, this coming year, it isn't going to soak—it's not going to soak into the ground, and we're going to need a rainy day fund pretty badly, because our local governments, municipal governments will need to prepare to prevent flooding.

I give you—this is one example. By having those funds available, we don't have to go to a lending institution. We do not have to add to our provincial debt at the most inopportune time. This strengthens our government. This is the most significant payment into that rainy day fund in the history of the province. It doesn't get us to where we need to be, based on previously established criteria, but it gets us about 75 per cent of the way there, and it is—it should give confidence to those who are concerned about prudent fiscal management and security against disasters and other occurrences—bit of significant downturns, global recession, any number of possibilities.

Mr. Lamont: I'm just wondering if there's a sense of what the—what that difference is in terms of what we're—you say that the margin is fairly—is, the Premier (Mr. Pallister) says that the margin is fairly slim. What sort of rate are we borrowing at, and what sort of return on investment or—what's the margin like between those two things?

And actually, you know, just beyond that is the—and I recognize the idea of having that reserve, that in reserve, but is there ever a—in terms of that ROI, is—balancing that risk against, say, investing in some chunk of infrastructure or—the thing is, let's say there's a mine near Thompson, or a 'pos'—potential mine.

How do you make that decision about whether maybe it's worth deficit financing something that

could have a major return on investment in terms of infrastructure, versus the necessary buffer of a rainy day fund? I hope that's not too complicated.

Mr. Pallister: That was an excellent question, no, it's exactly—what the member is asking is what's the rationale and what's the reasoning behind money management decisions. A perfectly good question. The margin's less than one per cent, but there is a cost associated with maintaining an emergency fund.

But I would draw the parallel again to personal financial management. There was a time—I'll go back in time to, you know, when my friend in Transcona was, though he denies it, or—paying double-digit interest rates on his mortgage.

An Honourable Member: No, my car.

Mr. Pallister: Okay. And I would say, one could argue at that time that I could get a GIC investment, lock it in for five years, make a lot more than if I left it in my, you know, my savings account at the bank. The price of—the benefit of locking it in would be a longer—a higher yield. The drawback would be the inability to access it, without penalty of some kind, forfeiting interest to a great degree, that type of thing.

So it's a very similar decision-making process at work here. If you just go for the higher yield, then you may be locking the money up. In a bridge repair, for example, which we're also doing, you know, but you're locking it up in something you can't liquidate. So I just go to the phrase liquid assets, that this is money which we get a yield on, but which is available readily, which can be available readily without penalty.

And so it is important to remember that what we're getting on it, though a little bit less than what we would pay to borrow it, is not money we will lose. There's no future penalty awaiting.

Obviously as well, in purchasing capital assets, the member's alluded to—it's not longer liquid; it becomes illiquid, and we're not going to borrow on a street repair or borrow on a bridge repair. We can't. So, really, the options are pretty limited as to how we invest the money, because we must have it available when we need it, just as would be the case with an emergency fund in one's own financial plan. It is not something you can lock up. You wouldn't put it in a speculative type of investment with a fluctuating value because clearly you need it when you need it most, and it can't be in a volatile stock form of investment. That would not be appropriate, to put it mildly.

So I, you know, I'm—I'll say on a personal level, I'm happy about the decision because I know that, for Manitobans' security, that it is prudent and wise to have some funds available in the event of negative circumstances. I am cognizant that we're only part of the way there, but we're much closer to where we need to be to get that rainy day fund to a level, we think, based on historical disasters, if I could put it that way—based on historical precedents in terms of flood, fire, these types of things—where it needs to be to adequately protect us—never all the time, but to protect us most of the time.

I think there's a reason for comfort there, and the target is, yes, as I mentioned—the target for the rainy day fund balance is that it's equal to 5 per cent of statutory and voted expenditures. We are 82 per cent of the way there, I said—I under-referenced that before. So we're not there yet, but clearly—and the member has served here when there was serious, serious stress and concern about a pending—potential flood. He remembers, as we all should, of the stresses of those kinds of things to people, not just here, obviously, not just elected people, but all of us, our families in river basins.

Our families are so interconnected in Manitoba. We have—if we aren't in a flood zone, we are connected, no doubt, to many people who are, and we feel this stress enormously. Compounded by the lack of having an emergency fund, this is—this simply adds to it, so I would really emphasize the prudence of this decision, and that it is on—in the short term it seems illogical to pay, you know, point—0.8 per cent to have an emergency fund. But when one considers one's own financial situation and recognizes there's a value to having such peace of mind, I guess we'll call it—we'll call out the cost, a small cost, to have large peace of mind.

Mr. Lamont: I understand exactly what you're saying. In 2008, when there was a financial crisis, one of the issues was precisely—I mean, that people could not access capital. I mean, that's what—that's ultimately what's spelled CanWest Global in Winnipeg, was that they were unable to secure financing. By then if a government is in a—is in that position, that's extremely difficult.

I suppose the question I have is, maybe, just how do you define a rainy day? It's—each—there—the couple of—what you—that the Premier's (Mr. Pallister) talked a lot about a flood or natural disasters, and there are growing concerns about a possible, not just a recession in Canada, but a global economic recession.

So I guess the question is, and I know the Premier has said that as a result of the fiscal measures that the government has taken that they're better prepared in event of a downturn, so but would you be inclined to, in a downturn, to stimulate the economy? Would you focus on balance—there would be a focus balancing the budget? Would there be willingness to engage in fiscal stimulus in the event of a global downturn? And I guess, yes, just to go back to my first question: what is a rainy day look like to you?

Mr. Pallister: Just give me, if you could, just give me a second—just get the actual definition of a rainy day.

While we're digging up the terminology, clearly, I guess, the best examples would be the ones I referenced, I think: flooding, fire. In our history, we've had a history of both in our province, and significant costs are incurred around those times that are largely unavoidable. I mean, some of those costs can be managed or—and we've taken some steps to manage those costs better already, but there's no doubt about the need to invest significant millions—tens of millions, hundreds of millions, potentially, at those times.

* (17:20)

Of course, in the previous administration we saw, and I'll get the years wrong, '11, 2011 and '14 I think, were significant flood events along the Red—some—one along the Assiniboine basin.

And I'll go a little further and say this flood protection strategies and management and so on are critical, but flood protection structures like the outlet on Lake Manitoba are also very, very important. And we are proceeding working very diligently with the federal government to move that forward. There are environmental rules that must be respected. But the time frames have dragged on considerably, and it's a point of frustration for the people around the basin who want their lives back.

So I will mention that project specifically because I think this is one where, if those delays go much further, it'd be great to have all parties support and be able to go to whoever is the government in power at that time and simply say, you know, all of us really would like to vote to expedite this because it is—the process has been a real source of frustration to the communities in the basin, and not just exclusively to communities in the basin but many others as well: friends who live there, family who live there.

The folks along the Lake Manitoba basin, around that basin, have their lives put on hold in that case.

That project was recommended in a paper to Premier D.L. Campbell, who's in the other room—his portrait's in the other room—Premier D.L. Campbell in 1950s, along with other projects like the diversion at Portage la Prairie and the Shellmouth Dam construction and, of course, what we now call Duff's Ditch. Each of these was recommended as part of a cohesive plan to better flood-proof the province of Manitoba.

Premier Roblin proceeded, of course, with the aforementioned Duff's Ditch and the Shellmouth Dam construction up near Russell. He proceeded with the construction of the diversion of the Assiniboine River into Lake Manitoba but did not proceed with the diversion out of Lake Manitoba. And Lake Manitoba is a large—one of the largest freshwater lakes but it's a shallow lake. So you put water into a shallow lake and what happens? Of course it's more dramatic with Lake Manitoba than it ever would be with the same amount of water going into a deep lake like Lake Winnipeg.

So you've got Lake Manitoba's basin going at various times, and it's not just the diversion at Portage la Prairie. Its source is north of Saskatchewan, Lake Dauphin; in fact, there's a flow that's significant elsewhere. But the point is, if you don't have the ability and a tap to turn the water on but you don't have a plug to take out at the other end, you've got yourself a serious problem.

And that's the problem people have lived with at Lake Manitoba First Nation, Dauphin Lake First Nation, you could go on—I mean Fairford or Pinaymootang or St. Laurent. I could list, you know, the communities, and I know the member for River Heights (Mr. Gerrard) knows each of them and has met people from all around the basin who want their lives back. We've got them homeless.

Now, with the work we've done with the federal government—and their partnership's been appreciated—we have significant new housing constructed. We've got folks back into their communities, not totally. Many, being displaced for so long, are choosing to remain in Winnipeg, but others have moved back home now. But for how long? And what is the level of security for them in their communities with the situation not addressed?

So this is a heartfelt issue for all of us who care about those folks in that area who have really sacrificed a great deal to protect those downstream on the Assiniboine River, us here in the city of Winnipeg and other communities downstream. Portage la Prairie has benefitted from that diversion as well as many others. So time to get on with getting a project built.

Mr. Lamont: We don't—do we have the definition of a rainy day? At this point, my concern is partly that recognizing that we may have emergency, dealing with natural disasters. My concern is sort of, well not unnatural but human disasters in terms of an economic slowdown. In part because, I mean, I mentioned it a bit today but there was—that there had been a number of studies and you've referenced them as well, that more than—in Canada about half the people are \$200 away from insolvency, and it's actually higher in Manitoba. And—but some of that is driven by personal debt.

And then this is—I think this is one of the areas where—well, I don't say that we disagree, but we have different perspective. One of the issues is that there's a great—from my point of view, a huge fragility in terms of private and household debt. Is—that debt in Canada—and, look, this is not something that the government of Manitoba is in a position to solve, I don't think, but that one of the things that happens is that as government pulls back, sometimes it means that—or deleverages, or tries to deleverage—it ends up that—it ends up being picked up by households and individuals instead. And that—my concern is simply that there are a lot of people at the breaking point in terms of when you're talking about people being, you know, \$200 away.

And it's not just—often, when people think of individuals as being overburdened with debt, it's assumed that they either spend money they shouldn't have or—and it's on a luxury, but there've been some very significant and concerning studies by banks—bankruptcy trustees in Ontario where there are seniors who have major debts, seniors who are going to pay the lenders in order to be able to pay for medication and so on. So that's just—I wanted to mention that, is that it's one of my concerns about what it terms—it's also a risk, from my point of view, a risk—a macroeconomic risk management of whether they—whether the government is able to absorb the risk or whether individuals are. And, often, individuals are broken by it.

But I just wanted to ask a little bit about—you were talking about economic development, and I used to work at—I briefly worked at Western Economic Diversification a number of years ago in communications, but it gave me an insight into some of the workings of intergovernmental agreements, but the—and the challenges around economic development. So I know that one of the major issues that people and entrepreneurs in Manitoba are concerned about is access to capital.

So I was just wondering whether there's—what the government has proposed or if—that there's a plan in any way to be able to improve access to capital for Manitoba entrepreneurs.

Mr. Pallister: I'll go on the first half of that question and leave the access to capital thing for later on, if I could, but the discretionary income piece is really important to understand.

Household financial data is a significant concern. Financial literacy is low. Levels of financial literacy have to be addressed.

A significant population of the province—the highest indigenous population—significant number of new Canadians, many of whom have not had the opportunity to learn a lot about about money management—talked about life skills aspects of job preparation and the training—importance of training people to be able to do something with their lives beyond the job itself, you know—to be able to manage the money they make, to be able to have the skills to maintain the employment position that they get initially.

My—both—in our family, both my brother and I, we were just talking about this actually on Sunday, that very issue the member raises about job skills, preparation—and that the opposition here raised earlier—because both of us have had the privilege of working in small business with indigenous people. And we have created jobs, you know, and we know the challenges.

And it's not exclusively an indigenous issue, either. There are lots of young nonindigenous people, lots of new Canadians who do not possess money management skills, and so we see household debt levels rising significantly in part because it's so easy in the minds of a lot of people to borrow money—so easy to get money, so easy to access it.

I mean, when I was a kid, we didn't have ATMs, you know, and there's an ATM. I remember: get an account, boom. Interest service charges, debt charges are lower than they've been, really, in the history of interest rates. So, easy to get into trouble, harder to get out of trouble.

Quebec government just passed some credit card legislation requiring mandatory pay downs of credit card debt because credit card debt is a killer to your financial plan—ranks right up there with the habit of smoking as a bad idea if you ever want to succeed to achieve your financial goals, or of drinking to excess.

These are ways to fail, right. I sound like a financial planner right now.

* (17:30)

So, how do you help? Part of it, I think, is you take the PST off of things like home insurance or contents insurance, so that a senior living on a fixed income doesn't have to pay quite as high a bill. A young family trying to get their feet on the ground doesn't have to pay 7 per cent more to insure a home that they've just taken a real risk in buying.

It is part of that is the tax—part of the equation is the tax thing. The member's talked about incentivising and using government leverage to enhance opportunities, and I agree that that is a tool and most certainly can be used in, you know, recessionary times, but we're not in those recessionary times, and so this is the time to strengthen the financial capabilities of our province against those future times when we must and will have to use those tools.

This is the time to strengthen that and that's what we're endeavouring to do, to move away from the raid of the rainy day fund in sunny days to replenishment of the rainy day fund, in advance of needing it.

But, you know, these are taken and some have criticized the initiatives that we're going to be undertaking in the next couple of years with respect to tax reduction, a small—you know, taking the PST off your will preparations—a small thing.

But, having a will is a significant decision that more people need to take and disincenting it by costing people more to do it is—seems to me illogical. Probate fees on estates, families, are a tax on death, which doesn't seem to be very fair, taxing people to do a tax return doesn't seem to be very fair.

So other jurisdictions agree. Various political stripes and have—do not charge taxes or fees on these types of things. We are looking to remove those.

In so doing, it's a difference of about \$2,000 per person over the next four years, and some would say it's not enough and I would agree in my heart. I wish it could be more, but it's a realistic attempt to try to assist those who are struggling to have a little bit more money that is at their disposal so they can decide what to do with it, rightly or wrongly. People make decisions we may not agree with, with their own money, but it's their money.

And so those are a part of, along with the financial literacy piece, which I know the member agrees with

me, we need to pursue as well. These are steps in the right direction.

Mr. Lamont: I appreciate that the Premier (Mr. Pallister) mentioned the policy that's being brought in in Quebec, which essentially requires a higher payment back on credit cards. There's a long and interesting history about how credit cards—part of how credit cards became so dangerous. They used to be expected that you have to pay most of it down and then there was a change that you could pay a minimum, which was really about making credit card companies—some people would run it up and end up being stuck. And that I even believe that credit card companies refer to people who do pay down their entire amount every month as deadbeats because they're the people who aren't paying as much in interest.

But I—the challenge is beyond financial management. I do recognize, because the debt burdens being borne by people—some of it is student loans, some of it is mortgages—is that people essentially are buying and I do think that there's, for every reckless borrower that it also requires a bit of a reckless lender. And I think that that is, again, this is beyond the sphere of the provincial government to control how RBC hands out its money.

But would there be any consideration to cracking down or stronger regulation on predatory lending? Because they're the two things: One is you want—do you want to educate individuals about being cautious? But the other is that there are—and I know there have been some protections brought in in Manitoba that are unique around payday lenders, for example, but would there be any consideration to defending people who are against predatory lending or perhaps allowing for—and there's things called odious debts sometimes that people have been talked into a—sweet-talked into a contract that's unfair, that maybe they should be free from, especially for seniors.

Is there any thought to that kind of—as a policy?

Mr. Pallister: While my colleagues are looking for more detail on the loans policies that are—that I'll reference when I get the material. I'll just, with the indulgence of the committee, I'll share an anecdote with you.

My brief teaching career was followed by an attempt to start a business out of my car. That business was based on the assumption I could help people if I learned enough about money management to manage their money better. And I didn't build it up to be a

multi-national, but I did work very hard at it for a number of years and eventually moved out of the car.

But it was based on the—on exactly what the member is talking about: the assumption that too much debt was bad, that if you got into trouble with your debt, you probably couldn't achieve your financial goals. And fundamentally, when I—in my early years of that business, I worked with people, as most do that start in that type of career, with people around my own age, my cohort.

Well, who is my cohort? Well, young people starting their careers, whether it's in teaching or maybe in farming or as an electrician or maybe still paying down student loans while generating more student loans, maybe going back to school, a lot of people like that.

And it was at a time—it was most instructive because it was at the time I referenced earlier, of very high interest rates. And so I worked with people who became saddled—before I met them—became saddled with the costs of, largely interest. It's not as common today because interest rates being so much lower, but the principle's there.

To draw a comparison, a house in 1981 when I started in most of the market area where I developed my business, where my clients lived, could be purchased for less than \$100,000 that would today be \$350,000 or \$400,000 for sure. And you can imagine, a person with a mortgage, a \$100,000 mortgage, and you can imagine a person with a \$100,000 mortgage at 16 per cent.

And then they, in an unstable climate—economic climate, they lose their job. And if you can understand that, as I can, and relate to it, as I can, then you understand how important it is, well, to have a rainy day fund, I suppose but—not to oversell that—but really, to have contingencies and to have plans made so that you can survive, you can keep your family together and you don't lose your home. This is—these are critical things.

Now add on to that the ease of credit today. Add on to that the burden of additional credit card debt or personal debt or an auto loan or two, and throw that into the mix. And I really appreciate the member raising this because I share his concern that we have seen and will see again downturns in our economy.

We are in politics, so I'm—been around long enough to know that our government will be blamed for every downturn, regardless of whether it's global or not, but the fact remains that we all know that we

need to do what we can to protect our people against that possibility.

And that's—so I'll go back again and say financial literacy is critical. Fundamental money management that doesn't allow people to—really helps people not to get exposed to excessive risk is critical.

I'm old enough to remember when the largest landowner in the province of Manitoba—certainly in southwestern Manitoba—was the Royal Bank. Not any landowner, not any private person, just the Royal Bank, because they had repossessed so many farms. I'm old enough to remember that, and I don't ever want to see that happen again.

So what can we do to get ready for those times—without being, you know, excessively afraid—is a really important thing to consider and talk about, I think. For us, in Manitoba, with so many folks that are—and again I'll speak about friends of mine who came from Long Plain and moved in, and I talk to—maintain today, who came into Portage La Prairie and have worked there since.

When they first came in, they had zero experience. I had next to nothing, either. I was 19, 20 years old. But they had zero experience with managing money, and the challenges they faced, because they got into some debt, were enormous.

They got out of it, and I was proud to help them, that I—in my heart, I really feel that there are things that we can do better to assist making sure this doesn't get—this problem doesn't become a major problem as we look forward into the future.

* (17:40)

Mr. Lamont: Well, yes. Thank you for that. I think this—these are—I am extremely concerned about it because I think the difficulty for many individuals is that they don't actually—is—as you say, it's easy money and easy lending. But it's extremely difficult to access funds in other ways, because ever—because so many people are so indebted.

And I know that—again it's a bankruptcy trustee named Hoyes Michalos in Ontario that analyzes 7,000—or thousands of people who go this, and that there are seniors who are having to cash cheques at payday lenders or who are deep in debt, simply because they actually still—that way they can pay for medication or they can pay for the essentials of life.

And this is—it's a challenge. Again, it's not something that can be directly solved, but I do hope

that it's something that the government considers, looking at issues of predatory lending, because—and—or—and the possibility of types of debt forgiveness or allowing individuals or families or seniors to apply for forms of debt forgiveness as a means of—because ultimately, they're being broken by it.

So I just wanted to ask some, if I could, some questions about MPI. There is—there used to be a civilian oversight—a committee that, sort of, did civilian oversight of Crown corporations. And I was just wondering, what was the rationale for eliminating this—there was a body that, sort of, provided civilian oversight of Crowns.

I was just wondering what the rationale was for disbanding it.

Mr. Pallister: First I've heard of it. I'll have to do some research so I can adequately address the member's question. I'm not aware of the civilian oversight body he's referring to, so we're—we'll get from more experienced people than I, we'll get an answer to that question.

On the—backing up for a second, I'll go to the payday loan question the member had asked and just say there's a consumer protection *[inaudible]* justice that has made some information available. It doesn't offer guarantees people won't borrow excessively, by any stretch of the imagination. That would largely be left up to people to make that decision, as it should be.

But it does have—there are some max rules: 17 per cent on loans. This particular money matters payday loan ranks page outlines some good counselling, in terms of advising people of the excessive costs that are going to be incurred when they use a payday loan model. That's just one aspect of consumer protection.

The larger one of financial literacy is one that I will—member earlier from Fort Rouge asked me about what were my preconceived notions on recommendations from the K-to-12 panel, if I'm not paraphrasing too loosely, and I said I wouldn't like to share them until I read it, but I'll share one.

I hope they talk about financial literacy. I do. I hope they do. I hope they make recommendations about improving financial literacy, because I think for our province especially, with the number of people we have who are, you know, indigenous coming from northern communities for example—and many people come from northern communities pretty darn smart about money, but I'm generalizing here and saying for many from rural—where I come from—and northern

communities, they haven't had the exposure to some of the challenges of money management that—or the opportunity to learn as much, perhaps, as an urban, younger person, for example, would have.

So at the risk of generalizing, I'll say that I think that for—that it's more important for a province like Manitoba to make sure that it gives opportunities for younger people—and not just younger people, but all people—to learn about money management issues and the dangers of certain practices in advance, so they don't have to do—so they don't have to be the victim of those practices themselves. Rather, they can learn from the experiences of others.

And that goes right to things like negotiating for a car purchase or a car loan, things like that. Fundamental things we—most of the people around this table just take for granted aren't things—I'll give you an example. After my father-in-law passed, Esther's dad, her mum had a car that needed service. When she went to the garage, they said it was going to cost a lot to fix it and she should buy a new car.

Now, I'm not picking on the car sales industry here. We've all had that pitch, okay? But she got it, and she's a widow and she'd never bought a car in her life. So she said, well, I guess so, how much is it, and then paid it, you know, boom, just like that. And her son-in-law finds out a month later and he's really saddened by it. It's too late, right? That transaction happened just exactly as I described. I don't like that. I don't like that people take advantage of other people, and I didn't like it when they did it to her. But it happened.

Now, there—you can talk about consumer protection 'til the cows come home, but the fact of the matter is that with some education, a little bit of consultation, a little bit of research, that decision wouldn't have been made that way. But it was. And it wasn't like she's, you know, loaded with a lot of extra coin she just throw around because she liked the car dealer either.

So these are the kinds of things that we don't like to see happen. And like all of us here like fairness and we like to see people who work hard for their money be protected. And we like to see vulnerable people not placed in positions of extra vulnerability they don't deserve, correct?

So these are not easy issues when one has to balance them with the right of individuals to make their own decisions. And they don't need a government supervisor, and we don't want to tell them

they're—you know, control every aspect of their lives, but we have to balance it with some educational opportunities. And that's a role of government to certainly some degree. Education, public policy, these are responsibilities that we have to fulfill.

So I would go—and I'm interested to know the member's father's connections to Plumas and Gladstone, but we'll follow that up at another opportunity.

Mr. Lamont: My grandfather owned a farm out at Gladstone, in the '50s, anyway. And he would've kept pressuring—he always pressured my uncles, especially, to farm. Yes—no, he grew up in—it's a long story. It's not—*[interjection]*—no, no, no.

Actually, I just—I wanted to mention, on the issue of financial literacy, because I actually—

An Honourable Member: Well, we've got 80 hours left.

Mr. Lamont: But I participated in the K-to-12 review at R.B. Russell, and of all the various nodes we could sit at, I sat at the one—offered financial literacy. There were some very interesting inputs, especially from teachers, one of whom said is that the consumer math that's taught is extremely effective and thought that it should be mandatory because it actually did a better job of preparing students who went through consumer math because it actually laid things out in terms of saying this is how you—in part, it gave them protections. It gave them the ability to defend themselves against, you know, people trying to take—talk them into taking on debt they didn't have.

I did want to—there is an issue with the—I believe it's called the federation for economic education, which has units, which has been introduced, which I am not as—I'm more leery of, in part, because they actually, in grade 8 or grade 9, teach kids how to apply for credit cards—that it may not actually—that—the one thing I would urge the Department of Education to do is please scrutinize the units being provided by the federation for economic education, because it is not the highest quality and it—some of it is about persuading people—it actually—it says that people who pay high interest are paying high interest because they're bad; they're bad people and people who are paying low interest are—because of—are paying lower interest because they're good, not talking about whether they've been—it puts a moral lens on peoples'—the interest that's—and not whether people have been unable to pay their bills or that, you know, they make less income and people—somebody with a higher

income will get a better deal than others. I just wanted to—that is something that I've complained a bit about.

And in some, there's a comic book that was—that's part of it, that's part of the curriculum, that was written by somebody who died in prison for tax crimes. Yes, so, I don't—you may want to look at that. Take a close look. It's not—yes, he was a de-taxer, and he talked a whole bunch of people into never paying their taxes, and then as a result they ended up—he ended up going to jail and dying in prison after being in San Antonio, Texas, so.

I—but I absolutely agree is that there are things we should—we can and should be doing that—I—there are two sort of aspects to it in terms of financial literacy. One is teaching people to defend themselves. But the other is, in the same way that, you know, when it comes to public safety we don't just teach people to defend themselves, we also have—

An Honourable Member: We practise it.

Mr. Lamont: Well, we practise it, but we also do what we can to prevent people from being attacked and being—and preyed upon, because the—fundamentally there are issues around that.

* (17:50)

I would—just a couple of questions. Back to MPI, if I may, and I do—I share the concern around local businesses being hurt. It also is clear to me that in terms of MPI wanting to provide services to—online that brokers should be clear that they're providing value, that they're not just putting up a toll booth on a public highway, so to speak. And I know that one of the defences of saying why it's important in terms of making sure that the—that Manitoba brokers, that we're talking about Manitoba families, but there has been a fair bit of consolidation in the insurance industry.

So I was just wondering, do we have any notion in terms of—*[interjection]*—oh, thank you—in terms of MPI—in terms of the brokers, do we have a sense of the number of people who are—the number of brokers that are multinational or national versus locally owned in terms of—I'm just thinking about this in terms of sort of locally derived economic benefits for brokers of—

Mr. Pallister: Not to be trite, but I do think what we're talking about here in terms of protecting people against making mistakes is important, and it—and I will say that, you know, people have the right to make their own mistakes, you know. Spending a lavish amount of money to buy a cake at an auction and putting it on your credit card, for example, would be a

great example of a really bad way to manage money, right?

So it's important to understand, and no sarcasm intended, it's important to understand that very, very, very smart people make very, very bad decisions with money. And I will generalize and say, in my small-business experience, some of the least professional managers of money that I ever worked with were professional people. They had lots and lots of money to work with, so they've—they made a lot of mistakes with the money they had to work with. And some of the smarter people that I ever worked with were low-income people because resources were scarce and they had to manage them very, very well.

So I wouldn't want any of my comments to—previously, about, you know, new Canadians and indigenous people, to be misinterpreted. I'm not suggesting that just because someone doesn't have a high—well, as my dad used to say, who was forced to drop out of school in grade 7 because he had polio, he wasn't a book-educated guy; he was a life-educated guy, and he was a lifelong learner. He was a very smart man.

So it isn't just about your academic training; it's—because, you know, I've worked with—helped doctors who had made significant, millions, of dollars, who hadn't saved a nickel, right? And I've worked with people who had saved a lot of money for their future, for their retirement, paid down their mortgage, who were of modest means.

So, it's—you can't—I wouldn't want anyone to think I'm, you know, insulting of someone because they come from modest background. My mother taught for 40-plus years, and I'm proud of her from where she came from, and she came from nothing, and, you know, normal-school educated teachers, permit teachers, didn't—they weren't well paid, you know.

And for the first—she made perhaps more salary in the last five years she taught than in the total of the first 35, you know, really, because the very, very, very low-income early years, and she went back to university, she got her master's, you know, and, of course, as a consequence, earned much more in the latter part of her career. But she saved every family allowance cheque from the time I was born so I could have an education. I wouldn't be sitting here with this job if it wasn't for her. So you get me with this one.

So I wanted to back up cakes and auctions here onto something else now. I would just say on the MPI thing, what we're trying to do here is get to a point,

which Saskatchewan has already gotten to, frankly, BC too, where people can go online and get the insurance products they want and get them efficiently and effectively but not lose the benefit of being able to go and get personal service thereafter. And that was the balancing act in Saskatchewan and BC; both worked through with their private distribution model married to their public service.

It's not to force people to choose one or the other. That's not the model that they arrived at, nor is it one we should, I think, aspire to. But what we've done in effort to get this moving forward is to get the people to the table again and—with a conciliator, to discuss the options.

And I will say the misrepresentation that has occurred in some of the—one of the daily paper's coverage is that there's this magical savings of X tens of millions of dollars that's going to occur, which is a gross savings on one of five proposals that MPI management pulled out and put together.

They proposed five things across the continuum. One was that they take everything over, and they said, this is how much we pay in commissions. They didn't say how much it would cost to deliver them at MPI. So it's not a net savings figure. It's a gross expenditure figure that they're quoting in this particular series of articles in one daily newspaper.

They also present four other options. Each of these, not perfectly in the middle, represent what BC and Saskatchewan have arrived at, which is a shared distribution model where the product development is all done by MPI but the distribution is shared between the public agency online and somewhat by the private sector delivery agents.

Mr. Lamont: To go back, the civilian oversight was the—with Crown corporations was provided by the Crown Corporations Council. So I was just wondering what the—it was—he was—and I guess it was—there was a body that was in place that was replaced with oversight by public servants. So I was just wondering what the rationale was for dissolving the Crown Corporations Council.

Mr. Pallister: So we have now created a whole department that oversees Crowns.

We have—what was your second point? *[interjection]*

Oh, right. We have—okay, and we passed a piece of legislation, I think, just prior to the member's arrival called the Crown governance act that attempts to

clarify the management responsibilities of boards versus the leadership responsibilities of governments versus the management responsibilities of the bureaucracy within the Crown corporation.

So that's the structure that's been established, but the oversight is still there. I would say it's strengthened, actually. I would go to, also, another aspect of this that we could understand, I think.

Prior to this—strengthening this relationship, Crown corporations, under the previous administration, didn't even present their proposals for expenditure to Treasury Board. So expenditures at Hydro were undertaken without oversight by any elected representation. That isn't to say they weren't influenced by elected members, but they were not overseen by a body accountable for the oversight.

So the expenditure control mechanisms that are inherent in a Treasury Board that functions well weren't there. In other words, you could expand—Liquor & Lotteries could expand, build a casino without oversight from an elected body representing the people of Manitoba.

That was the structure; not a good structure, to put it mildly. Whether Liquor & Lotteries, MPI, Hydro, Crown corporations represent a bigger chunk of the financial pie chart of the people of Manitoba than all core government combined. So oversight was strengthened that way. *[interjection]*

Have we gotten—run out of time?

An Honourable Member: No.

Mr. Pallister: Okay. I'm just going to say the bankruptcy issues—just going to quote from an article that came out here back in November of last year. Bankruptcy rates will start climbing in '19.

The study analyzed 20 years of data—and this is just to reinforce the members' concerns and mine—data over 20 years from the Office of the Superintendent of Bankruptcy, and found there's usually a two-year lag between when interest rates start to rise and when consumer insolvency filings begin to increase.

About two years ago, interest rates began to start to rise, as you recall. About four—

Mr. Chairperson: The hour being 6 p.m., committee rise.

FINANCE AND CROWN SERVICES

* (14:50)

Mr. Chairperson (Andrew Micklefield): Will the Committee of Supply please come to order? This section of the Committee of Supply will now consider the Estimates of the Department of Finance, including Crown Services.

Does the honourable Minister of Finance have an opening statement?

Hon. Scott Fielding (Minister of Finance): Well, thank you very much. I'm pleased to be here to consider the Estimates of the Department of Finance for 2019-20.

Manitoba Finance has shown outstanding financial and service leadership over the last few years and we'll continue to do so in 2020. Finance has led government in important public sector initiatives to cut red tape and invest in transforming—transformative change. As a department, we have taken on our own projects to save money on government procurement, cut the PST, reduce unnecessary regulation and, of course, do our part to reduce the deficit. As essential—as a central agency, Finance has responsibility for fiscal issues under the direction of Treasury Board and Cabinet.

Briefly I'd like to introduce you to the appropriations within the department for which I am responsible. Corporate Services includes the offices of the minister and deputy minister; that includes all staff and associate executives and support. Corporate Services is a division that includes Corporate Policy Branch. All charities—charitable giving campaign, the Manitoba Pension Commission and information and technology shared services branch, the Regulatory Accountability Secretariat, which leads government with respect to our regulatory regulation identification and reduction process, and the Tax Appeals Commission as well, an independent body for Manitobans to appeal rulings with respect to provincial tax statutes administered by the tax division.

Fiscal and financial management include the Treasury Board Division, which manages and borrows—programs, cash resources and investment and debt activities of government and government entities. The Comptroller, which establishes an oversight, who oversees corporate [*inaudible*] and comptrollership and financial management policies for government, prepares government's financial statements and public accounts. It provides internal

audit consulting services to the eligible public bodies, administers insurance, self-insurance, and claim processes, provides strategic budgeting and accounting services for Finance, Executive Council, Crown Services, and Civil Service Commission, publishes quarterly financial reports and annual public accounts for government.

Taxation Division, which administers provincial tax laws for Manitoba, including retail sales tax, taxation and collection revenues in accordance with statutes, administers the collection processing and reporting of tax revenues.

Financial research division provides research analysis in support on local, national and international economic, statistical, fiscal and tax matters, administers federal and provincial—sorry—federal-provincial fiscal and tax agreements and assists in the administration of tax credits and benefits.

Public Utility Board—obviously a quasi-jurisdictional and independent body that sets, really, a monopoly on public utilities rates in the best interests of ratepayers and the Crown corporations.

Treasury Board Secretariat provides advice on the guidance to Treasury Board and the whole government on Manitoba's fiscal strategy and oversight of financial management and development budgets.

Central Services, a combination of services, which manages government's built environment, owned and leased space for central government departments, for permit services, which supports all government departments in the procurement of RFP process.

BTT, or Business Transformation and Technology, which provides corporate technology, infrastructure strategy, as well as desktop supports to government, and also Real Estate Division, formerly known as the Crown Lands and Property Agency, which is responsible for administering Crown lands, property leases, and sales.

Last but not least, Finance includes four special operating agencies: The Manitoba Financial Services Agency, which includes the Manitoba Securities Commission, the Real Estate Branch, and the Financial Institutions Regulations Branch.

The agency oversees regulations and licences or delegates these duties as required to Manitoba capital markets securities—security dealers, real estate agents,

mortgage brokers, provincial insurance and credit unions agencies.

Materials Distribution Agency, or MDA, provides mail and material distribution services to government, and VEMA, or Vehicle and Equipment Management Agency, provides fleet vehicles and equipment management to government from ambulances to heavy equipment, like tractors and plows.

Manitoba Education Research and Learning Information Networks—MERLIN—supports the use of technology in K through 12 and post-secondary education environments with a key focus on rural and northern schools.

I also included some highlights of our Public Accounts. I'd like to touch on some of these—some of the accomplishments. As you know, I recently tabled the Manitoba Public Accounts for the last fiscal year. It is a credit to our government's efforts, the hard work of ministers and their departments, and notably the continued efforts of staff of our Treasury Board Secretariat, financial research, treasury taxation and others that have all made a significant progress on our goals of reducing the deficit.

All of the departments stayed within their budgets for the year with the exception of two, and they are good-news stories. One is in Agriculture and the other is Sport, Culture and Heritage, which saw additional growth in the film sector that's paying out a film tax credit, which is a good thing because you have more industry that is coming to Manitoba for film and video production.

Through this disciplined approach we achieved the reduction of the deficit from \$358 million to \$163 million. This is over \$350 million less than our budget target of \$521 million. This is the biggest year-over-year deficit reduction in Manitoba history.

I was also proud to announce a \$407-million deposit in the rainy day fund, which is eight times higher than budgeted. The \$572-million balance of the rainy day fund is the highest in almost 10 years. This is the largest single investment in the rainy day fund in Manitoba history.

There is more work to do. We must remain committed. Manitoba Finance will continue to work to fix the finances, repair the services and grow the economy. This fall we'll work to achieve the Finance's goal announcement of—through our 100-day plan, which our Premier (Mr. Pallister) announced. We will also continue to commit our energies to our other

goals mentioned in the 2019 budget and on our going transformation and red tape and reduction efforts.

Work is under way to achieve our 2020 tax rollback guarantee, removing the PST from personal-care services, home insurance, personal tax returns and will preparation, elimination of probate fees or death tax, starting the planning needed to phase out the education taxes over the next decade once we have reached balance; finalizing—but-balanced scorecard measures to improve performance and accountability for taxpayers; introduction of legislation to implement changes recommended by the Manitoba Pension Commission and transition to paperless filing; introduction of legislative—legislation to integrate summary government budgeting and financial reporting to public sector accounting standards and moving forward with the new public safety communications or FleetNet; also implementing the procurement modernization strategy.

The new approach to procure is expected to realize significant cost savings by planning and executing purchases for a whole government approach. The strategy has a five-year cost savings of upwards of \$200 million.

We are moving forward following the passage of The Legislative Building Centennial Restoration and Preservation Act to set out appropriation and restoration of iconic Legislative Building. The plan includes stable funding—about \$10 million a year for the next 15 years—to repair and improve the historic building that we're in here today.

We also continue to add the rainy day fund, building up its—building up to its legislative target of 5 per cent of government expenditures.

We're going to explore costs and benefits of the government obsolete enterprise system software with a goal of consolidating back office functions, reducing red tape for businesses and taxpayers, which the CFIB recently declared Manitoba has some of the most comprehensive red tape reductions in North America; implementing recommendations of the 2019 review of planning, permitting and zoning in Manitoba; and we're indexing tax brackets and basic personal amount, which already moved close to 8,000 from the tax rolls and saved Manitobans close to \$36 million a year.

We are expanding electronic provincial tax filing services for businesses, extending small-business venture capital credit for three more years; expanding the fuel tax exemption for forestry industry;

eliminating the sunset clause for the film and video tax credit in order to support the growing film industry; extending a book-publishing tax credit for five years and extending the culture industry's printing tax credit for a year while we complete the review of it. These are all related to our budget '19.

We are supporting the work of other departments in meeting a major commitment, including \$2-billion health-care guarantee. We'll make 20 new schools, implementing our yes to a made-in-Manitoba green plan, and we're particularly focused on Manitoba Works! \$40,000—or 40,000 Jobworks plan.

To conclude, Mr. Chair, we've achieved much in the last few years and we have an ambitious plan ahead of us to do much, much more. We'll work with our momentum in terms of reducing red tape, making life more affordable for Manitobans, while we transform and 'monerize' the government with a fiscally responsible approach that eliminates the deficit so we can pay down debt. This will, of course, provide a dividend for Manitobans that can be invested in front-line services, such as health, education—

Mr. Chairperson: The minister's time has expired.

We thank the minister for those comments.

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

Mr. Mark Wasyliv (Fort Garry): We do. I want to just say that I'm excited to be working with this minister and hopefully we'll have a productive few days, but I want to start out by pointing out from 1993 to 2017, real GDP growth in Manitoba averaged about 2.4 per cent. That outpaced inflation, which was running about 1.9 per cent.

* (15:00)

Since this government put its shaky hand on the tiller and we have lost hundreds of millions of dollars from health, education and infrastructure, we have seen job reductions in the thousands: nurses, teachers, Hydro workers, civil servants losing good-paying middle-class jobs, stuff that build a community, stuff that families can support one another with.

We now have the worst real GDP growth in Manitoba in a generation. We now see highest unemployment rates that we haven't seen in a generation. We now see that Manitoba has gone from one of the fastest growing economies in Canada to one of the slowest. Consumer debt is on the rise in Manitoba. Retail sales are slumping. Education

spending has been cut at a time when our population is one of the youngest and fastest growing in the country. We rely upon immigration, especially international immigration and to—basically this government has done what they can to chase off educated immigrants. And we've seen real spending on education based on GDP fallen by more than half since the last Filmon government. We have GDP spending on education that's lower than the Canadian average. And it's lower than the OECD average including high-performing countries like Finland.

So we've seen that in this budget, this government has decided to pick winners and losers. The winners, of course, are wealthy Manitobans and those at the top with micro-targeted tax cuts that disproportionately help the wealthy. Losers, of course, are the rest of Manitoban families who are seeing the cost of their living increase; they're seeing their wages have been either frozen or cut. And one of the drivers that the minister does have to increase economic growth in Manitoba is infrastructure spending. So naturally this government thinks that the way to growth is to cut that back. And of course we're seeing those results.

We see in this report here, one of the crowning achievements of how the economy is doing is the government signature accomplishment is that a luxury car dealership was built in Winnipeg last year. A dealership that almost nobody will visit, almost nobody can afford it. And that is a sign to this government of the major economic achievement.

And that's the theme of this budget. If you can't afford a Maserati, this government doesn't have any answers for you. If you need class sizes to be reasonable, if you need a nurse at your bedside, then this government doesn't have any answers for you. If you need a road that's decent and not potholed that you can drive on, this government doesn't have any answers for you.

So I look forward to delving into this with you, minister, and it's a pleasure to meet you.

Mr. Chairperson: We thank the member.

Under Manitoba practice, debate on the—okay sorry, excuse me. Under Manitoba practice, debate on the minister's salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line items 7.1(a) contained in resolution 7.1.

At this time we invite the minister's staff to join us at the table, and we ask that the minister introduce the staff in attendance.

Mr. Fielding: Yes, I'd like to just introduce everyone to some of our public service. They do an excellent job for us through our budget process.

The first is Jim Hrichishen. Jim is associate clerk of Executive Council and deputy minister. Scott Sinclair. Scott is the Deputy Minister for Central Services and Deputy Minister of Crown Services. Richard Groen, assistant deputy minister—ADM for Fiscal Management and Capital Planning, Treasury Division. And Inga Rannard, who is senior financial officer, 'financh'—Finance Administrative Shared Services in the Comptroller's Division. And so those are our staff.

Mr. Chairperson: Thank you, minister.

Does the committee wish to proceed through the Estimates of this department chronologically or have a global discussion?

Mr. Wasyliw: We're seeking a global discussion.

Mr. Chairperson: Is it agreed to proceed with a global discussion? *[Agreed]*

It is agreed then that questioning for this department will proceed in a global manner with all resolutions to be passed once questioning has concluded. The floor is now open for questions.

Mr. Wasyliw: Now, when tabling their first budget, the Pallister government publicly stated that they would pursue an eight-year path to surplus. The Premier (Mr. Pallister) stated that they would protect front-line services, and that people who provide them. The Premier suggested his approach would be modest. Turned out none of that was accurate. Instead, the Pallister government has chosen to shorten their path to balance by underfunding Health and Education.

Two years ago, Health saw an absolute funding reduction year over year; last year, Education saw an absolute funding reduction. They've cut so aggressively that the Auditor General says that they are now in balance five years sooner than proposed, but that presents a problem for this government. They want to keep cutting and privatizing important services, and need a justification for doing so. In our view, this government has cooked the books, and they have broken public accounting principles, not once, but—we had from last year as well as this year.

So my question of the minister is: Why has the minister resorted to breaking accounting rules, and why is it one set of rules for him and his government and one for everyone else?

Mr. Fielding: Well, first of all, I'd like to correct the record. Number 1, our government is investing more money. In fact, the public accounts just recently came out that showed last year that we invested over \$103 million more on an annual basis year-over-year. At the end of public accounts, that's \$347 million for health care alone, \$414 million from a budget-to-budget perspective. It's the same thing if you look at education, where there's more money being spent in education and other areas. So I just want to correct the record: That is inaccurate information. There is a lot more money being spent.

I can tell you, in terms of the OAG qualification, there was two qualifications: One was in terms of Workers Compensation Board. Our—it's our government's position that—in fact, it's a fact—that we account for the Workers Compensation Board the very similar, in fact, the same as eight other provincial governments. The OAG, the Auditor General gave us a road map of how we would get out of the qualification that's there.

We think that, No. 1, a worker compensation board, it's the—it's workers' and employers' money, and on things like the MASC trust, which is the other qualification, it's the farmers' and producers' money. It's not the government's money. The former government was taking way too much credit for that. With that being said, we want to work with the Auditor General to get ourselves out of a qualification position. They've given us a road back on the Workers Compensation Board. We've shared draft legislation with the Auditor General to accomplish that.

Mr. Wasyliw: Given the minister's comments, what does he believe the rate of health-care inflation is per year?

Mr. Fielding: Well, I would say that our focus as a government has been on getting results, and so we've seen better results, whether it be things like reductions in wait times, where it's upwards to 14 per cent reductions in wait times. Other things, like there's more doctors and more nurses ever in the history of this province. And other things, like the transition from personal care homes, that—the amount of time it would take for people to transition to personal-care homes.

So we would say it's more about results, and I'll give you an example. You know, I think the actual number you're looking for is a 1.6 per cent increase. But what I would say, built into that number, which is more important, is there's efficiencies within the health-care system, and I'm going to give the member

an example of this. Before, what the regional health authorities used to do, is when they were expanding a project—to give you an example, the Grace Hospital—they would go to a commercial bank, they would take money, short-term interim financing, it's transition to the central government once a year. So they would get worse rates than we could as a general Treasury Board. So we've moved the board over to Treasury Board, and what that's actually done is that's actually allowed us to save \$5 million on an annual basis.

And what we did with that money, the \$5 million on annual basis, is we've done thousands of more hip, knee, and cataract surgeries. So my point is there is efficiencies within the health-care system, we think that the reform about getting results, not about spending more money. But, to be quite frank with you, we are spending more money on health care than we ever have and before any time than the NDP government ever did.

*(15:10)

Mr. Wasyliw: I think one of the things that both our parties can agree on is the federal government is not keeping up with health transfers to the Province. And we've been very vocal, saying that we speak with one voice as Manitobans in lobbying the federal government to do what's fair and right and to maintain funding health transfers.

Now, the rate of health-care inflation that the Province has been advocating for is 5.6 per cent a year. Is that not correct?

Mr. Fielding: In 2016, the premiers had proposed an annual CHT growth of 5.2 per cent to reflect the expected higher costs associated with aging population, inflation, system improvements and long-term expectations. Starting in 2017-18, the federal government reduced the growth, as you mentioned, to each CHT, the health transfers, from 6 per cent to 3 per cent per year on a three-year moving average basis.

I do want to reference the fact, though, that there—you know, respectfully, I know you're new to here, but I don't think the connotation of the NDP standing up with the Conservative government to argue this is quite accurate. In fact, I think that is actually the opposite. There wasn't. In fact, some people categorize this as sitting on your hands when we were out there in the wilderness fighting the federal government because we think health care is an important aspect.

So there's a time and a place to do it. We wish the NDP would've been with us at that point. But with that being said, we are making substantial investments.

But for us, it's about getting better results. And that's exactly what we've done.

Mr. Wasyliw: So we—if this government's position is that health-care rate of inflation is 5.2 per cent, so much so that you've been lobbying the federal government for those increases year over year, why would you not use 5.2 per cent to increase health-care budget in Manitoba, the budget you control year over year?

Mr. Fielding: Well, I guess the question would be more applicable back to you. Is it more important to get better results like this government is doing with things like wait times, or is it to increase spending?

Mr. Wasyliw: So you've underspent your health-care budget by, what was it, \$215 million? Is the position of the government that somehow we've gotten better results because of that?

Mr. Fielding: No, our position is that we're handling the health-care spend a lot better than the former NDP government. We're getting better results. That's what taxpayers expect.

We didn't underfund by over \$250 million—\$215 million; we spent about \$103 million more in the—in one year, on a year-to-year basis in Public Accounts that just closed. We had gone out in two, three; the Minister of Health and myself, and talked. There was a Health accounting issue, not a Health spending issue, where over half of that money, the 215, were associated with a Health accounting issue.

The reality is the health-care system and the health authorities should've moved over to the same accounting mechanism; I think it was somewhere in the middle of the 2000s years that the accounting system was there, and they didn't make that move. So that accounts for the \$215 million.

Mr. Wasyliw: Now you may or may not know, I was a school trustee with the Winnipeg School Division for eight years, and the rate of education inflation in Manitoba runs about 2.5 per cent a year. In your last budget, the increase was 0.6 per cent.

You would agree that that's not sustainable and that wouldn't replace the money that's lost year over year, given the shortfall.

Mr. Chairperson: Just to comment to all members that comments should be directed through the Chair

and not using terms like you or directing at another member or minister.

Mr. Fielding: The education spend is made up of two things. It's made up of expenditures' it's also made up of revenue, and I can tell you as a government we spend more than \$200 million more on an annual basis, or the money that's being spent in the education system, there's over two hundred—I want to say \$250 million more. I think that's around the number that we landed on at Public Accounts. I can confer with our officials.

So what I would say is we're looking for better results. We know that some of the outcomes that we have been seeing in the education system need to improve and that's what the K-through-12 review is about. We're also very proud of the fact that we as a government are going to make an investment to 20 new schools; that should have been done a long time ago, but wasn't.

Mr. Wasyliv: Now last year the Auditor took the Pallister government to task for moving Workers Compensation off the government's books. The Auditor says that the Manitoba government maintains effective control. Nothing has changed. Why does the minister continue to flout the opinion of the Auditor General?

Mr. Fielding: Well, we respect the Auditor General. We disagree with him on the accounting. Our accounting of the Workers Compensation Board—and first of all, that money is made up of two things: it's made up of workers' and employees' money. We're doing the exact same accounting as eight other provinces. That is the exact same accounting.

So I guess the question that we had, and we had it in a respectful discussion with the Auditor General, is how come there's eight other provinces that are accounting for the Workers Compensation Board being off financial, off summary? The only other province that is similar to the way we were originally doing that was Saskatchewan. And talking with their officials, they're considering moving it off as well.

So, again, we respectfully disagree with the Auditor General on the accounting approach. There is some differences between professional—I'll call it—well, professionals, they can disagree on some topics that are there. With that being said, we do want to work with the Auditor General. We want to get ourselves out of qualification. What the Auditor General had indicated in—they provided kind of a road map, I guess, if you will, in terms of how we can do that through some legislative changes. So we have

visited—in fact, we have showed the Auditor General a draft copy of our legislative changes to Workers Compensation Board, which the Auditor has indicated that there would be one more qualification if it meets his road map of the legislative changes that we need to do. Then there'd be one more qualification for one more year and then the qualification would be lifted.

Mr. Wasyliv: So the—you saw that in the Auditor General's report that he indicated that there had to be legislative changes. Essentially, it appears that he would require the government to divest control from these funds.

I'm wondering if the minister can tell this committee: What would be the nature of the legislation and how will you meet the Auditor General's requirements?

Mr. Fielding: I'll refer to the Auditor General; he did lay it out in public documents of the legislative changes. I think the issues are surrounding control. It's our position as a government that we don't control the Workers Compensation Board. It's made up of employers, employees, as well as other appointed individuals to the board. So we don't—it's our contention that we don't control that money because we don't control the board.

*(15:20)

So it's an accounting disagreement, I would say, with professionals, but we truly think that the fact that eight other Auditors General has agreed with eight other provinces in terms of the way they accounted, that we are doing what's right for Manitobans. We think that there has—well, for numerous years governments were taking credit for money that really wasn't theirs. So it wasn't, like it's not government money, right? It's the employers' and employees' money. Same thing with the MASC trust. Those are farmers' and producers' money. So it's credit that governments were taking when they really shouldn't. And so what we want to do is ensure that we're giving Manitobans an accurate picture of how the finances look.

Mr. Wasyliv: So it appears that the government and the Auditor General won't agree on the control issue, so legislation is needed to divest control from the government from the Workers Compensation Board. So how is this legislation going to do that?

Mr. Fielding: Well, I guess I can bring some context. Essentially, it's really up to the Auditor General, right, to say, you know, is there enough, in his opinion, to say that there isn't control from the government

anymore. So we want to work with the Auditor General to do as such. Again, we've shared a draft copy of the Auditor General. They're still working with the departments, but, really, quite frankly, it's up to the Auditor General to say when he—or she; it's he—believes that the control is in place.

Mr. Wasyliw: Can the minister indicate when this legislation's going to be tabled in the House?

Mr. Fielding: Well, I think probably when we're having discussions with the Auditor General, so once there's an agreement from the Auditor General that it meets his qualification of what he would constitute as control from the government.

Mr. Wasyliw: So the minister doesn't have any idea of when this is going to get tabled?

Mr. Fielding: Our departments are working with the Auditor General,. So, to be frank with you, it's the Auditor General that did the opinion on it. So what we want to do as a department to work with—to work the Auditor General to address his issues, and once his issues are addressed, then we would be introducing legislation. I can say that the legislation has been drafted. I can't table it here. You know, quite frankly, this is the legislative body, that you introduce the legislation in the legislative body in terms of the Legislature first. But I can tell you we're working hard with the Auditor General to meet his concerns of what control—what the consistency of control is.

Mr. Wasyliw: I was wondering if the minister could tell this committee where are the budget Estimates of government revenue, and if they're not currently publicly available, will the minister commit to tabling a copy here by tomorrow?

Mr. Fielding: I'd point the member to page 3 of the budget. We are focused on summary budgeting. We've taken—I guess, we're proud of the fact that we moved more towards summary budgeting and, as you can see, the revenue estimates are produced on page 3 of the budget document.

Mr. Wasyliw: It's my understanding that estimates of revenue have been part of budget papers since at least Filmon governments in 1999, so the last 20 years.

Why has this government changed what has become a standard practice between several different governments, and now no longer provides this information as a standard course of action?

Mr. Fielding: Yes, this is—so this is, kind of, a request for—not a quest—from the Auditor General but it's a

important distinction the Auditor General had mentioned.

For far too long, what happens is government would focus on a core budgeting. They wouldn't focus in on summary. We've tried to move to a summary document. I think the Auditor General has said, you know, that the government is moving in the right direction with this.

So the numbers that were produced in previous budgets were related to core budgeting. A part of summary budget takes into consideration not just the money that's appropriated or that is voted on in the Legislature, but it also takes into consideration revenue.

So let's say, for instance, University of Manitoba have an increase of international students, which they did this year. That is a difference between the core numbers—the core numbers is the amount of money that we appropriate here at the Legislature, and the summary numbers makes up, not just the Crowns, but also the revenues that they bring in. So that's one example.

Mr. Wasyliw: What is the government doing with the salary line of the now-vacant Crown Services minister? What's to become of that revenue?

Mr. Fielding: Well, I'll just answer that question as the new minister of Crowns walks in.

What I can say is because we're almost 50 per cent through the year—that right, two thirds of that—the money for the minister's salary looks to be about \$42,000. So I guess I would say that half of that money has been associated with the minister's salary.

We have a new minister that has been appointed. The minister obviously has other roles, and so there was a salary line associated with that minister for other roles.

And so what happens is at year-end, if there is no other minister that's appointed from this point, then that would be, you know, that would be the same process as any other expenditure lines that are under-budget or over-budget. You assemble that and you put that together in Public Accounts.

So I guess that would be my pull-out answer.

* (15:30)

Mr. Wasyliw: So what revenue expectations do you have in the coming year?

Mr. Fielding: Are you talking global or—are you talking for education, or just global in general?

Mr. Chairperson: Again, I just remind all members to direct comments through the Chair, avoiding direct conversation and the word you if at all possible.

Mr. Wasyliw: The question for the minister is in a global manner.

Mr. Fielding: Well, I can say we have that on page 3 of the document. I could go through them line by line.

What I can tell you on a global basis and the way we finished last year—so our revenues for income tax, I'll give you that as an example, went up by about \$193 million more than we had budgeted in our budget estimates. So, generally, there is a kind of a higher starting point, I would say. But, for the most part, these are the revenue estimates that we generate.

Now, there's a variety of sources how we get our revenue estimates. And that's—there's—No. 1, when the economy in it itself—there's a fork—there's nine forecasting agencies, which we say how big the economy will grow. There is other lines, and some things are related to income tax. There's an agreement between the provinces and the federal government in terms of income tax. They basically give us our estimate—how much they think they're going to bring in, and personal income tax and corporate income tax.

So we build an estimate based on what Ottawa sends to us, and then we update it generally by the second quarter, right? By the second quarter, we say, okay, is this high, low? Is it going to be higher or lower?

I would say again, we've—we had a higher growth on things like income tax—corporate and personal. It grew by about 4.4 per cent. I—let's say on average it generally would grow about 2 per cent. So we are higher. That's a good news thing because what happens is it shows a resilient economy if you have higher personal income tax and corporate taxes.

But what happens throughout the year—I mean, things happen in budgets. So I'll give you an example. Last year, the federal government made a change to—in their fall economic update where they would say that you could write off tangible and intangible capital assets for businesses. And that was to basically compete versus a lower tax rate in the United States. It actually made a lot of sense. So we—I personally support it. I think it made some sense.

The issue—what happened for us, of course, from a Treasury point of view—because if you're able as a

business to keep more or write off more of your tangible and intangible capital assets, is your corporate profits go down. So we saw, for instance, about a \$60-million hit on our corporate taxes.

So my point is the estimates are in here. They do change on a yearly basis. We did finish higher than we got the estimate from Ottawa, which is a good thing. So we started at a higher point. And we'll have more indication of what the revenues will be probably into the second quarter.

Mr. Wasyliw: So we're about six months in. So I take it there's some trend lines here.

So would the minister share with this committee where we're going in terms of revenue and what changes there's been?

Mr. Fielding: We generally table that in our second quarter report. So I'll leave that. I can tell you some general trends, though.

I would say, No. 1 is that, you know, because we finished the year with higher income tax levels—a 4.4 per cent increase because of the strong, growing economy, we're starting at a higher level. Right? So we finished the year \$193 million to the good—more than we anticipated in the budget because of what Ottawa gave as their estimate. So I would say that number probably would be higher.

You know, you don't have a crystal ball as a minister, but what I can tell you—some positive trends which I think would have an impact on things—just reaching for the item here. But essentially when you have things like permit fees, they've gone up—the amount of permits that people are looking to get—building the economy has gone up by about 15 per cent from last year.

Things like housing starts. Housing starts over the last two years has been a 30-year high. And so we recorded that in our Public Accounts. And this year alone, it's gone up by about 22 per cent above and beyond that. So instead of about 7,000 units that are—they're projecting to build—they're building about 7,200 units. So that's a very positive thing for some of the economic updates.

Also, the fact when you have a strong, growing economy—like, we're leading the nation right now in private sector capital investment. So that's companies like Roquette, Simplot, you know, Maple Leaf—these types of companies that are coming or expanding—Ubisoft. You've got, again, just some of the residential

and commercial, industrial development that's happening. So that grows the economy.

So that's a—kind of a long way to answer, but, you know, we generally table that in second quarter, but the trends are that it's going to be positive and we're starting at a higher positive—a higher starting point because of the growing economy we saw in the last quarter.

Mr. Wasyliw: What expectations on the expenditure side are you seeing, and what have you seen in the last six months?

Mr. Fielding: I would say that most governments have a strong indication after Q2. So through Q1 you don't really have an indication because projects are ongoing, so you get a better indication of where you're going with expenditures.

For the most part, you know—just dipping back on the revenue side, one example that I can give—the first thing that when I came back to the—my office after the election, I was asking our good deputy minister how are revenues doing.

And what I can tell you as of the end of August—now there's things that move around in budgets, right, and, kind of, years that you don't expect. Timing of issues plays into things. But we were, you know, we're ahead of the game, I guess, if you will, in terms of what our number projections were for around the—August.

PST was a little bit higher than we budgeted. Now, again, there's, kind of, regional spikes. You have a lot of—for instance, you know, PST is going to up when you have Christmastime because there's a lot of expenditures, people buy things, obviously. That's there.

So our revenues seem to be holding solid. There doesn't seem to be any bleeding with our revenue numbers on both expenditures and revenues. Like, say, there's—things happen in budgets, right, and you have a—just an example I gave you of the federal government. You have an example where they—there's a policy change that happens and all of a sudden that's a \$60-million hit on our treasury.

Again, it made sense, but things happen in the budgets, right. You have a wet spring, wet fall, for instance. What happens with some of the Crowns, for instance, if you've—you know, last year we had a bit of a benefit—although if you're a connoisseur of going outside and enjoy things, it wasn't a benefit, but it was

a colder winter, and so there was more revenues that were generated for Manitoba Hydro.

So things happen in budgets. We have stronger indication of what expenditures and revenues will look like after Q2 and we identify that when we table Q2.

Mr. Wasyliw: Are you anticipating any shortfalls?

Mr. Fielding: Shortfall on revenues? I would say that, you know, I'm going to refer you back to my last statement. You know, we're going to have a better indication at the end of Q2.

Mr. Wasyliw: Right. Can the minister provide a list of all current Treasury Board ministers?

Mr. Fielding: Yes. The members of Treasury Board are: myself, Scott Fielding, Minister of Finance; vice-chair is Minister Wharton; also member is Minister Stefanson; Minister Cullen; Minister Squires; MLA Reg Helwer; and MLA Derek Johnson.

Mr. Wasyliw: I'm wondering if the minister could provide a list of all his political staff in his office, including their names, positions, and whether or not they are full-time or part-time employees.

* (15:40)

Mr. Fielding: You know, I—what I'm going to do, if it's okay with the member, I can bring a list tomorrow. There's been some change in the office, and it's representing Finance, so I can tell you who's in my office, and the Minister Wharton, who's taken over, there's some assistance there. So, if I can table that, with a correct list. I'm not totally confident that these are all people who are still in their current roles. Would that be fair?

Mr. Wasyliw: Is the minister prepared to provide an undertaking to that effect? *[interjection]*

Mr. Chairperson: The honourable minister?

Mr. Fielding: Yes, yes, yes.

Mr. Wasyliw: I'm certainly satisfied by that.

I'm wondering if the minister could provide a list of all staff in the minister's and deputy minister's office, both political and non-political staff.

Mr. Fielding: Mr. Chair, I'd just—I'd like to table this for the member. It's got all the people's names and positions.

Mr. Wasyliw: I thank the minister for that.

I'm wondering if he can advise the number of staff currently employed in the department. *[interjection]*

Mr. Chairperson: Sorry. Honourable minister?

Mr. Fielding: Point of clarification, do you want Finance as well as Crown Services? Like, there's, they're under the same banner, I guess, but they're kind of two different departments, so we can provide both if you like.

Mr. Wasyliw: We would be seeking both, and if they could be broken down by department.

Mr. Fielding: I do have the total number. So this is Finance and Crowns together: So it's 1,110 employees. We can get a breakdown. I don't have that here, but we most certainly can provide the breakdown of what it relates to, you know, Crowns versus Finance. For tomorrow.

Mr. Wasyliw: Is the minister prepared to make an undertaking to that effect? *[interjection]*

Mr. Chairperson: Honourable minister?

Mr. Fielding: Absolutely. Yes.

Mr. Wasyliw: Wondering if the minister can advise this committee the number of staff who resigned in this past year, or were terminated, or transferred to other positions, and where they may have gone.

Mr. Fielding: Yes. The number of retirements was 49. We don't, you know, obviously we don't track where they go if they're retiring.

The other number is regarding—so people that resigned, right, that could have been going to other departments or going to another job, was 37. And we actually don't track that number, too, as well, right, whether they go to another job in the private sector or they go to another department. So that's not something that we generally track as an organization.

Mr. Wasyliw: Has there been any terminations in the past year?

Mr. Fielding: If we could take that as notice, the Civil Service Commission that will be later on in these Estimates would be able to provide that answer, but the officials here don't have that number.

Mr. Wasyliw: Would the minister undertake to provide that information to the committee?

Mr. Fielding: Yes.

Mr. Wasyliw: Has there been any transfers out of the department and transfers to where?

Mr. Fielding: It's, kind of, a two-part answer here.

* (15:50)

Number 1, again, there's a resignation when someone moves to, let's just say the Department of Infrastructure. The government doesn't track that. I guess it may be assembled in the public—the salary disclosure—I'm using the wrong terminology that's there.

I do have some departments that have, like assemble, right? If there's kind of maybe a movement back and forth in departments, maybe the division comes over. So, if you want, I can read that into the record. There is a few positions, not a lot of them, but have transfer back and forth.

Is that the will of the member? Okay. Why don't I—I see that as the case.

So there's two positions allocated FTE from internal service adjustments, enabling—and I want to reference, this is an individual, this is FTE—FTEs, not individuals. So allocation of two FTEs from internal service adjustments, enabling appropriation to support approval of department projects that are being led by strategic initiatives under Treasury Board Secretariat. That's two.

The next is for four positions, and this is an adjusted vote transfer. Again, four positions. I won't go through their salaries from Accommodation Services, green building implementation team to the Department of Sustainable Development. So that is four going out to the department, but what we did there is we assembled a green team. I guess if you are a green—climate green plan grouping. So they went over there because government's looking at a lens through kind of a green initiative.

The next one is one employee for just vote transfer of one person, and that is to the Civil Service Commission, so it's a reduction of one to provide financial service support.

There's another adjusted vote transfer of a clerk position to the Department of Health, Seniors and Active Living on a regulatory accountability.

So some of these are related to different initiatives. They may be kind of doing it central but not positions that aren't there anymore. They're just transferred to other areas.

Another one is adjusted vote transfer from the Department of Infrastructure to the Department of Finance, Central Services, to provide contract

management support-related types of services for wild fires, and that's a pickup of one employee, I guess.

If there's a will, I could go through others. Would you care for me to go on?

Mr. Wasyliv: If the minister could please proceed.

Mr. Fielding: Okay. The next item is an increase of four FTEs in operating expenditures for regulatory accountability secretariat.

The next one is net increase portion. This is kind of a salary adjustment—oh, hang on a second—sorry, I correct the record. The next is a decrease of 14—three FTEs associated with salary and benefits relation for sustainable workforce milestone. So they were transferred to another department to kind of work on those initiatives. Before they were done internally, now they're done by kind of a centralized service.

The next one is the Comptroller Division approval to decrease two FTEs associated with salary and benefits relation to sustainable workforce milestones. So that is two FTEs.

The next item is approval to decrease one FTE associated with salary and benefits in relation to sustainable workforce. So they're working on, again, different initiatives from a centralized process, instead of being in the Department of Finance.

I'm going to confer with my officials to make sure I'm getting everything correct.

I apologize, I just wanted to make sure I was getting all the right information here.

So the next one is a one increase—an increase of one FTE, and that is for the Public Utilities Board to support reductions in municipal waters. There was a lot of backup in terms of approval process through the Public Utilities Board. So then, now there's a staffperson that helps to develop that process and move it along quicker, and that's actually been a success. I know they've reduced the wait times for municipalities for a while.

The final one is an increase of 33 staffing positions, and that is related to a transfer. So they transferred staff and programming—the former Crown lands and property, the CCLPA—to the Department of Finance under the new real estate division. So what they did is, again, it was kind of an offset. They brought people over into the Department of Finance under the, you know, what's now called the Real Estate Division.

Mr. Wasyliv: Can the minister provide the names for those who have resigned?

Mr. Fielding: We're—I'm going to take that under advisement. We're just conferring with some of our officials. There could be some privacy or HR related issues. We haven't been asked that.

So I'll confer with our officials to see if there's any HR or privacy-related issues apart of releasing the information.

Mr. Wasyliv: Would the minister undertake to provide a response one way or the other to that issue?

Mr. Fielding: We're committing to looking into it to make sure there's no HR, privacy related issues that we're violating. So I can certainly respond back to that.

Mr. Wasyliv: Is the minister creating an undertaking to respond back to the committee with that information?

Mr. Fielding: I don't understand the question. I'm not a lawyer.

We're going to try and get back to you on it. You know, if there's an HR issue releasing the information on it, or there's some sort of privacy issue that's related to it, I certainly can't breach those—I can't breach—if there is privacy laws or if there's some HR functioning, I can't breach that as a minister. But I will undertake to ask our officials on that and I will provide some sort of response back to you.

Mr. Wasyliv: Has there been any positions that have been reclassified anywhere in the department?

Mr. Fielding: We're going to take that as notice, although our officials are looking through the book right now.

If we can find it, we'll provide it later on in this meeting. Otherwise, we'll provide it tomorrow—or, the next session.

* (16:00)

Mr. Wasyliv: Is the minister undertaking to provide that information to the committee?

Mr. Fielding: I don't understand the question. You asked the question, I answered it. Like, what more do you want?

Mr. Wasyliv: Is the minister going to undertake to provide that information at some point later in these proceedings?

Mr. Fielding: I'll refer you to my last statement. I said yes, clearly.

Mr. Wasyliw: Can the minister indicate if all the staff years are currently filled and, if not, what the current vacancy rate is?

Mr. Fielding: There's 327 vacant positions. That is a vacancy rate of 27.8.

Mr. Wasyliw: Can the minister give us a listing of all the positions that are vacant?

Mr. Fielding: We don't have that information here so we'll have to take it under advisement and get it back to you in an appropriate amount of time.

Mr. Wasyliw: Again, I'm wondering if the minister can undertake to this committee to provide that information at a future time.

Mr. Fielding: We'll provide it in a time frame that meets the rules of the Legislature.

Mr. Wasyliw: Are the positions to remain vacant temporarily or permanently?

Mr. Fielding: We do take things on a case-by-case basis. With that, I can say there's two different areas where there is a lot of change that is going on.

One is in procurement services. As you probably saw, we have—we are working on a new strategy that we think we can save hundreds of millions of dollars for Manitobans. And the other is in BTT, which is kind of our computer—I'm saying it wrong, but computerization model where there's structures—change structures that are happening that's part of it.

So it really depends on each classification, each job on a case-by-case basis. We're trying to be as efficient as we can from government, and so we'll review this. We have done that in the past and we'll continue to do that.

Mr. Wasyliw: How many of those positions are going to remain vacant?

Mr. Fielding: Well, just further to my previous comment, we review these things on an off—one-off basis. If positions come vacant, what we try and do on behalf of taxpayers is making sure we're getting as efficient government as we can. So we'll review those on a case-by-case basis.

So it really depends on the area. The two areas that I mentioned, there is structural change that is going on in the area with procurement and BTT.

Mr. Wasyliw: When will the minister provide a decision as to what positions remain vacant permanently?

Mr. Fielding: Like any organization, you do look at your needs on a day-to-day basis. Things change within government, so we review positions as they come available.

Some people give you, you know, excess amount of time when they say they're going to retire. Some people give the allotted amount of time that they're, you know, inquired to do. I think for some respects, it's anywhere between two to four weeks sometimes. So it really depends on the turnover that does happen.

I can tell you as—a government that's a very similar size to us, Saskatchewan, they have about 1,000 less positions than we have in the provincial government.

Mr. Wasyliw: So, of the positions that you plan to refill, what's your time frame for that?

Mr. Fielding: Well, it's an ongoing process, right, because you don't have everyone that retires at the same time or people that move on to another opportunity. So as positions come available, you make decisions collectively from an organization. Can that be done? Does it need refilling? Is it something that you can do in a way that makes more efficient sense for taxpayers?

So I can't give you an indication of that because the reality is—there's a variety reasons why. They don't come available all at the same time. There might be some critical needs, issues that you say, well, there's absolutely a reason why we would need to refill this, these types of positions.

So it's an ongoing day-to-day process where we decide whether those positions are needed or not. We have made some progress in terms of getting results for Manitobans, and so we're extremely happy about that.

Mr. Wasyliw: Has there been any impacts on the department as a result of the vacancy rate?

Mr. Fielding: We deliver our services—what we promised Manitobans in the last election is to improve the services for Manitobans. So we're very proud of the fact that a large amount of the areas that we're delivering services—we're some of the most improved provinces and—give you some examples.

* (16:10)

Whether that be health care, we're getting reductions in wait times, whether that be in all other areas—or Child and Family Services, for instance, for the first time in over 15 years we're seeing a reduction in kids in care.

So we always want to improve our service delivery for individuals; that's what the government—we want to provide services for individuals. We don't—it isn't—it's something that you want to evaluate and make sure that we're getting good service, and so we're happy with the service that we're providing for Manitobans. And the fact that we were re-elected with the biggest back-to-back majority is, I think, you know, supports the thesis that most Manitobans agree with the services and support they're getting from the government.

Mr. Wasyliw: Has there been any impacts on the department as a result of the vacancy rates?

Mr. Fielding: Well, where we're trying focus in on, and I'll give you some examples, for instance, with Procurement Services. We think that we can save upwards of \$200 million or so with Procurement with buying purchases. So Procurement, for instance, is something if you have a higher buying power, you have more services and supports together. You get better—you know, if you're obviously buying more equipment, you're going to get better rates.

An example of that was with a recent cell phone contract, where before different organizations within government and summary, you know, summary budget, would be negotiating agreements. So we actually found the cell phone contract. We added in Crown's. We added in, I believe, the health authorities as well. So our purchasing power, I think, doubled. And so what we actually found is that we were able to save taxpayers \$15 million because our buying power.

So I would suggest that some of the changes that we're making will allow us to be more nimble and will allow us to procure items that doesn't impact front-line services in a more effective way to save taxpayers money.

Mr. Wasyliw: What is the question the minister is answering?

Mr. Fielding: This is the question that you're asking. It's—you must be confused. You're the guy asking questions; I'm the one answering, so maybe rephrase your question and you'll get a better answer.

Mr. Chairperson: I would just caution all members to direct their comments through the Chair.

Mr. Wasyliw: I'll ask the question yet again. Has there been any impacts on the department as a result of the vacancy rate?

Mr. Fielding: No.

Mr. Wasyliw: Has there been any projects delayed as a result of the vacancy rate?

Mr. Fielding: Government will always work to get projects and efficiencies done as quickly as we can. I would say from a government—from a 50,000 level, what we've accomplished over the first three years of our government is historic, and that shows the fact that we were re-elected with the second biggest majority in Manitoba history. So we have accomplished a lot within our first three years. We're going to continue as an organization to be as efficient and effective as we can at delivering services. We take that seriously.

We take the fact that we're protecting taxpayers' dollars in a more efficient and effective way, and that's something that I take very seriously and I know our government does too—and I think you folks from the other side, well, probably agree with that as well.

Mr. Wasyliw: Has there been any projects delayed as a result of the vacancy rate?

Mr. Fielding: I would say no.

Mr. Wasyliw: Is this vacancy rate historically been roughly the same from a year-to-year basis or is it increasing?

Mr. Fielding: Just want to correct the record. Actually, the vacancy rate, and I'll give you the 2017-18 numbers, under a Conservative government, was about 11.06 per cent. Under the former NDP government the vacancy rate was actually a lot higher. It was 12.24 per cent in 2014 and '18, and was actually higher in '13 and '14 at 11.85 per cent.

So I guess what I'm saying, maybe I'm asking the question to you. You know, we've been able to accomplish what we have and getting better results for Manitobans at a vacancy rate that was less than the former NDP government.

Mr. Wasyliw: Could the minister tell us what the vacancy rate was in 2016, 2017, 2018?

Mr. Fielding: In '16 and '17, it was 14 per cent.

Mr. Wasyliw: And for '17 and '18, what was the per cent?

Mr. Fielding: I refer you to my 'prese' comments, where is 11.6 per cent for '17 and '18.

Mr. Wasyliw: Yes, we spoke a little bit in the House today about the 2,000 fewer people working for the civil service, a number now that has brought our civil service lower than it was in 1999. I'm wondering if the minister could give this committee a list of all the positions that have now been deleted from the civil service.

Mr. Fielding: This is information that is provided in the annual report. And the CSC, the Civil Service Commission is scheduled for later on in Estimates, so we can provide that information when the Civil Service Commission is here and also supporting us.

Mr. Chairperson: If I may interject, we had—there'd been some informal discussion before this session began about the possibility of a 10-minute recess at 4:30.

Wondering if it is the will of the committee to take such a recess at 4:30 for about 10 minutes to allow the minister and Chair to refresh themselves?

An Honourable Member: Right now?

Mr. Chairperson: In 10 minutes, at 4:30. *[Agreed]*

Then we'll break at 4:30.

Mr. Wasyliw: I—of the contracts that have gone out to tender, can the minister indicate how many and what type have been awarded untendered?

* (16:20)

Mr. Fielding: We provide all information on contracts—tendered and untendered—on proactive disclosures, which is right—there's a link right on our website, essentially, that can—that provides all the information. So I'd refer you to that. But it is all provided, hundred per cent, under the proactive disclosure.

Mr. Wasyliw: Has any untendered contracts been awarded by your department in the previous year?

Mr. Fielding: Yes, I'd refer you back again to the—right on our website, and proactive disclosures. That provides all that information, relates to any untendered or sole-source contract that has to go onto the website. So everything related to that would be on there. You could find all the information related to that.

Mr. Wasyliw: Is the minister aware of any untendered contracts that have been granted by his department?

Mr. Fielding: Yes. I'm reading from proactive discovery right now on our website, so I'll give you an example of one.

Worksoft Canada Ltd., through Finance, for \$68,000: that was a sole-source. That was due to specialized nature of the requirement. Products and services can be supplied only by one particular vendor and no reasonable alternatives or substitutes exist.

So one thing that we did focus in on as a government is making sure that we're open and transparent. So, again, that was from the proactive discovery. But that is one example I guess I would refer you to. But, again, it's all right on the website.

Mr. Wasyliw: In relation to the rainy day fund, I wonder if the minister can tell us in what circumstances would you actually use those funds.

Mr. Fielding: Yes, it's me—it is used for things like emergencies. So what happens, you know, there's—major emergency happens when the province—just to add some context to it, for the most part, the legislation says it should have 5 per cent, I believe it is, of revenues, which would equate to about 800 and change—\$800 million and change.

So what happened under the former NDP government it was around, I believe, around \$850 million in the rainy day fund. It got drained, went down to about \$110 million.

And so we suggested at last year's budget—in 2018 budget, we were going to put \$50 million back in the rainy day fund. And this year we increased it to—well, increased it to \$407 million. So now the rainy day fund is—the amount of money is about \$572 million, which is about 82 per cent of the legislative requirement of what should be in the rainy day fund.

So to answer your question, if the emergency comes, if there's a rainy day because of some sort of emergency, that is when we would dip into the rainy day fund.

Mr. Wasyliw: What would qualify as an emergency?

Mr. Fielding: I would say things like flood.

Mr. Wasyliw: Is there any scenario outside of flood that would qualify as an emergency?

Mr. Fielding: I would say it's mainly related to natural disasters. You know, that would be something that we would take a look at in terms of the rainy day fund. I think we want to be perfectly clear. We want to make sure that there's money put away for Manitobans when they need it, you know, so natural

disasters is something that I would deem as an emergency, whether it be flood or things like that.

Mr. Chairperson: Perhaps this is a good time to break.

Given our earlier agreement to recess at this time, the committee will now recess for 10 minutes and return at, according to the clock on the wall, at about 4:38–39.

The House recessed at 4:28 p.m.

The House resumed at 4:39 p.m.

Mr. Chairperson: The time being 4:39, we will resume committee.

Mr. Fielding: Yes, just to put on the record, we did confirm with the Civil Service Commissioner, to your question in regards to can we give a listing of who is left, and the response back was no. We're not able to release the information of who leaves employment as it's personal employment information. So that came from the Civil Service Commission—the actual names.

* (16:40)

Mr. Wasyliw: I thank the minister for following up with that.

So, getting back to the rainy day fund, so the minister indicated that a natural disaster would qualify, obviously, as an emergency. But nursing shortage, that doesn't qualify as an emergency?

Mr. Fielding: Well, that's why we've committed to hiring 200 more nurses under our platform.

Mr. Wasyliw: Class size is ballooning. That doesn't qualify as an emergency?

Mr. Fielding: Well, I would suggest that Manitobans are putting money away in a rainy day, that is for an emergency. I would say that we're spending—depends on which way you look at it—from budget to budget, \$414 million more in the health system. If you look at Public Accounts, \$347 million in the health-care system.

We as a government and during the election campaign committed to hiring 200 more nurses, 80 more paramedics. We're very proud of that. We think it makes a lot of sense. I would like to add, too, that there's more nurses and doctors working in the system than ever before. There's a recent report that came out that suggests that, I believe, there's over 150 or more physicians added over, I believe, the last year. I'm not

the Minister of Health, so I can't tell you the exact amount.

So I would suggest to you that the rainy day fund is there for when people need it for an emergency. We are spending a lot more money in health and things like education than the previous NDP government. We're very proud of that fact.

Mr. Wasyliw: So, to a parent who is—now has a child in the classroom with 29 other children, that would not qualify as an emergency to this minister and this government?

Mr. Fielding: Well, clearly we're getting back into the political role. I think the general public made a decision. We, of course, put our track record as a government and we won historic back-to-back majorities. And so some people voted for your party, some people voted for our party. Clearly, more people voted for us, about 48 per cent. So that, I think, was a big part of the campaign—the health expenditures—we're going to invest over \$2 billion more in health expenditures that's made up capital and operating requests. We think that is an important investment in Manitoba history.

I would also recommend—suggest to you that it isn't—it's—that's, I think, where the problem where the previous government got off track because it seemed to be just all about spending all the time and not any focus on getting better results. So what we have done, which is different from the former NDP government, is we focused on getting better results for Manitobans: things like, you know, reductions in wait times; things like more nurses; things like reducing ambulance fees—they were the highest in the nation under the former NDP government. So we brought that down. We cut it in half. So I would suggest to you that's—that was one of the main focal points of the election and clearly Manitobans make their choice. We're investing a lot more money in these particular areas and we're getting better results.

Mr. Wasyliw: So the minister is saying that Conservative voters want their children to be in a classroom with 30 students.

Mr. Chairperson: Is there a question attached?

Mr. Wasyliw: I'm clarifying the minister's statement. I'm merely clarifying what the minister had stated and I just want to make sure that I've heard him correctly, that the minister is stating that Conservative voters support putting their children in a classroom with 30 children.

Mr. Chairperson: Could the member put his comments in the form of a—[*interjection*]

An Honourable Member: No, I can respond to it.

Mr. Chairperson: Okay, the Honourable Minister.

Mr. Fielding: I don't know what you're talking about. That's your words. That's not my words.

We, as a government, No. 1, got re-elected on a platform to invest over \$2 billion more in health expenditures. We are spending close to, if you're looking on a budget-by-budget basis, over \$414 million more in health care. That's a very important thing for us. We want to reform the system because the results that we're getting under the former government that you're affiliated with was some of the worst—in fact, they were the results—the worst results in the country.

And just taking it a little bit personally for myself, in my own particular area where the Grace Hospital is, we had the longest wait times in the country. It was close to 12 hours at some point. So we weren't getting good results under the former NDP government. We want to make an investment. We're reforming the system to make it better for Manitobans, and that's an important investment.

We can disagree on our philosophical approach, but I can tell you from everyone on this side of the table that we want better results for Manitobans. We want better results on health care, we want better on education, and that's why we're making the important investments we are.

I'm not just saying this as political spin. It's fact that we just produced our Public Accounts. The facts are the facts that we are spending a lot more in these areas and we're getting better results.

Mr. Chairperson: If I may encourage members to keep comments in the third person and direct them through the Chair.

Mr. Wasyliv: So what is the percentage with the rainy day fund now in relation to the budget? I believe you had indicated the target is 5 per cent.

Mr. Fielding: We're at 82 per cent of where it should be from the target. The target set out, I believe, in legislation which represents about 5 per cent of general revenues—of expenditures—5 per cent. So we're at \$572 million. Again, that's 82 per cent of the way there.

Mr. Wasyliv: Once this government reaches that 5 per cent, is it going to continue to put more money into it beyond that 5 per cent?

Mr. Fielding: Well we're not there yet. We're 82 per cent of the way there, so we're really pleased that we can protect Manitobans further.

You know, decisions will have to be made once we hit that marker. The 5 per cent is a marker. I think a lot of governments—provincial or city or what have you—try to put money away in some sort of rainy day, or kind of residual type of fund that they can tap into if there is an emergency.

So I don't have an answer for you now. Once we hit that, you know, marker that we're hoping to get, the 5 per cent that's in the legislation, you know, we can have a discussion there what we do with the money. So I don't have an answer for you right now.

Mr. Wasyliv: What's the time frame? When will we have reached 5 per cent in that fund?

Mr. Fielding: Well, No. 1, we want to—we're two years ahead of our deficit-reduction schedule. So, No. 1, we had committed, under the past government, to balance the budget within our second term, which is kind of equivalent to about eight years or so.

Now we're on track. We're two years ahead of schedule for that, so I believe in 2020, the updated forecast suggests that we'll be in a surplus position.

But, you know, to be quite frank, there's a lot of things that happen in budgets, right? There's—expenditures happen. Sometimes there's gain in revenue. Sometimes there's decisions, like I mentioned, with the federal government where they make some sort of decision that has an impact on treasury, or whatever the deal.

If you've got net population growth—like, we are second in the country right now in net population growth to Manitoba. We grew it by about 17,000 this year under the Public Accounts for 2018, and the year prior is about 21,000. So we're second in the country.

So my point is there's lots of stuff that goes on in the budget. You know, we would like to put more money away, as much as we can, because that means Manitobans are better protected if you're at that 5 per cent level.

So we make decisions on a yearly basis where you're at financially. Again, at the beginning of the year we anticipated putting about \$50 million away, but because of some of the savings—and not just

because of the government under-expenditures that we've lived within our means, but we did get some one-time money in both things like increase in income tax—personal, corporate—183 million bucks, and then also monies from the Crowns, right? You had a colder winter. There's some one-time gains on MPI.

So my point is we make decisions on a yearly basis to the budget process. Again, we'd like to get to that marker sooner, you know, rather than later.

Mr. Wasyliw: The money that is in the fund, is it invested? Is it in any short-term invests or just sitting in a bank account? Is it growing in and of itself?

Mr. Fielding: Yes, it is invested through our Treasury Division and short-term instruments, I would say. And the reason why you do that is, obviously, you may need it at some point—to get the money out.

So, if you got money tied up, there's not liquidity. Liquidity is the key to these types of things. If you have some sort of flood event—you know, we thought we were going to have a flood event last, you know, last spring and thank goodness we didn't. But we need liquidity in these types of funds to make sure you can cover costs.

Mr. Wasyliw: What's the expected revenue, based on those investments, in a given year?

* (16:50)

Mr. Fielding: Well, you know, I—it really depends on how the markets do, right? But there—again, it's short-term, you know, instruments that you can—you know, liquidity is a big part of this, right?

So I can't tell you how the markets are going to do, but you can appreciate that it is invested so, you know, the money that is put away for these types of urgency is being invested.

Mr. Wasyliw: Is there any possibility for—due to market downturn, that we could actually lose money from these investments?

Mr. Fielding: So it's mainly invested in high-quality kind of short-term markets. So the answer is essentially no.

Mr. Wasyliw: Has there ever been a loss to the fund in the last three years?

Mr. Fielding: Yes, when the NDP drained it from \$880 million to \$110 million. That's a loss.

An Honourable Member: In the last three years?

Mr. Fielding: No, that's in the last—since two thousand and—about 2010. The last eight years. It's gone from about eight—I think it's around \$880 million to about \$110 million.

Mr. Wasyliw: No. I appreciate the minister is trying to be clever, but the question was: In the last three years, has there been a loss to the fund?

Mr. Fielding: No.

Mr. Wasyliw: What has been the rate of return on investments in the last three years for that fund?

Mr. Fielding: Well, it is a segregated fund, so we can get the information. We don't have that here.

Now, in Public Accounts, the Auditor General evaluates—or, kind of signs off, I guess—gives an opinion on the balanced budget legislation—the money that's in the account. So they gave us a clean bill of health on that.

I think they don't talk necessarily on the returns. We're just looking—and we can get you the information, because it is segmented fund. But for the most part, you know, I believe the Auditor General reports on the starting balance and the end balance at the end of the year. Right?

Mr. Wasyliw: And, again, I apologize for being formal, but is the minister giving a formal undertaking to provide that information?

Mr. Fielding: So I—just for clarification, I think—like, when we provide notice to something—an answer—I mean, you're not new to politics, but you're new to this process—there's a requirement for us to get you the answer back within a legislated time frame.

So, if I'd say I'm taking something under notice, we will provide the information back to you. I can't promise it will be today or tomorrow, but within the legislative framework of the Estimates, we would get the information.

So, respectfully, there isn't a need to say, you know, will we get the information. I'm required to if I take it under notice. *[interjection]*

Mr. Wasyliw: How many FIPPA requests were made to your department in the previous year?

Mr. Fielding: One hundred and forty-five.

Mr. Wasyliw: How many were denied?

Mr. Fielding: Twenty-nine.

Mr. Wasyliw: And what were the reasons behind those denials?

Mr. Fielding: So, No. 1, there was 34 denied. The search determined that records did not exist. So someone asked for the information, but the records didn't exist for one reason or the other.

The denied; there was 29 as cited, and it cites exceptions to the act, right. So maybe there's personnel issues or something that was deemed unable to comply with the request because it would impact, whether it be privacy or personal issues or what have you that's related to the legislation.

Mr. Wasyliw: What stakeholders did you meet with prior to this budget?

Mr. Fielding: In 2019, we consulted with 8,000 people through a budget process. I'm just going to read some information as relayed.

The online survey ran from October 15th to February 20th. We had an online portion, garnered about 1,740 responses.

We also had hundreds of Manitobans intend at a committee consultations that were held across the province. We held in different segments of the province: Selkirk, Brandon, Thompson, Dauphin, Winnipeg. Over 90 stakeholders and hundreds of Manitobans brought forward provincial and local priorities.

Members of the Legislative Assembly also held community town hall meetings. What we asked our members of our caucus is that—would they have budget consultations. And I believe every member of caucus had some sort of consultation within their town meetings.

We have also tried to use technology, which we did in the recent election campaign but also in our budget process. The telephone town hall meetings which we had had about 5,300 Manitobans participated answering a number of questions as it relates to the budgeting process.

So that kind of identifies pretty much where we went and who we consulted with.

* (17:00)

Mr. Wasyliw: My question to the minister is how many did he personally meet one-on-one, of stakeholders.

An Honourable Member: Well, I can tell you that I attended, sorry—

Mr. Chairperson: The Honourable Minister?

Mr. Fielding: I attended—I'm looking at this—I attended the Selkirk, I attended Brandon, I attended Thompson, Dauphin, all the ones in Winnipeg. We had, you know, hundreds of meetings where they have direct consultations with me in my office or what have you. And I participated in the telephone town hall meeting, where 5,300 Manitobans participated.

I believe there was one session that I didn't attend. I believe one of them was in—one of the members, from Brandon West, led one of the consultations in one of the communities. But I would say I attended all of the locations that we went to, the town hall meetings and the actual stakeholder groups that came and wanted to meet one-on-one with myself—I met with. Yes.

Mr. Wasyliw: So how many direct meetings, one-on-one in your office with stakeholder groups, did you meet with?

Mr. Fielding: Over 90 stakeholders from across Manitoba either participated in community consultations with myself, minister, or provided written submissions.

Mr. Wasyliw: My question again, Minister, was—or the question to the minister is not the communicants' consultations but direct consultations with the minister in his office. How many of those occurred?

Mr. Fielding: I refer you to my previous, you know, statement. I don't know how much more clear I can be. I can tell you in my own personal constituency, I had two different events—saw about 250 people in community settings that are there. So, like, there's no games being played here. I met with a lot of people.

Mr. Wasyliw: Can the minister advise how many stakeholder meetings he had that were direct that were in his office here at the Legislature in the past year?

Mr. Fielding: So the ones that aren't in my office not considered consultation? Just a question.

Mr. Wasyliw: Is the minister refusing to answer the question?

Mr. Fielding: I answered the question. You're just not listening to it.

Mr. Wasyliw: Could the minister tell the committee what question he's answering?

Mr. Fielding: You're the one asking questions. Not me. I'm answering the questions. It's your questions.

Mr. Chairperson: I would remind—encourage all members to direct comments through the Chair.

Mr. Wasyliw: Why is the minister refusing to tell this committee how many stakeholders he met with in his legislative office in the past year? What is he trying to hide?

Mr. Fielding: I'm not exactly sure where you're going with this question. I think I have repeated it three times. Maybe I'll say it in a way—I don't know what to say.

The problem is that the former NDP government never did any consultations. In fact, they actually came—before I was elected, I was on city council—and they actually came to Woodhaven Community Club, which is in my area and they—was a complete sham. So we don't do things in terms of a complete sham.

I can tell you again we met with over 8,000 Manitobans. In fact, over the last three years, there's been over 60,000 Manitobans that we consulted in the budget process. We consulted with 5,300 Manitobans through video means. We—I think I've identified all the locations. If you'd like to follow my Twitter feed, I can show you exactly where we went with the organizations.

If you want a complete listing of actually who met me with my office, I'm sure we could provide that information to you. I think the global point that we're making is there's 8,000 Manitobans that we, you know, consulted with on our budget process.

I don't know if that answers your question more. I don't exactly know where you're going with this but, you know, again.

Mr. Wasyliw: Thank you. Will the minister undertake to release a list, a complete list, of all private direct meetings with stakeholders prior to the budget in the previous year?

Mr. Fielding: Absolutely.

Mr. Wasyliw: Had—can the minister advise whether or not he had more than one meeting with the same stakeholder group in private prior to the budget?

Mr. Fielding: I would say there are some stakeholder groups that came to multiple locations.

So, for instance, people, I believe, people like the Real Estate Board would come to different events. What you actually end up happening, there is a lot of social service agencies that tend to come to a lot of the stakeholder groups. So we had, I would say, some groups like the Child Care Association—I don't know if they attended two, but they certainly had more presence at a number of the different events.

Some groups are made up of heavy construction, other items like that, that maybe sit on multiple committees, that maybe sit on the Business Council or other things that also sit on things like the Heavy Construction Association or other items like that, so.

Mr. Wasyliw: So what I'm interested in finding out from the minister is what groups that he met with privately in direct meetings here at the Legislature that had repeat visits prior to the budget?

Mr. Fielding: Everything that I met with is in my calendar. I'm sure you can either—requisition it through freedom of information. My life is an open book. I meet with people all the time and—like, say, the fact that we consulted with over 8,000 individuals—whether that be business groups, whether that be stakeholder groups—talking about a whole bunch of different areas.

We did that. We went throughout the province. Quite frankly, I'm proud of the amount of consultation that we did. And so, you know, any information you'd like about that, you know, we can provide. I'm not exactly sure where the member is going with this but everything is related to calendar items.

That's—if you want to know did they meet in my office or did they meet in their location, you know, certainly we can provide some information on it. I'm not sure what the relevance of this beyond, you know, the fact that we consulted and you guys didn't.

Mr. Wasyliw: How many requests for private meetings did the minister receive?

Mr. Fielding: I don't think there was any requests for private meetings that people send me a letter and they want to meet with me to talk about the budget. I'll meet with anyone. I'll go anywhere and meet with them.

Mr. Wasyliw: Was there any request from stakeholder groups that was denied?

Mr. Fielding: I would say that if I didn't meet with them, our officials would meet with them. All our public consultations, the areas that we went to—a variety of them in Winnipeg, in Selkirk, in Thompson, the other locations that I mentioned—are open to the public. People can come. They can ask as much questions as they can. What we did, as an MLA from our caucus, we went in the communities.

So I'll give you an example from my own community which I represent, Kirkfield Park, and the member from St. James had a combined meeting.

So we put out an ad in our local Metro, one call inviting people to come out.

As a politician, as I'm sure you can appreciate, you try and get a lot of people to come out these events. It's a successful event. So we try and get as many people as we can and we're really proud of the fact, from a party point of view, we consulted with thousands of people during the election campaign and we used all the technology.

Sometimes what happens is people will—not everyone can go to a town hall meeting or to an event, so if we're able to bring it to them through things like new online technologies that allows us to do it, then you do it. But certain areas maybe—not engage in the new type of technologies.

I'll give you an example. My own constituency is with the most amount of seniors, really, in the province, so a lot of them would prefer town hall meetings where I go to them. So I personally went to two. I went to ANAVETS, which is a local legion in my area that we had close to 200 seniors that came out that asked questions on this and we also had a global event that we generally had with the other MLAs.

So really, as a government, we're open, transparent and we think that we've consulted a lot with Manitobans.

Mr. Wasyliw: Can the minister provide a list of stakeholders who requested private meetings that the minister didn't attend but sent staff to?

* (17:10)

Mr. Fielding: Well, I just—I mean, your definition of 'prive' meeting I don't quite understand because anytime someone would meet with myself in my office, there's a record of that through your accounts, right? Through your account that you set up. Those are frequently, you know, freedom of information requests, which we provide.

So there was no private meetings. I don't quite understand the private element of things. We're very proud of the fact that we're open and transparent as a government, and that witnesses the fact that we consulted over 8,000 Manitobans in the last budget session.

Mr. Wasyliw: I believe the minister's referring to what he described as direct meetings at the Legislature. So maybe I'll ask it again, whether he can provide a list of stakeholders who asked for a direct meeting to be held with the minister at the Legislature,

which the minister didn't attend but delegated to a staff member from his office.

Mr. Fielding: We can review our files. I would say 95 per cent of the meetings, I attended. I'm just—I don't have the exact information here of was there any meetings that I didn't attend. I believe there was maybe a few, but we can scour our records to find out if there was some sort of letter that was sent to my office.

But again, I would refer you to the fact that we've consulted over 8,000 Manitobans.

Mr. Wasyliw: At the risk of being tedious and—but to be clear, will the minister give an undertaking that he will provide that information?

Mr. Fielding: I've already answered the question. I refer you back to my comments the last 12 times that you've asked the same type of question that way.

Mr. Wasyliw: I'm wondering if the minister could explain the public consultation process. There was a number of stakeholder groups that were allowed to present for three minutes at these hearings. If I heard the minister right, and I stand to be corrected, it was about 80.

Well, maybe I'll start there. Was that the number that was actually able to present three-minute intervals?

Mr. Fielding: I believe the number was 90 stakeholder groups and hundreds of Manitobans brought forward provincial and local priorities.

Mr. Wasyliw: So of that 90—and that was split for, I think, five public sessions, or something to that effect, you'll you'll correct me if I'm wrong with that—how many applied for that sort of three-minute presentation to the government?

And—only 90 were chosen, but what was the global ask or the application rate?

Mr. Fielding: The application rate of what? I don't understand the question. *[interjection]*

Mr. Chairperson: The member for Fort Garry.

Mr. Wasyliw: Thank you. I apologize.

The stakeholder groups that applied to give a three-minute presentation: 90 were clearly chosen. How many were not chosen? How many people applied and were not selected to present at these hearings?

Mr. Fielding: That's inaccurate altogether. If people wanted to apply—or if people wanted to come and present, they were open to present. These were open sessions to everyone.

Now, stakeholder groups could make a presentation. You're right. But I don't want to leave you the impression somehow there's a three-minute discussion.

I'll give you an example of that. I'll give you an example where we actually made a change in legislation. There is a group from the Canadian Cancer Society that came and talked about, with the PST reduction, that tobacco, for instance, should not, you know, if you're buying cigarettes, there's tax on it, right, PST that's associated with it.

So what their suggestion was that you should not lower the cost of tobacco, cigarettes, associated with the reductions of the PST. So we listened to them, right? We listened to them and we actually made legislative change. We actually didn't have it in the budget, because it came a little bit late, but we introduced standalone legislation.

So my point with that—that wasn't just a three—I don't want to leave you the impression somehow we had a three-minute discussion with stakeholder groups. There's multiple questions. I think, for the most part, we kind of had a five-minute session for that, but a lot of times, because we want to be open and transparent, we would let people go.

If they want to continue to talk about an issue that's important, we wouldn't cut them off in the middle of a sentence and say your five minutes are up or your three minutes are up. We would let them go off and talk, whatever the issue is, because it's their time to consult with the government, to be part of that.

Mr. Wasyliw: I actually had gone to one of those hearings, so I witnessed it firsthand. So I know what happened and what didn't happen.

And my question to the minister is: he's not trying to tell this committee that only 90 people—90 stakeholder groups applied to get standing to speak for three minutes at these hearings. A lot more people applied, but they didn't get selected.

Is that correct?

Mr. Fielding: I don't think that is accurate at all.

Again, we're trying to be open and transparent. And people wanted to come—I'm not sure what event you were at. I don't remember seeing you at an event,

but I'm sure you were. I can tell you, as a course of business, people would make presentations and there'd be a lot of questions asked of individuals, in terms of what the issues are.

Now, sometimes there may be more questions or not, but to somehow suggest that we limited this consultation to three minutes if there was some good questions or some follow-up—there wasn't someone with a buzzer in the background saying, you know, your time is up and please move along, you know.

Like, I—you know, again, we could talk about this for a long period of time, but I'm very proud of the fact that we consulted with 8,000—that's a lot of people.

So, you know, again, we can go back and forth with this, but our goal—you know, whether I agree or disagree with the group that will come up and make the presentation, I'll always be respectful and say, you know, what is the issue that you'd like to talk about?

And, you know, again, they may or may not like my answer or they may—for the most part, I don't give them answers. I talk about what is important to them and I find out some relevant information. But I don't want to leave you the impression that somehow we're excluding people, because I think we were very inclusive in this whole process.

Mr. Wasyliw: So I want to clarify the minister's comment.

Is he suggesting that every single stakeholder group that wanted to present at one of these community forums was allowed to do so?

Mr. Chairperson: The—[interjection]—hang on. I have to recognize you.

The Honourable Minister.

Mr. Fielding: I'm not suggesting this at all. What I—that's your words, not mine.

So what I'm saying to you is that we had 8,000 people that we consulted. You know, as a government, we'd love to hear more all the time. And so if we can beat that this year, in terms of consulting with individuals, I mean, that's great. We want to hear from it.

And what we wanted to make sure, again, is that our MLAs—the, you know, the NDP caucus as well as the Liberal caucus were free to have budget consultations as well, right, to talk about the budget. One of the independent members I believe had—who was not part of the government caucus, who was the

member from Assiniboia, I believe, had a budget consultation.

So anyone is free to do it. And quite frankly, it's from—whether it be the NDP or Liberal caucus, would have asked me to attend and listened to the citizens, I would have done that.

Mr. Wasyliw: So how many stakeholder groups requested to give a three-minute presentation and were not allowed to do so?

Mr. Fielding: I don't think—I'm not aware of knowing anyone that made a presentation that we wouldn't listen to.

Now, maybe there might have been a occasion if someone came at the last minute. They weren't able—you know, they wouldn't have been able to speak at that if they weren't on the agenda. I—quite frankly, I don't know. I wasn't directly involved in that element of things.

But I can tell you with the multiple locations that we had, the fact that we had all our MLAs out in the communities, we had a telephone town hall meeting with 5,300 Manitobans—we want to hear from everyone. Again, doesn't matter to me if you agree or disagree at the direction the government is going—you know, I'm going to listen to you because I want to be respectful to individuals.

So, if somehow that is the case—I mean, we're playing this cat and game mouse. Maybe just, you know, if you've got some certain information that somehow we didn't allow someone to come out, then just skip to the chase here and let me know and I'll find out the information. That wouldn't be acceptable to me, if that is the case.

* (17:20)

We have a number of groups that submitted online, like a written presentation. So I think that would be relevant to the numbers that we had talked about, which I think makes a lot of sense.

Mr. Wasyliw: To clarify the minister's request and I speak from personal experience, the Winnipeg School Division requested to present and was not allowed. The superintendent's office at the Winnipeg School Division requested to present; was not allowed. We heard from other school boards from across Manitoba who made similar requests and were not allowed to present.

So my question to the minister is can he give a list of all the community groups that sought to speak at these consultations and were not allowed?

Mr. Fielding: I think that mentioned—the group that you are affiliated with is a government entity, right? We are talking about stakeholders that's there. So we want to hear. You clearly had your voice known. I think I saw you in the media a few times in respect to that.

What I would like to say again is, we're open and transparent, right? We can—people can have a dialogue with us. Again, we may not agree with everything we do, but we're open and transparent.

Mr. Wasyliw: So the minister requested examples. I have provided examples to the minister. I am now asking the minister for an undertaking to provide a complete list of all stakeholder groups who made a request to present at the budget consultation and were denied by this government.

Mr. Fielding: As noted.

Mr. Wasyliw: Again, as you pointed out, I'm new around here, but I believe in clarity.

So is the minister giving this committee an undertaking to provide that information?

Mr. Fielding: I'll take it under notice.

Mr. Wasyliw: In future consultations, will there be a hard cap on how many stakeholders will be allowed to speak at these public consultations?

Mr. Fielding: Since coming to office, we've consulted with close to 60,000 Manitobans on that. I don't see a hard cap of more than 60,000. If there's more people that want to meet about part of the budget process, we're all ears. If you've got some suggestions of locations or locales, for the most part we try and do this. You can't be everywhere at all times so we try to do some in Winnipeg. We do some outside Winnipeg. We have stakeholder groups that come and make a presentation. We do video—rather we do kind of a telephone town hall meetings. So we're open—we're all ears in terms of who we should consult.

Mr. Wasyliw: So the minister is committing not to have a hard cap on the amount of stakeholders that will present at a public forum in relation to the next budget?

Mr. Fielding: Hard cap is your terminology. I have no idea where you're coming from with that, and what I clearly said on numerous occasions is that our government is open and transparent and we've consulted with thousands of Manitobans. You know, I don't know what you're talking about with a hard cap because when you have over 60,000 people that

consulted on the very particular budget, that's over 8,000 people—come to areas. I don't know how that would be in a discussion point of how you consult with indigenous groups.

Mr. Wasyliw: Will this government limit the number of stakeholder groups that will be allowed to present at a public forum in the coming budget consultation?

Mr. Fielding: We're open and transparent. We want to hear from all individuals from all means. If people come to our town hall meetings, they're welcome to participate in telephone town hall meetings. They're welcome to go to one of the events that we have as an MLA. That might be something your caucus decides to take up.

I guess the question would be to you. I'm not sure if you got information of how many of your caucus members had budget consultations, but that's a good way to stay informed with residents.

So I believe I've answered your question. We want as many people as we can to go to these types of events to hear their opinions. Again, if we can do it through a variety of ways or technologies to get more impact from Manitobans, we're all ears.

Mr. Wasyliw: So, if I hear the minister correct, I would be fair in going to the public and say that I have a commitment from this minister that no stakeholders will be limited or prevented from giving a public presentation in the next budget round.

Mr. Fielding: We're committed to listening to all Manitobans. Again, some people are going to agree with the government direction, some people aren't. But I'll—there's numerous examples where we had made some change, and I'll give you another example.

For instance, we heard from the Association of Manitoba Municipalities. There's a road and bridge program that we had and we had some information, made some decisions on it. We heard quite clearly from the municipalities that we should make some changes to the budget.

So these are really important, you know, the two examples that I gave—one related to cancer groups, the Canadian Cancer Society, and one related to the Manitoba municipalities—that had made budget submissions.

And so we were pleased that we were able to follow through, listen to what they have to say and make some changes, important changes that can have a vast impact, whether you live in a municipality or whether you're, you know, someone that is associated

with cancer. So you can help to work with the Cancer Society to do it.

Mr. Wasyliw: How much uncollected tax is outstanding for the Province of Manitoba?

Mr. Fielding: I'm going to refer you to the Manitoba Finance Annual Report on page—actually, it's the preletter from our deputy minister, Mr. Hrichishen. And if you look further down, it's about the second paragraph. Essentially, it says 99 per cent of amounts owed to the Manitoba government were collected. So, 99 per cent; 1 per cent weren't.

Now, you've got to remember that the federal government does the tax collections on corporate and personal income tax, so that does play into the equation, but over 99 per cent of debt has been collected.

Mr. Wasyliw: So what is the value of the 1 per cent?

* (17:30)

Mr. Fielding: We don't have that information here, so we'd have to go back and check the tax division numbers.

Mr. Wasyliw: And is the minister taking an undertaking to provide that information for the committee?

Mr. Fielding: I've taken it under notice of advisement and so we'll provide the information back, as per our previous conversations.

Mr. Chairperson: Just a note to the member, it may be helpful to stick with the language familiar in the Legislature, just for clarity for all listening and possibly reading afterwards, as well.

Mr. Wasyliw: Now, I understand that, obviously, the Province collects PST, but there's a number of other taxes that also get collected from the province. I'm wondering if you can outline what those taxes are.

Mr. Fielding: Okay, our tax that we collect are going to—made up a number of things.

Number 1, fuel tax; land transfer tax; levy for health and education—commonly known as the payroll tax; the mining claim lease tax; the retail sales tax, PST; tobacco tax; the mining tax; and insurance premium tax; as well as the capital tax.

Mr. Wasyliw: And I appreciate if this—these numbers aren't just easily accessible today, but would the minister be able to break down the tax that is outstanding based on these different categories?

Mr. Fielding: Point of clarification: do you want—and we can provide this—a breakdown of what percentage that is for each of those subcategories, or do you want, kind of, a reason. Like, if someone dies, for instance, you're not collecting some sort of a tax that they're affiliated with in some way or the other.

Mr. Wasyliw: We're seeking a breakdown of the taxes owing and what area they come from.

And to clarify, we're seeking back data.

Mr. Fielding: We don't have that information here, but we—what's the expression we're using now, it's—*[interjection]*—well, we'll use your term. We're undertaking—provided on notice that we'll provide the information.

They don't have it broken down here, but they—I believe they can get the information for you.

Mr. Chairperson: I believe the rules of the Legislature are that the language is: The matter is taken under advisement. Just for clarity and so everyone who comes in and out knows what we're all talking about and possibly those who read, as well. That is the language of this Legislature.

Mr. Wasyliw: Okay. So at what point is the bad debt written off?

Mr. Fielding: I think it would depend on the situation. If it's deemed collectible, then it's not—to be seen as a receivable but if it's deemed as uncollectible, then that would be considered a bad debt.

Mr. Wasyliw: How many, and I mean I'm sure there is a better term than I've been using here, but tax compliance officers or what type of investigative infrastructure and enforcement staff would be tasked with collecting this—these bad debts?

Mr. Fielding: I'm going to read from the fiscal and management—this is the Supplementary Information for Legislative Review. It's on page 57. So there's 175.80 FTEs that are associated with it. What I would say is the 99 per cent of collected—collections is a very good number.

There is also means that organizations, government or what have you, would be able to use the courts, of course, to go after people, as well.

Mr. Wasyliw: What's the vacancy rate with that 175 FTEs?

Mr. Fielding: Twenty-six per cent.

Mr. Wasyliw: Given that's almost twice the average, is the minister committed to ensuring that that unit is fully staffed, and if not, why not?

* (17:40)

Mr. Fielding: Well, we as a government, have talked about doing more with less. What I would suggest is the fact that we're collecting 99 per cent is a pretty decent number, in terms of the amount of money that is there. There's a determination by—obviously, someone in these divisions, whether it's considered as bad debt or—you know, there's arrangements that can be made for it.

So I would suggest to you that we are getting the job done of collecting 99 per cent of the revenues that are associated.

Mr. Wasyliw: I'm wondering if the minister can provide the number of tax investigation or tax compliance files that have been opened in 2016, 2017, 2018 and 2019.

Mr. Fielding: The terminology I think we're using now is we're taking this under advisement. Is that correct?

Clearly, we wouldn't have that information here, but we can get back to you with information on that.

Mr. Wasyliw: Do we—are we able to say, is the minister's department able to say how many—on average—investigations occur in a year?

Mr. Fielding: Yes. I would say investigations—completed files, there's 81 charges. There was 49 charges that were laid. Convictions: there was 21 convictions that were laid. Fines are related to \$18,248. Penalties of \$733,416.

There was also tobacco interdictions, right? So this is, kind of, completed audit's investigation. There were 63 charges. There was 50 charges that were laid. Convictions: there was 25 represented of fines of close to \$44,372 and penalties of \$489,215.

And so again, I guess my final two points I'd make on that is we're collecting 99 per cent of monies that are owed to the government. And from a revenue basis on this year alone, when you—relates to Public Accounts, our revenues went up by about 5.5 per cent. Generally, you'd see revenues go up by about 3.3 per cent.

Now, that's one subcategory of, you know, *[inaudible]* revenue that you would bring in as a government.

Mr. Wasyliv: Again, if the minister could clarify: there was 81 charges laid in total in a single year. And if that's correct, is that an average number? Is that more or less than the previous two years?

Mr. Fielding: We would have to go back to give you past years. I can tell you current years. There's 49 charges that were laid, and that's related to the investigations. On a subcategory—different category, for tobacco, there was 50 charges that were laid.

Mr. Wasyliv: Would the minister be able to break down the investigations by tax category with the charges that were laid and convictions that were registered and the penalties per tax category?

Mr. Fielding: We did do the breakdown. So the first part that I mentioned, with the numbers—again, files, 81; 49 charges; convictions, 21; and the 18,000 and 733,000 was for, kind of, audit compliance and other items such as that. The other is for 'tobacco'.

I guess this may be point of clarification. Is the question you're asking broken down on subcategory of—like, is this PST related? Is it capital tax? Is it the payroll tax?

What are you looking to—what information are you looking for?

Mr. Wasyliv: I guess I want—I know it's getting late, but I want to seek some clarification from the minister because—was there total investigations of 81 in the province for the 12 different categories of tax, or is that one category of tax?

Because you've now hived out tobacco and said there was 50 distinct charges laid and investigations started in the courts for tobacco alone.

Mr. Fielding: I would suggest that the completed files were 81.

So we—and that's for the subcategories, the vast majority that you spoke of. We pulled out the tobacco piece. So that's one of the categories where you get taxed from the government. And on that, again, there was 63 audit and investigation files that were run, I guess. Charges, there was 50 for that one; convictions, 25. Again, I mentioned these numbers before.

So again, the subcategory is everything, kind of, beyond tobacco is related to the first set of numbers. Second set of numbers is related to the tobacco 'interdictional' investigations.

Mr. Wasyliv: And again, is the minister able to indicate whether these numbers are stable, whether they're going up, whether they're going down? Is there

some change in the level of prosecution of these things?

Mr. Fielding: We'll have to take that under advisement and get back to you.

Mr. Wasyliv: How many respectful workplace complaints has your department received in the past year?

Mr. Fielding: We'll have to get back to you. Under the Civil Service Commission—those numbers are incorporated at that point. I believe that is in the annual report that the Civil Service Commission will be here later on through the Estimates process.

So I guess we can table that, take that under advisement, and provide the answers when we're reviewing the Civil Service Commission.

Mr. Wasyliv: Is it the position of this government that a government department should reflect the demographics of Manitoba?

*(17:50)

Mr. Fielding: Yes. I'll refer you to the annual report. I guess it's on page 10. And that's the—of the Civil Service Commission. So that—it identifies different subcategories—be—woman, indigenous, persons with disability and visible minorities.

What I also would like to indicate to the member, in terms—diversity inclusion, over the past few years, we have seen the Manitoba 'gorm' become a younger and more diverse place. The number of employees aged 44 and younger has increased from low of 44.3 per cent in 2009 to 47.5 in 2019. At the same time, the number of employees aged 45 and older has decreased from a high of 56.6 in 2009 to 52.5 in 2019.

A continued diversity of workforce has remained a priority while we work to modernize, ensure diverse representation of 'visical'—visible minorities, indigenous people, persons with disabilities, women across Manitoba's public service.

Diversity inclusion are the cornerstones in Manitoba public service transformational strategy. Our government is also committed to advancing the Manitoba government diversity inclusion strategy, which also aims to build a civil service that is inclusive and reflective of the population it serves.

The strategy and ongoing efforts to make Manitoba government more diverse is welcoming place to work, and recently recognized 2018-19 with an Award of Excellence from the Canadian Race Relations Foundation. So we won some awards.

Overall, the Manitoba government is more diverse today than ever before. In fact, in 2016, the percentage of employees who self-identified as members of a designated employee equity group—women, indigenous people, persons with disabilities and visible minorities—has increased across the board.

There continues to be a positive trend seen over the past few years as follows: women, 54.3 per cent, 2016; and 54.5 per cent in 2019. So it's gone up. Indigenous people in 2016 were 14.4 per cent and 14.5 per cent in 2019. Persons with disabilities were at 5.5 per cent in 2016 and 5.8 per cent in 2019. And visible minorities saw the biggest increase, where there was 11 per cent in 2016 and 13.2 in 2019.

I would also recognize the fact that we have made our boards and commissions more diverse. In fact, I believe the numbers—there's 8 per cent more people of—women or of different ethnic minorities that were part of it—indigenous were part of our boards.

So we're very inclusive on the ABC process of boards and commissions—agencies, boards and commissions.

Mr. Wasyliw: Does the government have any plan to increase those numbers? And what is the plan?

Mr. Fielding: I would point you back to the strategy. I can speak a little more during our public—during our Estimates with the Civil Service Commission. We want, obviously—and seen some success of making Manitoba—the employee workforce look like Manitoba. That's an important trend. And so we have to move forward on it.

Again, just to add some context is—to better ABCs equity representation. So just—despite significant reductions in the number of boards and commissions across the government—so there's been less boards and commissions, which was a highlight of our mandate—there's currently 49 per cent women represented on all boards, which is, as I mentioned, about an 8 per cent increase from 2015-16; a 5 per cent increase in bilingual representation—sorry, it's late in the day here—a 3 per cent increase in indigenous and visible minority representatives; and 2 per cent increase in persons that disability.

So we truly have made—try to make this a priority and will continue to do so—as such in the future.

Mr. Wasyliw: So what strategy or plan do you have to increase those numbers?

Mr. Fielding: I'm going to refer my answers to this when we talk more about the Civil Service

Commission. And some of these items, you know, we're not deferring but it is related to the civil service—that's incorporated in their Estimates process so our officials aren't there that I can provide you the fullest of answers to it.

So I think globally we've seen some success at things like boards and commissions, of having more inclusiveness a part of our boards and commissions. That's a strategy we'd like to take to the broader general employment, I would say, of the civil service.

Mr. Wasyliw: What is the percentage of your budget that would be spent on administration, as opposed to front-line services?

Mr. Fielding: Okay, I'm going to refer you to the supplementary information and legislative review, page 20, that breaks it down. We actually have the FTEs that would be associated with that, so I want to make sure I'm getting this right.

FTEs associated would be around 430.5 of the—I just want to make sure I'm giving you the right information. Sorry, 420.60—that's FTEs related to the amount of people in the Department of Finance, related to administrative support.

I do have some answers—I'm not sure if you do want—on the diversity. I know we've got some time left. We can save that for tomorrow or I could read off some of what your initial question on strategies for things like equity and making sure minorities are supported. *[interjection]* Okay.

So, first of all, the internship equity and employment development program. The internship equity and employment development programs have existed in various forms for several years. Several of the programs were streamlined and restructured. The description and stats provided below represent the program that exists until March, 2019, along with outcomes.

So I'm going to just maybe, in the essence of time, kind of paraphrase a little bit of this. There's a Management Internship Program and it was established in 1995-1996, aimed to recruit talented individuals to assist in meeting future requirements. The 'manachern' internship program is part of the Civil Service Commission—maybe I'm going to skip to the area that you're talking about.

The Manitoba Diversity Internship Program. Okay, the program has 18 intakes, 112 individuals participated in the program; 94 of which exited the program into the Manitoba government positions.

So you have 94 people that went through this program and the Manitoba Diversity Internship Program. It's a one-year internship program, was established in 2013.

The objective of the MDIP was to recruit candidates who were self-declared as indigenous people, visible minorities and persons with disability into the departments with renewed challenges, while helping address difficult-to-recruit positions and diverse goals.

We out of time? *[interjection]* Okay. The CSC provided positions, FTEs and funding to the department to facilitate and employ qualified individuals, equity candidates for a period of one year, on successful completion of this.

So we've taken some action on this—areas we think it's important to have programs that support people.

Mr. Chairperson: As is fitting with the afternoon, the second hand on our clock has stopped before the meeting.

But the hour being 6 p.m., the committee rise.

HEALTH, SENIORS AND ACTIVE LIVING

* (14:50)

Mr. Chairperson (Doyle Pivniuk): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration for the Estimates for Department of Health, Seniors and Active Living.

At this time I invite the ministerial and the opposition staff to enter the Chamber.

So could the minister please introduce his staff as they're taking their seats.

Hon. Cameron Friesen (Minister of Health, Seniors and Active Living): I have with me in the Chamber this afternoon Karen Herd, the Deputy Minister for Health, Seniors and Active Living. I have the CEO for the Winnipeg Regional Health Authority, Mr. Réal Cloutier. I almost said Richard Cloutier. I have with me from performance and resources the assistant deputy minister Dan Skwarchuk. And I have also with me, heralding from the great city of Windsor, Ontario, Mr. Nathan Clark.

Mr. Chairperson: And could the member from Union Station introduce the staff member?

MLA Uzoma Asagwara (Union Station): Chris Sanderson, policy analyst.

Mr. Chairperson: Okay, thank you.

Okay, as previously agreed, questioning for the department will proceed in a global manner. The floor is now open for questions.

Mrs. Bernadette Smith (Point Douglas): So we know that women in Flin Flon are now being forced to travel in excess of an hour to give birth to their children. We know that, you know, this—some of the women, you know, have health concerns that don't necessarily, you know, you can't possibly predict that someone's, you know, if they have, let's say, high blood pressure that they're going to give birth early.

Often, you know, women—and I've had three children so I'm speaking from experience—you have a due date, but often that's just a date that the doctor gives you and, you know, in around this date. So—and women are being forced to travel away from their communities to give birth to their children. And, you know, as someone who lives in Winnipeg, I have great pride in having, you know, that as the place of birth for my children.

My mother was born in Winnipegosis. She lived in Duck Bay. She had to travel. She was a high-risk birth. They actually had to use clamps to bring her out of the birth canal and she has some scars from that and she almost died.

And, you know, we're seeing high numbers of women with high-risk pregnancies and we can't predict, you know, that it's going to—they're going to have, let's say their due date is October 4th. That's actually my birth date, so, which is Friday, which is my birthday. But what I'm trying to get at is, you know, women all of a sudden can, you know, they can have—their baby can come at any time, and they don't have the option of driving an hour to The Pas to go and have their baby, or being flown out to, you know, Winnipeg with their high-risk pregnancy.

And, you know, we feel that mothers are being put at risk, we feel that children that are yet to be born are being put at risk, and that care should be provided in the community that women choose to have their babies in, and they shouldn't be forced to leave, you know, their community, where perhaps they were born and raised in, and they want their child's birth certificate to reflect that as well. And, you know, what this government has done is they've—they're no longer providing obstetrics in Flin Flon, and forcibly making women travel outside their community to give birth.

So my question as to the minister is: You know, we suspect that, you know, this was happening for

quite some time, that the minister knew about, you know, that this obstetrics was going to be closing in Flin Flon, and he made reference to a report, and announced the closure, and publicly the minister made it seem like they had just received a report and then immediately decided closure was necessary.

So we just want to, you know, establish who wrote the report the government is using to justify sending these women out of their community, and forcibly putting women at risk who are giving birth, and putting children at risk.

So if the minister can provide who wrote the report the government is using to justify the closure of obstetrics in Flin Flon.

* (15:00)

Mr. Friesen: I thank the member for the question about the obstetrical delivery services in Flin Flon. I'm happy to provide an update. The member knows that I've provided updates since the decision was undertaken to temporarily suspend obstetric services at the Flin Flon hospital.

The member should be careful because more than once in that preamble she asserted that it could have been a political decision to suspend services, and I would want to make perfectly clear, as I have in the past, that the decision to suspend services is one that was undertaken by people within the system, experts who examined what were, according to the CEO of Northern Health Region, long-standing challengers around procuring anesthesia and obstetrician specialty for that hospital for a relatively small number of obstetrical services per year compared to other Manitoba hospitals.

So first point made, long-standing issue existing under the NDP and incurred, even continuing into our time in office. Second, a professional review was undertaken by a Winnipeg-based gynecologist and associate professor at the University of Manitoba Rady Faculty of Health Sciences, that is Carol Schneider, and a nurse expert Christine Finnbogason, clinical nurse specialist.

So two examinations of the system, one doctor, one nurse specialist. Those two examinations concurring in their professional assessment and recommending for the suspension of the services that had been available in Flin Flon less than 50 per cent of the time.

I can tell you that, in the wake of the decision to suspend those services, we worked with the regional

health authority to communicate clearly in the community about how expectant mothers would be, at the time necessary, be able to receive those services in Swan River.

We worked with the government of Saskatchewan and the minister of health and rural health in that jurisdiction because we all know that that is a shared facility and many of the obstetrical services at that hospital actually originate from people who live in Saskatchewan on the west side of the border. And we were able to collaborate in order to come up with a diversion plan so that those expectant mothers are now receiving services in places like Saskatoon, Regina, Prince Albert and Yorkton.

I met personally with hospital staff, with the chief nursing officer, to discuss these things. I was on-site in Flin Flon to meet with community representatives. I met personally with advocates on Flin—in Flin Flon, and I won't re-represent their statements but they said they could completely understand the medical reasons that led to the temporary suspension of these services in Flin Flon.

I would want to also add the fact that we continue to have those contingencies in place. I understood that for the first 10 weeks of the suspension less than 10 births had taken place in The Pas related to the suspension.

But I want to make clear there are things that I can share in the context of these proceedings and there's things that I cannot share. And I can tell you that there were some near misses in Flin Flon that really rattled the staff. And there comes a point when the patient and that baby are just not safe.

Now this member for Point Douglas (Mrs. Smith) said that we as a government were putting children at risk with our decision. And she should know that she is categorically wrong and it's a reckless statement.

In fact, to extend those services politically would have been a decision that put children and mothers at risk. This is a list of the obstetrics services that the NDP closed since 1999: Hunter memorial hospital, Pine Falls Hospital, Lakeshore health centre, Hamiota District Health Centre, Lorne Memorial Hospital, Ste. Rose General Hospital, Norway House Hospital, Arborg Hospital, Churchill Health Centre—

Mr. Chairperson: The honourable minister's time is up.

Mrs. Smith: So what I did say to the minister is the cuts to obstetrics in Flin Flon has put women at risk,

and their children at risk, for the simple fact that they have to travel a distance to go and have their baby. Women who don't necessarily present with issues throughout their pregnancy all of a sudden, you know, have issues one day, need to give birth. You know, perhaps their placenta, you know, they have ruptures, you know. Anything could happen; a baby's heartbeat could go up, and if there is not those services in Flin Flon, it forces that person to leave their community, often in stress, because you want to give, you know, birth in your community, the community you've grown up in, and you don't expect these things to happen.

So I just want to be clear when I'm saying that these women have been put at risk in terms of having to travel because of the cuts to obstetrics. So I don't want the minister to put, you know, false information on the record in—that I'm pointing, you know, directly at. I'm pointing directly at the cuts that have affected women in the community that also affect the children being born in that community.

So the minister talked about working directly with advocates in Flin Flon. Can the minister tell us who these advocates were, that he worked with in Flin Flon that advocated to have obstetric services cut?

Mr. Friesen: Well, I would not have in the Chamber this afternoon the names of the group members with whom I met at Flin Flon, but I certainly hope the member is not reflecting on the veracity of the claim I made, that I'm—met with members of the community of Flin Flon. I won't describe them; I don't think that'd be appropriate. Two members of a group that declared themselves to be advocates for the Flin Flon hospital, who actually thanked us for the investment we were making in the Flin Flon new emergency room.

I would remind the member that the Premier (Mr. Pallister) and I, and other members of the PC caucus, were recently in Flin Flon to open a \$27.1-million brand-new emergency department, state of the art, with best practice. Spacious, airy, very much created to facilitate the good flow of patients through the centre. There are tremendous innovations, including what I understand are negative airflow observation and treatment rooms, which I didn't even realize existed before, and I've seen these now at places like Grace Hospital and Health Sciences Centre, I understand, for disease control. There are times in which you want a negative- or positive-charged observation room. That's some very complex HVAC engineering, but it's there, and it will be in

place to serve the people of that community and that region for a long time.

A few points I would want to make. First of all, that we knew that before the decision to close, we knew that obstetrical coverage in that community was only available 50 per cent of the time. Because of that, that external review, conducted by that obstetrician and nurse expert, recommended that the services be suspended.

We know that we worked collaboratively to make sure there was capacity at St. Anthony's hospital in The Pas; it's 132 kilometres away. We know that's not ideal. I only read in a partial list of the 20 obstetric services in hospitals that the NDP closed in 17 years in government. This is one, and it's a temporary suspension, and so that's why we're working with the community. But remember as well, it was not just expectant mothers from Flin Flon and the immediate area who were travelling to Flin Flon.

* (15:10)

In this case we heard, through our efforts, significant concern by Saskatchewan health officials, by the Saskatchewan government and by Northern Region health officials about the number of women expectant who were not getting to their—to the recommended first trimester and second trimester appointments in order to get that pre-delivery time with a doctor, with a nurse practitioner, with someone who could say, oh, this is a heightened concern; this will be a more complex delivery—and you can imagine what would be some of the contributing issues that would lead to a more complex delivery.

I understand that as a result of the diverting of patients to St. Anthony—and Saskatchewan patients—to other hospitals, that actually one of the effects interim has been a better uptake of expectant mothers to get to their primary care appointments.

Now, that's not to say the issue is solved, but I am pleased to see in principle that more and not less expectant mothers are making it to those appointments. In that way, medical experts can decide if in advance that individual would be a good candidate for movement out of that community somewhere else, for a more complex birth. Remember, in the past these individuals were showing up and hospital workers, doctors and nurses, obstetricians were often surprised to see them.

So we know this is a temporary suspension. We know that the clinical and preventative services plan has been developed and we know that

recommendations will be made out of that plan for how to, on a proactive basis, locate services including obstetrical services across Manitoba where they should be. And we don't know what the answer to those questions are and that's why we have created and facilitated Manitoba's first provincial clinical and preventative services plan by over 400 medical experts.

Mrs. Smith: So I just want to be clear, when I'm asking about the names of advocates I'm asking because I want to be sure that people that actually live in Flin Flon, that actually access those services were consulted. That is wasn't just, you know, made by people outside that community. So I just want to be clear about that.

So I want to ask the minister, when was the report written? What year, and what month?

Mr. Friesen: I'll just ask the member to ask the final question again, I was conferring with staff at that moment.

Mrs. Smith: So the report that you're referring to that helped you decide that the closure should happen, the obstetrics services should be stopped in Flin Flon, when was that report written, and what year and what month?

Mr. Friesen: So, on the member's first question, where she was looking for further evidence of the verification that the community members with whom I met were actually from Flin Flon, I can tell her that both of the individuals in the meeting that I had that day in Flin Flon—at the hospital—declared to be people who lived in Flin Flon.

To give her further assurance, Helga Bryant, the CEO for northern region of health, was also present in that meeting, and there was some banter among the three of them. They knew each other from the community; it was not the first meeting that Ms. Bryant had had with those individuals.

So it seemed friendly, and it seemed that there was personal knowledge in there, and Ms. Bryant did indicate that day that this indeed was a group who had been respectfully advocating.

One of the first statements they made in that meeting surprised me. They said we acknowledge and accept the decision to suspend the obstetrical services in Flin Flon at this time for medical reasons, and then they went to questions about when. They talked about some of the things the member talked about: the challenge of seeking those services in another

community 130 kilometers away. They talked about winter roads. I was very thankful that—receiving these updates, that we didn't have any incident. We know—we have EMS rigs in—on roads across this province—in the north and the south, in rural areas, right in Winnipeg—constantly. And if you've ever seen the mapping of where those rigs all are—I know it's not without risk, because we all know Manitoba roads, especially in the fall and the winter and the early spring. And so we were thankful that there was not a negative incident at all.

I can tell the member—in regard to her second question—that the decision announced by the government to close, to suspend those services on the basis of the medical recommendations that were made to the region, were made, I believe, in November. We would have to commit to—provide an exact date at which the report by both authors were submitted. I will clarify that those reports would not have been submitted to the department of health. So in this case, a freedom of information request will not work because that report would have been made to the region.

Also, I would want to make clear that the region, to clarify, would not have been looking for permission to close. They would have been looking to substantiate their own concerns—and to triangulate, if you will—and have that sense that the decisions—that they were already understanding would probably need to be made—were backed up medically. In this case, that was the issue backed up by an obstetrician and a nurse specialist.

To finish the former list I started to read, though, let me also mention that obstetrical services were also closed by the NDP in Arborg health centre; Churchill Health Centre; Victoria General Hospital, where two of—three of—I think all three of my children were born; Minnedosa district hospital; Carman Memorial Hospital; and Swan River Valley Hospital. That is a total closure list under the NDP of one, two, three, four, five, six, seven, eight, nine, 10, 11, 12, 13 obstetrical program closures under the NDP in less than 17 years, and all I can say is that it was a good thing they weren't there for four more.

Mrs. Smith: So the minister said that he'd undertake getting the report and the date for us, so if like—if he could clarify when we can expect that.

Mr. Friesen: So the member asked for the date of the report to be reported, and we could certainly look into providing that.

Mrs. Smith: All right, so I'll ask that question again tomorrow. Hopefully the minister can provide that.

Can he talk about the report, and if the report solely recommended closing obstetrics in Flin Flon?

* (15:20)

Mr. Friesen: I'm just clarifying. I heard the member say that she was going to ask for the information tomorrow about the date of that report, and we'd be—we'll see to provide that information. I don't know if we can get it by tomorrow, but we'll try. And was—if there was a second part of the question, I'll just listen again.

Mrs. Smith: If the minister can provide us with recommendations from that report, whether that report sole recommendation was to close obstetrics in Flin Flon.

Mr. Friesen: Yes, it was.

Mrs. Smith: The minister talked about this being a temporary suspension with obstetrics in Flin Flon. Can he speak to when we can expect obstetrics to reopen in Flin Flon?

Mr. Friesen: I'm happy to provide a response to that question. It 'retquires' some context. We spoke a few days ago in this Committee of Supply, and there were not further questions invited around it. But I think this would be a good time to share the very significant, the very considerable work that has been done in the past year, year and a half when it comes to the planning for the formation of this province's first clinical and preventative services plan, the first of its kind for Manitoba—the first comprehensive clinical and preventative services plan, I would submit, in all of Canada.

We have seen other health systems in ever to create—endeavour to create a clinical and preventative services plan when it came to one area of health care. In this case, when we think about the comprehensive activities that happen in Manitoba, it was about a year ago when we formally kicked off the work to put to work over 300 leaders within the Manitoba health-care system in the various areas of specializations—specializations including women's health, indigenous health, mental health and addictions, surgery, cancer care, primary care, and many others, of course, a diagnostic service.

And in this area, we did not just tap people on the shoulder who work at the Health Sciences Centre or who work in Winnipeg, but people from across the

province—rural, northern, Winnipeg—representing the RHAs, representing service delivery organizations.

I remember at the kickoff event, we had Mr. Rohan Hammett, who was a former deputy minister of Health from, I believe, New South Wales—from South Australia, who talked about this kind of development of this provincial plan. I mention that plan because that planning work has gone on largely away from the limelight this last year, as I said: clinical experts from across the province, leaders from very professional backgrounds and specialties, with experience delivering care in rural and remote areas of the province as well as indigenous communities and Manitoba's urban centres. And at the centre of this plan is a commitment to build up primary care and community services in communities across the province.

So I can tell that member that at the centre of what we call this PCPSP—sorry for the acronym; it's a little heavy—that we have the same aim in mind, which is making those provisions of services—primary care and community services—more robust, so that patients in need of less urgent diagnosis and treatment have consistent and reliable access to that treatment closer to home. We've talk about this being the right care in the right place at the right time, and for too long in this province, the idea under the NDP was: ship everyone to Winnipeg for everything, and as I just read into the record, 12 or 13 different obstetrical units closed under the NDP. That is not the road map for the future.

As a matter of fact, this significant exercise serves as an interrupter of that trend, saying no, we need to reconstitute more significant services, and this government is prepared to make those investments, to work with communities, to build up resources, to invest the capital, to operate those facilities, and to attract the expertise to those communities in order to make this work. That is exciting.

This project included consultation with over 3,000 stakeholders and clinicians. It engaged community leaders like reeves and mayors. And we know that that work was directed in the area of women's health, to not exclude the examination of the Flin Flon obstetrical services, so that consideration of when and how to reconstitute those services in Flin Flon has been entrusted to the same provincial clinical and preventative services plan under the area of women's health.

Mrs. Smith: So, in that preamble, I did not hear the minister answer my question. He referenced temporary suspension many times, when talking about

obstetrics in Flin Flon, but never once did he give an answer to when we can expect obstetrics to be reopened in Flin Flon, so I take it that that's not going to happen, which is unfortunate. You know, he's talking about care in communities, but yet he's not worried about, you know, the women in Flin Flon that want to give birth to babies in Flin Flon in their community, so I would, you know, again ask the minister about going back to the report.

After he received this report, how long after was it that obstetrics closed in Flin Flon?

* (15:30)

Mr. Friesen: Well, first of all, I'll refute the assertion of the member when she says that simply the answer will then be no for the future. That would be prejudging the work of the provincial clinical and preventative services planning team. We didn't invite 300 considerable Manitobans who were clinical and system experts into a significant expert like this, to undertake consultations with 3,000 individuals only to trump them and to say, well, thanks, but we've made up our own mind in a political way on this.

I guess I could turn the question around and ask that member was there ever a plan under the NDP to reverse the 12 or 13 obstetrical closures conducted by her own party when they were in government? Because those closures, some of them as far back as 2000 and 2001, were never reversed.

I was just speaking on the side with a member for Midland (Mr. Pedersen)—is it still Midland?

An Honourable Member: Yes.

Mr. Friesen: The member for Midland, and he was saying how I think your oldest—

An Honourable Member: Youngest.

Mr. Friesen: Youngest son was born at Carman Memorial Hospital in the years before the NDP closed it down.

An Honourable Member: In 1984.

Mr. Friesen: In 1984. So while he may look young, it does help us to, you know, do the math on the member for Midland's age a bit.

Anyways, my point being that the planning that is underway is really exciting. It was one of the first acts of duty that I had as a brand new Health Minister last summer to welcome those clinical leaders. I believe we were at the Delta, maybe not the Delta hotel. The Radisson hotel, in one of the rooms there. And these

people from across the Manitoba health-care system assembled in one room and given their marching orders.

I remember it because it wasn't long after when I believe it could have been the member for, oh, I might have the wrong names of constituencies now, I want to say is it Glenborough—[interjection] Spruce Woods.

The member for Spruce Woods (Mr. Cullen) said that a doctor in his community wanted to talk with me about grave concerns about the clinical and preventative services plan teams. I thought, well, that—okay, if he's got grave concerns I'd like to hear them.

I scheduled a call, called and they said disregard the need for the call. I said, what changed between the demonstration of a grave concern and now, and that individual said, well, we had our first meeting, and I realized as a doctor in the system that this is a legitimate exercise, and I could not be more excited to take part in such an exercise to re-envision what the future of health-care delivery looks like across the province, built from the centre, given to the RHAs to implement, and with the department developing policy and holding groups accountable for the implementation, or for the delivery, of health care.

That is the plan for the future in areas like I've said: like mental health and addictions; like women's health, including obstetric services; the development of midwifery programs and how we use nurse practitioner model across the province; and how we develop a more robust family-doctor model; how we expand rural and northern residency programs; how we make the best use of things like our northern patient transportation system; how we plan for diagnostic services to not just shunt all patients to downtown Winnipeg, but how we can develop appropriately those services across the province; how we embrace the opportunity of digital health and electronic medicine.

Right now I think about the huge advantages that Manitoba could enjoy were we able to more effectively draw practitioners to our telehealth model, the savings in the system that we could get by not flying people around which we could immediately reinvest in the system for a stronger health-care system in areas of need. That is the vision of our preventative and clinical services plan, and it is exciting.

I won't prejudge the work so I cannot provide the member right now with a statement of when this work

might be returned to that hospital. Who knows. The plan for northern Manitoba could come back and say we need more obstetrical services than we did in the past. Maybe technology will help us contemplate new ways where we can make decisions about acuity level and move people appropriately where they need to go.

But I can tell you that that work is very considerable and, if given the opportunity, I will read into the record a list of the people who are on that specific work stream working with women's health.

Mrs. Smith: So the minister talks about the plan. Can he tell us when we can expect this plan to be rolled out and obstetrics to be reinstated?

Mr. Friesen: So as I just said to the member, this is very considerable work. I would want her to understand that a preventative clinical and services plan is a behemoth of an undertaking, never undertaken in any province before on this scale.

So think of it not as a magical button that is pressed that reinvents the health-care system, but rather as a roadmap for the future that will deliver exactly as I said: those focused investments respective of—in respect of capital, health human resource planning, the—how to co-locate services, how to make better opportunity of our telehealth services, how to look at other jurisdictions to know how to make the best use of our electronic and IT resources, what the place will be in future of metadata to drive better examination of our health-care system, trends and trend lines and emerging challenges and areas in which we are doing well—in all of those, as I said, efficiency not being the enemy of health-care delivery; efficiency being the means by which we find the resources to redeploy.

This is a list of the individuals who have been tasked to the province's clinical and preventative services plan for women's health: Rhonda Campbell in indigenous health; Wanda Phillips-Beck in indigenous health; Rachel Mamott, Interlake-Eastern RHA; Margaret Speer, Interlake-Eastern RHA; Lisa Hrynyk, Interlake-Eastern RHA; Andora Jackson, northern RHA; Kelly Johnson, northern RHA; Maegan Rutherford, Prairie Mountain Health; Tammy Turner, Prairie Mountain Health; Ashley Dyson, Southern Health-Santé Sud; Jo-Anne Marion, Santé-Southern Health-Santé Sud; Lynda Tjaden, Winnipeg RHA; Christine Finnbogason, who we discussed earlier, Winnipeg RHA; Erin Dean, Winnipeg RHA; Chris Christodoulou, U of M, Shared Health; Craig Bury, Winnipeg RHA; Ensieh Taedi,

Winnipeg RHA; Carrie Lionberg, Winnipeg RHA and Michael Narvey, Winnipeg RHA.

* (15:40)

Some of these individuals in this particular subgroup I know personally. Some of them, I have spoken to only recently about their experience on this work group, and I've been very impressed by both the level of engagement and by the work that has been undertaken by these groups.

I would also want to mention, in particular, the co-chairs of that particular team. The co-chairs are Mary-Jane Seager and Chantal Frechette.

Mrs. Smith: So I hear what the minister's saying. It's under review, I get that. But we all have timelines that we have to abide by and, I mean, as a teacher, you know, I have a certain time period to teach kids, you know, a certain set of curriculum. And I imagine that these people who have been tasked to do this review were given timelines as well.

So wondering if the minister can tell us what the timeline is to expect this review to come back and for obstetric services to be reinstated in Flin Flon, as the minister has alluded to many times and saying that it's temporary—temporarily suspended.

Mr. Friesen: I want to take a moment and talk, because I think this is directly related to the member's question about transformation in the health-care system and I mention it now because yesterday, I had an exchange with the member for Union Station (MLA Asagwara) about the number of beds in the WRHA and the theory that the member for Union Station seemed to be advancing.

She'll—they'll correct me if I'm wrong—was that any less beds in the system represented a cut and worse health care. And I tried on more than one occasion to explain how it was that in that bed count number of personal-care homes, the member was failing to take into account significant investments we had made; investments like meeting the Frank Alexander inquest recommendation to create specialized behaviour-based beds for those people—clients in personal-care homes who require additional security for their safety, and the safety of others.

We were able to, in the WRHA, take certain facilities where we had two licensed beds per room and re-profile that investment to make one modern room that met the recommendation of that inquest, but at the same time, not a cut to the system because then we invested in two programs outside of hospital:

one that was working to provide enhanced home care services to stabilize individuals who would otherwise have been in a hospital, on a ward in a sub-acute manner, taking up the space that someone at a higher acuity level could have taken up, and then a separate program called Priority Home, in which we were also working to provide that alternate level of care away from hospital.

All of these are examples of system transformation. I say it because there seems to be the suggestion from members of the opposition that we must maintain present state, we must maintain static state within the system. I solicited from the members yesterday, time and time again, for suggestions on how they might add to our work on creating innovation and creativity in this system to get more services, and they had not one suggestion to offer.

Let me talk about some ways in which that creativity and transformation is coming to the system. Think of, for instance, neurosurgery that happens at Health Sciences Centre, and I can actually say it was only a few weeks ago that I met with the director of neurosurgery at Health Sciences Centre—a quiet meeting, a little moment I had with Dr. Serletis—and it was a great exchange; learned more about their work, learned more about areas of their focus like epilepsy.

I recently read last week in the paper about the interview with the Canadian opera star, whose name is escaping me now and I'm trying to remember it—Renée Fleming. I cannot believe the information that my deputy minister can just come up with. That's not in any of the copious binders of information and she can pull that name out and I can't, so there it is. I think that the deputy minister must have been very tedious to have in class in high school because she would have known all the answers. But anyways, I digress.

The fact of the matter is, just last week, Dr. Serletis had a presentation at the Winnipeg Symphony Orchestra with Renée Fleming, talking about the place of music and neurology—how all of this connects and how brain science is progressing our knowledge of these things; progressing at an amazing rate.

There was a time, not long ago in the Winnipeg Regional Health Authority that neuroscience was performed—neurosurgery performed on two campuses: at the Health Sciences Centre and St. Boniface Hospital and the decision was undertaken that it would be best to consolidate the services for patient safety, for opportunity.

At that time, Dr. Michael West came into the jurisdiction. Shortly thereafter, Manitoba acquired its first gamma knife. This—the acquisition of this new technology, this leading-edge, high technology—that I'm still hoping to see at some point in time, because I'm very excited about it—was able to cut—sorry for the use of the word—some procedural time from one to two weeks to an—

* (15:50)

Mr. Chairperson: The honourable minister's time is up.

Mrs. Smith: It's unfortunate that the minister can't give us a timeline. He can't make any equipment commitments to when he's going to reinstate obstetrics in Flin Flon, a service that certainly people in the North rely on, that shouldn't have to travel outside their community to access, and I've heard the minister say many times that people should be able to access quality health care in their communities, so certainly he would agree that, you know, people in Flin Flon deserve that right also.

So, you know, I certainly hope that this temporary suspension that he talks about is something that is certainly temporary, that people in Flin Flon can expect those services reinstated in the very near future. Certainly, you know, the women in Flin Flon deserve to give birth to their children in their own community and not have to worry if they're in a high-risk pregnancy to have to travel, and we know that the northern transportation—patient transportation services have been cut in this province.

We've certainly heard people's lives have been lost, and I think of Mr. Donkey having to travel on a bus to Winnipeg when he had a heart condition without anybody and succumbing to his illness, and how devastating that must have been to his family but also to him, to die alone without any dignity, and while, you know, our government is worried about, you know, cutting services that Manitobans certainly rely on.

And people in the North absolutely, you know, choose to live in the North because the North is a beautiful, amazing place, and I had lots of opportunity to, you know, visit many places in the North, including Norway House where I grew up a bit of my life. My dad married a woman there and fell in love, and my siblings were all born—well, probably half of them were born in the community.

And we see, you know, midwife's programs being cut here in the province. We had seven graduates

graduate; not every one of them found a job in this province, and I don't even know if their loans were forgiven. That was a program that certainly I'm very proud of, that the NDP started, and I certainly heard that language in the Conservatives' platform, when they were talking about if they were re-elected.

So I certainly hope and will hold you to account that you are going to have midwifery programs here in Manitoba and hiring midwives, because that would certainly help people in their communities.

So my last question to the minister is: Will he release this report? He's going to come back and tell us when this report was written, what year and what month, but I'd also like a commitment that this report will be released.

Mr. Friesen: Our government committed in the Throne Speech that the Provincial Clinical and Preventive Services Plan would be released to Manitoba. Our government has an excellent record in terms of increasing transparency, where the previous government hid reports on the shelf, declined to release them, hid the knowledge of their cost. We've been completely transparent. As soon as we took government, we were transparent about the master report on the state of the finances, the KPMG report, the health-specific KPMG report. We were transparent about the Peachey report that we were acting on the advice of a report that the NDP gave a sole-source contract to, but never disclosed to Manitobans that it was a sole-source contract.

So our record is clear, and it's one of pushing for further transparency, so the member has every confidence that the PCPSP will be publicly released. As I said, can't commit to a definite date right now, but the review of that Provincial Clinical and Preventive Services Plan goes on, and so we are looking forward to the opportunity to inform and update all Manitobans on that work by over 300 Manitobans.

Let me finish what I was saying before, though, to say about transformation in the system. The NDP in the last three days of Estimates continues to convey this idea that you can't make a change to the system, that somehow change to the system is the threat to the system, when nothing could be further from the truth. There isn't a single system expert who isn't saying that we must change, we must adapt, we must modernize, we must change our thinking about the modalities of health-care delivery and seize every opportunity in order to meet the coming demand.

And that's why I mentioned the gamma knife and the neurosurgery program. Now, it was at one time delivered on two campuses and then it was consolidated onto one campus where some of those procedures fell from two weeks in length to an outpatient, single-day procedure with better patient outcomes, less risk of infection and adverse effect.

Manitoba was able to attract other neurologists as a result to what they saw as a burgeoning program and not once did the former NDP government characterize that move as a cut. It was a consolidation; one that added capacity and then one that actually helped get better patient outcomes. And what we're talking about is exactly the same thing.

Think of our commitment made on June the 11th—so just a few months ago—that Manitoba, under a PC government, will build a 28-bed intensive rehabilitation stroke unit at the Health Sciences Centre. This is a significant announcement. In stroke care, we know that minutes, hours, and days count. Every one of us in our lives, we know someone who has been adversely impacted by stroke. Just two months ago, my father's former business partner—his spouse was stroking through the night and very tragically was not discovered. And it's a long road for that couple—good friends of our family—right now, and we don't know what the long-term prognosis will be. And that situation is just one of the thousands and thousands of situations.

When I think about the capacity that we will build in the system in a consolidated way—on the basis of evidence, bringing the services together under one roof, I think about the number of Manitobans who may have a better outcome than the individual I just mentioned. I think about the way in the single moments after a stroke we now have a system by which EMS can be working in tandem with doctor experts in—who have stroke training at hospital and they can be prescribing drugs. I think about the way within hours we can go in with special procedures that—using special angiography suites and extracting blockages. So first busting them, and then extracting those blockages or pushing them through.

And then I think about the way this government's new investments at the Diagnostic Centre of Excellence and other places in the system will continue to help those people recover through very robust rehabilitation exercises.

People's lives will be saved, people will return to work, all because of our commitment to

transformation. They say no to transformation, we say it's the only way forward.

MLA Asagwara: So I hear the minister talking about transparency—in the name of transparency to which he speaks to, it'd be great if we could get a clear commitment and the timeline on the release of the original report, the one that was penned by Carol Schneider. Not the subsequent one that he's talking about. That's ongoing. The original report that was submitted—we'd like to know when that will be released, when that will be accessible. Thank you.

Mr. Friesen: I want to be clear, we had previously—already committed to provide the date of that report. If the member is looking to have a copy of the report then we could look into that.

Of course, as I said, the report was not remitted to the Department of Health. It was remitted to the northern health authority. We are right now with the deputy minister looking into seeing how we could—or when we could provide that to you. So we're making that commitment to provide an update with you on that.

* (16:00)

I would want to say, yes, I believe what we say as a new government, as a relatively still new government in the area of transparency, this government has done more to increase transparency, to proactively disclose documents. As a matter of fact, if any of the members there have a device in hand, they could go to the Province of Manitoba's website to see the page for proactive disclosure where we have—more than ever before—documents, not having to be requested by members of the public or the Assembly, but put up there for review.

I'm thinking about the way the WRHA has, for a long time, committed to provide wait-time information and personal care home wait times. And right now—this morning, as a matter of fact—I was online looking at various wait times at various hospitals to see how we were faring. And some were doing not too bad today. We know those issues are all about flow, and we can never know for certain what's going to come through before, but as I said, with a careful commitment to data and mining data and meta data, in future, with the right tools and the right investments, we can get better. And all systems are working at that.

But, when it comes to disclosure, the member made a statement about the midwife program in Manitoba previously. And when I think about

midwifery in Manitoba with the former NDP government was anything but transparent with Manitobans. They tried to constitute a midwife training program in the North, at the University College of the North. And they failed to actually disclose to Manitobans that it wasn't working. That their intake wasn't working. That keeping applicants in the program wasn't working, and that the work to get graduates wasn't working.

As a matter of fact, then they tried again in a non-transparent way to transplant the program to the south. And I believe it was the Red River College, at a time, that took it on. And eventually, they tried to get the University of Manitoba and the faculty of medicine. The fact is, in seven years, not one midwife was graduated under that NDP government. And that member just said they were committed to midwifery.

And I applaud the member for Portage la Prairie (Mr. Wishart), the former minister for Education, who found a way to subscribe on the capacity in another jurisdiction—and I believe it might have been Lakehead—*[interjection]* It was at McMaster University where we were able to find a home for that cohort of Manitoba midwives who were stranded without an ability to graduate. And I am proud to say that in this last year, this PC government graduated midwives in the province of Manitoba who will take their place in the system.

But, more than that, our government has gone further and we have made a commitment, only very recently, that the first real and effective midwifery program in the province of Manitoba will find its home at the University of Manitoba, less than one year from now. And we are proud of the investments that we are making to bring midwifery back to Manitoba with the establishment of a four-year bachelor of midwifery program. It will launch in 2020. It will accept six students to start, and the preferential consideration for three of those seats is reserved for indigenous and northern students, where the need for midwives is the highest.

And I come back to where I began with system planning. This is the way we should work with the provincial clinical preventative services plan. If you want a midwife to practise in the North, it would behoove you to also measure whether that applicant in the beginning has any association with the North. This is the very evidence that came off of—came out of the office of Northern and Rural Health about ten years ago in respect of doctor training. And the same can be applied to midwives.

We are proud of the investment. We are proud of the work that midwives do. I was proud to meet with the Midwives Association of Manitoba less than probably three months ago, and we're proud to be moving this forward.

MLA Asagwara: On September 5th, systems in every Manitoba regional health authority crashed after servers and redundancies failed. From reporting that is public, computer systems were down for many of the core servers in our hospitals, including patient records and admission and discharge. The minister also publicly reported as a series of cascading failures and the minister stated that multiple enterprise systems went off-line, and worse yet, once the failure happened, the redundancy failed.

So the WRHA Chief Health Operations Officer Krista Williams also described the situation as something she has never seen. In her words, in my experience working in the system, I haven't seen something this widespread. This was not just emergency departments. It was all of the hospitals, all of the departments, all of the services and also all of community care.

So, I mean, that is something incredibly significant. It is something that I, you know, I know we heard and saw a lot from folks about how they were impacted by that. People were really shaken by that and really concerned about, you know, what that means in terms of the integrity of the systems and what can happen during any period of time during a health-care crisis, in terms of disease or anything of that nature. A lot of concerns and a lot that can happen in terms of negative consequences for sick people in hospitals and in community and really making it incredibly challenging and in some cases just maybe not even possible to do the job properly.

And so I have a number of questions in regards to what happened and first question would be, if the minister could provide information around any critical incidents that arose from this breakdown. Were there any critical incidents that arose as a result of this breakdown? And how long was the service actually disrupted?

Mr. Friesen: I dispute very little in the member's assessment of how they described what was taking place in the system. Everyone was alarmed when recently, and incidentally, I think, only days before the Manitoba election, it could have been a Friday or a Thursday, very peculiar and very significant ICT failure within the system.

I was briefed at that time and that is, I understand, appropriate for the minister who's in a blackout period to still get a briefing when a significant issue, negative issue occurs within the system. I did that briefing remotely from my constituency. I had on the line at that time the lead for Digital Health in Shared Health, Mr. Perry Poulsen, as well as members of my staff and the deputy minister at that time and other people in the system.

* (16:10)

I can tell you that, as the member described, there was a failure in the system at one of our remote server sites. Understand that all systems of government and all health-care systems globally are highly reliant and more reliant than ever on digital services, increasingly so and necessarily so. It's how we move from analogue to digital and serve our patients better. We all agree on the need for digital platforms.

Understand also that servers regularly fail within the system—they regularly fail. Servers fail and IT staff pull out the failed unit and they install the new unit, and when a disk fails—we save disks now, but oftentimes, right now, we know in the system disks have been replaced with solid-state drives. But when a drive fails it's replaced and then the system is quickly stood up. There are mechanisms by which redundancies are built in that prevent cascading failures within the system. They are meant to simply redirect processes to other servers when something begins to fail to avoid what I referred to in the press that day as a cascading failure.

In this case the fail-safe itself failed, and what we had was on a relatively new platform by a globally respected IT software-hardware company. A system failed, the redundancy failed, and that meant that the outage spread to a significant number of provincial applications. As a matter of fact, 50 out of 2,000 applications were impacted, including our electronic patient record. That means our admission, discharge and transfer information was down, lab information, pharmacy, CancerCare, electronic medical records and home-care scheduling. This occurred at our Air Canada data centre facility.

I can tell you that when that system failure occurred, health care in Manitoba did not stop. It doesn't stop. Instead, what it does is it then compels the system to go to downtime procedures. Our system knows how to move to manual processes. It does slow down the delivery of health care as it did, I would say, about five years ago under the NDP when there was a significant system failure at the Health Sciences

Centre that affected multiple systems. In that case I believe systems on admission and discharge could have been down for as much as three days, and I could check to make sure of that.

Mitigation efforts are under way. The vendor is on site. We are—we have ensured that there is a shared-risk approach on standing this back up, which means the vendor must share a part of the effort and cost to stand up the system. A full forensic examination is ongoing. External penetration of our systems has been ruled out. This was a hardware malfunction.

I am unaware of any negative critical incidences that occurred as a result of this system failure. We will continue to review the current architecture of our system to improve the design to minimize future impacts and mitigation of risk.

MLA Asagwara: In Krista Williams's again, own words, she stated very clearly that she had never seen anything this widespread. We heard this echoed, that the series of cascading failures was unprecedented. And so just so that I'm clear I—and I didn't get an answer from the minister. You know, given the significance of this event and given the impact of this event at a number of locations, you know, we see there's 50 out of 200 different aspects were affected, and you're saying that—how this took place is being—is ongoing in terms of the investigation as to how this occurred. I didn't get any clarity, though, however, around whether or not there were critical incidents as a result.

So if the minister could please provide some clarity around that. Were there any critical incidents as a result of these series of cascading failures that have never been seen before, in the words of the Chief Health Operations Officer, Krista Williams, and others who had to deal with this incident. And I think the minister did actually address how long the service was disrupted, but again then, were there any critical incidents?

Mr. Friesen: When this ICT failure occurred, resources were deployed, sites were notified. As I indicated, downtime procedures were ensued, every effort was made to provide health care. And we know that delays occur when we go off of our digital systems

Effective October 2, the director of safety and quality of the WRHA indicates that there was no event as a result of this system failure that resulted in significant harm.

MLA Asagwara: Can the minister provide some information in regards to who was the software provider? Who is the actual provider of the software that manages all of the tech behind this, please?

Mr. Friesen: I think the member will appreciate that in this case I'm going to decline to provide information. I don't imagine—I can't imagine how that information would be useful to the member. But I am compelled by some other considerations, including contract law.

Mr. Andrew Smith, Acting Chairperson, in the Chair

In this case, we're talking about publicly traded companies who provide services to the province. In this case, before the full determination of causality, I should not speculate on which vendor and which system was at fault. I won't say more on that issue, in an abundance of caution.

MLA Asagwara: So can the minister provide a timeline as to when we can expect a full explanation as to why this event occurred, and what is being done outside of investigating how this really occurred but—and what is going to be done in order to rectify the problem?

Mr. Friesen: I want to assure all members of the House that I sought, on a priority basis, on my return to the role as Health Minister after the blackout period and after the election, in which our government won 36 seats in the Manitoba Legislature, a full briefing by the lead for Digital Health in Shared Health. I had that briefing very recently. I wanted to allow the individuals and the team time enough to sufficiently collect information and for them to complete the interim work of repairing.

I can tell the member, if it provides assurance, that the units that failed have been backed out of the system in an abundance of caution and we've reverted to a previous platform.

Look, my wife works in this field of ICT, and sometimes I don't understand all the things she tells me about her workplace or what they do. But I understand that in this case they were able to back out this particular hardware unit, which was designed to swap at a higher speed, I believe, information, and also it was designed to exactly prevent this kind of a negative event. In this case we've backed it out, we've reverted to the former equipment that we had.

Pending vendor explanation and study of this, I can tell you we've—we have a shared-risk approach on this to make sure that the vendor is sharing in the cost

of the work to rehabilitate our system. We know that we have examined the system for other kinds of threats.

*(16:20)

I think the member will remember the WannaCry virus from the UK going back a number of years. I think all systems live with some degree of low-level anxiety no matter what their relative commitment to IT architecture and threat deterrence is. So one of my first questions was whether our systems had been penetrated by an external, either independent or sponsored, threat, and that has been ruled out. So I want to say this is a failure of equipment.

I recently updated the operating system on my PC from Windows 7 to Windows 10, and even there, I can tell you, what an exercise in frustration. I think it's young people who can deal with these things far better than older persons like myself. But when I think about the size of our health-care system, and 55,000 employees, and I think it's hundreds of different software systems backed up by hundreds of servers, I do want to do this.

I want to take this opportunity to thank all of those who worked to immediately intervene, to stabilize our system, to communicate effectively throughout the regional health authorities from Shared Health, in Digital Health, to undertake very significant efforts, to give up weekends and evenings. I heard of people in IT working shifts that went longer than 24 hours because they were so far into a particular problem they were solving they were not willing to step away.

I want to thank the individuals and that team who did that work. We want to know more about the reasons for that failure. If there's a vendor issue here that we need to address, oh, we're going to address it.

But I do want to say this: all the more reason why we need to be moving away from analog processes to digital ones, because we know digital processes are the means by which we will get that efficiency in our system and facilitate transformation. Two of those most recent acquisitions by our government: on April the 29th, we announced a resource optimization system, like the ones used in Vancouver and Saskatoon, to actually make our planning for staffing levels digital and not analog that is occurring right now at certain Winnipeg hospitals; in addition to that, we have another workforce management system that will allow us to modernize scheduling, develop consistent processes and clearly define staffing requirements.

These are good developments in our systems. I think that other Health ministers would smile at me and said what took you so long. But they always say the best time to plant a tree was 20 years ago, and the next best time to plant a tree is right now, and I think the same holds true when it comes to ICT investments in our system to get better health care sooner for all Manitobans.

MLA Asagwara: Given the magnitude of the cascading—series of cascading failures, something that is really unprecedented, something that impacted many health-care providers, folks working in the system, many folks—when I first started nursing, you know, several—well over a decade ago, I was very familiar with paper charting. We documented in a way that, you know, folks had been doing for many, many, many years, and that was my comfort zone. That was my comfort level. I actually really liked paper charting. I liked writing in the notes. My—I got over the hand soreness pretty quickly in my career. And, you know, even in emergency situations, we navigated that really well, worked as a team, and we had a system that really, for us, worked very, very well.

And I remember in my nurse training, actually, the introduction of different online systems and different ways of dispensing medications and different ways of responding in emergency situations, and that was a really exciting thing for me to be a part of. It was technology that I hadn't anticipated being able to have access to as a new grad, and it's fascinating in a lot of ways for me now. You know, at this point in my career, you know, hearing from very new grads who have never had to do paper charting, who couldn't tell you, you know, the steps that we had to go through when I was in school learning to document that way, and go through really crisis situations with that, and so it is an interesting time that we're in.

I hear the minister talking a lot about technology and the advances we need to make, and I agree that those advances in technology are important. And it's really incredible what we can do now in health care with advances in technology.

Going back to my conversations with newer grads, it is interesting that many—or, some that I've chatted with anyway, kind of—they laugh when I talk about how, you know, we were learning how to chart and document, and the paper that we had to deal with and the triplicates, and more than that. And so I can imagine the amount of stress that some folks may have

been under during the series of cascading failures and the concerns around, you know, how do you navigate potentially critical incidents, and how do you deal with emergencies within these emergencies and still be efficient and provide best care?

And you know, I think it's—I'm glad to hear that there's ongoing investigations into how this came to be. I think that given this was an unprecedented event, and given that it's something that many folks are saying they have never seen take place before, certainly it is in people's minds that this is something that could happen again. And people deserve to know—sooner than later, perhaps—you know, you could say how this is going to be addressed, what is going to be done to ensure that something of this magnitude does not happen again and what the plan is that the minister has to ensure that providers—health-care providers and folks working within the scope of these tools that we now have can take some comfort that they have access to the information as to how this happened and how this is going to be prevented from happening again.

And so I think it's reasonable to ask the minister to provide a timeline that folks can count on in terms of when they can expect the outcome of these investigations and access to that full report as to how this took place and how it will be prevented from happening again in future.

Mr. Friesen: So it seems ironic for me to be lectured by the NDP party on making good investments in IT.

I was formerly the minister of Finance, responsible for the business area of government called Central Services. And under Central Services, one area, of course, is pertaining to all of the digital and computer needs of government in a sub-department. And I can tell you that when we took government, the government was spending—across the span of government—millions and millions of dollars a year to vendors in the form of what is colloquially referred to as ransomware. And ransomware is the price that an organization pays to a vendor when the organization will—when a vendor will no longer support its old products because the purchaser has failed to make the investments to upgrade software. And in those cases, the vendor will still support, but outside of the normal parameters, for an inflated cost.

And this government was paying millions and millions of dollars that could have gone to health care, could have gone to infrastructure, could have gone to education, but didn't because the government failed to do something as basic as update its own software

definitions, update its software versions and move to new versions. How? Through a planned capital expenditure that through an amortization schedule would have been retired.

The NDP didn't do it. They did not plan for the future. They spent millions of dollars in ransomware.

Why does it matter? It was only five years ago—it could have been less, it might have been four years ago—when in the UK health system—and the members may remember this—there was a global virus launched and one of the biggest organizations negatively affected was the UK health system, a 92-million-dollar-pound expense. Nineteen thousand medical appointments cancelled, 200,000 computers of hospital employee users locked out and given a ransom note online. Why? Because of out-of-date IT systems and software definitions. Essentially, they were using Windows 7 in a Windows 10 environment—to extend my last metaphor.

* (16:30)

I assure all members of this House that our government fixed that issue. We are planning for the careful investment of capital to make sure that we are not shoring up legacy systems at the back end. I can tell that member that when we took government, there was a system penetration in this jurisdiction that was publicly disclosed, and it was a result of the failure of, well, BTT, under the direction of the former NDP government, to plan to stop those infiltrations of the system. There are those infiltrations that take place, and the cost of mitigation in Manitoba was in the millions in that one event.

So the member asks for assurances that we have credible people working in the system that care. I provide that assurance. The member wants assurances that there will be due diligence performed on the system as a result of this system failure. I provide that assurance. The member wants assurances that that work will be done promptly. I provide that assurance today. The regional health authority's insights and programs have been asked to conduct a self-evaluation and a debrief for downtime procedures to directly address the question that they raised. These reports will be raised—will be reviewed by the director, emergency and continuity management and digital health ICT incident director. And based on review, further support may be required to improve downtime procedures.

We've escalated the issue of the microcode software error embedded in the vendor product, and

we've received a replacement from the vendor, as I said, with the corrected microcode. Further work will be required to reinstall the hardware that I talked about. We're reviewing the current architecture to improve the design to minimize future impacts and mitigation of risks.

In a situation like this, I will say, it is rare, and I believe that learning will come out of this event and this incident that will even be applied beyond Manitoba's borders. I believe that in other jurisdictions that lessons will be learned that will be implemented and we'll be there at the forefront leading on the learning of what took place in this case.

MLA Asagwara: I'm disappointed that the minister is unable to provide a—or unwilling to provide much, I'm not sure—a timeline in terms of when we can expect that fulsome report investigation as to how this occurred, the series of cascading failures occurred, to be, you know, provided to folks.

You know, I think that a lot of people are going to have those concerns and those worries in the back of their minds as to whether or not another series of cascading failures that are unprecedented can happen again as we head into a flu season, as we head into a time where we know there will be—I mean, we do know already that we're seeing folks present at emergency rooms sicker; that percentage is going up. We know that we're going into flu season. We know that folks are going to be—the system could be potentially under a significant amount of stress, more stress than it already is, given the fact that we are heading into the heart of flu season.

In light of all of the challenges we've identified that the system is under, as of yesterday, in light of the fact that, you know, this unprecedented event took place, it would've been great to get that information in terms of when we can expect these details provided. But it doesn't—maybe I'm wrong; maybe the minister will still provide that.

So instead of asking that question again—I've asked it a couple of times already—I'm wondering if the minister can share whether or not he had been previously warned of the risk of a critical failure to the Province's IT systems. Were there vulnerabilities identified previously to the minister, and if so, can the minister outline what those were?

Mr. Friesen: Mr. Chair, this is really a stretch. Now the member is trying to make a correlation between an incident that we have clearly disclosed, had no kind of warning ability, a once-in-a-10-year event, a very

unlikely event, but it happened. And the member is trying to connect the dots to try to put the blame for a hardware failure at the feet of the minister. The answer to their question is no.

MLA Asagwara: And I guess I will ask the question again of the minister just because why not give one more opportunity just to provide that timeline, if possible. I really do think it's important. I do think that it's important for folks to be able to provide, you know, best care and services, knowing that they can count on this government to have a timeline for them that will see some questions answered.

And so, again, just lastly, if the minister could please indicate if there is a timeline that people can count on, that we can count on, in terms of when the outcome of those investigations in regards to the series of cascading failures might be available, and—yes, thank you.

Mr. Friesen: I just have to reflect for a moment on the member's previous question. They said, was the minister aware of an impending failure? All I could say today on behalf of our lead in Shared Health for Digital Health is, if only we could have been warned. If only we could have been warned that a proprietary hardware system was about to fail, somewhere on the fourth floor of the Air Canada building, behind a third-level server station security.

Yes, if—so—yes, again. No, the minister was not in any way aware. But what I did clearly do in my responses, I contrasted the careful and proactive way in which this government is making good investments in digital health and in digital backbone to provide health care where the former government didn't. Analog services still in place in this day and time, at St. Boniface Hospital, when it comes to scheduling nurses on ward.

My dog Murphy goes to the veterinarian and when that Wheaten terrier shows up, they know when his last shots were, they know exactly when he needs his new booster. They know when he needs his new Lyme disease. And the same is possible, not just for Wheaten terriers in Manitoba, but for people.

The future is now. And the NDP in the Committee of Supply, over the last 11 hours of questioning has not one time suggested an area to say, you know, Minister, we will quarrel you—with you about 12,000 things, but here is an area where we agree. Here is an area where, maybe they want to take some credit and say, when we were in government we started on this. Please invest in this, for the future, for

digital health. I don't know where that stream of collaboration is. It seems to be not in plain sight in these proceedings.

But what I can say is that we've made a very significant, a very robust investment commitment to modernize our system. Why? To make it more efficient. Why? To make it behave more as a single system. But we had, as recently as a few years ago, in this province, software running radiology that was acquired by the various RHAs so that a diagnostic test, undertaken in Brandon, could not be read by a radiologist in Winnipeg. That is outrageous, to think that radiologists who want to serve the system were locked in because procurement didn't collaborate.

Let me tell you just about a few of the investments we're making that will really make a difference in this province. Here are some of the capital projects that have been initiated since we took power. A 2018-2019 ICT infrastructure renewal of \$13.5 million. That Windows 10 upgrade I told you about, to ensure that our system will not be needlessly open to threat by viruses—\$7 million.

A pharmacy system implementation of \$9 million. The ADT system for rural—\$5 million. That provincial radiology information system and picture archiving system I just talked about, the RIS PACS system—\$50 million. Electronic medical record adoption program funding, half a million dollars. There's so much here.

That ICT infrastructure renewal I just talked about is a \$5-million investment. That provincial laboratory information system, we call it the PLIS Phase 2—that is P-L-I-S—is \$24.7 million. The provincial electronic home-care record, \$10 million. I could go on and on and on about the excellent investments we're making in digital health to create an environment in which people can get quicker care.

* (16:40)

Think of how the system can change. If a patient in Thompson, Manitoba, who has complex needs in the area of chronic disease, instead of getting in a plane in the northern transportation patient system, coming to an appointment in Winnipeg—at risk to themselves—could receive the same level of care at home through our Telehealth system. Why do I use that example? Because I heard that example through the system.

Doctors and nurses need to be compelled to use our Telehealth system and, indeed, I believe they want

to. We just need the framework for them to use the technology that will help us all.

Hon. Jon Gerrard (River Heights): Let me ask the minister—first of all, I don't have very much time. If the minister could try and keep his answers short so we can get in as many questions as possible. I will try and direct them specifically so that it's possible.

I recently wrote to the minister about a woman who needs immediate treatment for a drug or alcohol addiction, and it is significant in that if this doesn't happen, she may well end up as one more statistic of missing and murdered women. And I've been told that the government is unable to refer and cover the cost for her going to a facility like Aurora in Gimli, but that the government could cover the cost if she were to go outside of the province or outside of the country.

Is that the case, and would the—what would the minister recommend?

Mr. Friesen: I thank the member for River Heights for the question. I'm going to say at the outset that I will be cautious in what I say at the microphone in a recorded Hansard—into recorded Hansard.

Look, I've known the member for a while. Sometimes I think the member uses some poor judgment and I think the language of the letter that he wrote to me is inflammatory needlessly. I would strongly caution him against a similar use of language on subsequent correspondence to the minister's office. I think it shows lack of judgment.

I would sternly caution that member that it's interesting to me that he raises this issue trying to get access around regular intake for an individual in our system to a private facility, when I continue to receive from the federal Liberal Health minister letter after letter expressing concern about the operation of private facilities within the health care system. So, first of all, I think the member better get on the phone with Ottawa and get their stories straight because he's at odds with what his federal cousins are trying to influence provinces to do or not do.

Beyond that, as a minister, I have to say there are processes by which individuals seek treatment in our province. I do not accept the member's assertion that this is the only option. I don't accept that assertion. I think we need to compare notes, and I would be happy to have perhaps my special assistant take this discussion offline with the member. If the member has other information to add to this situation, this is an issue about access to health care and mental health and addictions, and we are proud of the investments that

our government has made in the area of addictions and mental health.

We have created more capacity in just three years in the system. I had a chance to say—on the record with the NDP only yesterday—how we've tripled the number of beds for women in treatment at AFM; added four more beds at behavioural health in St. Norbert; how we have introduced the concept of early intervention for mental health with youth through our Strongest Families Institute; online and telephone services that really push down the barriers of geography and for the North and rural.

We've made excellent investments in our Rapid Access to Addictions Medicine clinics, which we are expanding—the hours, the resources, and the clinics themselves.

These all show very significant increases to the system. I would tell the member, if he has further information to add on this situation, we are not unsympathetic and I believe my chief of staff would be happy to discuss the matter further with him.

Mr. Gerrard: Yes, I will take up the minister's offer and we will see what the options are.

Now my second question deals with—one of the things that we need to do is much more effectively prevent issues. We do a lot—for example—of hip and knee replacements in Manitoba, and one of the things that clearly needs to be done is to make sure that we are doing everything that can be done to reduce the number of knees and hips that need replacing.

What is the minister doing in this respect in terms of prevention?

Mr. Friesen: New data, of course, as we've shared in the House, continues to show that our government has been leading and that compared to other jurisdictions, Manitoba is seeing shorter wait times in areas of priority procedures.

We were proud to undertake substantive effort to task a special group with the development of a plan for priority procedures wait times reductions in Manitoba.

We were proud of the ability to find savings within the health-care system, which we used to purchase an additional 1,000 hips and knees last year in the health-care system, as well as 2,000 cataracts. I have personally spoken to some of the people who were on those longer waiting lists—lines, who thanked our government for its additional investment in these areas that need the investment.

Mr. Chairperson in the Chair

Also, the member will know that through the campaign, we committed to renew that commitment on 1,000 hips and knees and 2,000 cataracts on an ongoing basis for the next fiscal year.

In addition to that, we know that we are performing more procedures in the system itself. As a matter of fact, I can tell you that even in the last year, we know that the number of MRIs—or I should say, probably not the last year, but since we took government—the number of MRIs, the number of actual scans has gone up 29 per cent. CT scans, the number has gone up 26 per cent because we're paying attention to where we must invest more.

Of course, all of this also, though, allows me to talk about how it is that we can make better investments because of the advancements of technology. That member should know that in 2018-2019, we did 36 same-day elective procedures in the WRHA, and I can tell you that in this current fiscal year—already halfway through the year—we've done almost the same number right now.

* (16:50)

Those were procedures that before would have been an overnight in a hospital bed and now are same day and release. And as a practitioner himself, I know that the member appreciates how it is that that commitment to transformation in our health-care system is the means by which we will be able to add the capacity we need as the population ages and more people are requiring these services.

Mr. Gerrard: Yes, I have been talking with an individual who lives in Brandon who is having trouble getting access to health care and to dental care in Brandon. She has a severe latex allergy and there is apparently a difficulty there, whether it's a doctor's office or a dental office or the hospital, in having latex-safe care, and it seems to me this is something that the minister could look at.

Mr. Friesen: I thank the member for the question. I happen to have at the table today the CEO for the Winnipeg Regional Health Authority who is informing me, of course. And I know something about this issue as well. And this issue has from time to time been the subject of public interest. And I've seen more media reports, not just in Manitoba, but external to our jurisdiction, that talk about the same sensitivities and allergies when it comes to latex.

The CEO for WRHA informs me that there are procedures and protocols in place in the WRHA when someone has a latex allergy so that that individual can be accommodated in clinic, in hospital, for a surgical procedure, for a pre- and post-procedure. Through our commitment to centralized planning and co-ordination of the system, while we don't have the other CEOs here at the table today, it would be my strong expectation that these kind of commitments become harmonized throughout the system.

It would certainly be our desire for—and this is—it forms an excellent opportunity to talk just about that commitment to consistent delivery of care. If the member has particular concerns around this area, he'd be happy to also write to me or direct us to other advancements that he has seen in other jurisdictions that we should also be aware of here in Manitoba.

Mr. Gerrard: Yes, it has been a particular issue because she has been referred to various places and too often when she goes there she finds that there are latex gloves being used, whether it's in the cleaning or in other areas, and so it then becomes a problem.

She needed a particular surgical procedure and went to Brandon and was told that they couldn't guarantee they could do it in a way that was latex-safe, and she ended up having to go out of province in order to have successful treatment.

The lead has been a particular issue in some areas of Winnipeg. In testing of the situation in Flin Flon, there were a number of children who were tested around the playing fields or the schools which were affected by high lead levels and some of those children were found to have high lead levels.

So I'm asking the minister whether in fact there has been any testing of children or adults in areas around the areas in Winnipeg and Weston School and St. Boniface where there have been high lead levels to see if the children or adults have got high lead levels and to see if this is a problem.

Mr. Friesen: On the first issue—and I know it's pertaining to a specific casework file—we're all at the table here a bit confused at the notion that the individual had to seek surgical procedure out of province as a result. And I'd be willing to look into the issue more if the member wanted to later on share more information. We know, as we've shared today, that there are protocols and procedures in place in our system for people who have an allergic reaction to the use of latex in hospital activities, and so we are attempting to accommodate those individuals, but that

means that the practice needs to be consistent, which is exactly the reason we're introducing the concept of shared health. Bill 10 has been introduced in this Legislature. The creation of a shared service model for health human resource planning, for procurement for ICT planning, for other capital planning and all of those needs that are so important in our system.

On the second subject that the member raises, Health and public health has, of course, worked very collaboratively on this issue with Sustainable Development when it comes to the lead-level testing in soil the—to the which the member refers. I'm pleased to see NDP members in the Chamber, because, of course, they were complicit in a cover-up when it came to these schoolyards. The members of the NDP knew and took deliberate steps to not disclose levels of lead in the soil at the Weston School playground.

Members of Cabinet at that time interfered—and I will say this—interfered in a process to disclose to Manitobans—a website had been developed to disclose to Manitobans these dangerous or over levels of lead in soil. And that website was unceremoniously turned down before it ever went live. I am shocked that the media in this province has not paid more attention to the issue.

To the member's particular concerns, whether justice will ever be done on that account for the people who live in those areas, I don't know. We have worked in collaboration. It was our government who disclosed these levels. It is our government, under the direction of the Minister for Sustainable Development who undertook to additionally study these levels. It is our minister who undertook to disclose those levels in a proactive way to Manitobans. We have worked collaboratively.

The public held—the Chief Provincial Public Health Officer who was acting told me that there is no imminent threat; there's no dangerous level in this area, at the school ground or community ground. I asked that individual if he would have helped—felt comfortable for his children to go play in that playground, and he said, absolutely and without qualification.

To the member's questions about whether in future there should be more substantive work undertaken to test for lead levels in people, well, I think we would have to be careful to develop a evidence-based and scientific-based examination of this before we assign causality. We would have to understand what other contaminants in the area of the

city there might be unrelated to the levels in excess that we saw at these hotspots.

The member also understands, as the—I know the Minister of Sustainable Development (Ms. Squires) will be able to provide further clarification of these matters when she is herself in the Committee of Supply. But we know that the work to denotate the locations of testing going back to the 1990s, I believe, when the first testing was undertaken—could have been the '90s—it was not exceptionally scientific in the location.

We know how critically important that is now in modern soil testing. So we're essentially going back to site and trying to decide, on the basis of landmarks, where we should be taking the next soil site—sample from. And that's very unprecise. Not to say that further work couldn't be undertaken, but I would direct that member to make further questions to the Minister of Sustainable Development, who, I know, will only be too happy to answer those questions because she herself really took this issue seriously, undertook to do the work to undo the calamity of the cover-up of the NDP in respect to this file.

* (17:00)

Mr. Chairperson: Order. With the hour being 5 p.m., as previously announced in the House, the Chamber's section of Supply will interrupt proceedings in order for the House to reconvene to deal with second reading of Bill 22, The Business Registration, Supervision and Ownership Transparency Act (Various Acts Amended), and if we reach the hour of 6 p.m. without the section of the Committee of Supply meeting again, it will consider that we have risen at that time.

Call in the Speaker. Committee rise. Call in the Speaker.

IN SESSION

DEBATE ON SECOND READINGS

Bill 22—The Business Registration, Supervision and Ownership Transparency Act (Various Acts Amended)

Madam Speaker: As previously announced, this section of the Committee of Supply meeting in the Chamber has interrupted proceedings in order to deal with second reading of Bill 22, The Business Registration, Supervision and Ownership Transparency Act (Various Acts Amended), which has been reinstated from the previous Legislature at

the same point it was at when the House was dissolved for the provincial election.

A number of members have already spoken to Bill 22 and it remains standing in the name of the honourable Leader of the Official Opposition (Mr. Kinew), who has two minutes remaining.

Is there leave for the matter to remain standing in the name of the honourable Leader of the Official Opposition?

Some Honourable Members: No.

Madam Speaker: No, leave has been denied.

Are there any other members wishing to speak?

Ms. Nahanni Fontaine (St. Johns): Well, I'm pleased to put a couple of words on the record in respect of—*[interjection]*—just a couple—in respect of Bill 22.

Madam Speaker, first allow me to congratulate you on your re-election both as a member of this House, but also as Speaker of the House. It was a close call there, but you came out ahead.

I want to also just take a moment to congratulate all of the new members in this 42nd Legislature. I want to particularly acknowledge, obviously, the members of our caucus who worked really hard during the election to earn a spot in this House.

We are rejuvenated on this side of the House. We are excited on this side of the House. We have, as you can see, Madam Speaker, several new members that are so eager to get up and contribute to the House day in and day out, making members opposite accountable for the egregious and reckless cuts that are their *raison d'être*. It's the reason why they exist. They exist simply to cut, cut, cut, cut.

Which brings us back to Bill 22. It's unfortunate, Madam Speaker, that while they were busy cutting health-care services, which we know—*[interjection]*—I know that the new member for Union Station (MLA Asagwara) has spent hours upon hours trying to get some type of answers from the Minister of Health as to why him and his predecessor thought it reasonable, thought it was in the best interest of Manitobans to cut upwards of \$215 million from the health-care budget, why they thought that it was in the best interest to cut and close all of the emergency rooms in the north quadrant of our city.

So, while they're busy doing all of these cuts—and I am not going to repeat myself, Madam Speaker, in respect of all of the particular cuts that severely impact

on women, because I've said it repeatedly over the last three years that women are not the priority of members opposite or their boss, the Premier (Mr. Pallister).

So, while they were busy with all of these cuts, while as well, Madam Speaker, they were busy doing absolutely nothing on the meth crisis, while members of Manitoban—our Manitoba relatives are struggling with addictions, while members of—our relatives in Manitoba as young as 11 and 12 years old find themselves addicted to meth, what have members opposite done?

Because their Premier, their boss—is ideologically—

Madam Speaker: Order. Order, please.

I would remind the member that this isn't an open debate on a number of issues. We are dealing specifically with a particular bill, and that is Bill 22, The Business Registration, Supervision and Ownership Transparency Act, and I would ask the member to keep her comments relative, please, to the bill that is on the floor of the house right now.

Ms. Fontaine: My comments are relative, Madam Speaker, in the sense that, while the members were busy with cuts and doing the bidding of their boss, they forgot, they couldn't get Bill 22 in time. They couldn't get it before the House so that it actually would have received royal assent back in June. But they were so busy with all of these cuts, and busy not doing anything on the meth crisis, they forgot to get Bill 22 in on time.

So I think that that's an important and salient point, Madam Speaker, because it is a testament to where the priorities of this government and the Premier are. The Premier cares—I mean, I don't know how much the Premier cares about business registration and supervision and ownership and transparency. I mean, we can go on and on about that. I'm not sure how much he cares about this, that he didn't have the foresight or the time or the energy to get Bill 22 in on time so it would have received royal assent back in June.

But, nonetheless, here we are. We're taking, in this Chamber, needed time away from Estimates, so that the member for Union Station (MLA Asagwara) can continue to question the Minister for Health. Not getting many answers from the Minister of Health, but clearly, it is an important exercise in our Legislative Assembly. But here we are. We're now stopping committee in this room to talk about Bill 22.

I think that I will leave it there, Madam Speaker. I think it's important to put on the official record, so that when folks go back, and as you know, I'm a stickler for when people are going to go back in Hansard so that they can get an accurate context of what goes on with this Pallister government, with each and every single one of these members who have sat by while—their boss, their Premier, has done cut after cut after cut.

I also just want to mention in there, while they were so busy with these things, they were also busy selling off social housing. So they were so busy doing that, they couldn't get bill in twenty—Bill 22 in on time. But, nonetheless, Madam Speaker, I know that our critic is anxious to talk about that, so I thank you for this time.

Mr. Jamie Moses (St. Vital): Thank you to the rest of the members of this Chamber. I did want to say thank you on the re-election and the new election of many of the members in this Chamber. As this is one of my first opportunities to speak in the Chamber, I wanted to congratulate all the new faces that we have here who are going to represent our province very well, and I think everyone should get a good round of applause for the diversity that we have, not only in this caucus right here but across the Chamber. I did want to just take a moment to say that.

Now, Madam Speaker, thank you so much. This Bill 22 that we have right here in front of us, as our member from St. Johns alluded to, is brought here in this session because of the government's lack of emphasis on it because of their preoccupation with cuts and with hurting front-line services that we've seen across the province.

What we're talking about here, Madam Speaker, is a Bill 22 that is really talking about transparency, talking about supervision of co-operatives, right? When we look at transparency, that's vital, that is so important to small businesses, medium businesses, and large businesses across the province. As someone who knows business around the province and what it takes to have a successful business, transparency is key to that. And it is important that we have that. It's also important that we have transparency from our government. And we have seen lack of transparency from this government at many times over the last few years—last three years under Brian Pallister. Lack of transparency—

Some Honourable Members: Oh, oh.

Mr. Moses: –of our Premier (Mr. Pallister). I apologize.

* (17:10)

Madam Speaker: Order, please. Just a reminder to the new member, and it is a common mistake that does happen, but when members are referred to in the House, it is either by their title or their constituency. So just a reminder to all members, because it can happen to lots of members in here, just to remember that caution.

Mr. Moses: And apologies, and thank you for advising me as I'm learning here, Madam Speaker.

But, Madam Speaker, to get back to the bill at hand here, you know we have such opportunity to advance the small businesses and medium businesses in our province, but we've had a—such a hard time doing so under this current government.

We've had, you know—we're seeing—under this bill is making it harder for co-ops to get the resources they need because they are losing that supervisor role. Eliminating that requirement of a registrar to act as an advisor can mean that new co-ops who are just getting started have fewer resources available to them, Madam Speaker. And, quite frankly, we don't need new businesses to have fewer resources. We need to make sure that new, small businesses in our province are thriving, and that is—should be what our government is focused on, is to having new business start-ups the resources to actually do that, and we're not seeing that currently under this government.

Our transparency, as I was mentioning, Madam Speaker, is certainly an issue and, again, under this current government, that transparency has been lacking. Our current government has had transparency issues when it comes to, you know, where our Premier has been communicating from, whether he's in the province ready to help Manitobans, whether he's out of the country, not available to Manitobans, whether—and whether and how he's been communicating on government business, whether it's personal email or protected government email.

These are all transparency issues that, quite frankly, Manitobans need to hear about, and that is, you know, touching with this bill as part of our transparency for co-ops and businesses. Frankly, we want to see a little bit better and a little bit more service and more responsible governing from this current government.

Madam Speaker, I would like to say, in closing, as my final comments on this bill, that, quite frankly, you know, this is a bill that we would expect more of the government. We do recognize that transparency and supervision of co-operatives is important, but we want to see more responsible governing and legislation from this current government.

Thank you, Madam Speaker.

Hon. Jon Gerrard (River Heights): Madam Speaker, I want to speak to Bill 22 and to say that the register, which is described in this bill, is badly needed, but we need a much better register than is described in this bill, so the bill needs to be amended if it is to have any chance of being reasonably effective.

First of all, this bill puts a number of 25 per cent of shares. This should be lowered. This should be, I suggest, 15 per cent would be a much better number than 25 per cent. Otherwise, you're going to not catch enough people who would have influence, significant control over corporations.

This register of individuals with significant control over corporations must be a register which is online and searchable. Otherwise, the utility of this register is going to be very small. Otherwise, if it is not online and searchable and publicly available, then the problem is that it will be virtually impossible to enforce.

Can you imagine how many people it would need to enforce this regulation if it was this register and the reason for having it make sure that corporations have it if it is not online and searchable?

You would have to have enforcement officers constantly going around from one business to another. They would have to be searching for businesses because these often are businesses which are used to hiding and, clearly, if you've got to go around to the place where the business is operating, and it says here that a corporation must prepare and maintain at its registered office or at any other place in Manitoba designated by the directors. Well, if this could be any other place designated by the directors, these places could be extremely hard to find. And unless you have this register online and searchable, quite frankly, it's going to be virtually useful for—useless for a lot of purposes, and clearly it would be virtually impossible to enforce.

Is the government going to hire a thousand inspectors who can go around and check out the different businesses and make sure they're keeping the

register? Compare that to having an online, searchable register and it becomes immediately apparent whether the information is there or not. And you not only have the people who are enforcement officers keeping track of it, but you have members of the public aware and able to find out quickly exactly where the information is, and that information should be public, online and searchable

The whole purpose of this is to end and decrease the likelihood that Manitoba will be a source and a place for money laundering. We want to make sure that we have corporations which are accountable, responsible, which are paying their fair share of taxes, contributing to the community and not hiding in broom closets or hiding in mine shafts or hiding who knows where in Manitoba and making themselves very difficult to find.

So clearly what is needed, and this must be there if this is to be a reasonable bill, a reasonable measure, and reasonably effective, there needs to be a register which is online and which is searchable.

And one more thing, and that is that you have fines of \$5,000 to a company. This is not enough. Clearly the fines should be scaled depending on the size of the company. That might be a significant number for a very small corporation, but for a very large corporation operating in Manitoba it's clearly not a sufficient fine. And that needs to be addressed. There may be places, in fact I think there is one, where there would be a larger fine of \$200,000 to certain individuals, a person who knowingly contravenes the subsection. Part of the problem here is being able to prove that somebody knowingly contravened the section. It's going to be very easy the way this bill is written for people to, oh, I forgot, or I meant to keep it up but I didn't quite keep it up as the way it should have been.

This is going to be a roomful of excuses if you leave this bill the way it is. It needs to be much more effective, it needs to be better designed, it needs a register which is online and searchable, a register where in fact there's going to be some enforcement of this, and it needs to have appropriate teeth, not a \$5,000 fine for a major corporation.

Those are my comments. The minister needs to get some amendments put in and make sure that the changes are made before this bill passes.

Thank you.

Madam Speaker: Are there any other members wishing to speak to the bill?

Is the House ready for the question?

Some Honourable Members: Question.

Madam Speaker: The question before the House is second reading of Bill 22.

Is it the pleasure of the House to adopt the motion? Agreed? [*Agreed*]

What is the will of the House? Shall we recess until 6 p.m.? Agreed? [*Agreed*]

The House shall recess until 6 p.m.

The House recessed at 5:19 p.m.

The House resumed at 6:00 p.m.

Madam Speaker: The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, October 2, 2019

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