

Second 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, Hon.	Fort Richmond	PC
HELWER, Reg, Hon.	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

Thursday, March 5, 2020

The House met at 1:30 p.m.

Madam Speaker: Good afternoon, everybody.

Please be seated.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 27—The Highway Traffic Amendment Act (Control of Traffic by Flag Persons)

Hon. Ron Schuler (Minister of Infrastructure): I move, seconded by the Minister of Sport, Culture and Heritage (Mrs. Cox), that Bill 27, The Highway Traffic Amendment Act (Control of Traffic by Flag Persons), be now read a first time.

Motion presented.

Mr. Schuler: I am pleased to introduce Bill 27, The Highway Traffic Amendment Act (Control of Traffic by Flag Persons). This legislation will allow a traffic authority to authorize a company or organization to use certified flag persons to control traffic on roads through a permit.

Currently, traffic control on roads is limited to local police, RCMP, firefighters in case of an emergency, railway companies and contractors performing road maintenance and construction. These legislative changes will provide more options and flexibility to organizations, such as film production companies, that require traffic control services to produce movies in Manitoba. This bill will also lessen the demand on law enforcement to provide traffic control services when appropriate.

Thank you, Madam Speaker.

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

Bill 26—The Credit Unions and Caisses Populaires Amendment Act

Hon. Scott Fielding (Minister of Finance): I move, seconded by the Minister of Health, that Bill 26, The Credit Unions and Caisses Populaires Amendment Act, now be read a first time.

Motion presented.

Mr. Fielding: I am pleased to introduce the bill today which will strengthen the regulatory framework for

Credit Union Central of Manitoba. The federal government withdrew its oversight services of the provincial credit union centrals, leaving provincial governments with sole responsibilities. This legislation will fill the gap.

The financial services sector depends on public trust and confidence, which in turn depends on a strong oversight and accountability framework. The new regulatory framework that Manitoba is proposing closely resembles the SaskCentral model, ensuring that there is consistency with other jurisdictions.

Madam Speaker, I am pleased to present the bill to the House for its consideration.

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

Committee reports?

TABLING OF REPORTS

Madam Speaker: I have a report to table.

In accordance with section 28 of The Auditor General Act, I am tabling the Auditor General's report titled Follow-up of Recommendations, dated March 2020.

Ministerial Statements?

MEMBERS' STATEMENTS

Bibliothèque Ritchot Library Board

Hon. Ron Schuler (Minister of Infrastructure): Madam Speaker, throughout the month of February is I Love to Read Month.

I was very pleased to be out reading to the youth at schools in my constituency of Springfield-Ritchot taking part in this important month. Engaging with students, reading to them and answering their tough questions about the Manitoba legislative process was a great experience and something I thoroughly enjoy.

Reading and writing skills are the foundation of a solid, well-balanced education. Experiences involving reading set the stage for our youth to be successful at all subsequent levels of education. We might have a memory or an emotional connection from reading our favourite book as a child or being read to by a parent, family member, teacher, librarian or volunteer, but reading is something to which we can all relate.

As a community, we rely heavily on our library facilities in schools. Without these resources, we would not have what we need to develop our reading skills. With these resources, we grow in our individual reading. The Bibliothèque Ritchot Library is a shining example of a partnership that is working for the benefit of our youth and our whole community. This municipal library was established by the RM of Ritchot in affiliation with the Division scolaire franco-manitobaine and the Seine River School Division and is comprised of three libraries: one main branch in Île des Chênes, another in St. Adolphe and one more in Ste. Agathe, Manitoba.

Madam Speaker, this afternoon I would like to acknowledge the Bibliothèque Ritchot Library board as they celebrate 25 years of their joint partnership that provide such excellent services to the young and the not-so-young people in our wonderful community.

I would like to welcome Shane Pelletier, Janine Boulanger, Curtis Claydon, Stephanie West, Yolande Dupuis, Joel Lemoine, Denis Clement, David Vielfaure, Vicky Kiansky, Theresa Bergenson [*phonetic*] and Trina Wall, who are all in the gallery today. Their efforts do not go unrecognized and I ask members of Legislature to join me in sincerely thanking them for all they do for our community.

Thank you, Madam Speaker.

Brandi Vezina and Gabrielle Fontaine

Ms. Nahanni Fontaine (St. Johns): On the eve of International Women's Day, I have the privilege of honouring two phenomenal indigenous women.

Brandi Vezina is an educator, author, singer, songwriter, motivational speaker, blogger and YouTuber. Brandi received recognition for her work as an educator with Indspire and was recognized as a top Canadian educator by Canadian parent magazine. She commands her space within the entertainment industry. She was selected as new favourite Canadian artist by CBC Canada, the Juno Awards and the National Music Centre Searchlight 2020.

Brandi recently released her album and can often be found singing with both her grandmother and mother, who is here with us today, all fiercely proud and protective of their Metis ancestry.

Brandi is also dedicated to animal rescue.

Gabrielle Fontaine is an undergraduate student at the University of Manitoba currently studying medical physics. Gabrielle is currently the only

indigenous person across Canada in this field. Full disclosure, Madam Speaker, she is my little cousin.

Gabrielle is conducting research aimed at improving cancer diagnostic methods and treatment plans. Gabrielle has presented her researching findings across Canada. She has been awarded eighteen awards due to her high academic standing and research accomplishments. She plans to continue on to a master's and Ph.D. degree in medical physics to become a medical physicist.

She's also a artist, singing and collaborating with Indian singing—Indian City, co-writing Through the Flood, which is a song in honour of MMIWG2S.

I'm proud today to honour these two phenomenal indigenous women representing all that the women who came before us have sacrificed, and also in honour of International Women's Day. I honour all indigenous women across Turtle Island, including land protectors and matriarchs, who put ourselves on the front lines protecting our Earth Mother.

I ask my colleagues in joining me in recognizing these two phenomenal indigenous women. Miigwech.

Accessible Public Transit

Mr. Mark Wasyliw (Fort Garry): Madam Speaker, transportation is a human right. Without it, people can't access employment, education, social services and other necessities of life.

Transit Plus, designed for people with accessibility needs, is meant to be a parallel and equal system, up to the same standards as regular transit. Today, in Winnipeg, it's not. Since this government eliminated its 50-50 funding contribution to transit, we are seeing a two-tiered system emerge.

* (13:40)

Across Canadian jurisdictions, there is a principle of reasonable equivalency. Reasonable equivalent service must consider that persons with disabilities have the right to access opportunities, benefits, services and advantages available to other members of society.

Transit Plus riders are subject to a 500-metre rule, where only people within 500 metres of a bus stop are eligible for rides. Tens of thousands of residents within the boundaries of Winnipeg do not live within 500 metres of a bus stop.

And even if a rider does live within 500 metres, when they request a ride, they have to give a detailed account of where they're going and what

their business is, because they have a trip prioritization system. So, if your reason for needing transportation isn't good enough, access to a ride can be unilaterally denied.

This is unacceptable. It is demeaning and humiliating. Imagine trying to step onto a city bus, being grilled on where you're going, and then being denied because you can't justify your need to travel.

Since this government slashed the 50/50 funding model, 10,000 scheduled trips were cancelled last year, and drivers fare no better under this privatized system that gives out contracts to the lowest bidder. Drivers are non-unionized, earning less than minimum wage, and they often don't even get basic employment benefits like rest breaks.

Madam Speaker, we need only—we need one truly public transit system, one that serves all Manitobans, equally, fairly and with dignity. It starts right here, with this government. I implore them to reverse their cuts to the 50/50 transit agreement with the City that's caused this chaos, and by doing so—

Madam Speaker: This member's time has expired.

Bob Holliday

Mr. Dougald Lamont (St. Boniface): I rise today to pay tribute to a pillar of the Winnipeg community—*[interjection]*

Madam Speaker: I think I've already recognized the honourable member for St. Boniface. *[interjection]*

Okay, the—I understand that the member for Fort Garry (Mr. Wasyliv) might have been trying to ask for leave to complete his statement. Is there leave for the member—I will allow that—is there leave for the member to complete his statement?

An Honourable Member: No.

Madam Speaker: Leave has been denied.

Mr. Lamont: I rise today to pay tribute to a pillar of the Winnipeg community, Bob Holliday. *[interjection]*

Madam Speaker: Order.

Mr. Lamont: He is joining us here in the gallery today.

I first met Bob when he invited me to the St. Vital Museum, an incredible gem of local history. Bob was born and grew up in St. Vital and, as he told me, he spent so much time playing with local Metis kids, he picked up Michif as a second language.

He's made a life and a living as a storyteller, as a crime reporter for the Winnipeg Sun, a reporter-producer at CJOB for a decade, a sportswriter for The Winnipeg Tribune for two years, after learning his trade at the St. Vital Lance, as well as being a wrestling promoter.

Over the years, he's collected many well-deserved awards. He was named to the Manitoba Hockey fall–Hall of Fame. He was a 2012 Football Manitoba Hall of Fame inductee, a Manitoba Sports Hall of Fame inductee, and was awarded the Queen Elizabeth II Diamond Jubilee Medal for 50 years of volunteer and community work.

Bob's passion for history, for our community and for storytelling continues to this day. He's the president of the St. Vital Historical Society, which runs a small but mighty museum in an old fire hall on St. Mary's Road with truly exceptional artifacts: an antique fire engine, a Red River cart, a birch bark canoe, Metis and civic history, military and sports memorabilia, and to my special amazement, gold records, amps and gear that belonged to the Guess Who, thanks to Bob's connection to bassist Jim Kale.

It has been a joy to get to know Bob and recognize his incredible work on behalf of our community. I hope you will join me in tribute, and that everyone will take the opportunity to buy a membership and visit the St. Vital Museum, especially in this 150th anniversary of Manitoba's entering Confederation.

Thank you, Bob.

Constituency Break Highlights

Mr. Andrew Micklefield (Rossmere): Madam Speaker, the legislative break allows all MLAs to spend time serving their constituents, and I was only too happy to reconnect with those who recently elected me to serve them for another four years. I enjoyed several Rossmere seniors' events, including a Valentine's lunch with a table of grandmas all over 80 years old.

These women told stories about their adventurous lives and shared concerns with me that my office was able to resolve within a few days. I heard about positive experiences at Concordia's new urgent-care centre and later in February, attended a Winnipeg police choir concert put on for these seniors.

I was happy to assist newcomers settling into their new Canadian home by answering questions about the Provincial Nominee Program, directing them to government services, helping them find doctors and

other services outlined in my now-that-you-are-here presentation. The newcomers Ruth and I have welcomed into our own home have enriched our lives and family as we've tried to ease their transition to a new culture.

Another highlight of the constituency break was visiting 13 Rossmere-area schools and preschools where I read fun stories and answered many questions from students. I joined a djembe drumming class where I tapped into past lives of teaching and drumming for a few hours of fun with games and rhythms with local students.

I am honoured to be the MLA for Rossmere and I look forward to debating and passing legislation in the coming weeks, but I am always glad to return to Rossmere where I can help the people who have generously asked me to represent them again.

Introduction of Guests

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

Seated in the public gallery, from Red River College Language Training Centre, we have 10 English language students under the direction of Marie Rogge, and this group is located in the constituency of the honourable member for Union Station (MLA Asagwara).

And also seated in the public gallery, from HBNI-ITV out of Fairholme School, we have 18 grade 9 students under the direction of Evelyn Maendel, and this group is located in the constituency of the honourable member for Portage la Prairie (Mr. Wishart).

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

ORAL QUESTIONS

Dauphin Correctional Centre Closure Community Consultations

Mr. Wab Kinew (Leader of the Official Opposition): Hope has been in short supply in Dauphin recently, and that's because this government announced that they're closing the Dauphin Correctional Centre and putting dozens and dozens of people out of work. They've done this without consulting anyone, and that's why many, many people came from Dauphin to witness the debate today. Employees, family members, community members from Dauphin are here.

Now, instead of consulting these good people, the minister walked into the community on a Friday morning, delivered his bad news and then simply walked away.

So on behalf of these community members, on behalf of the workers, on behalf of their families, I would like to ask the Premier and his government: Why didn't they do any consultations with the people of Dauphin before putting so many out of work?

Hon. Brian Pallister (Premier): First of all, no one will be put out of work, so let's get that straight straightaway. Positions have been made available and will be made available to anyone who wishes to continue to work for the government of Manitoba in a capacity that suits their skill set.

Secondly, I would say to the member that he should know that the previous government was given advice on—not on one occasion, but on several occasions that the facility was not appropriate, that it was beyond its structural usefulness, and they failed to act on the recommendations given to them by their own people.

So when he speaks to me of consultation, he must also recognize that the previous administration under NDP rule failed to listen to its own consultants in respect of the closure of the facility.

We're committed on this side of the House to working with the community to restore and continue the growth that they've enjoyed in the past and will continue to enjoy in the future.

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

Mr. Kinew: Dozens of people will be put out of work in Dauphin and this Premier knows it. If not the correctional workers themselves—if it's not the correctional workers themselves, then it will be the others who are bumped out of other positions in that town.

I will table—because the Premier did not answer the question about why they refused to consult, I will table this document that shows that, in fact, this government did no consultations whatsoever with any person, organization or representative from Dauphin in advance of announcing the closure of the Dauphin Correctional Centre. This confirms that not only were the local elected officials, local indigenous leaders, representatives of the workers not consulted, but even the average Dauphinite himself was completely shut out of this government's process.

Why did the Premier refuse to consult with anyone in Dauphin before putting so many people out of work?

Mr. Pallister: The previous NDP government was in power for close to two decades. Madam Speaker, through their hands slipped \$200 billion. They were told repeatedly that repairs and maintenance needed to be done on the facility, and failed to do so. They repeatedly failed to do so to the detriment of the people who worked there and to the people who were incarcerated there.

* (13:50)

And now the member has instant solutions, but at the time, over a 20-year period he and the government did nothing to strengthen that facility.

Now, Madam Speaker, the facility is no longer needed. It has deteriorated to the point of being dangerous and in terrible condition according to the NDP's own report to themselves, and so I say to the member that although the previous government did not have the courage to make the necessary and right decision, this government does and will.

We will continue to work with the community to continue to achieve the growth they've enjoyed over the past number of years in Parkland and Dauphin.

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

Mr. Kinew: Madam Speaker, the Premier uses the word courage as though it takes courage to put 80 people out of work in the community of Dauphin. That's not courage, Madam Speaker, that is shameful. And when he talks about continuing, what is he continuing? There has been no consultation.

I will table for a second time—because I notice that he did not read the document—that there was absolutely no consultation carried out with the people of Dauphin, with their elected leadership, with the representatives of the workers, with representatives from the RM or even from the MMF or local First Nations. There was no consultation whatsoever.

So on what basis should the people of Dauphin believe this Premier, that he will begin to listen to them now after he's already put so many out of work without even talking to a single person?

Mr. Pallister: Madam Speaker, the people of Parkland area—and the member should not insult their intelligence or their ability to remember the actions of the previous NDP government—forced the

amalgamation of several rural municipalities on no notice whatsoever right in the Parkland area.

Then they jacked up the PST on everyone in the area after promising they would not do so. That makes it harder for people in Parkland to compete with people in Saskatchewan, in Yorkton, for businesses. So that hurts local people.

Hundreds of millions of dollars gone out of the local economy and out of the hands of local people because of NDP broken promises. No consultation there. They increased taxes 15 times in 14 years.

Madam Speaker, we're pledged to work to continue to see the 5 per cent year-over-year annual growth that Parkland's enjoyed since we came to government as we work together with community groups, activists, local governments in a consultative manner to keep the community growing and keep it in the positive direction that it's been going.

Tough people need good leadership, and that's what they have on this side of the House.

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

Restorative Justice Centre and Healing Lodge Request for Construction in Dauphin

Mr. Wab Kinew (Leader of the Official Opposition): Well, I think it's clear to everyone in the Chamber today that we have clearly established that there was no consultation whatsoever by this Premier or by his ministers before they decided to put dozens and dozens of people out of work.

Now, those workers are not taking this lying down. They are standing up, they are fighting back, and I commend them for that.

To that point, some 5,700 people in Dauphin, in the Parkland area have signed a petition and brought it here to the Legislature today.

They are calling on this government to reverse their decision, to delay the decision, to come about some common sense for at least once on this file and listen to the people of Dauphin. They want their jobs protected. They want a new healing lodge facility.

Will this Premier listen?

Hon. Brian Pallister (Premier): Well, the member references common sense. Was it common sense, Madam Speaker, for the NDP Justice critic to advocate for the closure of jails in the past? Was it common sense for the NDP to ignore people—experts—

that they had commissioned telling them that the jail had reached the end of its useful life? Was it common sense to ignore that?

Was it common sense to go out to the people of Dauphin three elections in a row, back to back to back, promising a new jail and never even commissioning a study to find out how it would look, an engineering study to see how it could be built, or getting permission to spend money on it. Simply going out with empty promises, that's the absence of common sense.

Real sense, Madam Speaker, means working with the community to continue in a positive way to keep it building and growing, and that's—*[interjection]*

Madam Speaker: Order.

Mr. Pallister:—exactly what we will be doing.

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

Mr. Kinew: Madam Speaker, we've established that they are not working with the community, and if the Premier wants to talk about elections, let's talk about the recent election.

Everyone in the Parkland has told me the following: they would have voted differently had this government told them they were going to close the Dauphin jail before the election.

Now, did this government reveal their plans prior to people voting? No, they did not.

What have they done since? Has there been anyone on that side of the House willing to stand up for the people of Dauphin? No, there has not been.

In fact, the member from Dauphin himself stood up at a town hall meeting. When asked about the closure, he said, I'm okay with it. There is a serious lack of leadership.

Why doesn't the Premier let his backbench MLAs stand up for their communities? Why is it that it is only the NDP that is willing to stand up for the people of Dauphin?

Mr. Pallister: Well, the member opened the gate to the field, so I'll go in it too, Madam Speaker. He says people would have voted differently. I went out in the '16 election, and when the NDP was promising for the third consecutive time to build a new jail, the reporters at the Dauphin paper and at the radio station asked me if I'd promise the same thing as the NDP. And I said,

I don't do politics that way. I don't. I don't make empty promises and then fail to keep them.

Madam Speaker, the NDP went out in the election before and promised everybody in Dauphin—*[interjection]*—no, they don't like this, but it's a fact.

They went to everybody in Dauphin, every door and knocked, looked people right in the eye. They said, we promise you—*[interjection]*

Madam Speaker: Order.

Mr. Pallister:—promise that we won't raise the PST—*[interjection]*

Madam Speaker: Order.

Mr. Pallister:—they said; and they knew they were going to do it and they went ahead and did it.

So, Madam Speaker, I don't need the member to lecture me on consulting. I don't need him to lecture me or this side of the House on keeping our word.

The member for Dauphin (Mr. Michaleski) has done a darn good job of standing up for Dauphin.

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

Mr. Kinew: It was just yesterday, when we asked about feeding hungry children, that the Premier went on and on about personal responsibility, and yet today, when it comes to putting people out of work in Manitoba, he shows no personal responsibility for himself.

It's only about the last government, on and on again, when we have clearly established in this House today they have consulted no one. They will put dozens of people out of work. There is no leadership on that side of the House for the people of the Parkland region.

With all these damning pieces of evidence you would think that now would be the time to show some humility. Now would be the time to say, you know what, perhaps we made a mistake and now we will listen.

Will the Premier now take this opportunity to do so, stand in the House today and give the people of Dauphin their jobs back and commit to building a new healing lodge in the Parkland?

Mr. Pallister: This is the—this is a party on the other side that covered up the actions of the previous Dauphin MLA in terms of harassing people in their

own workforce—covered it up, denied it, didn't do anything to deal with it.

Now he lectures us on transparency—
[interjection]

Madam Speaker: Order.

Mr. Pallister: —and accountability.

Madam Speaker, I come from Portage la Prairie, but my mother comes from Dauphin area, and I love that area dearly, and I can tell you this and all people in this House: I care very, very much about the future of that region of the province.

The NDP closed the jail in Portage. They didn't do any consultation. They closed the jail in Portage. I never attacked them for it. I didn't attack them for it, Madam Speaker, but they closed the jail in Portage and they put people out of work. [interjection]

Madam Speaker: Order.

Mr. Pallister: We are putting zero people out of work. They closed the jail in Portage la Prairie.

Why was it a good thing for the Doer government to do, and all of a sudden the member turns around, two-faced, and says it's a bad thing to do now? How come everything's changed since they closed the Portage jail, Madam Speaker?

Madam Speaker: Caution, please. I would just urge members to be careful with the language in the House. I believe in the past the word two-faced has not been an acceptable term in the House and I would just indicate that once again.

Restorative Justice Centre and Healing Lodge Request for Construction in Dauphin

Ms. Nahanni Fontaine (St. Johns): Yesterday, the Minister of Justice said he's open to learning more about healing lodges. So let me share with him today, Madam Speaker, that studies have shown that healing lodges and restorative justice regimes have been effective in lowering recidivism rates, increasing cultural awareness and participating folks into healing methods.

We need to be working towards a new restorative justice regime here in Manitoba, Madam Speaker, that deals with the root causes of poverty, addictions and trauma.

* (14:00)

So, is the minister true to his word? Will he commit to opening a healing lodge in the Dauphin Parkland region?

Hon. Cliff Cullen (Minister of Justice and Attorney General): I do appreciate the question from the member opposite, and to those members that are joining us today in the gallery, I'm certainly—those folks that work in Manitoba Justice, I do want to thank them for the tremendous work they do day in and day out in terms of maintaining public safety across Manitoba.

Certainly, whether it be corrections officers, probation officers, our sheriffs, our Crown prosecutors, our Victims Assistance staff and so many more, we are working together to improve our justice system here in Manitoba. We're reducing court delays. We're improving treatment options and we're improving supports to Manitobans, and certainly, we're enhancing restorative justice here in Manitoba.

Madam Speaker, working together we can do so much more.

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

Ms. Fontaine: Madam Speaker, when the Minister of Justice and his get-along gang showed up in Dauphin, he couldn't have actually even met with anybody when they gave the news that they were all going to be out of jobs. So I don't know why all of a sudden he's standing up here today and all of a sudden he has this new profound appreciation for their work. Actions speak louder than words.

The minister's decision to close the Dauphin Correctional Centre without meaningful alternatives will move Manitobans farther away from their communities, including family and support. It is the antithesis to what we need to do in this province in respect of justice.

So will the minister commit today to work with communities and First Nation leadership in developing a healing lodge in the city of Dauphin?

Mr. Cullen: Clearly, we as a government are working with the union. We worked with the union to reach an agreement in terms of a process going forward with the staff and the families that are involved in this decision, and, quite frankly, a decision that was not taken lightly.

There is jobs within the justice system, within correction system as well. Obviously, as we work

through the process we look forward to having those discussions with our employees.

We are also as a government committing to make sure that we have a working table, a working table in the community of Dauphin and Parkland, so that we will explore fully any opportunities for those individuals who do want to stay in Dauphin and work.

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

Ms. Fontaine: My question was about healing lodges, and so the Minister of Justice has dodged two questions and hasn't even uttered the word healing lodges. So let's bring him back to that, Madam Speaker.

In order to address the overrepresentation of indigenous peoples and the systemic racism within the justice system, we must move to a new regime here, Madam Speaker. The Truth and Reconciliation's 35th call to action calls for more healing lodges to deal with this crisis. Manitobans need a government that is committed to reconciliation, and we are not seeing this from members opposite.

So, Madam Speaker, in the spirit of reconciliation will the minister commit today to opening up a healing lodge in the city of Dauphin?

Mr. Cullen: Clearly, we are working with our indigenous communities and certainly our leaders at the Assembly of Manitoba Chiefs, SCO, MKO, and we're certainly enhancing our capacity to do restorative justice here in Manitoba.

The numbers that are being diverted through restorative justice have increased over the last few years. We're now doing over 5,000 diversions across Manitoba. We are looking forward to working with our indigenous partners and how we can enhance that capacity in Manitoba and divert more people out of the criminal justice system.

Dauphin Correctional Centre Closure Consultation with Indigenous Communities

Ms. Amanda Lathlin (The Pas-Kameesak): As the Leader of the Official Opposition (Mr. Kinew) explained, documents obtained confirm that the government has not done any consultation with indigenous communities regarding the closure of Dauphin Correctional Centre. Governments have the responsibility to consult with Manitobans, including indigenous communities, before they rush a decision that impacts lives of indigenous people.

If the minister had consulted indigenous communities and referred to the Aboriginal Justice Inquiry and the Truth and Reconciliation's 35th call to action, he would know that we should be moving forward, calling more community-based facilities.

Why didn't the minister care to consult with indigenous communities?

Hon. Cliff Cullen (Minister of Justice and Attorney General): Well, Madam Speaker, we as a government do have a strong track record in terms of consulting with indigenous communities, and we will continue to do that.

Where there was a lack—well, there was consultation, but there was a lack of taking advice on behalf of the NDP. We talk about the Dauphin facility itself.

Back as early as 2008, the Office of the Fire Commissioner raised concerns about egress in that particular facility; 2011, adult corrections capacity review done by this government—again, choose to ignore the fact that it was beyond its structural usefulness.

We are consulting. The NDP government don't listen.

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

Ms. Lathlin: This government continues to fail to work towards reconciliation.

They have called the Manitoba Metis Federation a special interest group. They introduced legislation to ban night hunting without having 'adequately' consulted with indigenous communities. They have continued to fail to consult with indigenous communities affected by the Lake St. Martin outlet. They have failed to produce a duty-to-consult framework, and now they have failed to consult on the closure of Dauphin Correctional Centre.

Why didn't the minister care to ask what indigenous communities think?

Mr. Cullen: Madam Speaker, the member opposite is completely wrong. We do have a duty-to-consult framework in place. I ran a respectful couple of meetings with Grand Chief Dumas over the last few weeks and he's indicated he's getting more done with this government than he ever did with the previous government.

The NDP chose to ignore recommendation after recommendation—[interjection]

Madam Speaker: Order.

Mr. Cullen: –to deal with the Dauphin correctional facility. There was—2008 it started; 2011 another report; 2012 they hired actually another consultant to come in. And, again, that confirmation was the facility was in terrible condition, the worst conditions in Manitoba. And the NDP ignored that advice.

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

Ms. Lathlin: Governments have the moral obligation and the duty to consult with indigenous communities that are impacted by any decisions.

As we have seen, this government has a poor track record when it comes to consulting with indigenous communities. The minister has the opportunity right now to right a wrong. Listen to indigenous communities and follow the recommendation put forward by the Aboriginal Justice Inquiry and the TRC's 35th call to action.

Will the minister commit to building a new healing lodge in Dauphin that will provide real supports for people incarcerated, while keeping people close to home?

Ekosi.

Mr. Cullen: Madam Speaker, despite all the warnings around the Dauphin correctional facility, the NDP, for five years, went out and made promises to the community of Dauphin they were going to build a facility, but the record shows there was no tender for design, no tender for construction, zero consideration to finding money to make that happen.

Meanwhile, they went out and made those promises to the community with no intention whatsoever of actually delivering on that promise. Madam Speaker, even the Auditor General pointed to the NDP that they misstepped, there was no focus on initiatives to reduce incarceration rates and were actually misleading Manitobans.

Dauphin Correctional Centre Closure Impact on Dauphin Community

Ms. Malaya Marcelino (Notre Dame): Madam Speaker, the city of Dauphin and the Parkland region will feel the economic effects of these lost jobs in the local economy for years to come. The loss of 80 good jobs in Dauphin is equivalent to cutting 8,000 in the city of Winnipeg.

A cut like that should cause any reasonable government to consider the impacts and meaningfully

consult with the local community before making such a decision. But instead, they didn't.

Will the minister reverse this decision which will have such a devastating effect on Dauphin?

Hon. Cliff Cullen (Minister of Justice and Attorney General): Well, Madam Speaker, the member opposite is wrong.

There is 120 vacancies within Manitoba Corrections today. There's certainly—no one there will be losing their jobs. There's opportunities for employment in other facilities.

* (14:10)

Madam Speaker, what is wrong—what any real government would do, would be following the advice of at least four independent reviews of the Dauphin correctional facility. They chose to ignore four independent reviews on that facility, putting persons' safety at risk.

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

Ms. Marcelino: Madam Speaker, if even a fraction of those families have to leave the community, it will depress the local housing market, taking a lot of money off the table of many families who have to sell. But the minister wasn't thinking about this at all.

His announced closures are for May. He didn't even have the decency to consider delaying this closure 'til past the end of the school year. I ask him to reconsider.

Will he cancel his plans to pull so many families from Dauphin and the Parkland and commit to building a restorative justice centre?

Mr. Cullen: I know we worked closely with the union, in terms of moving this forward, once the announcement was made. We did eventually come to an agreement in terms of how we would handle the situation there.

There's certainly a lot of benefits being—on the table in terms of transitioning, in terms of employment opportunities and training opportunities around the decisions that will be ultimately made. Good to see that agreement finalized. We're working through that process with the employees. We've made a commitment to work through that process.

In addition to that process, we've made a commitment to the individuals there that will—could be impacted that we will have resources available and we

will work with the community to see if there's other opportunities within the Parkland region.

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

Ms. Marcelino: The loss of 80 jobs in the community will have an impact on so much more than just those workers. It means the potential loss of hundreds of people in the city of Dauphin.

If the Pallister government was serious about mitigating this impact, it would have had a plan in place before they announced the closures, but instead, no consultation with local communities was done. This was a rash decision made by a government set on saving money, not on what is best for the people of Dauphin.

Will the minister at least have the decency to tell the people of Dauphin the truth: this is all about the money?

Mr. Cullen: I'd be more than happy to tell the people of Dauphin and Parkland the truth.

The reality is back in 2008 the Office of the Fire Commissioner started raising issues about the safety of Dauphin correctional facility. The NDP's own review in 2011—[interjection]

Madam Speaker: Order.

Mr. Cullen: —said in 2011, Madam Speaker, beyond its structural usefulness. They then hired another consultant to come in in 2012—[interjection]

Madam Speaker: Order.

Mr. Cullen: —confirming this facility is in the worst condition of any jail in Manitoba, terrible conditions, Madam Speaker.

What did they do? Nothing. No tender for design. No tender for construction. They sat in their hands, ignored the safety issues of Dauphin correctional facility.

Madam Speaker, that's the truth. [interjection]

Madam Speaker: Order.

Dauphin Correctional Centre Closure Request for Healing Lodge in Dauphin

Mrs. Bernadette Smith (Point Douglas): The minister was out doing damage control yesterday, but his labour arrangement for the wind-down of the Dauphin correctional facility is cold comfort for the community of Dauphin. There's still 80 good jobs being lost at this facility and hundreds of people will

have to leave their community, including full families and their children.

The minister's offer yesterday is that he might help workers pack up their belongings and move. That's not what people in Parkland want. They want their voices heard, but the minister is not listening.

Will the—this facility is closing in four months with no notice and no consultation of restorative justice alternatives for the families, the workers or the jail.

Will the minister listen—

Madam Speaker: The member's time has expired.

Hon. Cliff Cullen (Minister of Justice and Attorney General): Clearly, we respect the collective bargaining agreement that's in place, and we're respectful of this through the whole discussion. We put our issues on the table day one when we made the announcement. The union eventually came to the table as well, and after a few weeks we we're able to hammer out an agreement in terms of how the individuals would be handled, how the processes would unfold and, certainly, what kind of assistance we could provide to those individuals, both those that are choosing to relocate or those that are choosing to stay in Dauphin, in the Parkland.

So certainly we—I think we have been quite upfront in terms of providing assistance in both transition and in the—

Madam Speaker: The member's time has expired.

The honourable member for Point Douglas, on a supplementary question.

Mrs. Smith: Madam Speaker, that minister is moving full steam ahead and disrupting the lives of hundreds of people in Dauphin without even consulting beforehand. And he's doing so without a plan to 'mimize' the damage and without consideration of any families, workers or the community of Dauphin.

The minister's statement yesterday doesn't bring back the 80 jobs that he's taking away from that community, and it means a highly divisive bumping process will take place among Justice workers.

The Pallister's government's cuts are causing real harm to Dauphin and to those across the province. The Pallister government can change course and invest in new justice system.

Will he announce today a commitment to a healing lodge in the Parkland region?

Mr. Cullen: We have been respectful of the collective bargaining agreement. I—certainly we can't go back and change the agreement that has been reached. Certainly there is processes that will unfold. We've made it clear that there are over 100 vacancies currently within Corrections alone, so certainly there's opportunity for a transition there.

Certainly we've been cognizant of the June date. We've extended that date past the end of April to recognize there'd be some students in school, so we certainly have made amendments in terms of our closing date, and we will continue to work with the community and those individuals impacted.

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

Mrs. Smith: That minister knew long before he made the unilateral decision to close that jail. He could have consulted long before, but did he? No. Now this facility, on such short notice, and without consideration for even restorative justice alternatives, will be devastating to the town of Dauphin. Eighty good jobs in that community is like 8,000 here in Winnipeg, and the minister knows full well there is going to be real disruptions as the bumping process happens within the system.

The minister should be considering alternatives. The workers are here today to tell the minister and the Premier (Mr. Pallister) that they can't be silenced.

Will the minister listen to them today?

Mr. Cullen: Clearly, we've met on a number of occasions with the mayor of Dauphin, certainly the council of Dauphin. Just today, we met with the Concerned Citizens coalition, heard their opinion of what a healing centre might look like. Certainly we appreciate them taking the time out of their busy schedules to come and have that discussion.

Certainly, I will say again, I reiterate, Madam Speaker, we are working with the community. We're working with the impacted individuals, and we will continue to have discussions and dialogue with the individuals that are impacted.

Restorative Justice Centre and Healing Lodge Request for Construction in Dauphin

Mr. Dougald Lamont (St. Boniface): The government is claiming again that there was no need to build a new Dauphin jail because the NDP never did it. This is an excuse this government uses all the time. When they're asked why they're cutting, privatizing, closing hospitals or jails, they simply say,

well, the NDP did it too. When asked why the PCs are refusing to invest in a worthwhile or important project, the Premier's excuse is the NDP never did it either.

Not building a new correctional facility and healing centre in Dauphin was a mistake on the part of the NDP.

Why is the Premier doubling down on it instead of fixing it?

Hon. Cliff Cullen (Minister of Justice and Attorney General): And I think it's very clear, by the evidence produced today, the NDP chose to ignore all the warnings and the red flags around safety issues in Dauphin correctional facility. This was not a decision taken lightly, but we had to make a decision on that particular facility.

Madam Speaker, today we have a 2,550-bed capacity in other—six other facilities in Manitoba. Our current count today is around 2,200. We have the capacity within the current system to deal with the now about 50 inmates in the Dauphin correction facility.

*(14:20)

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

Prison Overcrowding Safety Concerns

Mr. Dougald Lamont (St. Boniface): The minister just claimed the Dauphin correctional facility can be closed because there are spaces elsewhere. This is not the case; the opposite is true.

We know from correctional officers and statistics that prison overcrowding is an issue that goes back years, because adult prisons across Manitoba are far beyond capacity. This is not just an issue for prisoners, but for the safety of every person who works in the system.

Why is this government misleading Manitobans about prison overcrowding?

Hon. Cliff Cullen (Minister of Justice and Attorney General): Well, Madam Speaker, if the member wants to talk about safety, he should probably come with me and we'll have a tour of the existing facility and he would realize the conditions the employees and the inmates are facing there on a daily basis.

Madam Speaker, the reality is we have 2,550 beds of capacity here in the province of Manitoba and we

have space to accommodate the 50 inmates that are remaining in Dauphin correctional facility.

If he wants to talk about safety, let's—him come and have a look at the current state of that facility.

Crime Rate Increase in Tyndall Park Need to Address Root Causes of Crime

Ms. Cindy Lamoureux (Tyndall Park): Madam Speaker, the topic of crime and safety is more prevalent than ever in Tyndall Park. Our community has been shaken up in a series of senseless crimes.

I table articles over the last four months of the robbery and assault at the Tyndall Park Liquor Mart, the stabbings by Safeway on Keewatin and stolen vehicles, all of these events in Tyndall Park.

Madam Speaker, my constituents are feeling unsafe in our community and it is evident that there is a pattern of crime developing as a direct result of inaction from this government.

What is this government doing to address the root causes of crime and support those who are living in Tyndall Park?

Hon. Cliff Cullen (Minister of Justice and Attorney General): I see the article the member has submitted is in relation to Liquor Mart and Liquor Mart thefts. Certainly, we've taken proactive action there in terms of accessibility to those facilities. We've seen a very significant drop in robberies and thefts at those particular facilities. Certainly, it's a step in the right direction, for sure.

We are working with our partners, whether it be police agencies across the province or respective municipalities, in terms of how we reduce crime across our communities. And this was a whole-of-government approach. We recognize a lot of the criminal activity is the result of addictions and mental health issues. We as a government recognize that we can't do this in silos. That's why we're working across government to make significant changes to addictions and mental health issues here in Manitoba.

Provincial Sales Tax Reduction Green Levy Implementation

Mr. Brad Michaleski (Dauphin): Madam Speaker, Manitobans know that, unlike the NDP, they can trust our PC government to keep its word. We committed to Manitobans that we would make life—*[interjection]*

Madam Speaker: Order.

Mr. Michaleski:—more affordable by reducing the tax burden in our province, and we committed to Manitobans that we would take real action on climate change with a Made-in-Manitoba Climate and Green Plan.

Can the Minister of Finance please tell the House about how our government is keeping both of these commitments?

Hon. Scott Fielding (Minister of Finance): The member is absolutely right. Our PC government is one that keeps its word. We're standing up for a greener, a more affordable future for Manitobans. We know that a rising federal carbon tax is the wrong direction to go in, and that's why our government is standing for Manitoba to introduce a low, flat, made-in-Manitoba green levy.

While the NDP are standing up for higher taxes, we're making life more affordable by reducing the PST to six per cent, Madam Speaker.

Dauphin Correctional Centre Closure Request for Restorative Justice Centre

Ms. Danielle Adams (Thompson): Madam Speaker, the Pallister government planned to close the Dauphin Correctional Centre without a plan for a 'rehabilitation' or a healing is devastating to the community, and the workers of this facility are being uprooted four months—with four months' notice. The mayor of Dauphin calls this decision devastating, and the community members have told us that they are fearful of their—future of the city.

It does not have to be this way. We can transform the justice system without causing damage to our rural communities.

Will the minister commit today to building a restorative justice facility today?

Hon. Cliff Cullen (Minister of Justice and Attorney General): As I said earlier, we—our government is committed to restorative justice here in Manitoba. In fact, just this year alone, we're investing an extra \$400,000 on restorative justice here in Manitoba.

And certainly—actually, just in Thompson earlier this week, we had a great discussion with the community and the City of Thompson about how we can do more restorative justice in Thompson and in northern Manitoba. Clearly, that will include Dauphin as well.

So we're—excited to be joined by Grand Chief Dumas at that announcement, and I will tell the

members opposite we will see more restorative justice here in Manitoba.

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

Ms. Adams: Madam Speaker, the Pallister government isn't interested in addressing the root causes of crime or 'reignation'. Every decision has been made about cutting costs.

The decision to close the facility was part of the budget. That's why there was no consultation. That's why the cut is being rolled out weeks leading up to the budget. That's why this facility is closing with four months' notice.

This isn't a rush plan—this is a rush plan that's all about the money and not about the inmates or the needs for the employees or the community.

Will the Premier (Mr. Pallister) listen to the community members and the workers who are saying they disagree with their—this decision?

Madam Speaker: Just information to members who may have forgotten, but there is to be no use of our cellphones and emails during oral questions.

Mr. Cullen: I think we can all agree in the House that issues around crime and criminal activity are very complex social issues. Obviously, addictions and mental health issues at play here, as well.

That's why our government is taking a whole-of-government approach, and we've invested over \$20 million recently on mental health and addictions programming, and obviously we're taking steps to enhance public safety, as well.

And you're going to hear a lot more about that in next week's budget.

Thank you.

Madam Speaker: The time for oral questions has expired.

PETITIONS

Crown Land Leases

Mr. Diljeet Brar (Burrows): Madam Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Many farmers, specifically cattle ranchers, will be negatively impacted by the changes to leased Crown

lands announced by provincial government on September 27, 2019.

Farmers previously had the ability to strategically plan out the way in which they utilized their leased Crown land.

The announcement reduced leaseholds by 35 years to 15 years, and these changes will create a great uncertainty, having the potential to impact an entire farm's operation and even existence.

This uncertainty will take away the incentive for farmers to safely invest in their Crown land leases.

The potential of losing these leases without the afforded time to plan ahead will create additional stress for the current farming generation and the ones to follow.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Agriculture to reconsider the changes to Crown land leases and instead create an agreeable strategy that satisfies all parties, specifically ranchers;

To urge the Minister of Agriculture to recognize the value of agriculture in the province of Manitoba and the value Crown land holds to farmers in sustaining their livelihood;

To urge the Minister of Agriculture and all honourable members to understand the important role farmers play in the Manitoba economy, and allow them to take part in discussions that directly impact their livelihood.

This has been signed by many Manitobans.

Thank you.

* (14:30)

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

Personal-Care Homes

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

The background to this petition is as follows:

(1) Manitoba elders and seniors have built this province and should receive a high level of support, having earned the right to be treated with due respect,

dignity, understanding and compassion as a fundamental human right.

(2) Seniors who reside in personal-care homes have more diverse and complex physical and brain health issues today than those who were in similar homes even just five years ago, yet the staffing formula, or minimal personal-personnel requirement, is over 20 years old.

(3) The issue of the changes to, and more complex nature of, care is being exacerbated by the provincial government policy of discharging people out of hospitals more quickly, leaving many residents still in need of a high level of care.

(4) Manitoba does not have enough health-care aides and nurses specifically trained to care for seniors with high and complex levels of physical and mental issues such as those with dementia, coupled with multiple chronic conditions.

(5) The added complexity of care with such residents is putting additional stress on doctors and family members, as it may take six to eight weeks for a doctor to see a resident in a personal-care home.

(6) Unfortunately, the lack of quality care received by many residents is not unique, causing one person to say that: It was easier to watch my dad die in the personal-care home than to watch him live in the personal-care home.

Staff are so overworked that they are forced to tell senior elders and residents in need: Go to your diaper; I can't help you. You will get food eventually.

Relatives are also being told that residents in care homes should not ever expect to walk again after hip or knee replacement surgery because care homes are not set up for rehabilitation.

(9) The provincial government has allowed personal-care homes to serve food that is warmed from frozen instead of being freshly cooked, depriving seniors the taste of good food, which is one of the few real pleasures that would be—they would be able to enjoy at this time of life.

(10) Although residents enter personal-care homes to have the best possible quality of life in their last few days, weeks, months or years, relatives repeatedly hear the words: He came here to die; and: She came here to die.

(11) Relatives are regularly angry, frustrated, disappointed and shocked at the care their loved ones now receive in Manitoba's personal-care homes.

(12) Administrators in personal-care homes respond to complaints by stating they 'nee' more, better-trained staff.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase training and staffing requirements for personal-care homes in Manitoba to ensure residents receive high-quality, nutritious food as well as compassionate care.

Signed by Cyclopedia Lazarowich, Odette Labossiere, Brock Vandal [*phonetic*] and many others.

Madam Speaker: Grievances?

ORDERS OF THE DAY

(Continued)

GOVERNMENT BUSINESS

Hon. Kelvin Goertzen (Government House Leader): Could you please call for debate and hopeful passage this afternoon Bill 8, The Pension Benefits Amendment Act, and following that, Bill 11, The Minor Amendments and Corrections Act, 2019?

Madam Speaker: It has been announced that the House will consider Bill 8 this afternoon, The Pension Benefits Amendment Act, followed by Bill 11, The Minor Amendments and Corrections Act, 2019.

SECOND READINGS

Bill 8—The Pension Benefits Amendment Act

Madam Speaker: I will therefore call second reading of Bill 8, The Pension Benefits Amendment Act.

Hon. Scott Fielding (Minister of Finance): I move, seconded by the Minister of Education (Mr. Goertzen), that Bill 8, The Pension Benefits Amendment Act, now be read a second time and referred to the committee of the House.

Motion presented.

Mr. Fielding: I'm pleased to present you Bill 8, The Pension Benefits Amendment Act, which was introduced to the Manitoba Legislature in November 27, 2019.

As discussed when Bill 8 was first introduced, the department is proposing changes that will modernize the rules and reduce red tape without compromising the security of pensions. These amendments permit changes to the locked-in provisions, solvency deficiency funding rules, divisions of assets on relationship breakdown and smaller modernization

measures that will reduce administration in efficiencies.

Changes to the division of assets on relationship breakdown will be determined under The Family Property Act rather than The Pension Benefits Act, and subject to the spouse or common law partner not receiving more than 50 per cent of the pension earned during the period of the relationship.

Right now the division of assets is 50/50, or not divided at all. The proposed changes will allow for greater flexibility in dividing pension assets based on their individual circumstances and transfers the responsibilities of the division of assets to the courts, which is more appropriate—the provisions which only apply to separations that occur after legislation comes into effect.

We receive many requests from Manitobans. From my office we receive lots of requests who are experiencing financial hardship and would like to unlock their funds. The criteria for unlocking the funds due to financial hardships would be eviction for rent arrears, foreclosure, medical-dental expenditures not covered by insurance or government programs, such as renovations to a principal residence for medical reasons. Alberta, BC, the federal government, Nova Scotia and Ontario permit such financial hardship unlocking.

The proposed changes to unlocking funds will also allow a person to transfer their pension benefit credit to the locked-in retirement account or life income fund to unlock the whole amount after reaching age 65, unlocking or a part of the amount prescribed grounds for hardship at any age and make a one-time 50 per cent transfer to the prescribed registered retirement income fund after reaching age 55.

It was simply the withdrawal—it will simplify the withdrawal process by allowing the one-time transfer to be based on the value of the date of the transfer rather than the date the application was completed. This measure reduced the administrative burden for those individuals.

Reducing solvency funding was seen as a priority since it has placed a significant burden on plan sponsors. Reducing the threshold to 85 per cent would eliminate the need to provide temporary solvency funding relief measures going forward. We are proposing that the solvency rules be replaced with enhanced going concern funding. Solvency funding

has negatively impacted the continued viability and sustainability of defined benefit plans.

We are also proposing that the solvency reserve accounts are permitted as a separate account within the plan fund to hold solvency deficient payments that can be used to fund shortfalls or drawn by employees subject to prescribed conditions if surpluses exceed a prescribed amount.

Smaller modernization changes including allowing a pension plan to permit a member that continues to be employed after reaching the normal retirement age to stop contributing to the plan and incurring benefits, allowing specific multi-employer plans that'll be consistent with other jurisdictions, allows rules to address vacancy on a permanent pension committee involving an inactive plan member to remain in compliance with the legislation, as well as clarifying when benefits are vested and must be included in the calculation for the commuted values.

Other changes, Madam Speaker, include clarification that the small pension commuted rules applies to division of assets, allows a separated spouse or a common-law partner to be named as the beneficiary for the purpose of survivor benefits, clarifies the need to prove entitlement to a benefit, removes the outdated reference to deferred profit-sharing plans because these plan types are no longer registered under the act, and expands the requirement to provide notice of late payment to the superintendent of pensions.

Bill 8, Madam Speaker, is passed—or should be passed. It will ensure the strong framework for pensions in Manitoba and the security and stable retirement income for Manitobans. Additionally, it will provide individuals greater flexibility in managing their retirement funds and prevent some employees from facing severe financial hardships due to inability to access their own funds.

We are pleased to proceed with these recommendations made by Pension Commission, with the goal of increasing pension participation for employers and strengthening pension plans and the pension regulatory system.

Thank you, Madam Speaker.

* (14:40)

Questions

Madam Speaker: A question period of up to 15 minutes will be held. Questions may be addressed to the minister by any member in the following

sequence: first question by the official opposition critic or designate; subsequent questions asked by critics or designates from other recognized opposition parties; subsequent questions asked by each independent member; remaining questions asked by any opposition members; and no question or answer shall exceed 45 seconds.

Mr. Mark Wasyliw (Fort Garry): Will the government commit to fully funding its pension obligations for civil servants?

Hon. Scott Fielding (Minister of Finance): What this legislation is about is reform to the pension system based on the commission report that comes out every five years. What this legislation consists of is recommendations from experts in the pension field, and it provides a variety of ability, whether it be locked-in clauses, whether it provides some flexibility for people to access their own money.

Mr. Wasyliw: Will the minister make sure that all companies in Manitoba abide by their pension obligations to their employees?

Mr. Fielding: Well, Madam Speaker, rules are in place in terms of pensions that are in place, whether they be in private or public sector. We believe the legislation that's before us was brought forward to us based on expert opinions. These recommendations were taken seriously by the government. We decided to implement a number of the recommendations.

One thing in particular that we're very proud of is the fact of the locked-in clauses. The locked-in clauses is something that I get a lot of calls from my office where you hear of horrific stories where people need access to their own funds—potentially a medical issue with a son or a daughter. That wasn't allowed before. This is an important piece of legislation.

Mr. Wasyliw: Can the minister explain what measures this bill puts in place to protect pensions from market volatility?

Mr. Fielding: The legislation is in place—allows—does a number of things. Number 1, it modernizes legislation that's a part of it. It allows for individuals, if there is a downturn in the economy—maybe there's a medical issue or concern that they may have—it allows them to access their own money. That's a part of it. It also ensures the solvency rules are very similar to other jurisdictions, whether it be places like Ontario or other regions in terms of the solvency rules of an 85 per cent capacity.

Mr. Wasyliw: Does the minister realize that this bill can make pensions more vulnerable and less stable?

Mr. Fielding: This bill does the exact opposite, Madam Speaker. It modernizes things. It allows people that want access or need some access to their money an ability to do that.

It sounds like the member opposite doesn't believe that having your own money locked in, in some ways isn't compassionate. I would argue that's not the case. I would argue the solvency rules were brought forth to us and were done at the exact same way that other provinces have done, like Ontario, which is obviously a big player in these areas. This is expert opinion and this follows other legislation that's there.

The only thing that would be concerning for other businesses if you can't meet your pension obligations—you can't meet your pension obligations, you can't stay employed or you potentially have an ability to change the pension requirements that's there.

Mr. Wasyliw: How does the minister see this bill making pensions more stable and less vulnerable?

Mr. Fielding: If a company right now cannot meet their pension obligations, they have a potential of going out of business, which would have an impact on the employee. It also has an ability if—let's say a pension—or, rather, an employer has a defined benefit type of plan. If they can't afford these parameters, that's a part of it. They may choose to change from a defined benefit plan to a defined contribution.

So I would say this makes a lot of sense. This isn't something that's—hasn't been done before. It's done by many other jurisdictions, including places like Ontario, Nova Scotia and other regions in terms of this. This is expert advice from people that are in the pension field, and we think it makes sense to follow the advice of experts.

Mr. Wasyliw: What are the impacts for the economy for the changes in relation to this legislation?

Mr. Fielding: Well, I think probably No. 1, if there's businesses that can't afford the pension obligations that they have right now, they wouldn't go out of work—they wouldn't go out of business. So I think it would have some important consequences.

This is something that has been done in terms of the solvency piece in other jurisdictions. Places like Ontario are doing the exact same—in fact, they were ahead of us. Other jurisdictions like Nova Scotia and

other provinces across Canada are doing exactly the same thing.

What is also important: It modernizes things right now in terms of the ability to get money. Right now you can get up to 50 per cent of your money at the age of 55. It'll allow now for someone younger than that to access it for, maybe, a medical cost that they need to access some funds.

Mr. Wasyliw: Can the minister explain in more detail how this bill will make things easier for people in the case of a relationship breaking up?

Mr. Fielding: Right now, there's a take-it-or-leave-it type of an issue where either the spouse, when a divorce happens, or a breakdown happens, either you take 50 per cent of all or all the pension. This allows for modernization of that, to allow for division of assets when someone is going through a marriage breakdown.

Mr. Wasyliw: I wonder if the minister can expand on that. How will the bill change how pension assets are divided between common-law partners?

Mr. Fielding: It harmonizes what other jurisdictions are doing. Manitoba was a standout, where you can either take all the pension or you can take 50 per cent. There's no ability to have any negotiation; that's part of it. So what we're doing is modernizing the legislation to be very similar to pretty much all jurisdictions in Canada.

Mr. Wasyliw: Who has the minister consulted on this bill?

Mr. Fielding: We set up—part of the legislation was to set up a pension commission, which consulted with Manitoba's—Manitobans, consulted with numerous people, experts in the area. That pension commission was on our website, the findings of the commission. We're very pleased to introduce this based on the legislative changes that was recommended by the pension commission through legislation.

Mr. Wasyliw: What specific programs will this government put in place to keep life affordable for Manitobans so that people are not forced to dip into their pensions prematurely?

Mr. Fielding: Our government is extremely proud to lake—make life more 'affordale' for Manitobans. I would suggest you look at the announcement today where we cut the PST. We've cut the PST from 8 per cent to 6 per cent, a 25 per cent reduction in taxes. We're making life more affordable. We've increased the basic personal exemption to close to—

this year it'll be around \$9,800. That's taking close to 11,000 Manitobans, low-income Manitobans, off the tax rolls altogether. We've reduced ambulance fees in half. We've done another—a number of other tax measures that will make life more affordable for Manitobans.

Mr. Wasyliw: What is the reasoning behind reducing the solvency requirement?

Mr. Fielding: We're taking expert advice from experts from the pension field. We're copying other jurisdictions like Ontario and other jurisdictions across Canada that have done the exact same thing, Madam Speaker.

Mr. Wasyliw: Which experts are these that are telling you to reduce the solvency requirement?

Mr. Fielding: We can get you an information in terms of all the members that were on the pension commission. These are experts that were tasked with coming up with recommendations. The report was put online. The member has an opportunity to 'perouse' that—or peruse that online with the recommendations and the individuals that are there.

Mr. Wasyliw: How does reducing the solvency requirement help protect Manitoba pensions?

Mr. Fielding: Two ways. Number 1, if businesses that are in place that are struggling to meet their pension obligations cannot meet those pension obligations, they could go out of business. That would be bad for the economy; that would be bad for the people that work for them.

Second, if a employer right now has a defined benefit plan, and they can't afford these obligations, they may change the benefit plan from a defined benefit to defined contribution, which, I would assume, would not be something that most employees who have a defined benefit plan have in place.

This is based on what other jurisdictions are doing; Ontario, other jurisdictions across Canada are doing this, and it's based on experts in pensions that we enlisted, and part of a pension commission, which has been online and a recommendation that we embraced.

Mr. Wasyliw: Would the minister agree that the real effect of reducing the solvency requirement is to allow the employer to contribute less to a pension plan each year?

* (14:50)

Mr. Fielding: We have based the change of the solvency to 85 per cent, based on what experts in this field have given us their recommendations. It was also based on the fact that other provinces, like Ontario, other places like British Columbia, I believe Nova Scotia and other jurisdictions have done this exact same measure. We think that's an important aspect.

The benefits to this, again, if a company cannot afford their current obligations that's there, they potentially could go to bank—they could go bankrupt. It would put all the employees out of business—or, not have jobs. And second of all, it could lead to change for the defined benefit plan to defined contribution, which I don't think would be as fulsome.

Mr. Wasyliv: I'm wondering if the minister can explain why he doesn't believe employers should pay their fair share into a pension.

Mr. Fielding: This legislation is about making life a little bit easier for individuals. It's about providing a fair system for a locked-in clause. We copied, kind of, the parameters of how you would be able to do this for an individual.

Let's say someone has their rent in rears, where they've—are in a real financial situation—maybe it's a child that had a medical situation or dental condition where they have to go out-of-province or out-of-state to get them looked at. Right now, they can't access those funds.

We're copying something that the federal government has done with their employees and a number of other provinces to ensure people can access their own money.

Mr. Wasyliv: The minister talks in great length about being concerned about companies not being able to afford their contributions to these pension plans. I'm wondering if he can explain to this Chamber how, in reducing their legal requirement to fund those pension plans, that's somehow going to improve the solvency of those plans.

Mr. Fielding: This is advice that we got from pension experts. This isn't radical advice. This is something—policies that are in place in Ontario—13, 14 million people that are on it in Ontario as well as other jurisdictions across Canada. This is something that's not risky. In fact, it's something that we think makes a lot of sense. These are other jurisdictions that have done exactly the same thing that we have done.

And we clearly have identified two benefits 'tooting' this. Number 1, if there is companies that are

having issues in fact meeting their obligations that's there, provide some flexibility for them instead of maybe going out of business. And, second of all, it ensures that people maybe stay with the defined benefit plan instead of going to a defined contribution plan.

Mr. Wasyliv: What is the estimate of the number of people who will use the opt-out rules, and how much lost pension capital will be taken out of the plans as a result?

Mr. Fielding: Could you repeat the question, sorry?

Mr. Wasyliv: I'm wondering if the minister can give us an estimate of the number of people they believe will opt out of these pension plans and move their money to private RRSPs, and how much lost capital will be taken out of these pension plans as a result.

Mr. Fielding: Well, Madam Speaker, this is pretty consistent with the dogma that the NDP puts forth on everything, where the government is—can raise our children better than us, the government can feed our children better from us, the government and their associations through—need to control our money in a better way.

If someone wants to take out their money, you know, I think that's their money to do as such. We've given some opportunities, something very similar to other jurisdictions. If there's an issue with maybe a medical condition for a child, you can take that money out to make sure you're supported.

There's an ability right now through the current legislation to take out 50 per cent of that and, once 65, 'reable' to take out all that money. You can move it to some sort of a vehicle that allows, you know, through an RSP or lift or you can do it—cash it out any way you can.

We believe residents know what they should be doing with their own money.

Mr. Wasyliv: The conditions of what constitutes a hardship have not been spelt out in this act. I'm wondering if the minister can explain why not.

Mr. Fielding: The parameters upon how people can access a locked-in provision, which is something that I get calls, and the former minister and probably NDP ministers would get all the time—and they're horrible stories, people that need some sort of a critical situation.

That would be if someone is in rent arrears—can't pay their rent. They would be able to access that. If

someone has a medical issue—maybe a son or daughter has a medical issue, they need to go to the States—what they able to do is provide the expenses to us and they will be provided that amount of money.

This is something that's done, really, throughout the country. The same parameters that are in place for the federal government and other provinces will be a part of Manitoba's regiment.

Ms. Cindy Lamoureux (Tyndall Park): It's just a quick question to the minister. If a person at age 65 unlocks the whole amount, what are the tax implications with regard to the amount being taxed, and will this vary depending on how the individual spends the money?

Mr. Fielding: There's two ways. Number one, if you are 65, you could have it in some vehicle that is a— you know, in terms of a LIFT, or rather a—some sort of a venue such as that, but there is an opportunity to cash in that amount of money. It'll be taxed like you get a regular income. That's there. So that is an ability.

We did meet with groups like the Manitoba Federation of Labour. They gave us some opinions of—to make sure that people have the right information; they know the consequences, what they're going to do with this information. So we would like to use that as a protocol of what the Manitoba Federation of Labour suggested, the information we should provide people that choose to unlock some of their assets.

Madam Speaker: The time for this question period has ended.

Debate

Madam Speaker: The floor is now open for debate.

Mr. Mark Wasyliv (Fort Garry): I think it's important to start my remarks by reviewing a little bit of the history of this bill and how we got here. This government struck a pension review commission a number of years ago, and they released their findings, I think, over two years ago at this point. And there was two very destructive, very dangerous ideas coming out of that commission, ideas that absolutely would have hurt Manitobans.

One of them was wanting to convert current defined benefit pension plans to target benefit plans, and we know that when that's occurred in the Manitoba economy it's been absolutely devastating for workers. They absolutely have their income security and retirement slashed, and it wreaks havoc on their post-working life, and when we know that defined benefit plans are the superior plans, they work

the best and they provide the best income security for Manitobans.

The second idea that this government was floating around was they wanted to end universal participation in these pension funds. Now, why would you do that? Well, you basically—that's the road to privatization.

That takes the pooling of a pension plan and you stop working as a group and trying to maximize your benefit as a group, and that the individual is out on their own, and they try to work the stock market, and, you know—good luck to them, and see how it works.

Now, I'm glad to see that this government listened at least a bit and they didn't go so far as to bring those terrible ideas here to the floor of the Legislature. But they didn't listen enough, and they did move down that road, and they did start down the road of privatization of pensions, and we see the start of it here in this bill.

The whole idea behind pensions is that you want to pool your risk. That is one of the central characteristics of a pension plan—that by everybody contributing to the plan, then the risk is much smaller to the entire group. You have a larger pot of money to invest. You're not having that money eaten up with commissions and fees, and in the stock market and the financial world, the more money you have, the easier it is to make money.

The smaller you are in that world, the easier it is for you to do very poorly in the market. So a larger fund with more people in it is safer and more stable.

In contrast, private contribution plans don't pool the risk. The risk now falls on the individual as opposed to the group. So, the individual, now it's up to them. How smart are you at playing the stock market? Well, you know, you may be a very good civil servant, you may be a very good teacher, and you may be very good at that, but you're not a stockbroker, and you're not, you know, versed in the market.

* (15:00)

And so now you have the responsibility of trying to make money in the stock market, and, of course, you're subject to all the vagaries that occurs with that. And if you do poorly, you're out of luck. You're on your own.

And if there's a recession and you lose half the value of your stocks through no fault of your own, too bad; you're out on your own. And you once had income security as a lifelong worker. And then, now, it's taken away from you and you're facing the prospect of retiring into poverty.

Pensions are one of the principal tools we use in a civilized society to ensure that after a lifetime of work that you are properly taken care of, that you retire with dignity, that you have income security, that it makes us as Canadians more equal and it makes our society more fair.

By moving in the direction of these individualized plans, all that is reversed. All that's taken away. You have greater inequality; you have greater instability and you have more risk to everyday Manitobans.

And, of course, this government's response to you: well, it's your fault; you should have been a better stockbroker. Well, that doesn't happen with a defined benefit plan. The stock market goes up, you get the same benefits; the stock market goes down, you get the same benefits. They are recession-proof.

So your, you know, retirement income is not affected by that. And given the size of that pension pool, it can withstand the ups and downs. When the market is doing well, it is basically doing well with their investments and money and it holds on to them for those times when the market is—turns downward, and then it can pay out the people who are part of the plan. It provides that measure of stability.

And, when you have a recession, it is actually a counterweight to recession. When other people are losing income and losing jobs and don't have money to spend, if you have a big cohort of people with defined pension benefits and stable plans, they can actually help the economy by having that money when many other people do not, to sort of feed back into the economy. So it helps us build a middle class in Manitoba and it helps keep us with a stable, rich community.

So here we see this government moving down the road to ending universal participation of the fund. So this act, what it does is, after reaching age 65, you're allowed to unlock the whole amount and you can remove it out of the pension pool if you want. And that, of course, takes out unknown amount of money from the pension pool.

We asked the minister a straight question today: What is their estimate of how devastating this will be to the pension pool? He could not answer that. He either didn't know the answer or didn't want to say. Either way, that is incredibly troubling to this Legislature, and every single member should be exceptionally concerned that the minister could not answer such a foundational question for this bill.

How can you trust a bill when the minister is either unwilling or unable to tell you what the consequences of the bill will be? We're not telling him to look into a crystal ball. They can do the math; they can figure out estimates. And if they can't, ask yourself why. And if they can't, isn't that a red flag that this Legislature should be concerned about?

So the other thing that they want to do is, after reaching age 55, they want to make an allowance so that you can take out 50 per cent of your pension and transfer it to a private pension plan. Again, that is taking out a huge chunk out of the group, thereby reducing the size of the pension and making it sort of worse for all employees.

This works really well when everybody pools their money together. When you start removing money out of it, it works less well and the fund is less healthy and is more unstable, which—maybe the actual goal of this is that this government obviously is in favour of privatized pensions.

You can't do that because you know the people of Manitoba wouldn't do it, so you build a piece of legislation that will make the current system not work. And when it fails, they're going to stand and bang on the table and, see, we told you so; private sector does a better job, so let's get rid of these pensions altogether and let's, you know, give all this money over to our buddies at the financial services industry who happen to donate to our party. And that's the concern here, is that what is the motive?

So who's going to opt out? Who are the people who are actually going to take this government up on their offer and who are going to look at this and think, yes, this is a great idea.

Well, the workers that are most likely to take advantage of these changes are going to be high-income workers with stable employment. And if high workers opt out, that will seriously undermine the viability of the plan. If you have the people that makes the most money take it out of the plan, then it's going to weaken the plan in significant ways.

So if you do that enough times, the plans will stop being viable and they could collapse under its own weight, so—and then, of course, nobody has a plan. So this is what I fear, is death by a thousand cuts, and it's the first sad, lonely step down the road of privatization.

And, you know, there is a philosophy behind pooled pension plans. It is the fundamental belief that we are collectively responsible as a community; that

we have social solidarity with one another for the income security for our seniors; that if we work together collectively, we can ensure that all seniors in our community get to retire with dignity and sustainability.

And the reverse is true. The sort of philosophy behind this act that is trying to end universality when it comes to pensions is the belief that somehow this is a individual's responsibility, that we are not concerned about—collectively about all of our seniors having income security, and that somehow that's a individual's responsibility and they can sink or swim. And if they end up sinking, well, then too bad for them.

Well, I know on this side of the House, we don't want to live in a Manitoba that looks like that, and I know most Manitobans don't want to live in a Manitoba that is like that, but obviously, we see the sort of survival of the fittest mentality embedded in this legislation. And of course, these are zombie arguments. We've heard them over and over again, and it's sleepwalking into this Legislature again.

So, now, if your pension money goes to a private investing company, there's a number of things that we have to keep in mind. Oftentimes, these funds are foreign-held. That money will leave Manitoba. It won't work and stay in Manitoba.

You will have to pay fees and commissions for the service. They don't do this out of the goodness of their hearts. It's a business and they're in the business to make money. And those fees and commissions reduce what you can actually contribute to your own personal plan, because you're paying for all that private advice.

So that payout from the government that you once had is now getting smaller and smaller, and every year you're paying into those fees. I saw one estimate that small pension plans, about 40 per cent of their value are eaten up through commissions and fees. That doesn't happen in a pooled pension plan. There are fees, but the pool is so large that no individual person would ever notice them, feel them and it wouldn't eat into the value of the plan.

So there's a significant efficiency by having a pooled pension plan, and the private ones are incredibly inefficient and end up hurting Manitobans. The coverage you get is less. You get less for your money in a private plan than you do with a pooled pension plan, and we have seen over and over, and there's examples of it from across this country, of the

benefits to workers being lower with these private plans than with large pooled pension plans.

And, of course, your benefits aren't safe. You're vulnerable to recessions, downturns in the market, and there's no way to control for that. So we are making things riskier for our workers. We're giving them less quality pension plans that's going to be eaten up by commissions and service fees when, in a pooled pension plan, they avoid all of that.

* (15:10)

And, of course, let's talk about who benefits most from this bill, because it's not the worker. The worker that was trading in a gold-plated pension for one that's going to be much, much worse. So the worker doesn't benefit. Does the government benefit? No. There's absolutely no savings from the government doing this. The government is going to be paying the exact same contributions whether they do it one way or the other. So, if the workers don't benefit, if the government—the employer—doesn't benefit, then who benefits from this stream?

Well, I mean, it's no secret that this government has close ties to the financial services industry. We saw sort of the blurring of some lines with insurance brokers. And this is another gift to wealthy, connected insiders in Manitoba in the financial industry. We're going to see them benefiting more than anything because now they have a captive customer base upon which they will mine for high commissions and fees. And that market—if you want to call it that, if you want to call people's lives and their future a market—that market is now open to them where it wasn't prior to this bill.

So this bill doesn't do anything for workers, doesn't do anything for the government's bottom line, but it sure does plenty of things for the financial services industry in Manitoba. And that's who benefits most. That's what this bill is about. And it's not about fairness. It's not about guaranteeing income equality. It is not about guaranteeing, you know, a decent retirement for those who have worked, and income security for Manitoba's seniors.

So the key thing that is left out in these discussions—this isn't the government's money. And the government doesn't seem to understand this. A pension is deferred compensation. You've earned it. It's part of your compensation package. Many public servants are talented, experienced, knowledgeable in their field. They could make much more money in the private sector, but they, because of duty to their

province, have chosen to work in a sector where they may not make as much money, but they have defined pension benefits. And that is part of their compensation. That was part of what drew them to choose the employer that they did.

Mr. Andrew Micklefield, Acting Speaker, in the Chair

So now, after they have worked their entire life for this province and given their service, this government is going to turn around and now weaken their pension benefits and put at risk unnecessarily their pension benefits for the purposes of lining the pocket of a handful of people in the financial services industry.

So, in the past, in Canada, many seniors would end their lives in abject poverty. And, despite the challenges we face in life, because of these defined pension plans, has improved for many seniors. There's still more to do.

This government, I don't trust, will do it. But we would have an absolute crisis without these defined pension plans. We should be talking in this Legislature not about how we can weaken them, which is what this bill does, but how we can strengthen and expand them, and how we can get more Manitobans to have a defined benefit pension plan. That should be the discussion here this afternoon and, sadly, it's not. It's about weakening and taking away what many Manitoba workers have worked hard for all their lives and rely upon to retire with some dignity.

Pensions reduce poverty and inequality in Manitoba. And any threat to them—and I view this bill as a threat—is a reduction in their viability, means the potential for increased poverty and inequality in Manitoba. Now, why on earth would this government support that?

You know, and we forget to keep in mind that pensioners pay taxes, right, if you have stable income and you have a decent gold-plated pension, you are going to be paying taxes well into your retirement and you pay back into the tax system to help others. And this legislation certainly has the ability to threaten that.

So—and, of course, the better our pension system is the less our seniors will use social services. If you have a decent standard of living in retirement, you are less likely to deal with the effects of poverty and poor housing and all the health consequences that come with inequality and poverty, and you're going to use our social services less. If we don't have strong

pensions in place in Manitoba, the reverse is true. You will see increased social service costs for those who fall between the cracks. And we do that today.

So these pensions, again, are incredibly economically efficient, and we should be doing what we can to strengthen them, because in the long run, that's the smart shoppers way, not this death by a thousand cuts.

So why did the government move to—want to move to defined contribution? Well, because that would benefit the financial services lobby, absolutely, and it would pump money into that industry like we've not seen before.

Why did the government want to prevent universal participation? Well, because the whole system works because of universal participation, and it stops working when we eat away at that very core concept, and that is the troubling aspect of this bill. And if you want to kill these type of pensions, that's where you start. You whittle away, you find more loopholes, more exemptions, more ways for people to take out their money.

And, you know, this is not going to be a neutral process, and I'm not faulting the financial services industry out there, who are businesspeople and who want to make money.

Once this bill's passed, they are going to be on our civil servants like you can imagine. They are going to try to convince them to take their money out in order that they can profit personally for it, even though that may not be the smartest financial decision.

So there is going to be some very aggressive salesmanship after this bill passes, and you're going to see these funds get reduced, and therefore, you're going to be moving towards privatization.

So—and again, by shifting Manitoban workers to private RRSPs, you're going to have the high fees, the high commissions, the low payouts and results. And obviously at the end of it, they're going to have a much smaller pension as a result.

So, there is going to be no corresponding reduction in long-term funding costs to the government. So the Province isn't going to save any money, and the workers are going to not benefit from it.

The next thing I want to discuss is the hardship provision in this bill. And one of the concerns I've heard, speaking in the community to people in relation to this bill, is that the hardship provision may actually have some serious unintended consequences. And one

of the ones I'm hearing is that, say you've worked for the government for a period time; you, knowing this government, you get laid off; you're now no longer working for the government. Things have gone from bad to worse. You can't get proper health care because your emergency room has been closed. You have no place to put your kids because the daycare down the street shut down from a lack of funding. Things are not going well for you.

So what happens? You run out of your money. You now need to go for—to a social service agency in order just to keep your head above water, but what's the rule of the social service agency? Well, the rule is that you have to extinguish all your assets before you can apply for social services.

And the fear in the community is that this bill will force social services to tell that desperate person that, listen, you got to cash out your government pension and clean it out completely and use all of it up under the hardship rule before we turn around and help you.

And then that person really is lost. They have nothing. They have nothing when they become a senior, and you've now completely destroyed any kind of wealth that they have.

This government is—in this bill—is silent on that. There is no provision about how we refill and restore that pension, and there is no protection for workers in the situation that another government agency can't go and force them to clean out, and force them into a hardship situation when they didn't actually want to do that and they didn't want to devastate the only solid asset that they had.

* (15:20)

So that is concerning. That is a concerning aspect of the bill, and nobody on the government side has spoken to how this is going to happen.

The other concerning element about the hardship aspect of this bill is that it's not defined in the act. It's another one of these bait-and-switch things that the government likes to do that, oh, we'll put it in the regulations. Just pass it; trust us.

Well, I mean, talk to Manitoba nurses about trust. You know, talk about the good people about Dauphin about trust, you know. Well, you're looking at a brand new NDP that people are finding a lot of trust in being 11 points ahead of the PCs in Winnipeg, so I would think there's a lot of trust there, and, unfortunately, for many of the, you know, squawking backbenchers, if

we had an election today, I'm sorry we'll miss you, but you won't be here next time.

So—but the issue here is that it's not spelled out in the act and that this government, at some unknown time with some unknown consultation, will slip in in the dead of night whatever regulation they want saying what a hardship is without public consultation. Again, this government isn't too fond of actually speaking to Manitobans, and maybe that's why you're 11 points behind.

But—so now we're looking at the transfers of the private plans. So you have these opt-out provisions that have watered down the strength of these things. It opens a door to privatization. It also—okay, actually before I want to talk a little bit, I'm starting to run out of time. I know you guys are disappointed. Maybe you'll give me leave to speak longer. *[interjection]* No? All right, it's okay.

So, I want to talk about the solvency reserve accounts because there's issues there. This—the fund is required to keep a certain ratio of money in trust to maintain its solvency. The current ratio is 100 per cent of whatever the math is there. This legislation wants to reduce it to 85 per cent, and the effect of that is two—it's bizarre. One is that it makes it less stable because less money is actually there to protect the fund, and, secondly, I think this is why the government likes this idea, it means that the employer is less responsible for putting in their share to maintain the solvency of the fund.

So it's a little ironic when the minister says that we're doing this to protect the solvency of funds, but we're going to diminish the legal requirements to put employers putting money into actually save and keep whole these funds. It's a bit of a contradiction.

What the real purpose of this is is that it allows employers to neglect their responsibilities. This is not their money. This is money that goes to the workers. They've earned it. This is part of their compensation. They have a duty of trust to ensure that it's going to be there when they need it.

We only have to look at Sears. Look at the example of Sears. This is exactly what Sears did. They underfunded their pension plans and then when they became bankrupt, and this is after the board of directors of Sears was scooping as much money as they could out of the company on their way out of the door, and then, at the end, when they're finally bankrupt, they go to their workers, uh, we don't have enough money. It's too bad for you.

That's wage theft. It wasn't their money to take, and by reducing the amount here, it gives an incentive for the employer to play games with compensation, to neglect their responsibilities and to short-change employees of the wages that they have already earned. This is actually shocking that a government in this day and age would think that this is a good idea,.

But—so the other concerning part of this is that in this act it creates a reserve fund, and the only way to look at this is a slush fund. This allows government to park money into a fund that they say is for solvency reasons.

But the government can take out that money at any time, and we see this government likes to play accounting games. They like to cook the books, and we're currently, right now, in surplus, and by playing some accounting games—oh, no, no, no—we're in deficit. Well, you can't play that game too much, so now we hear we're going to get rid of \$330 million in revenue for another PST point so we can then say oh, we're in deficit again.

Well, you're in deficit because you're choosing to be in deficit. If this was your money, you would never act that way. You would never run your household income that way. You wouldn't impoverish yourself that way and turn around and say, oh, we don't have any money.

Well, the reason you're doing that is so you can turn around and say that's why I've got to cut your school again. That's why I've got to cut your health care again. That's why I've got to cut your roads and your daycare. And this provides a rationale, this toxic mentality from this government that, you know, somehow providing services to Manitoba is a bad thing, and somehow income equality and security for Manitobans is somehow a bad thing.

And what this reserve account's going to do is those accounting games are going to be played, that artificial deficits are going to be created, money is going to get thrown into this, and then when it's inconvenient to take it out, you'll take it out for political reasons and expediency.

This should not be a political football. This is too importance to Manitobans. It's their money. They should be allowed to keep it and managed with dignity and respect.

So thank you very much.

Mr. Doyle Pivniuk (Turtle Mountain): Mr. Deputy Chair, I'm so honoured to stand here today to talk

about Bill 8, The Pension Benefits Amendment Act. My background, I've been in the financial world and, actually, when I first graduated from Red River Community College, I remember the Investors Group actually hired me right out of college.

And one of the first jobs I got there was that I was with the benefits administration, when it came to Investors Group Trust. I was—my role there was I actually had to learn all the legislation across Canada about pension plans, locking in agreements, the legislation for each employer.

We had employees from across Canada that actually were clients of ours with companies, corporations—small companies to large companies—and the thing was, when a person terminated their employment, I was the one that actually sent out benefit packages to make sure that they had different options, other to transfer to an existing pension plan that they now—with a new employer, or if they wanted to put into a locked-in RS—like, a locked-in LIRA account, which is locked-in retirement account. That was locked-in provisions.

And so, many of them, you know, actually transferred. Some people even took redemptions out because people sometimes need the money. Not everybody felt that—you know, there could be some financial hardships. But when it comes to the locking-in provisions, that were very important because it made it so that there was a kind of a—in the future, there was actually a pool money for their retirement.

And lot—and back then, back in 1980, many of the benefit packages were both—there was—about as half of them were defined benefits contributions and the other ones are contributions—defined contribution plans.

And so the—we had both plans out there when I worked at Investors Group, and it was up to the employer who wanted to either go with a defined benefits plan or a defined contribution plan.

And over the years, you know, we went through a lot of different decades here. Financial crisis, there's always recessions that happen, and it's like the member said—from Fort Garry always said that, you know, it's not intentions of any kind of business to go through a bankruptcy. That's the worst thing that any—even if you're a private company, small company to a large company, you never want to be in that situation but there—it happens.

It happened during the 2008 crisis when—look at GM. GM had one of the biggest automobile

dealerships—manufacturers in the world, and they went into, almost, receivership, too. But at the same time, you know what, this is what this bill is more about, is to make sure that we don't lose those companies entirely. We do need to have them to have some solvency so, you know, government's to make sure, you know, what they did in—with GM back in the 2008 crisis, there was a lot of money that was pumped in by government.

But, at the same time, we—there had to be some negotiations to make sure that these employees actually had predictability, that they had their jobs into the future, that these companies would stay around for generations to come.

And now we got through that financial crisis. These companies are doing well again, and these employees are still working, still earning pension benefits from those—from situations. So this is what this bill is more about, is to make sure that we have—we're modernizing and we're also going with the—with different situations like the 2008 crisis.

* (15:30)

We're now—you know, our markets are volatile right now when it comes to the coronavirus. And usually when crises like this happen, you know, right now a lot of people are putting off flying now.

So I wouldn't be surprised if all of a sudden—an airline company all of a sudden goes into receivership. But this allows this situation to make sure that the benefits this—there's going to be some flexibility to make sure that this bill would actually help these companies to make sure that they don't go fully into receivership.

So this is kind of what this bill is more about. And, when I was in business, I went from actually being an accountant at Investors Group at, you know, benefits administration to—I went to become a senior 'pentifit' funds accountant. I would—looked after the pension plans; I got to understand how all these pension plans worked—the rules and regulations.

Then, after I left Investors Group to travel abroad for a year, I actually went back into sales. I was—the accounting was good, but there—was more interesting talking with clients and building up a clientele, so I went into the financial service industry and became a financial planner and an insurance broker too. And then I, after two years of getting some experience of being—working with clients in the financial world, I actually moved to Virden to buy a business.

And my business that I had in Virden, we only had—at the time we had six employees. We built up to about 25 employees. And what we did was we wanted to make sure look—tick—took care of our staff. And it wasn't like the member from Fort Garry, that we were cruel business owners, we're cruel and we don't care about our employees. Those employees were like family to me, and I wanted to make sure that they were taken care of, because as a financial planner I wanted to practise what I preached.

And I created a group RSP for my client—my staff, and we—as we can afford it, as we the business grew, we actually increased that benefit. We went from matching that about 3 per cent to 4 per cent, and by the time we—I was still in the business, we actually increased it to about 7 or 8 per cent, matching.

And that's basically what all these pension plans are about, is that you—the employer—matches the employee's benefits, and then there's actuarial calculations that're based on what the benefits are going to be, if it's a defined benefits package, there's future projections to see what the benefits that person, that employee's going to get.

But, when it comes to defined contribution plans, it does give the employee the opportunity work with financial advisers and actually probably do better if they can get the right advice and be able to get a better return, and they have the abilities to direct that money themselves.

But, like the member said, from Fort Garry, he says that these are all—we're privatizing. Well, no matter if you're a big company or you're in government, or that, we use private companies to be trustees or custodians for those pension plans.

So I'm not quite sure he gets the word privatization. It's just that sometimes employees might choose to go from a defined benefits plan to a defined contribution plan. It's up to the employer to make sure that, you know, when it comes to defined benefits, if all of a sudden the investments don't do so well, that employer has to come up with the shortfall. But, if that shortfall puts that business into jeopardy—cash flow, that business can go under, and then no one really benefits in this case.

So you if—*[interjection]* Yes, you—I'm not quite sure if the member from Flin Flon has even been in a private—worked for a private company before or a small business—don't forget most of the companies out there, most employees out there in the world, in this country, actually work for a small business, a good

percentage. And the thing is, what the private sector's doing, we're also making that small business be able to help their employees for benefits.

And what—also when it comes to, you know, locking in amounts, like, when a person works many years and they turn 65, this actually gives them opportunity—let's say if they have some health issues that they might need some extra, you know, modifying their house, maybe they now have to use—they have MS, they have to use a wheelchair. This now allows the—that employee who had been part of that pension plan to actually use some of that money to modify their house. And maybe they have to spend \$25,000 to fix their house up, they've—now have that option now to take that pool of money and fix their residence. So that makes their life easier.

So this is what this bill is all about; it's making it still predictable, dependable and—but also has some flexibility—what many clients need. And so this is why I believe in having this bill.

Me, myself, as I had advised clients who were both from the—who worked as either in a group RSP with a small company or a pension plan from an oil industry or from a farmer who wants to create a small pension plan for some of his family and some of the key employees. They have that option. And what this bill does is basically gives the flexibility to 'monerize' pension plans across the country, and we're just following other provinces that have done the same stuff, you know. We're actually matching what Ontario does.

And I know in the industry, in the investment industry, whatever you see the Ontario Securities Commission does, we usually tend to follow because the fact is, they have some of the biggest, you know, the pension fund companies or headquarters are actually in those—in Toronto, and they are the ones that are consulting with legislation in different provinces, and I believe that the—when the minister is coming forward with this bill, I really believe that we need that flexibility for retirees, and so I support this bill, and I will now let someone have the opportunity to speak on it.

Mr. Ian Bushie (Keewatinook): For the record, and for Hansard, that was a deep sigh that I just took, because we're once again standing up here to discuss a bill that, once again, falls short. It falls short because it doesn't include the diversity of all Manitobans but rather is meant to benefit to the wealthy financial few.

In reference to Bill 8 and how it reflects to everyday Manitobans, which is clearly what this side of the House is representative of, I just want to kind of go with the points and make some comments about what that means to everyday Manitobans and what pensions are to everyday Manitobans.

As Manitobans, they work hard for their wages and salaries, and they want to be sure that their pensions are protected for retirement and properly managed. Pensions are deferred wages, and as such they belong to workers. They should be there when they need them, because they ultimately belong to the workers. Pensions help provide financial security for hard-working Manitobans when they are ready to retire. Pensions ensure that a person has enough income to survive on, even in their senior years.

It is the government's job to ensure the rules around pensions are kept fair and strong so that all workers can have the confidence to know they can retire with dignity and access the funds they're owed through a pension. Pensions are about stability, and that is why they—can be unintended consequences associated with unlocking pension funds early.

Pensions are at their strongest when the collective power of many workers' deferred wages can be used to increase the funds available to all, and in fact work stronger together. This is one reason why it is important to make sure that there is sufficient funds available to a pension, so it can leverage financial weight to increase the benefits to all its members.

The costs associated with a pension plan will also come down as the number of contributors and contributions increases. This is another reason why ensuring that there is sufficient participation in a pension plan is important.

Finally, having sufficient participation in pension plans is important in securing the solvency of plans and making sure there actually will be a guarantee to workers that their pension will be there when they need it.

These are the important parts of pensions that are undermined by people who promote irresponsible unlocking provisions. It can hurt the collective of all workers, and them, as well, individually. That's why unlocking provisions should be used sparingly at best. Instead, the government should be focused on how to improve pensions and meet its own obligations rather than trying to undermine funds.

The other part of this bill that raised some concerns is lowering of standards for solvency tests.

Watering down a solvency requirement can put pensions at serious risk. Pensions are deferred wages; employees make their contributions every paycheque, and it's wrong if a company doesn't do their part.

What's more, more companies will take the strategy to intentionally underfund their pension obligations for many years in an attempt to then try and water down or eliminate pension obligations.

The government should be meeting its own pension obligations and making sure and working with companies in Manitoba to make sure they do the same. The government could be exploring innovative ideas, like the pension hardship fund that exists in Ontario, but make it a Manitoba-specific approach. Instead, they're pushing for a weakening of pension rules, which will not help the average worker.

Defined benefit pension plans are also less risky and more cost-effective for employees. In addition to not having to pay someone to manage their monies earned, defined pension plans are consistently managed and avoids—and assume investment risk of the plan. Benefits paid from these types of plans are guaranteed retirement funds where the payout amounts depend on investment returns.

* (15:40)

Because of the potential unintended consequences that come with certain provisions of this bill, and other reasons, we do not support it.

The government must consider the risks these changes will generate for many Manitobans. The only benefit is to the wealthy Manitobans. When I heard the minister speak, he talked about modernization. Does modernization affect all of Manitobans and who was consulted on a modernization process, as it will—the relationship breakdown, the components of that and how that works out to be everyday Manitobans—because I don't believe that side of the House is a true representative of everyday Manitobans.

Pension, the word pension is sometimes synonymous with retirement. But it's not always the case, as we now have younger people and they're a growing demographic in this province and they also contribute to pension plans. So I ask, who was consulted on this process? The question was raised earlier about who exactly it—was consulted, and it was referred to a pension commission, experts in the field.

But, again, no list of exactly who makes up that pension commission and who the so-called experts in the field are. So was there a certain age group that was

consulted on this process, was there a certain demographic, was there a certain workforce that was consulted on this process? I think not.

They weaken the power of the people by lowering their contributions, and, as such, it hurts the collective of Manitoba.

My background is First Nations. First Nations were not always contributors to pension plans, for a variety of different reasons, whether it be the inability of work, the inability of people to take a chance and take a risk on being able to help indigenous communities and indigenous workforces, indigenous companies, indigenous First Nation offices, to be able to contribute to the plans, that is something that was not always available.

If we had that as everyday Manitobans and everyday citizens of this country, maybe that's something that we would be able to contribute into this plan. But that's not always been the case because we've not always been contributors to any kind of benefit plan, let alone having a top-down approach to be able to dictate exactly what we do with those funds.

We are beginning to see debates regarding pension emerge all over the country, not just in this province. For example, in Saskatchewan, the Co-op Refinery's attempting to meddle with employees' pensions.

Defined benefit pension plans allow employees and employers to know their retirement benefits ahead of time, allowing them to adequately plan for their future. Instead, they're not being allowed to do that because they're being meddled with consistently. When governments and employees begin meddling with pensions, we see situations like we do see in Saskatchewan emerge, and rightfully so.

Instead of encouraging people to dip into their pensions, this government should be moving forward to make life more affordable for all Manitobans, and that just simply is not the case. Rather, there's a dictatorship approach to be able to say: I know what's best for you, I know what's best to do, I know how to spend your money, I know how to manage your money—rather than asking the people that are involved and the true stakeholders that are involved in their pensions, which are the pension contributors themselves.

But programs that Manitobans rely on to keep life affordable are being slashed. They're spending their future, and spending it into their future is being encouraged, and Bill 8 is encouraging that. It's

encouraging everyday Manitobans to live in the now. It's encouraging everyday Manitobans to exercise all their financial resources today, rather than being able to contribute to their future, contribute to living a healthy lifestyle later on in life; rather—here, grab what you can now; take what you can now; we're going to access it more easily, more easily, more easily, as it goes. And it's just not the case.

And it has a trickle-down effect to a number of different programs in all of Manitoba, housing being one. Homelessness is on the rise in our city, as the number of social housing units is going down. This government has been selling off Manitoba Housing units behind the scenes, even though we have a significant deficit of affordable housing in the city.

Three hundred people have been cut from Rent Assist and 550 people living with mental health disabilities are lost—are losing their housing benefit. This government allowed federal-provincial housing agreements to expire, driving up rates for many seniors. And, again, it's those same seniors that are now being asked to tap into their pensions early, so they now do not have that ability to afford just simply to survive and to live their lives.

It is hard to live off a pension in Manitoba, especially when benefits for seniors keep getting cut. This government cut the seniors' tax credit and cut eligibility for the education property tax rebate, but, again, after doing all those cuts, I want to make it easier and more accessible for you to tap into your pension, so that at some point in time, you will have nothing.

It also trickles down into health. Manitobans are also paying more for health care under this PC government. People with cystic fibrosis now have to pay thousands of dollars for life-saving drugs. People with diabetes saw the number of glucose strips they could receive cut. How can people plan for their future? How can people plan for their medical future when they go forward and they have nothing in their future? Being able to access their future today, in fact, hurts their future. Being able to make it accessible so they have nothing later on in life, they have everything today. And, again, they just want them to live in the now.

People who are recovering from hip and knee surgery will now have to pay for physiotherapy, occupational therapy, services that are vital to rehabilitation. But they have to, again, tap into what they have to do now. So, more accessible, easy accessible access to their pension—again, I need this

money today so I'm going to be able to tap into this today. What does it mean for my future? I don't care what it means for my future because I can grab this today because I have no choice but to do that.

People who suffer from sleep apnea now have to pay \$500 for their machines. Again, we're not even allowing people to sleep and have peace of mind in their dreams. It would make much more sense for this Province to ensure that Manitobans aren't being gouged because of their health-care needs instead of unfreezing pensions.

And, again, easier access—it's almost like they're trying to create a dependency on the funds that are available today. And here we'll sit in 10 years criticizing these people that are being able to access their funds today, saying, why did you do it 10 years ago? Again, a top-down approach.

Families are also being affected by Bill 8. This government is making life more expensive for families in Manitoba, especially those with young children. So, again, I want to make it easier to tap into your pension so you can pay for today. They cut the child caregiver tax credit, and they are doing nothing to create affordable child-care spaces when there is a growing wait-list.

Parents are being forced to stay home from work and, in some cases, give up their careers because there are no child-care spaces and because ECEs are getting burned out and leaving their jobs. So, again, they now have that trickle-down approach and that collateral damage in being able to access their pensions towards a damned-if-you-do, damned-if-you-don't. I need to access my pension to pay for what I have today, and what I have for today I had to quit my job because of cuts that are going there.

Staff have said they had to quit working as a ECE because they make more money working at Shoppers Drug Mart. This is unacceptable. They are college-educated early child—there are—these are college-educated early childhood teachers. Perhaps if this government invested in what is really hurting the pocketbooks of Manitobans, then there would be no need to free up pension access.

They're not only making the access easier, but it's being encouraged. In these last few days, we spoke about a food program, a food program that now this Premier (Mr. Pallister) says, go eat at home. We're not going to help you out in your school. Go eat at home. Well, what if you have no money to go and eat at home. Oh, here, well, access your pension. You can

eat at home today but you probably can't eat at home next year. And what is that? Because I'll help you pay for it today. I won't help pay for it tomorrow. I won't help you save for your future. I'll help—my assistance will be to help you today and not tomorrow.

And, while this government is making it easier to access pension funds with this bill, they are putting the pensions of Manitoba's public sector at work. In the ongoing court battle over the unconstitutional wage freeze bill, the Finance Minister and the Premier (Mr. Pallister) have refused to rule out the possibility of wage rollbacks, unpaid days off and changes to pensions. Workers and their families deserve to know what the real plan is. That is simply just not the case here. There seems to be a lot of bait and switch, smoke and mirrors, exactly what's going to happen. I'll take from here, I'll give to this. But at the end of the day, it's the everyday Manitobans that are paying the price.

Families in the Winnipeg School Division may soon have to send their kids on Winnipeg Transit to get to school or take time off because of the impending bus strike. The underfunding of the education system in Manitoba has led to bus drivers potentially losing guarantees of pensions, benefits and vacations. Again, these are people that make up everyday Manitobans.

And as it relates to Bill 8, Bill 12, the Pallister government has shown time and time again that they do not prioritize workers. In their 2019 budget they cut \$700,000 from workplace health and safety, putting the lives and safety of Manitoban workers at risk. Again, these are the workers that are told to go to work, but we'll help you access pensions today.

The Premier also cut Employment Standards by \$300,000, meaning fewer workers will know their rights in their workplaces. With Bill 12, the workplace health and safety amendment act, they are further weakening protections for workers and their rights and choosing to ignore the advice they received from labour, business, health and other stakeholders.

* (15:50)

So, again, when we talk about stakeholders when it comes time to reference and exactly who was consulted on a process, there is a prime example of stakeholders that have a direct access and have a direct link and have the expertise to be able to contribute to the development of such legislation, of such bills, but again are being ignored.

So, again, we ask that question: who was consulted on this, on Bill 8?

I heard reference to a pension committee, but it was asked, who makes up the pension committee? Experts in the field. I don't know anybody who has a job title of an expert in the field, so I'd like to know who exactly who those people are.

They're ignoring the advice they requested and received from the now-disbanded minister's advisory council on workplace safety. So, again, I'll speak to experts in the field, but if they don't like what I have—what they have—if I don't like what they have to say, then I'm just going to ignore it.

Bill 12, as it relates to Bill 8, will eliminate the key position of chief prevention officer, which was established to be an independent public watchdog outside of government operations to ensure consistent progress and accountability on workplace health, safety. Getting rid of the chief prevention officer means that it will be easier for the safety of workers to be overseen. Again, more detriment to the workers.

Instead of making things better for Manitoba workers, this government continues to make things worse in all areas of labour and employment standards, including unlocking their pension funds. But maybe they don't have to worry about them for very long if they're not going to be workers that are able to contribute to a pension fund in the first place.

So how can we assist, is some of the questions we ask on this side of the House. A logical way to put more money into the pockets of Manitobans is to increase minimum wage so that people are not taking from their retirement fund to deal with an emergency today.

Because we all know those kinds of things happen. Things arise in life. There's emergencies, things that may come up. And you may absolutely have to tap into your pension fund or tap into your savings funds, but it shouldn't be something that you can do on a whim, that should be easily accessible, so that when an emergency comes up today and you have an emergency in two years, there's nothing there in two years.

No one working full time should be forced to live in the poverty. But, again, this side of the House recognizes that. That side of the House does not even recognize exactly what that means. When we talk about living below the poverty line, living above the poverty line, what everyday Manitobans are, it's clear this side of the House knows exactly what everyday Manitobans go through.

One of the best ways to lift people out of poverty is to raise the minimum wage towards a living wage. Make Poverty History estimates a living wage would be \$15.53 for a single-parent family. Manitoba's minimum wage is currently \$11.65, pushing us to ninth place amongst the provinces.

When this government came to power—and make no mistake about it, they do use the word power; they don't use the word leadership—Manitoba was tied for fourth highest minimum wage in the country, including the territories. Since then, Manitoba's quickly fallen to ninth place and the second-lowest in all of western Canada.

Indexing for inflation does not meet the rising cost of living. So what does that mean? It means you need more money today. Where do you have more money today? I'm going to tap into my pension plan today. Again, living in the today, not living for tomorrow.

The Premier (Mr. Pallister) believes that raising minimum wage does not help to eliminate poverty. He has publicly said that raising the minimum wage hurts young people. You jack the minimum wage, you know what you do? You reduce entry-level jobs, you stop young people from being able to get into the workforce in the first place—which, again, helps them live in the now, not helps to live in the future.

We know that freezing the minimum wage hurts people. The Premier's decision to not raise the minimum wage cost full-time minimum-wage workers about \$400 in 2016. Higher wages improve health and education outcomes for minimum-wage workers and their families. This saves the Province's money. But, again, that's a very common sense approach and why would we expect anything common sense out of this government?

According to Stats Canada, 38,600 Manitobans work for minimum wage, and 55 per cent are over the age of 20. Many of people working minimum wage jobs are women with children, and many of them working multiple jobs to make ends meet.

So, again, what do they need to do? They need to live in today, and that makes it very difficult to live in today if you—may it—very difficult to provide for your future if you have to live into the—in the today.

We will continue to call for a \$15 minimum wage and ensure that it's done in a way that also respects locally owned small businesses.

So I come time, and now I ask the questions. We have a number of questions that I would ask, and exactly will—how would we answer it.

Will the government commit to fully funding its pension obligations for civil servants? Of course not.

Will the minister make sure all companies in Manitoba abide by their pension obligations to employees? Of course not, because, again, that is meant for the wealthy few.

Can the minister explain what measures this bill puts in place to protect pensions from 'mulko'—market volatility? Of course not; that question was asked and not answered.

Does the minister realize that this bill will make pensions more vulnerable and less stable? Of course not. Question asked, question not answered.

What are the impacts of this going on—going to be on the economy? Again, question asked; not answered. And it's a simple matter of there's too much unknowns with what's going on here. Too much of the term bait and switch is what we spoke about earlier—here, do this, and trust us. We're not going to put in legislation, we'll put in policies and regulations. We won't put it out here now. Trust us, pass this bill and trust what we're going to do. And how can we really trust what's going to be going on?

Can the minister explain in more detail how this bill will make things easier for people in the case of a relationship breakdown? We know in today's society, sometimes we don't live by what they would have called traditional marriages, traditional relationships, as we did maybe 50 years ago, so there's a huge dynamic and demographic.

Exactly what that means and what that entails, and the definition of that needs to be clearly defined because those things change on a weekly basis, on a yearly basis, on a decade-wide basis, and those are the things that we need to understand going forward, exactly what should definitions are, and there seems to be a lot of grey areas in terms of exactly what this bill—Bill 8 defines in terms of the legislation. Instead we'll put that in regulation. We'll put that in policy at a later date.

How will this bill change how pension assets are divided between common-law partners? That is another question that is very common here in Manitoba. As most Manitobans know, a lot of people do not live by a traditional marriage standpoint. Some—a lot are common-law partners. A lot of people

are life partners for a long time, so we need to clearly define what that means for them.

Who was consulted on this bill? That was the question asked and not answered. Instead, it was answered by just simply saying the Pension Commission, experts in the field, and, again, those are things we need to ask exactly who makes up the pension commission, who makes up the so-called experts in the field, because there are definitely experts on this side of the House. There are definitely experts within Manitoba that are still questioning exactly what this means. So somebody who is an expert in this field, should they not have been consulted? And, obviously, there's a lot of people that haven't been.

What specific programs will this government put in place to keep life affordable for Manitobans so that people are not forced to dip into their pensions prematurely? It's very clear, and it's been very clear on a number of different programs and a number of different things over the last couple of years, that exactly that's not the case. You're going to have no alternative but to be able to tap into your pensions.

And perhaps that's exactly why this is being milked, made more easy and more accessible, because the government just simply will not fund other programs, and it'll force people to dip into their pensions early.

So why not force them to have to tap into money there? We'll make it easier for you to do that because we're not going to be doing anything for you on the side. We're not going to be consulting with you. We're going to be cutting various programs, various issues that affect everyday Manitobans.

So what are we going to do? We're going to make it easier for you to pay for that yourselves. Pay for it yourself by paying for it with—by paying with your future.

So, when we talk about Bill 8 and exactly what it means to everyday Manitobans, and that's simply the word that I like to use, is everyday Manitobans, because everyday Manitobans are definitely not reflective in the works of this government. They're definitely not reflective in the bills that come out.

They're absolutely definitely not reflected in Bill 8 and the purposes and the so-called good work that Bill 8 will provide to everyday Manitobans, the pension holders of Manitobans, because what that comes to be is being able to, again, let's live in the now.

We get back to exactly why things were called. Why was the election called early? Why are things being called early? Why was certain announcements made early? Because, simply, this government would not have survived going the full term. They will not survive another term because eventually, at some point in time, all these things will catch up.

And what are they doing with Bill 8? They're already forcing people to live in today. They're spending people's futures but under the guise that you're going to spend your own future. I'm not doing it for you. The government is not doing it. You're going to be doing it. You're the one tapping into your pension. I didn't tell you to tap into it; you did it on your own.

But, by the way, I made it a lot easier for you. I dangled that carrot in front of you so you could do that, so you could bite at that and you can eat today, but you can't eat tomorrow.

So, when we talked about—I hear various terms going around there—change, food on—money on the kitchen table. You know, this money may go on the kitchen table today, but, again, I need to put food on that kitchen table tomorrow, and that's something that's simply not going to happen under Bill 8.

And it's not to say they're taking away the responsibility of Manitobans to be able to manage their money, but, at the same time, they're making it accessible, and they're trying to make that detrimental to Manitobans and make them say you live in the now. You have no choice but to live in the now.

What's that? You have to pay for health care? Fine; there's a pot of money there that belongs to you. I know that was for your retirement in 10 years, in 15 years, in 20 years, but here it is for you today. You can spend it today.

And it sounds great. Here's your money. You tap into it. I'll have it in a week; I'll have it in a month, but will I have it in a year? Of course I won't have it in a year, and that's something that's simply unacceptable.

I've heard talk about this works in Ontario; this works in the other provinces. Well, let's talk to those experts. Let's see how that—Manitoba—how it works in Manitoba.

* (16:00)

We talk about a made-in-Manitoba approach, but at the same time I'm hearing talk about let's—they're doing it in this province, they're doing it in this other province. Well, exactly how is that working? What's

the benefits of that? All I'm hearing is we've talked to them? And is that where the experts are? Are the Manitoba experts living in a different province? That seems to be exactly what the case was here, and exactly how they are going about being able to get this so-called made-in-Manitoba process that I've heard time and time again on various bills and various programs, and it just simply doesn't apply here in Manitoba.

So, when we talk about this being modernized, how is this modernized in comparison to what was there? How is it being modernized in comparison to everyday Manitobans being able to tap into what they had before, what they have today and what they are going to have tomorrow.

Where is an example of how this benefits—where is an example of how this helps Manitobans? There isn't one because it simply just doesn't do that. It may help you in an emergency today. I'm going to help dangle this carrot, I'm going to help put food on your table today, but, again, they want everyday Manitobans to live in today, not to live in their future.

And they simply have to prepare for the future, because at the rate as we are going now and what this government is doing now, they don't have a future. They don't have a positive future. They don't have anything to look forward to in the future.

What do they have to look forward to? They have their own little compartmentalized lifestyle, their home, their pension, but now, no, I'll take your pension and we'll let you tap into that so you can afford to live today.

Sorry you couldn't afford to live today because we simply cut everything you had, so you had no choice but to do that. And that's simply what this is. This is just taking away that choice for people to be able to plan for their future and you—no alternative but to live in today because they just simply can't survive today without this.

And what is this? This is their future. This is everyday Manitobans' future. This is their nest egg. And it doesn't just require senior citizens. There's also younger people—they're a growing demographic now—18 years old, 16 years old, are now paying into pension plans because they see the benefit of growing in the future.

They see exactly where this government is going. I'll have no alternative, I have to save for my future because I sure can't count on this Conservative

government to be able to do anything for me in the future.

And that's just disgraceful that they have to feel that way. They can't depend on taxpaying Manitobans to be able to contribute to those taxpaying and have that benefit them in any way. What are they doing? I'm contributing to my pension to save for myself, I'm contributing to taxes that aren't going to benefit me in any way, so basically, I'm paying into two pensions, but I can only access one.

And that's just unacceptable for anybody living in Manitoba to have to feel that way. To have to feel like they—I have to live and spend my future so I can just simply survive today, so I can simply put food on my table today, so I can simply just pay for my medication today, so I can just simply afford to have my kids go to school today, I can have them have lunch today. I have nothing in my future because of things just like Bill 8. I have no alternative but to be able to tap into that money and tap into my future, tap into my children's future, tap into my grandchildren's future, and those are things that are just unacceptable by any standard and in any way and form.

But, again, no alternative. What are those people going to do? What are those Manitobans going to do when it comes time to being able to pay for something today that just simply, under this government, they should be required to do. They should be able to access health care, they should be able to access education, they should be able to access various programs, but, again, they can't do that anymore under this government.

So what does this government do? They say, we won't help you pay for that. Here, help pay for it yourself. Tap into your future. Spend it yourself. That's your money. And rightfully so. It is the individual's money, but at the same time, they have every right to access health care, to access education, not on their own dime, not on the dime on somebody else, they—hardworking Manitobans—paid for that pension, paid for that.

Most Manitobans spend the latter years of their lives in and out of hospital, in and out of medical appointments, medical facilities, and what do they have to do now? They have to pay for that today, so when that day arrives, they definitely can't look forward to any kind of health care. They definitely can't look forward to any kind of assistance out of this government when they get into their latter years. Instead, they also now won't be able to even look forward to their pensions.

So where are they going to go? They are going to go on social assistance. And what does that do? That just drives everything else. They are no longer contributors to anything. And what does—how does that hurt? That hurts them mentally, that hurts them physically, that hurts them emotionally, but, again, they are the everyday Manitobans. They aren't the privileged wealthy few, they're not the elite, and, again, Bill 8 is something that that focuses on. It focuses on—I'm going to tap this out, I'm going to be able to do that, I'm going to get into some financial—whatever they want to do with their money if they pull it out of pension if they choose not to have to spend it on their own health care, their own home, their own children's education, putting food on the table. Just simple things, simple everyday things that they should be able to plan for their future.

If they're active participants in a pension plan for years and years and years, and then when it comes time to access that, how would anybody around this Chamber feel that if I work hard all my life, I work for 40 years, great, I'm 65 years old, I want to retire, where's my pension? Oh, by the way, here's your balance in your pension. It's zero.

It's zero because you tapped into that 20 years ago because you had to pay for your own health care. You had to pay for your own education. You had to pay for your kids' education, something that should be a right of every Manitoban here, but again, cut, cut, cut.

I want to cut this but at the same time, here, I'll allow you to pay for that. I'll allow you to mortgage your future. I'll allow you to pay for your future today because I'm going to let you access your own savings. I'm going to let you be able to do this because we simply are not going to do it for you anymore.

So, again, Mr. Speaker, for the record, sitting here, I'll take a deep sigh because I just can't believe this is something that we live in today.

Miigwech.

Mr. Scott Johnston (Assiniboia): It's an honour to stand in the House today and have the opportunity to speak on Bill 8, The Pension Benefits Amendment Act. Following the review of The Pension Benefits Act by the Manitoba Pension Commission, it was determined that we needed to act in the best interests of seniors and other retired Manitobans.

Back in June 2019, we as a government committed to acting on recommendations of the Pension Commission, who were—is made up of a number of financial professionals from the province of

Manitoba. And I don't have those names in front of me, but the minister advises me that it is on their website. So there's been reference to who are they, on the other side of the House. Well, the information is available. All you have to do is access it through the Net.

Manitobans have come to expect our government to act in their best interests, and this amendment will update our pension benefits legislation to provide increased flexibility for Manitobans and reduce some of the red tape that surrounds retirement funds. And frankly, Madam—frankly, Mr. Deputy Speaker, this is their own money. And I think that has to be continually reinforced.

This is their own money, and we, as a government, don't have a problem with freedom of choice. We believe that people have the ability to control their destinies. They have the ability to act responsibly, and we as a government are going to give them that choice.

If—the fearmongering that continues to come from the other side of the House, it went on in '16; it didn't work. It went on in '19; it didn't work. If it continues, it won't work in '23, and if it continues, it won't work in '27. The reality of the situation is Manitobans aren't buying into fearmongering, and the other side of the House hasn't learned. That's to our benefit, of course, but the other side of the House hasn't realized that yet.

And taking the advice of the commission shows our government's commitment to maintaining strong pension frameworks and guarantees secure and stable retirement income for all of Manitobans. The suggested changes will provide Manitobans with more choices as how they want to manage their money, as well as increased access to locked funds in the event of financial hardship.

And that's not an uncommon situation. People throughout different circumstances do come into financial hardship, and if they have ability to be able to access money to alleviate that financial hardship, who are we as a government to stop that?

Since the commission provides a review of The Pension Benefits Act only once every five years, it's extremely important that we act quickly on their advice. Doing so allows all those retirement—or who will be retiring within the next five years more access to their locked funds so they can manage their retirement as they see it—again, as they see it. It's up to the individual.

Giving Manitobans the choice is instrumental in providing them with the freedom to dictate how they want to spend their money in the latter portions of their own lives.

* (16:10)

One of the major changes that will come into force through amending this act will be the ability for any one age 65 and older to fully unlock funds in Manitoba locked-in accounts with a financial institution. This is the first key component in giving Manitobans more choice when it comes to thinking about their retirement funds and how they want to spend it. Another key piece of this amendment is to allow those on—those going through difficult hardships the ability to unlock the funds without a penalty.

Manitoba has some of the most outdated laws in the country surrounding retirement in the event of a relationship breakdown. Currently, during a divorce or separation, both parties must evenly split 50/50 pension assets or not split assets at all. With this amendment, both parties will have the ability to split pension assets in any ratio that they desire. Doing this puts us in line with most of the other provinces and, Mr. Deputy Speaker, as indicated by my whip, I'm going to give up the floor now, but—

An Honourable Member: I think we're going to vote. We're going to vote, aren't we?

Mr. Johnston: Thank you, the member of Flin Flon is always so supportive.

Anyway, thank you, Mr. Deputy Speaker.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I have a few comments on this bill. I think it needs to be looked at very carefully when we get it to committee stage. We need the advice of a variety of people to look at this. I think there are important implications in terms of how people will manage their money, obviously.

If you completely unlock the pension funds at age 65 so that people can do whatever they want to do, I suggest it would be pretty important for the Minister of Finance (Mr. Fielding) to put together a booklet which could be on the Web and widely available for people who are considering this option. People need to know what the tax implications of various choices are. People need to know what this will mean in terms of their choices in terms of where they put the money, how they invest it or don't invest it, or how they spend it.

I think that the assumption of members of the Conservative caucus has been that they know how to manage their own money and therefore everybody should be able to manage their own money. I'm not opposed to people having more choice in managing their money but, at the same time, I think we need to be very careful in making sure that people who are provided that choice have the information they need to make that choice well.

I have come across already a number of people who have been scammed or ill-advised by investors. You can only imagine, for example, what will happen is that the moment that somebody turns 65, they will have a flock of people who will want to come and help them invest their money, and that if we are not careful, then we will have people who—I have seen this happen—who lose a lot of the money that they've invested because they received poor advice on what to do with the money that they had.

So this has the potential to be a good thing but, on the other hand, there are some very significant pitfalls and problems that need to be looked at ahead of time and make sure that the government is aware and that the government will be standing by and making sure that they have such a package available.

I would have been expected that the government, in introducing a bill which is as important as this, in giving people choice, would have already produced such a booklet to make sure that people have the full implications of what this would be. We should be seeing that booklet before we have a final vote, I suggest.

It is so important that we have this information communicated well and that it is readily available for people. Otherwise, we're going to have a situation where there could be potential very significant problems and a set-up for people who are less able to manage their money to be the victim of scams, of poor investors coming—poor advisers coming in and saying, well, this is what you have to do with all your money, and putting at risk their life savings.

I have to comment that this is a government which already is playing fast and loose with people's pensions. I refer, to start with, with the ranchers who have been ranching on Crown lands. And they have invested in those Crown lands for many years. Some of them, they have been building up what they thought was equity in those Crown lands. And this government came along and with one stroke of a pen has taken that equity completely away from many, many ranchers. And they came to us, and I was with

my colleague, Dougald Lamont, and others in Crane River. And one after one, the ranchers pointed out this government has taken away our pension. This is one of the worst things that any government could ever do.

And you would be surprised—I think the government might be surprised at the extent of anger in that room, the extent of people which were upset because this government had got rid of what they thought was going to be their pension—the money that they had invested in improving the Crown land. And the fact of the matter is that instead of those people having pensions, that Crown land is now going to be auctioned off to other people. And, although they may have a chance to bid on it, for a variety of reasons that may not always be easy. And the other thing is that the fundamental taking away of pensions, which has already happened for people who are ranchers on Crown lands, is something that we have to be very, very careful about.

It is not the only example that has been occurring under this government. If you go and talk with people who used to have—some who still have—leases to operate businesses at The Forks Market, what has happened is that the policy changed under this government—and the previous government—the NDP are not innocent here—so that instead of people being able to, you know, sell their lease as it were and have that as a pension, that they are no longer able to do that. And they are no longer able to do that because The Forks Market administration decided that they were no longer to have what was the equivalent of unit transfers for people with Crown lands. And it has taken away pensions.

And I have talked with people who ran businesses at The Forks who have been crying over how they were treated. It is really important that we are very careful in treating people's pensions well, in looking after their funds and making sure that they have the opportunity, the advantage of being really well advised in terms of how they manage pension funds.

* (16:20)

There is an aspect of this which we also have to be careful of. And this is not just for an individual, but this is as a society. Suppose because of coronavirus, suppose because of what happened in 2008, there is a recession and a steep drop in the value of—the money market value of many shares, that may be a time when, under this legislation, what you would see is a lot of people who are having trouble, who are living at the margin, going to unlock their shares and take the money out of pension funds.

Now, there is a real possibility that there could be a run, right, on some pension funds, that they wouldn't have enough ready cash available, right, particularly with a declining stock market. You could have a situation where, just when people needed it, the value of some pension funds, which are—different pension funds are organized differently.

Some have a guaranteed amount; some it is depending on the amount of money that is there, and for the large majority of RSVPs—or, RRSPs, they are in there but they are invested in mutual funds or other funds, and so they are dependent on the value of the stock market, okay. So, you could have a situation where the stock market declines steeply, people on marginal incomes are all of a sudden in great need, they are withdrawing the money from their pension at a time when it is low value, at a time when you could have a run on pensions and put pension funds, in some cases, in peril.

This bill, this legislation, is not without some major concerns. That's not to say that we shouldn't necessarily proceed, but that should—we should look at this with great care and we should make sure that pension fund managers have had a careful look at what the potential implications are.

We should have a look at what we have at the moment. Let's put it this way: Oh, significant numbers of people who are 65 years of age or older who could, immediately this is passed, unlock a large amount of funds, right. And, if it were just one year class of people aged 65, it would be one thing, but if it was everyone from age 65 to 85 or 90 who are taking out the rest of their funds, that's a lot of money to be taken out very quickly, and if that happens at the time of a downturn in the economy, as you might predict it could, right, because that's when people need the money, then you have a situation which is potentially quite problematic for the people who are taking the money out, it may be less valuable than it should have been and it may be a time which is problematic for the pension funds if they get a large run of people taking it out all at once.

So we need to consider and think very carefully about this legislation. I'm all for giving people options, but I do think that there are some concerns here that need to be looked at very, very carefully before we pass and implement this legislation.

I would suggest that one of the options, instead of moving right away in one step to free up all the people able to unlock their funds at age 65, then there might be a smart move to do this in a series of steps, right,

so that you unlock more gradually over a period of five or 10 years until you have the freedom that is trying to be achieved in this legislation.

Now, I mentioned earlier on about people from 65 to 90 all taking their money out at the same time—or many of them—you don't have to have everybody—but, in fact, what this legislation allows is if there's a downturn in the economy or something like that, people from 55 on can take out.

So you now have the potential, if it's an adverse economic situation, for people all the way from 55 to 90—a lot of people—taking out their money very quickly as a potential possibility. Not saying it's going to happen, but we need to be able to think about that. And I suspect it would be smarter if this approach, if it's to be used, was phased in over a five- or 10-year period so that you have much less risk of a massive take-out of funds by many, many people all at the same time.

Those are my comments, Mr. Speaker. Thank you.

Ms. Danielle Adams (Thompson): Mr. Deputy Speaker, I have many concerns with this bill. The ability to unlock your entire pension at 65 and be able to pull it out puts the pension plan at risk. What if everybody does it? Then there's no pension for the recipients.

Being able to unlock it during hardship just delays—may delay some other ends. Being—if—there are many people that are receive—working—are working poor that receive—that are paying into a pension. If they go into hardship and they need to pull out their pension, they—when they go to retire, they're—it might not be there, because there's no provisions on how to repay their pension that they took out.

The average CPP payment is six-twenty-five, which would enable them to get OAS and GIC, meaning they would also receive an additional \$805, which equals \$1,434.62, equalling just over \$14,000 for a year, putting them at the poverty line. So we are putting our seniors in jeopardy to live in poverty, which concerns me.

Pensions help provide financial security for hard-working Manitobans when they are ready for retirement. Pensions ensure that persons have enough income to survive on, even in their old age.

Pensions are the strongest when the collective power of the many workers deferring their wages can be used to increase the fund's viability. This is one

reason why it is important to make sure that there is significant—'sidnishment'—sufficient funds available for the pension so it can leverage financial weight to increase benefits to its members, which would increase payments to its workers and ensuring that workers are not retiring in poverty.

The cost associated with the pension plan also comes down to the number of contributors and contributes increases. This is another reason why ensuring there is significant participation in the pension plan—and it is important.

The—I would like to bring—I—my family had a registered education plan for me, which was administered by a financial adviser. In three years, that plan lost \$5,000. So what would happen if I was coming to retirement? If—I would have to be forced to work longer because my financial adviser either made bad decisions or is subject to the market and things that are beyond my control.

Other parts of this bill that raise concerns is the lowering standards of the sovereignty test—solvency test. Pensions currently need to be at 100 per cent. If we drop it down to 85 per cent, it just makes it harder and puts more pressure on pensions, and we don't want to see another situation like Sears, where employees are no longer able to get their pension.

Pensions are deferred wages. Employees make contributions every paycheque, and if the—and it is wrong for the company not to do their part. What is more, companies take strategic into—underfunding their pension obligations for many years to try and water down or eliminate pension obligations. Pension—that is the employees' money, not the company's. Governments should—the government should be meeting its own pension obligations and making sure it's working with companies in Manitoba to do the same.

* (16:30)

Governments should be exploring innovative ideas for pension funds, like a fund that exists in Ontario for—like the hardship fund. When they're citing hardship, there's many reasons why families can go into hardship and there should be a fund available for that so they don't have to raid their pension and have to be subjected to living in poverty when they're seniors.

Manitobans work hard for their money, and they deserve to retire with dignity. With precarious work on the rise, there's more and more instances where young people and families may be forced to raid their

pension plan for hardships, because they may be out of work for a few years, they may be out of—with contract work, it's more precarious, and we need—people need to know that they're able to retire with dignity.

Defined pension plans are less risky and most cost-effective, because it has many people contributing, and it's better for everybody, and we need to—as government, we need to be looking at what is best for everybody, not is—what is best for the 1 per cent. This bill benefits the 1 per cent; it does not benefit workers.

Because of the potential under—coming with certainty provisions in this bill and other reasons, we do—I do not support this bill.

Instead of encouraging people to dip into their pension, the government should be moving to make life more affordable for Manitobans. But—they've—this government has kept funding levels for organizations receiving government funding frozen to 2016 levels, which is putting undue pressure onto a lot of organizations like daycares. Daycares have a pension plan, but the funding levels being frozen at 2016 levels are making it harder and harder for daycares to meet their pension obligations. And with the employees having the funding freeze, it's harder for daycares to give wage increases, making it—meaning there's less money going into their pension plans.

This government, on a regular basis, attacks workers. Whether it be through the clear union-busting they do, wage freezes, and everything else. They attack health care. They attack education. They are selling off Manitoba housing. And they're not respecting working families by investing in daycares.

This government says they are doing this because this is what is in the best interest of Manitobans, and that's completely wrong. What we need to be doing is expanding and ensuring that every Manitoban has access to a defined-benefit pension plan so, when they retire, they can retire with dignity and have the means, because it has been shown that when a senior has more money, they spend the money in the local economy. They will go to the local store and buy their grandchildren, or grand-cats, treats and everything else, because what is important to them is ensuring that the people around them are happy.

And, when you take money away from seniors, you're taking money out of the local economy. So for a government that claims they care about the economy

and Manitobans, this bill doesn't do that, and we need a government that's going to stand up and champion workers and champion seniors and champion pensions. And that's not what is playing out.

As—we need the government to stand up to private companies that are trying to get away and negotiate out of defined benefits to defined contributions, because that means that there's less—the companies have to pay less. That is not a benefit to the employee; that is a benefit to the company.

And then we end up with—in our province, homelessness is on the rise, and we're seeing this government sell off more and more social housing units. There are 300 people that have been cut off from Rent Assist, and 550 people that are living with mental disabilities lost their housing benefit. This government allowed the federal-provincial housing agreement to expire, driving up the rates for many people.

Once again, these—a lot of these units could be for seniors. If people are able to—if these people are experiencing hardship, they're able to access their pension fund, meaning that they're accessing their pension fund now with no regards to what is going to happen later, because they need the money now. And they need the money now because of decisions that this government is making, with no regard for what is at the benefit for the working people.

And it's hard to live off a pension in Manitoba, especially when the 'peneffit'—benefit for seniors keeps getting cut. They've cut emergency rooms in the city. They are in the process of implementing phase 2, which is going to have devastating effects on the North, and when people have to travel more for health care, it is going to be—they're going to be more inclined, if they have access to their pension, to access that money for a short-term gain without the realization that their pension plan is there—is supposed to be there for them in the future.

And this government keeps talking about financial advisers. We've been—there's been cases and cases of financial advisers stealing their clients' money. If they had a defined pension plan that wouldn't be an option. So we need to take into account that what is best for workers, not what is best for the companies.

It would make much more sense for the Province to ensure that Manitobans aren't being gouged because of the health-care needs and instead of unfreezing their pensions.

This government is making life more expensive for families in Manitoba, especially those with young children. They've cut the child caregiver tax credit. They're going to do nothing to create more affordable daycare spaces, and the wait-list is growing. They haven't said what the wait-list is and it hasn't been shown for over 18 months, so I can only imagine what the wait-list looks like. I know countless of families that are on the wait-list. I have multiple friends that are considering not going back to work because there's not the ability for child care.

And what does that do for their family? What does that do? They're not able to contribute and go back to work. Parents are being forced to stay home, as I said, and, in some cases, they're giving up their careers because there's no child-care spaces because ECEs are getting burnt out and leaving their jobs and they're doing so because they're not being fairly compensated because this government has held funding levels to 2016 levels and that's not acceptable.

We need to invest in this province and we need to show Manitobans and Manitoban workers that they are valued members of society and that they are valued. Perhaps if this government invested in what was really hurting the pocketbooks of Manitobans, there would be no need to free up the pensions for access.

This government doesn't—has shown time and time again that they have—they don't—have no regard for what is going on in northern Manitoba. We have—we are struggling in northern Manitoba with crime issues, with access to health care. Our emergency rooms are—I apologize—our operating room was closed for a very long time because this government delayed replacing something—the HVAC system that they said that they were going to replace, but there was no tender.

Why was there no tender? What was wrong with the tender? We've asked and we've never gotten an answer. So if this government needs to show that they care about Manitobans and Manitoban workers, I would urge them to not pass this bill and to come talk to workers and find out what workers are really wanting and what workers are really wanting from their pension plans.

Instead of making things better for Manitoban workers, this government continues to make things worse in all areas of labour and employment standards. Unlocking pension plans will just compound it. This government is already locked in a court battle with Manitoban workers over their

unconstitutional wage freeze, and they're forcing Manitoban workers and telling people what they can and cannot give for wages. That has been—they've been told that that's not constitutional and they're going to court over it.

So they need to respect workers and they haven't been doing that. They've been rolling back health and safety regulations. They've been rolling all of that back in favour of companies. This government works for—is working for the companies, not the workers, and their workers—this government favours the one per cent, and we can see that time and time again with what they are doing. They are looking at all—they are looking at private—working towards privatizing as many things as they can, and that's just not right.

They have gone to trying to privatize roads. They are trying to offload highways onto municipalities and not—and they've held 'mispapality' funding to 2016 levels. So how can municipalities afford to take on provincial responsibilities without the funds to do it?

* (16:40)

Why is the Province doing this? Because they have no regard for the Manitoban worker. They don't care if a Manitoban worker has to access their pension plan and then, when they retire, live in poverty. That is not a reality for them, so it's not a reality they care about.

I represent many people that are working poor, that do pay into pension plans and, if the time came, they would have to access it due to hardship, but that would force them into poverty later in life. And that's just not right. This government needs to be standing up for workers and not the companies.

I'm going to—this bill, like Bill 19, is yet another example of them dismantling workers' rights in the public service act. The Pallister government tabled Bill 28, which is a clear violation of The Civil Service Act, so now they want to replace it with the civil—The Public Service Act. This is a blatant disrespect of the legislative process.

I don't—this government, on a regular basis, showcases their disregard and their disdain for workers and unionized workers and they are supporting companies trying to get away from deferred to defined contribution.

And defined contribution is a benefit to the companies, as it would make the companies pay less and it would put the workers at more of a gamble to have—to the market and the fluctuating market, with

the—at this point in time, markets have taken a 20 per cent hit, so workers whose pension plan—who have RRSPs and all of that in the stock market have taken a 20 per cent hit.

So that means that they're going to have to work longer and work into when they should be retiring, which makes it harder for young people to get work, because if older workers have to stay in the workforce to be able to maintain a quality of life, that means there's—young people aren't able to come into the workforce. So, once again, this government is not showing any regard for Manitobans.

Whether or not the Pallister government agrees with the piece of legislation, they must respect the act that is already in place, and that—they're just not doing that. Instead, they are—they've done and—refused to allow this act to be written today.

Under current legislation, the minister is required by law to appoint an arbitrator—an arbitration board with—no agreement has been reached yet on one of the party's requests. MGEU requested arbitration in 20—in July 2019. By the law—by law, the minister should have established an arbitration panel within seven days. That has not happened.

Once again, this government has shown a disdain for workers. They're doing it with Bill 19, they're doing it with Bill 28, and now they're doing it with Bill 8 in terms of the pension reformed act. Clause 49, section 2 of The Civil Service Act says that the minister shall be requested to appoint an arbitration when one or—one party shall be—establish one. Not may—will be. To date, the Pallister government has ignored this law and defined this act.

That is something this government has done really, really well. They've decided that the law—they're above the law and they don't need to follow the law. We saw that with the early election call. They have total disregard for the law. They say you have to follow the law, except for when it applies to them.

So my concern is is what's going to happen with Bill 8. They've already shown a disregard to not follow the law. Are they going to do the same thing with Bill 8? Are they going to ensure their friends are following the law? They seem to—they claim to be the party of law and order, but—except for when it applies to them.

To date, the Pallister government has ignored this law, and to—and now Bill 19, the public 'servicet', removes provision—this provision entirely. Bill 19 'elimint's' arbitration, and arbitration is very key to

negotiations because, as companies and, under this government, would want to get away from defined contribution, an arbitrator would be called in to determine whether or not to come together, and this government has already shown a disdain for the worker and has already shown that they're not in favour of defined contributions.

This is not how government is supposed to work. The government is supposed to be here for the people, not the companies. And they are supposed to represent—they are supposed to do what is in the best interest of workers, not what is in the best interest of employers and companies.

Workers—pension funds are for the workers. They are the workers' monies—money, not the companies', and companies should not be able to go to pension funds when they need extra money, when they need to be able to access more capital for whatever projects they want. That is not their money, and we need to be ensuring that companies and governments don't have access to employees' pension funds, because when we've seen when employees don't have access to their pension funds, they go into poverty.

I've already stated that if you have to access your pension plan early and there is no money left in your pension plan, based on the average, you're going to be living on \$14,000 a year. I'd love to know how this government proposes to have how many seniors living on \$14,000 a year when this government has already shown that they don't support people who are in poverty and want to work to lift people out of poverty.

So this is not the path forward. We need to be strengthening our pension laws. We need to be ensuring that defined contributions are not just for the few, but everybody has them, because, as we have seen, when people have access to pensions and secured income, they have healthier lives, which equals less visits to the doctors. They are able to ensure that they are taking their medication, which means that there is less pressure on the health-care industry or sector, that they are able to support their families and they're able to be there when their family is needed.

So, if one of the provisions is hardship, why don't we make a hardship fund? If this government is saying that one of the reasons we need to change it is so many people experience hardships, let's make a hardship fund. I think that would be a great idea. I would love to work with this government to implement a hardship fund. Any takers? No. Okay.

So, by doing—by making these changes, we're making it harder for Manitoban workers. They say—they claim they're doing all of this for Manitoban workers, but they're not. This is all about making their investor friends more money. This is about making more money for their friends. This is not about Manitoban workers. So let's not fool ourselves in thinking that that's what is going on. This is a clear attack on workers and it is a troubling trend that this government has done to workers.

They have privatized parts of Manitoba highways. They have cut service so not all of the ferries to access communities are 24 hours, so if you have to leave your community, you don't have 24 access, so I hope you don't have an emergency or need to leave for an early meeting to access before that ferry is going, because once again, this is attack on workers.

So I would urge this government to take a look at what they are doing to workers in Manitoba, by raiding pension funds, by keeping funding levels frozen to 2016 levels. This is not the Manitoban—Manitoba people want. And we saw that very clearly when this side of the House was the only side that increased its seat count.

So I would urge this government to take a look at what they're doing to daycares. Stop selling off social housing. Invest in the province and make life better for Manitoban workers and not their rich friends. This is—we need a Province that is going to work for everybody, and not for the select few that this government says, well, we want to work for these people, not those ones.

Manitoban workers deserve to be treated with respect and not disdained by their government, and that is what has been going on with this government. And I would urge all members of the House to work together to come up with a way to make pensions more stable and make it—make stronger pensions. I'm sure this side of the House would have many suggestions on what we could do to make sure defined contributions are in; everybody has access to defined contributions.

I come from a mining community where they do have defined contributions, and we—I have got family members and I have friends that are able to make retirement plans because they know how much money they're going to be getting month to month. With defined contribution, your money fluctuates based on the stock market.

So, if you are in a defined-contribution plan now, you're—you could be getting X amount, but if the market takes a hit, you're now getting X amount which makes it harder—which makes it harder to budget and harder to make long-term plans. When you know how much money you're going to be getting every month at the start of the month you're able to make plans.

* (16:50)

I have family—my father-in-law and mother-in-law both have defined contribution. My father-in-law worked at the mine for many years and got full pension and my mother-in-law was a nurse for many years and has defined contribution, and because of that they're able to make plans for their—the future. They're able to support themselves and they're not having to rely on family members and they're not having to go and live in—to say that they have to sell their house because their money has gone down so low they can no longer afford to survive.

And that is what the reality is if we move away from defined contribution to defined benefit, and we need to ensure that every worker in Manitoba is able to retire with dignity. We need to ensure that people are able to retire when they want to retire and not have to keep working longer because they accessed their pension fund when they experienced hardship.

This government is not recognizing the reality of workers and they're not recognizing that. As I stated, I had a TSEA that lost thousands of dollars in three years and that—what would have happened if I was at retirement? Yes, it would—I was—it was an education plan and the made some different decisions in my life, but it wasn't retirement.

And I know many people that are—own their own businesses that say they would love to have access to a defined contribution because as it stands now they don't have access to that.

So why are we making it, well, you don't have it. So, instead of saying, let's give access to everybody, they're taking things away from people, and that's not what government is supposed to be doing. Government is supposed to be there to support the workers and to support Manitobans and ensure everybody has the ability to retire with dignity and not be forced to live on \$14,000 a year. I'd love to know if the members opposite would be able to survive on \$14,000 a year. No takers; okay.

So this—with all of that, this—I would urge the government to not go after the pension plan. That money is there for when people retire and it needs to

stay there. That's why people pay into pension plans so they know that they've got money when they retire. They can make plans. They can make—they can do what they need to do when they retire. They know where their money's going to be coming from and they know how much to anticipate so they know how much money they're going to have for groceries. They're going to know how they're going to be able to spend their money.

When it's defined benefit that's not the reality and people that—when people retire they don't have enough money; they are forced to go back to working part-time or going to another career altogether, which means that there's less jobs for younger people, and the more—that is the—when you retire you're supposed to be retired, not fake retired because you have to work to be able to pay for your—be able to pay your bills and be able to pay for the lights or the food or to put gas in your car.

Why? Because you made a decision when you were younger to access your pension fund, or your company or workers decided to move away from defined contribution to—or defined benefit to defined contribution and now your money is dependent on the stock market, and with everything going on, the stock market is increasingly volatile and changes dramatically every day.

So what would happen if I was going to retire in three years, but now my RRSPs have taken a 20 per cent hit? Would I be able to retire? Probably not, which means I am not able to—which means I would not be able to retire, which means a younger person isn't able to go into the workforce, and that means that that person is going into precarious work doing contract work, doing part-time work. They are underemployed because they need to work.

So I would—I do have a suggestion for the government. I think—I do think the bill does need to be—a name change, given all of the comments that have been made from this side of the House. I think—instead of it being the defined pension amendment act, I think it should be the pensions at risk act, because that is what they are doing—they are putting pensions at risk.

And I don't understand why this government doesn't like pensions. They have a pension, so—*[interjection]* No, they have pensions, so why are they attacking pensions when they have pensions?

So what this government needs to respect pensions, respect workers, unfreeze the funding levels

and actually invest in Manitobans, stop the cuts to health care, stop the cuts to education, invest in this province and not attack pensions.

And, yes, I suggest you take up my name change. I think it would be great. Well, it'd be accurate. And I think I'm—yes.

The Acting Speaker (Andrew Micklefield): Is the House—the member for Union Station.

MLA Uzoma Asagwara (Union Station): Thank you for the opportunity to speak to Bill 8.

There's a lot that I'd like to be able to talk about, I—but I think I only have a few minutes here to get into some of the reasons why I'm concerned about Bill 8. I think what I'd like to really focus on in my time is the realities of, you know, this government encouraging people to dip into their pensions, you know, when we really should be moving in a direction that makes life more affordable for Manitobans. That should really be the priority, right?

Folks should be able to long before—long before—I'm still a little ways away from being able to access my pension, although I'm really grateful that I contribute to a plan that alleviates some anxiety and some stress for me know that down the road, you know, I should have a pension that I can count on that will deliver monthly amounts, that will allow me to, in my old age—still looking very young because, you know, people in my family age very well—you know, I'll be able to draw on that pension and live out my retirement comfortably—hopefully.

But, you know, one of the ways that a person is able to do that—one of the ways a person, certainly in my position—very, very, very young still—'ish'—is able to feel comfortable about the pension they'll draw on in time, is being able to also make other financial decisions that can complement that, like being able to save, for example, or put their financial resources in places that don't create undue strain down the road.

You know, for example, simply being able to—I say simply from a place of privilege, really—financial privilege—I say simply being able to, you know, pay bills—having an affordable place to live and knowing that every month there's a portion of my income that will pay for my housing and that my housing is dignified and respectful and safe.

It's a healthy space for me to, you know, rest my head at night and wake up in the morning and, you

know, not every day—day in and day out—worrying and being stressed out about being able to find an affordable place to live is a privilege that I do have. And it's not a privilege that many Manitobans have.

Unfortunately, under this government, so many Manitobans are unable to access social housing or affordable housing. Many, many Manitobans are spending exorbitant amounts of money paying for houses or apartments or spaces that actually they incur greater cost to live in because it's—they're dealing with bed bugs or they're dealing with issues in the home that, you know, force them to spend even more money above and beyond, you know, what they should have

to. I mean, those are the folks who can find a place to live.

Unfortunately, because this government has been selling off so many affordable housing units, and it's just so—

The Acting Speaker (Andrew Micklefield): Order, please.

When this matter is again before the House, the member for Union Station (MLA Asagwara) will have 26 minutes remaining.

The hour being 5 p.m., this House is adjourned and stands adjourned until Monday at 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 5, 2020

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