

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

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

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 4, 2018

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

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

Please be seated, and good afternoon, everybody.

### ROUTINE PROCEEDINGS

#### INTRODUCTION OF BILLS

##### **Bill 219—The Workplace Safety and Health Amendment Act (Inappropriate or Unsafe Footwear)**

**Ms. Nahanni Fontaine (St. Johns):** I move, seconded by the member for The Pas (Ms. Lathlin)—*[interjection]*—by the member for Concordia (Mr. Wiebe), The Workplace Safety and Health Amendment Act (Inappropriate or Unsafe Footwear), be now read a first time.

Oh, sorry. I apologize.

*Motion presented.*

**Ms. Fontaine:** I am pleased to rise in the House today to introduce for first reading Bill 219, The Workplace Safety and Health Amendment Act (Inappropriate or Unsafe Footwear).

This bill prohibits employers from requiring an employee to wear footwear that is not appropriate to the protection required for the employee's work or that does not allow the employee to safely perform their work.

Employees, often women, working in the restaurant industry are sometimes forced to wear uncomfortable and dangerous shoes for prolonged periods of time. This can create debilitating pain for employees and can lead to medical conditions later on.

We believe all employees should have the right to be safe and comfortable in their workplace.

I am pleased to present this bill to the House for its consideration. Miigwech.

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

Committee reports?

### TABLING OF REPORTS

**Hon. Scott Fielding (Minister of Families):** I am pleased to table the Manitoba Families Supplementary Information for Legislative Review 2018-19, department expenditure estimates.

**Hon. Ron Schuler (Minister of Infrastructure):** Madam Speaker, I am pleased to table the Supplementary Information for Legislative Review for 2018-2019, the Departmental Expenditure Estimates for the Department of Infrastructure.

**Hon. Ian Wishart (Minister of Education and Training):** Madam Speaker, I am pleased to table report for Healthy Child Manitoba, the Child and Youth Report for 2017.

**Madam Speaker:** Ministerial statements?

### MEMBERS' STATEMENTS

#### Swan River Water Crisis

**Mr. Rick Wowchuk (Swan River):** Today I rise to recognize the residents and staff and council of the Town of Swan River.

In late January, the residents in the town of Swan River woke to the news that a water crisis was imminent and water conservation was to begin immediately. All residents went into conservation mode by cutting out laundry, not using dishwashers, not taking daily showers and baths and flushing only as required. Water consumption dropped from 23 litres per second to nine litres a second, a 60 per cent drop in consumption.

The Town of Swan River staff and council worked around the clock to ensure the town's water supply was safe and the repair would be completed as quick as possible. With the assistance of local merchants, the town had the first semi load of bottled water by early evening of the water crisis announcement, and a water depot was set up and operational.

The town residents were encouraged to come and pick up cases of bottled water to assist with their daily drinking needs. Many businesses who use a lot of water voluntary shut down to conserve water for the essential services to assist with keeping our hospital and care homes operating with water. Town of Swan River schools were also closed to conserve water. Much was accomplished in a very short time.

Over the next few days, more truckloads of bottled water arrived to ensure everyone had drinking water and water for cooking. The volunteers at the water depot were in endless supply to assist with crisis—with the crisis. Residents drove up, registered, and water was delivered to their vehicles by cheerful volunteers.

Our municipal neighbours were on standby and willing to provide water services should the town of Swan require their assistance in the event of a fire emergency.

This was a job well done on many levels by many people, and today I'd like to congratulate town of Swan River residents, staff and council for their capacity to manage a crisis of this magnitude with grace, goodwill and avoid a bottled water—or a boil water advisory.

Well done, town of Swan River.

#### **Martin Luther King Jr.**

**Mr. Wab Kinew (Leader of the Official Opposition):** Like anybody, I would like to live a long life. Longevity has its place. But I'm not concerned about that now. I just want to do God's will.

Those are the words shared by Dr. Martin Luther King Jr. on April 3rd, 1968 as he spoke to striking sanitation workers in Memphis. The next day he was shot and killed on the balcony of his hotel room.

Today we honour the 50th anniversary of the assassination of Martin Luther King Jr., one of the most powerful leaders in the civil rights movement.

Dr. King stood strong for African-Americans, other racialized people and working people. Along the way, he clearly articulated a vision of standing on the side of righteousness while showing courage, compassion and an unwavering commitment to doing the right thing, because, as he said, and I quote: The arc of the moral universe is long, but it bends towards justice. End quote.

His organizing led to civil rights and voting rights for his people. He won the Nobel Peace Prize for his work, probably because, though he and his supporters were attacked viciously and violently, Dr. King always held to his commitment to non-violence.

His perseverance inspired many to join his cause, but also to many others around the world, including in faith communities and my own uncle right here, who helped to organize indigenous people to gain our civil rights in this country starting in 1965.

A few years ago, I had a chance to meet Martin Luther King III, the son of Dr. King. He was a tremendous orator, coming by that honestly, obviously, but above all else, he struck me as a good man. And that's probably the ultimate praise for any of us as parents, that we become parents who raised good children.

\* (13:40)

As Dr. King said, and I quote again: Life's most persistent and urgent question is, what are you doing for others? End quote.

Today we honour someone who gave their life in the service of us all.

#### **Heritage Trust Program**

**Mrs. Colleen Mayer (St. Vital):** Madam Speaker, just yesterday, I was honoured to be a part of an exciting announcement for communities all across Manitoba.

My colleagues, the Minister responsible for Municipal Relations and the Minister of Sport, Culture and Heritage (Mrs. Cox), announced details of the Heritage Trust program. Working in partnership with The Winnipeg Foundation, our government will be investing \$5 million, over three years, back into the keepers of our province's history, and with a rich-in-spirit history it is.

Organizations will have access to one provincial dollar for every two private dollars raised, with up to \$25,000 in provincial funding when \$50,000 is secured by the local community foundations.

With almost 200 museums and 36 archives across Manitoba, we recognize the importance of not only preserving our stories but sharing them with our visitors.

This newly created program will help small- and medium-sized museums and archives create

endowment funds that will help ensure a sustainable future.

Museums are, Madam Speaker, a cherished part of our community. The process of collecting, preserving, displaying artifacts of our history is an invaluable service. It takes a true passion and attention to detail to cultivate this knowledge and protect its integrity.

Visitors to our local museums will receive an education on Manitoba's indigenous, environmental, artistic and military history, and so much more.

St. Vital is proud to be home of one of Manitoba's many great museums, the St. Vital Museum. The St. Vital Museum, and historical society, were gracious hosts for the announcement yesterday and a perfect example of why we must continue to support the long-term sustainability of preserving our heritage.

Madam Speaker, I wish to thank all of the individuals who have supported Manitoba's museum and archive community across this province. Your tireless work has helped to establish a lasting legacy for our past so that those in our future will never forget.

Thank you, Madam Speaker.

#### **Agape Table**

**Mr. Rob Altemeyer (Wolseley):** Madam Speaker, I am pleased today to provide an update to the House on an issue I had raised previously, and that is the status of Agape Table, a very—a well-renowned organization located right across the street from the Legislature. Through no fault of their own, their current workspace for 30 years is not going to be available to them for much longer. It's about to become a construction zone, and I've been very proud to be working with members of the board to support them in any way I could, to try and find a new location.

I also want to thank the Minister for Families and the Minister for Finance, because when I raised this issue in question period back before Christmas they both engaged their staff to see if any suitable government building might happen to be available in the neighbourhood.

Sadly, that wasn't the case, but the great news is the wonderful folks at Agape have solved their own challenge and they have a new location lined up with a signed agreement with the Wave Church, located at 364 Furby Street. Best of all, this will only be one

kilometre away from their current location. They plan to do this transition in a way that they don't miss a single day of service to the community and, best of all, it's still in the constituency of Wolseley.

I would like to thank all of the great people at Agape Table on behalf of all members of this House for the amazing work that they do. I'm sure every single one of the hundreds of people and families who take advantage of their free meals every weekday would love to be able to come together to share food and fellowship because they want to and not because they have to, and that is part of our task here, as legislators: to help make their world a little bit brighter any way we can.

Thank you very much.

#### **Member for Swan River—Football Hall of Fame**

**Hon. Blaine Pedersen (Minister of Growth, Enterprise and Trade):** Madam Speaker, today I rise to celebrate the accomplishments of one of our own members of this Assembly.

Honoring 30 years of coaching football, on Wednesday, March 21st, 2018, the member for Swan River (Mr. Wowchuk) was inducted into the Manitoba football hall of fame.

The member for Swan River spent 30 years working with sometimes rough young boys, turning them into disciplined young men, teaching them the strength of teamwork, the celebration of victory and the humbleness of defeat.

The member for Swan River began teaching in elementary school. He then taught high-school resource management for 25 years in Swan River and was involved with many other community volunteer positions.

One can hardly imagine, in 30 years of coaching football, how many family events he missed, how many miles he travelled up and down the roads around Swan River.

Of course, while the member for Swan River was teaching and building football teams, we need to give our respect and thanks to his wife Lorie, who kept their home and family on track.

Madam Speaker, our congratulations to the member for Swan River for his dedication to the young people of his community, to his dedication of the community as a whole and for his 2018 induction into the Manitoba football hall of fame.

### Introduction of Guests

**Madam Speaker:** Prior to oral questions, we have the guest—a guest in the gallery that I would like to introduce to you. Visiting from England we have Mike Horner, who is here as the guest for the MLA for Rossmere.

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

### ORAL QUESTIONS

#### Premier's Vacation Property Luxury Property Tax Inquiry

**Mr. Wab Kinew (Leader of the Official Opposition):** Madam Speaker, we learned some bizarre news regarding the Premier this morning.

According to media reports, the Premier has failed to pay more than \$25,000 in taxes over the past decade. The Premier's company appears on a list of luxury home tax, quote, debtors, unquote, those deemed by the Costa Rican revenue department to be, quote, currently delinquent in the filing and payment, unquote, of the tax.

Now, it seems quite clear if a home is worth more than a certain amount of money that the luxury tax has to be paid on that property, but the Premier hasn't paid. He, apparently, thinks that the rules don't apply to him. Now, even after the Costa Rica government said he was delinquent to file and pay his taxes.

Now, Manitobans expect everyone to play by the same rules. I think that's a foundational principle that we all hold dear.

But why did the Premier not pay some \$25,000 in taxes over the past decade?

**Hon. Brian Pallister (Premier):** I always pay my taxes in full and on time, Madam Speaker.

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

**Mr. Kinew:** Apparently not, Madam Speaker. Again, and I quote here, that the Premier's company is a debtor, end quote. And, again, currently delinquent in the filing and payment of this luxury tax.

Now, apparently, the Premier is not able to perform a Google search, because a simple Google search would have indicated that this luxury tax does apply on properties like the one described in the media reports. And, again, couldn't Google the fact

that his company was declared delinquent some nine years ago.

Now, the Premier has been a publicly elected official for many years, should have been aware of this, has knowledge of the financial industry—again, probably indicating that he should have been aware of this issue. Now, when it comes to paying his fair share, though, he apparently sticks his head in the sand.

Now, why did the Premier ignore his obligations for over a decade and why has he not paid his tax?

**Mr. Pallister:** I have a 45-year record of paying all bills that are presented to me, Madam Speaker, and I'll certainly investigate the veracity of the allegations made in the article and determine if they're true or not. And I'm happy to do that, and I'm happy to comply with whatever obligations I have, as I always have done in the past and will continue to do in the future.

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

**Mr. Kinew:** Now, we know that the Premier's not paid that luxury home tax for over a decade. That's a simple fact. He should have paid the tax. That's not our verdict, again, that's according to the Costa Rican revenue department. They called the Premier's company delinquent some nine years ago, but the Premier apparently couldn't be bothered to follow up on that finding.

Now, again, curious detail is that the luxury home tax is also called the Solidarity Tax for the Strengthening of Housing Programs.

\* (13:50)

Now, paying into the tax is how those who can afford a luxury home in Costa Rica are asked to contribute back to help those less fortunate in that country. It's designed to create affordable housing. Now, instead, the Premier has refused to pay it and, apparently, he's tried to hide this from Manitobans over the past decade. It seems clear that he owes this tax bill.

Will the Premier stop the evasions—[interjection]

**Madam Speaker:** Order.

**Mr. Kinew:** —and start paying his fair share today?

**Mr. Pallister:** I am reluctant to respond in kind, Madam Speaker, and will not.

However, I would tell the member that I do have a deserved reputation for openness and transparency when it comes to meeting my financial obligations, of whatever kind they may be. So does my family, and so we will do everything we can to fulfill our obligations, whatever country they may be in.

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

**Mr. Kinew:** Premier has not shown transparency when it comes to the issue of Costa Rica. First, you know, he gave statements that were inaccurate as to his whereabouts when he was in that country. Again, he only declared his holdings in that country on his conflict-of-interest form after he was—*[interjection]*

**Madam Speaker:** Order.

**Mr. Kinew:** —found to—well, basically, he was caught and then he declared it on the conflict-of-interest form. And then now we find out again that there is this unpaid tax bill in Costa Rica.

It seems to be a very bizarre set of circumstances, but at the end of the day it just points to the fact that the Premier believes that there is one set of rules for him and another set of rules for everyone else, and that's where the rubber meets the road—*[interjection]*

**Madam Speaker:** Order.

**Mr. Kinew:** —as far as it affects the people of Manitoba, because now many of the decisions he has made in office start to become clear.

Why doesn't he believe in a fair share for the Association of Manitoba Municipalities? Perhaps because he doesn't feel compelled to pay a fair share himself.

Now, why does he expect municipalities to play by these rules when he won't even hold himself to the same standard?

**Mr. Pallister:** Well, I thank the member for his reference to a relationship we have been building with the Association of Manitoba Municipalities and its members. It was one that was in deep disrepair as a consequence of the actions of the previous government to dismantle fully a third of those organizations on the eve of their annual general meeting without consultation.

The member might like to do a little review of the history of his own party and its actions before he begins to cast stones at a government that is building

a stronger working relationship with municipal governments with every passing day.

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

### Manitoba Hydro Rate Increases

**Mr. Wab Kinew (Leader of the Official Opposition):** So it's taken—it took the Premier a year to realize that two months' worth of vacation was not appropriate. It's now taken him to halfway through his mandate to admit that he should meet with people like the mayor of Winnipeg, like the board of Manitoba Hydro, and then now, after a decade, he decides that perhaps he will decide to pay his luxury tax bill.

Now, again, this is very damaging when it comes to the perspective that we should take on an issue like Manitoba Hydro. Again, the low rates that we have for hydro are very important to everybody. Everyone's top concern when it comes to hydro in this province—

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

**Madam Speaker:** Order.

**Mr. Kinew:** —is making sure that those rates stay affordable.

But it's no wonder that we don't see this Premier standing up and talking about affordable rates in Manitoba, because it simply won't affect him. He lives in a different reality where he doesn't believe that the same rules that apply to everyone else apply to him.

So will the Premier commit today to paying attention to the harm that his rate hikes are doing here in the province and to ensuring that those rates don't go up by some 8 per cent every year?

**Hon. Brian Pallister (Premier):** The blissful ignorance of the member in respect of the real record of the NDP on Americanizing Manitoba Hydro, on overextending resources with no profit in sight for decades to come is unbelievable, Madam Speaker. The impact of those decisions will be felt by Manitobans on their kitchen tables with the money that will not be available to them to spend for decades to come.

We're doing everything we can to effect an improvement in the situation of the future Manitoba pocketbook and we are doing that with a good understanding that having meetings with Manitoba

Hydro over a number of years with the NDP resulted in a billion-plus dollars of wastage on the bipole project alone; several billion dollars of extra expenditure on the Keeyask project, which was never approved, Madam Speaker—in fact, their own Clean Environment Commission reported in their recommendations they would not have approved the project had the NDP government not forced the construction of it in advance of approval.

This is all to say, Madam Speaker, that the sad legacy of the previous government—*[interjection]*

**Madam Speaker:** Order.

**Mr. Pallister:** —on Manitoba Hydro bills will be felt by Manitobans for a long time.

Where they got it wrong, Madam Speaker, we are very much focused on fixing it.

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

#### **Premier's Vacation Property Luxury Property Tax Inquiry**

**Mr. Wab Kinew (Leader of the Official Opposition):** Seems like the Premier is laying the groundwork to privatize Manitoba Hydro much in the same way that he's laying the groundwork to privatize many important health-care—

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

**Madam Speaker:** Order.

**Mr. Kinew:** —services in the province of Manitoba. And it's no wonder. It's becoming increasingly clear why he pursues this sort of ideology: because he inhabits a different reality, a reality where he doesn't believe that the rules that apply to everyone else apply to him.

So, of course, he allows for the privatization of medical services, for the privatization of diagnostic tests and echocardiograms here in Manitoba, because if health care becomes privatized in our province it will not affect him. Is he concerned about the privatization of services in Manitoba? No, he's worried about a luxury tax on a home that he owns in a tropical destination. There is a mismatch between the priorities of this Premier and the realities lived by everyday Manitobans.

Will the Premier reverse his cuts and make sure health care is open to all?

**Hon. Brian Pallister (Premier):** It's difficult to focus a response to that unfocused prelude, Madam Speaker.

The fact remains that the rules that were supposed to apply in respect of things like jacking up the PST, and that Manitobans believed would protect them, were broken by the previous government. They took away the right of Manitobans to even vote on the issue, which they had committed to at the doors of every Manitoba household they canvassed. They had said to the faces of Manitobans: we guarantee we will not raise the PST. Then, they took away the right of Manitobans to have a say in this issue. This caused a rebellion in their own ranks, caused a massive and embarrassing lack of co-ordination on the part of the previous government that we're still going to be paying for and cleaning up after.

So I only say to the member, do a little history lesson before you prelude six different topics in your next question, sir.

#### **Premier's Vacation Property Luxury Property Tax Inquiry**

**Mr. Andrew Swan (Minto):** This Premier pretends to be transparent, but each time there's an investigation he doubles down and we learn more and more.

The Premier misrepresented to media and all Manitobans that he was in Canada during the summer flood of 2014 when he was actually down in Costa Rica. The Premier failed to disclose his holdings in his conflict-of-interest declaration and only disclosed when he got caught, and the Premier tried to suggest he was cleared by verbal advice from the conflict commissioner when any reasonable person would know there was a duty to disclose.

Now it appears—*[interjection]*

**Madam Speaker:** Order.

**Mr. Swan:** —the Premier has hidden the fact that one of his Costa Rican companies hasn't paid as much as \$25,000 in luxury tax over the past years.

Why does this Premier refuse to follow the rules?

**Hon. Brian Pallister (Premier):** Madam Speaker, the member has been trying to ride this horse for some time now, and it died months ago.

The fact remains, Madam Speaker, that my public disclosure, in form, was full and complied,



according to the advice of the ethics commissioner, fully with the requirements.

Secondly, on the issue of the knowledge Manitobans needed to have about my situation in respect of the 30 years of savings my wife invested in a property in Costa Rica, that was fully disclosed long prior to my participation in the resurgence of the Conservative Party in this province. It was reported widely in periodicals like the Winnipeg Free Press in—as early as 2008 and '09.

Madam Speaker, there's no secrets here. The forms were filled fully; the compliance was full; the ethics commissioner—the accountability advice I received was fully followed.

These personal attacks show a new low for this member. No, not really, they reveal the same low he's inhabited for some time.

\* (14:00)

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

**Mr. Swan:** Well, Madam Speaker, we're still waiting for the commissioner's letter that I'm sure would clear all this up, but the Premier doesn't seem to want to provide that. It's quite a performance from a Premier who wants Manitobans to believe it's all hands on deck.

He ignored the very clear disclosure requirements that apply to all members of this House, he's failed to be accountable and he's refused to apologize to this House and to Manitobans for his actions.

And now we learn the Costa Rican government authorities have raised questions about luxury tax, and they went so far as to list the Premier's Costa Rica corporation among other delinquent entities.

Why didn't this Premier obey the laws and the rules that apply to his public and private affairs?

**Hon. Heather Stefanson (Minister of Justice and Attorney General):** We know that this member opposite is no stranger to using these kinds of desperate smear tactics, Madam Speaker. After all, he led a rebellion against his own leader.

Madam Speaker, what Manitobans elected us to do was fix the finances, repair the services and rebuild our economy. That's what we will remain focused on. Even though their—they will continue with these desperate smear tactics, we will continue

to focus on what's in the best interest of Manitobans. *[interjection]*

**Madam Speaker:** Order.

The honourable member for Minto, on a final supplementary.

**Mr. Swan:** Well, Madam Speaker, New Democrats aren't easy to unify, but this Premier—

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

**Mr. Swan:** —is sure doing a good job of it, and we thank the Premier for his efforts.

And, you know, he can attack—*[interjection]*

**Madam Speaker:** Order.

**Mr. Swan:** —and he can distract—

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

**Madam Speaker:** Order. Order.

The honourable member for Minto.

**Mr. Swan:** Thank you.

And the facts are clear, did the Costa Rican company have to self report and pay luxury tax? *[interjection]*

**Madam Speaker:** Order.

**Mr. Swan:** According to Costa Rican authorities, yes.

Did the Premier's Costa Rican company pay? No.

His company, and pardon my Spanish, Finca Deneter Doce S.A., didn't pay the luxury tax intended for housing the poor in Costa Rica. We're left to assume the Premier decided that wasn't something he needed to do. That's just for other people.

He doesn't even need to be in Manitoba for more than eight weeks a year or more. That's just for others.

Why does this Premier believe that he's above the law?

**Mrs. Stefanson:** I'm not sure which divided faction the member opposite is representing within his own caucus, Madam Speaker, but I can tell you, on this side of the House we are united as a strong team and, again, we will continue to focus on what is in the best interests of all Manitobans.

**Premier's Vacation Property  
Luxury Property Tax Inquiry**

**Mr. Wab Kinew (Leader of the Official Opposition):** Well, we know what the member for Assiniboia (Mr. Fletcher) has to say about the strong team on the opposite side of the Chamber here. He said the only substantive issue they discussed after a year was protecting their own salaries.

Now, we know that the Premier says one thing and does another. Now, again, he's broken his promise—[*interjection*]

**Madam Speaker:** Order.

**Mr. Kinew:** —to Manitobans and he's not preaching what he practises.

Now, how do we know that? Well, he claimed he'd work hard for Manitobans, but instead he jetted off to Costa Rica for eight weeks. Yes.

Now, the Premier claimed he didn't have to disclose, you know, his Costa Rican companies, but then he did once he got caught. He even claimed in Estimates in 2016, and I'm going to quote here: I don't think there's any doubt as much as the member might try to make out that I have some kind of a tax haven. End quote.

Well, those comments appear in a very different light now that we know that there's an unpaid tax bill, luxury tax bill, laying on the Premier's company.

Why is the Premier saying one thing and doing another? Why does the Premier think the rules and even the—his own statements in this Legislature—

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

**Hon. Brian Pallister (Premier):** A lot of the work we've done so far as a government, Madam Speaker—in less than two years—we just introduced a budget which has the largest reductions, coming in the next two years, in personal income tax in Manitoba history. That will put more than \$2,020 of additional tax-free income into the hands of each Manitoban in our sesquicentennial year. This make a big difference to families that are struggling to make ends meet, and I'm very proud of the work of our Finance Minister and our entire team and I thank them for those efforts.

Unlike the member opposite, I understand the challenges that households must face on a first-hand level in meeting their budgetary commitments. It hasn't always been an easy thing, but it is something I take seriously and I'll continue to, Madam Speaker.

So I say thank you to my colleagues for their success in helping Manitobans find greater success in their own homes and small businesses.

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

**Mr. Kinew:** You know, in the Estimates process last year the Premier was asked whether he thought it was wrong for people to not properly declare or disclose information in order to avoid paying taxes. You know, in response to this question the Premier exclaimed, absolutely. He said it was absolutely wrong for people not to properly declare or disclose information in order to avoid paying taxes.

Now, this is pretty alarming not just that there's this unpaid tax bill in Costa Rica that the Premier apparently has not paid for more than a decade, but here in Manitoba he said that it was all hands on deck as he went and froze wages, as he cut jobs, as he cut health-care services like physiotherapy, as he asked chronically ill and acutely, you know, afflicted people in our province to pay higher and higher deductibles.

Why does the Premier believe that there is one standard that applies to him but a different and much more austere standard that applies to everyone else?

**Mr. Pallister:** I appreciate the opportunity to address the topic of how to help Manitobans have a better financial future and better financial security, Madam Speaker, because it is an area of concern that Manitobans had when they voted in a new government. They were concerned that the previous government was eroding their ability to save, to invest, to support their families, with higher and higher taxes.

They did this on the heels of promising not to, of course, as you know, Madam Speaker. But they broadened the PST, they raised taxes and fees on a variety of important essential areas for Manitoba in their budgeting, and then, of course, they raised the PST after, again, promising not to do so.

So the record of the previous government was one of eroding the security of Manitobans financially and otherwise, and it is not a proud record.

Where they made Manitobans afraid, Madam Speaker, we're working very, very hard to make Manitobans feel, quite rightly, more secure and optimistic.

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

**Mr. Kinew:** You know, Madam Speaker, I'm not sure that Manitobans always enjoy paying their taxes, but I think that most people in our province—*[interjection]*

**Madam Speaker:** Order.

**Mr. Kinew:** —understand that it's an important civic duty, that paying your fair share is an important part of living in this society so that you can help support the creation of strong schools, hospitals, daycares, other things like that, Madam Speaker. But apparently the Premier doesn't hold himself to the same standard, and that has to disappoint Manitobans, especially after this government asks them to pay higher hydro rates, asks municipalities to start charging more in the fare—in the form of transit fares—*[interjection]*

**Madam Speaker:** Order.

**Mr. Kinew:** —and asks every post-secondary student and their families in this province to start paying more and more in the form of tuition.

So it is particularly galling when we have a Premier who is not willing to live up to his own financial obligations and then comes back here to Manitoba and asks everyone else—

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

**Mr. Pallister:** Again, the innuendo of the member has to be replaced by fact.

I have a 45-year record of paying my taxes, Madam Speaker, here in Canada and elsewhere, to the full extent of my understanding and my obligations, without exception, ever. Forty-five years of keeping my word to support my province and my country is not a record the member should unjustifiably attack on the basis of innuendo or accusation, yet he has done that today, and that is disappointing to me, and I know it is disappointing to members of this Chamber who are thoughtful in these—on these issues.

\* (14:10)

And so I would simply say to the member if he would like to compare my record of keeping my word to his own, I'd be happy if he would do that publicly and regularly.

**Madam Speaker:** Order.

### Social Housing Units Investments Needed

**Mrs. Bernadette Smith (Point Douglas):** The Premier (Mr. Pallister) may be able to skip out on Costa Rican tax that builds housing for the poor, but that's just simply not the Manitoba way.

Access to housing is a human right, no matter where you live or how much money you make, but this Premier's budget failed to build one single social housing unit. He failed to even increase the budget by 10 per cent. He failed to build one single housing unit from May 2016 to October 2017.

Will this Premier admit that he has ignored Manitoba housing or Manitoba families in need of social housing?

**Hon. Scott Fielding (Minister of Families):** And supporting vulnerable individuals and Manitobans—having housing solutions is a big priority for our government. We know what the opposition did when they were in government, when they left over \$500 million of deferred maintenance on our housing stock.

One thing is true with—*[interjection]*

**Madam Speaker:** Order.

**Mr. Fielding:** —that can be said—putting the facts on the record, in terms of our government. Since coming to office we've opened close to 487 different units of Manitoba housing as well as paid for their operating dollars and/or the rent geared to incomes. Madam Speaker, 40 per cent of that—over 42 per cent of that is social housing. I call that progress. *[interjection]*

**Madam Speaker:** Order.

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

**Mrs. Smith:** It's a good thing that we had those shovels in the ground before this government came into government. We learned—we learn that this Premier—*[interjection]*

**Madam Speaker:** Order, order. Order.

**Mrs. Smith:** Miigwech, Madam Speaker.

Manitobans learn that their Premier ignored his legal duty to pay taxes that build affordable housing. This is a reflection of his own commitment to housing here in our own province. He refuses to chip in into a national housing strategy that would see \$15 billion of affordable housing built here in

Manitoba. He has ignored social housing and failed to increase the budget by even 10 per cent.

Will the Premier (Mr. Pallister) stop shirking his responsibilities and commit to housing?

**Mr. Fielding:** And, again, making sure that Manitobans have proper housing is very important to this government. This is something that we very much support. In fact, on Monday I'll be going to Ottawa with other provincial ministers of housing in terms of discussions on the national housing strategy. It's typical of the NDP where they're looking to spend money before we even know what we have or signed onto with the federal government. That is something this government supports and you're going to see more investments in terms of affordable housing for Manitobans.

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

**Mrs. Smith:** We know what their relationship is with the federal—or our federal brothers. They don't work well with them.

We don't know how long this is going to take for them to sign—*[interjection]*

**Madam Speaker:** Order.

**Mrs. Smith:** When I asked this question last time in this House we heard that he was also going to Ottawa to visit with them, but here we are again hearing the same thing.

When are we going to get this money to support the families that actually need it?

Last year the Premier actually ordered a cut to Rent Assist benefits for hundreds of families. We know that he did it because an extra \$100 a month means nothing to him, but for families in my constituency that means possibly going and dumpster diving, having to beg for money, exploiting their body.

Will this Premier invest in housing?

**Mr. Fielding:** And making investments, making it affordable for Manitobans to have housing solutions is a priority for our government. In fact, since taking office, with the Rent Assist program close to 2,700 more people are supported under our government's initiatives than the former NDP's government. And with the great new budget that the Minister of Finance (Mr. Friesen) introduced, over 600 more people will be supported on the Rent Assist program, Madam Speaker.

We are standing with them. I look forward the meetings on Monday with the federal government to see if we can have even further partnerships, long-term partnerships to provide affordable housing for Manitobans.

### **Island Lake Communities Methamphetamine Concerns**

**Ms. Judy Klassen (Kewatinook):** Maureen Wood, a young, 32-year-old single mother of two had made a monumental decision. On Wednesday, March 28, she started walking from our reserve to this building. This is a distance of nearly 1,100 kilometres. She is walking this distance to raise awareness of the meth epidemic and crisis in our Island Lake communities. I met up with Maureen in St. Theresa when she started her walk. Initially, she only had her family by her side. Now she has 24 people with her and counting.

Will the ministers of Health and Justice honour her courageous journey with a meeting to hear her concerns of our community?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** I want to commend each of those community members for raising awareness to what is a very difficult situation in Manitoba and across the country when it comes to addictions, Madam Speaker.

Certainly I am willing to meet with this group. I understand we have Estimates scheduled for after question period. If the opposition is willing to provide some time, I'm happy to meet. I'd even be willing to invite—I'd be willing to invite the member for Minto (Mr. Swan).

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

### **Drug Trafficking Prevention at Airports**

**Ms. Klassen:** I'm meeting with them tomorrow again and so I'll carry that message to them, and I appreciate that answer.

The group share horrific stories of how meth has invaded their lives and how it has destroyed and even killed a spouse, a child, an uncle or an aunt. We have to spend upwards of nearly \$30K for someone to enter treatment—to come out here and enter treatment, and this does not consider all costs involved in medevacs paid for prior for these people getting admitted. We want to use those funds to build our own treatment centres or places of safety.

Having drug-sniffing dogs at the airports would help cut off the meth supply. Can the minister responsible commit today to dedicating such resources at these airports?

**Mr. Goertzen:** Again, Madam Speaker, I'm more than happy to meet with the group when they arrive tomorrow, I understand, and, again, I would invite my critic to join me as well whenever they arrive here in the Legislature.

I'd be happy to have that because this really isn't a partisan issue. I mean, I know, and I think we all know that Manitobans have been touched in many ways—doesn't matter where they live; it doesn't matter who they are; doesn't matter what their background is; doesn't matter if they're wealthy; it doesn't matter if they're struggling—every Manitoba can—Manitobans can be touched by addiction and I'm always willing to listen to Manitobans who have ideas in terms of how to make the situation better, and I appreciate the member bringing this forward in the respectful way that she has.

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

#### **Methamphetamine Concerns**

**Ms. Klassen:** I appreciate that answer again.

Recently, thousands of our Island Lake residents were forced to evacuate their homes due to the wildfire. Residents were evacuated to shelters here in Winnipeg. It is during that time when crystal meth reared its ugly head. Meth dealers were prying—preying on our evacuees by giving them free samples in and around all the shelters, all with the intent of getting them hooked on the highly addictive drug, and, sadly, it worked.

We have a full-blown meth crisis tearing families apart not just in Island Lake, but across the province. We need to come together and work diligently, and I would ask all parties to quit being silent on this issue and help us for our Manitobans.

\*(14:20)

**Mr. Goertzen:** Well, Madam Speaker, I do appreciate the member raising the issue and raising awareness and I know that all members of this House have done that, and we heard questions yesterday from members of the NDP. We've certainly heard from members in our caucus about the concerns of addictions. That's why I think this really is a situation where we can all come together and share ideas.

We have the VIRGO report, which our department has received and is now reviewing. It took input from Manitobans across the province, as well, Madam Speaker. I don't see this as a partisan issue. I don't think—we might have differences in terms of how the issue should be addressed, but I do think we need to all come together and have that discussion.

I am more than willing to have that discussion with the member and members of her community, Madam Speaker.

#### **Heritage Trust Program Grant Funding Available**

**Mrs. Colleen Mayer (St. Vital):** Madam Speaker, every corner and every community in this province has a story to tell. Many of these places rely on the dedication and passion of local volunteers who put hours of their time to keep history alive.

This work is not without a unique set of challenges and, as you have already heard today in my private member statement, yesterday I was part of an important announcement that will help heritage organizations build their own individual endowment funds to assist in their long-term sustainability, because I believe that this is such a much needed program for our communities.

Can the Minister of Municipal Relations remind the Assembly of the important steps being taken to help these heritage organizations in Manitoba?

**Hon. Jeff Wharton (Minister of Municipal Relations):** I'd like to thank the member for St. Vital for that question.

Madam Speaker, our PC government's Heritage Trust Program will provide \$5 million in matching grants to be made available to Manitoba's 200 museums, 36 archives in a three-year agreement with The Winnipeg Foundation. Eligible organizations will be required to contribute \$2,500 to establish a heritage trust.

Working in partnership with The Winnipeg Foundation, Madam Speaker, the Province will provide \$1 for every \$2 raised for an organization's endowment fund. By partnering together we'll ensure museums and archives already working closely within their communities can receive support and continue to preserve our local history while offering educational opportunities to visitors today and tomorrow.

### **Winnipeg Police Board Use of Force Policy**

**Ms. Nahanni Fontaine (St. Johns):** Civilian oversight of police services in the city of Winnipeg is an important in maintaining trust and accountability of our police services. But recently the Winnipeg Police Board decided to abandon its use of force policy.

Board chair, David Asper, cited confusion around the consistency of the board's policy with those of the Manitoba Police Commission, and he said he would welcome the Province's intervention to clarify the role of the board.

So I ask the Minister of Justice: Will she take action to ensure that there is no doubt that the Winnipeg Police Board can maintain its own use of force policies?

**Hon. Heather Stefanson (Minister of Justice and Attorney General):** I appreciate the question from the member opposite.

I want to take this opportunity to thank all those members of the Winnipeg Police Board for the incredible work that they do. I also want to thank members of the Winnipeg Police Service, as well, for the incredible work that they do to help ensure that our communities remain safe.

The member opposite will know that the—that we are undertaking a review right now of The Police Services Act, and that process will continue over the course of the next little while and this will be a part of that.

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

**Ms. Fontaine:** Other cities across Canada have their own use of force policy. They do so with the co-ordination and co-operation of their respective provinces and other agencies. It's unusual that in this case of the Winnipeg Police Service it has simply abandoned these policies.

Will the minister provide clarity and take action to ensure the Winnipeg Police Board can maintain its own use of force policy?

**Mrs. Stefanson:** Again, I want to thank the member for the question and I also want to thank those people working within the independent investigation unit, the oversight unit, and the work that they do.

Again, I want to thank the Winnipeg Police Service for the work that they do. I mentioned in my

last answer to the question that we will—that there is a review taking place and this will be a part of that.

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

**Ms. Fontaine:** Quite obviously we're faced with a contradiction.

On the one hand, the minister and the Premier (Mr. Pallister) say that they want more autonomy for our communities, and yet on the other, the Winnipeg Police Board is saying that their hands are tied.

It is really quite simple: Will the minister take action to ensure the Winnipeg Police Board can maintain its own use of force policies like other cities across Canada?

**Mrs. Stefanson:** I don't think there's any contradiction about the fact that this will be a part of the review. I mentioned that in my previous answers and that continues to be my answer.

### **Diversity Garden Entrance Fee**

**Ms. Flor Marcelino (Logan):** For more than 100 years Manitobans have been able to go to the Assiniboine Park's Conservatory for free, yet recently it was revealed that its replacement, the Diversity Gardens, will charge admission.

Public amenities like the conservatory are one of the last truly public places that are accessible for all Manitobans.

Will the minister take action to ensure this important resource remains accessible for all Manitobans?

**Hon. Heather Stefanson (Minister of Justice and Attorney General):** I want to thank the member for the question.

I had the opportunity to go, too, in the final days of the Assiniboine Park Conservatory and have a visit with those—with a visit with—in the building, and, certainly, Madam Speaker, I'd want to thank the Winnipeg—the—sorry, the Assiniboine Park Conservancy for all the work that they do.

We look forward to the indigenous gardens and the Diversity Gardens as well, and I want to thank the Premier and the minister for all their work in this and the money that's going from our government towards that very important part of our community.

**Madam Speaker:** The time for oral questions has expired.

## PETITIONS

### Vimy Arena

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

The background of—to this petition is as follows:

(1) The residents of Assiniboia, St. James and the greater Winnipeg area and Manitoba are concerned with the intention expressed by the City of Winnipeg to use the Vimy Arena site as an addictions treatment facility.

(2) The Vimy Arena site is in the middle of a residential area near many schools, churches, community clubs and senior homes, and the City has not considered better suited locations in rural, semi-rural or industrial locations such as St. Boniface industrial park or the 20,000 acres at CentrePort.

(3) The City of Winnipeg has indicated that the Vimy Arena site will be rezoned from park to commercial use to accommodate the addiction treatment facility and has not sought public input from the community to consider better uses for the facility consistent with a residential area.

(4) The provincial licensing system is akin to that of a dentist's office and is clearly insufficient for the planned use of the site by the City and Province.

(5) The proposed rezoning changes the fundamental nature of the community, zoned as a park area. The concerns of the residents of St. James—[interjection]

**Madam Speaker:** Order.

**Mr. Fletcher:** —regarding safety, property values and the way of life are not being properly addressed.

(6) The people of St. James—[interjection]

**Madam Speaker:** Order, please.

**Mr. Fletcher:** —are largely hard-working, blue collar and middle-class citizens who are family-oriented toward children and seniors and do not have the financial resources of other neighbourhoods.

\* (14:30)

(7) This type of facility would never be considered for the popular Assiniboine Park nor for Heubach Park, between—which is between Park Boulevard East and West, even though it shares the same zoning designation as the Vimy Arena site.

(8) The City and the Province would be setting a dangerous precedent with this, quote, process that could put other neighbourhoods at risk for future unwanted development with proper—without proper consultation.

(9) The Province needs to be inclusive in its decision-making process and improve its programs to prevent drug abuse and better supervise the provision of drug prescriptions that could lead to addictive behaviour.

We petition the Legislative Assembly of Manitoba as follows:

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

And it's signed by Mitchell Kingman [phonetic], Kean [phonetic] Broesky, Chris MacPherson and many others, Madam Speaker.

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

### Tina Fontaine—Public Inquiry

**Ms. Nahanni Fontaine (St. Johns):** I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition.

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

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

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

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

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

(6) Manitoba has failed to fully implement the recommendations of numerous reports and recommendations meant to improve and protect the lives of indigenous people and children, including

the Manitoba Aboriginal Justice Inquiry, the Royal Commission on Aboriginal Peoples and the Phoenix Sinclair inquiry.

We petition the Legislative Assembly of Manitoba as follows:

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

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

Signed by Elizabeth Ambrose, Kim [phonetic] McGregor and Joseph Saunders.

### Medical Laboratory Services

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

The background to this petition is as follows:

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

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

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

(4) With the creation of this monopoly, there has been the closure of many laboratories by Dynacare in and around the city of Winnipeg. Since the acquisition of Unicity labs, Dynacare has made it more difficult for some medical offices by changing the collection schedules of patients' specimens and charging some medical offices for collection services.

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

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

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

Signed by Andrew Frey, Julie Beaudin Dyck, Georges Cormier and many others.

**Madam Speaker:** Grievances?



## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

**Hon. Cliff Cullen (Government House Leader):** Madam Speaker, would you call Committee of Supply?

**Madam Speaker:** It has been announced that the House will consider Estimates this afternoon.

Mr. Deputy Speaker, please take the Chair.

The House will now resolve into Committee of Supply.

### COMMITTEE OF SUPPLY (Concurrent Sections)

#### GROWTH, ENTERPRISE AND TRADE

\* (15:00)

**Madam Chairperson (Sarah Guillemard):** Will the Committee of Supply please come to order. This section of the Committee of Supply will now consider the Estimates of the Department of Growth, Enterprise and Trade.

Does the honourable minister have an opening statement?

**Hon. Blaine Pedersen (Minister of Growth, Enterprise and Trade):** Yes, I do.

Our government came into office with a 10-point plan to grow the economy and increase our competitiveness, inspiring Manitoba companies to start here, grow here and flourish in the global marketplace.

The trend in Manitoba's 10-year average annual GDP growth has been relatively stable over the last 15 years while the national average has declined. The province surpassed the national average 10-year growth trend in 2009 and was second highest among the provinces in 2016. According to the Manitoba Bureau of Statistics, real GDP growth in Manitoba improved from a low of 1.3 per cent in 2015 to 2.2 per cent in 2017. The Manitoba Finance Survey of Economic Forecasts indicates 2 per cent growth in 2018 and 1.6 per cent growth in 2019. This compares to 2.3 per cent and 1.8 per cent growth forecast for Canada in 2018-19, respectively.

The global economy's expected to grow by 3.9 per cent in 2018 and 2019, 0.2 per cent higher for both years compared to its previous forecast, and the highest growth since 2011. Advanced economies are expected to grow by 2.3 per cent in 2018 and

2.2 per cent in 2019, up 0.3 and 0.4 higher per cent higher compared to earlier projections. EMEs are forecast to grow solidly at rates at 4.9 per cent and 5 per cent in 2018 and '19, respectively.

Under access to capital, in 2017 Manitoba had a record year for Manitoba businesses, raising equity capital through Manitoba's equity tax credit programs, through public consultations recently concluded, Growth, Enterprise and Trade will be developing an access to capital strategy to align with a framework for economic alignment and growth. We have renewed targeted tax credits for digital media, film and video production, cultural industries, printing and book publishing. We have increased the income limit for small-business tax rate to \$500,000 from \$450,000, effective January 1st, 2019. And we have enhanced the Small Business Venture Capital Tax Credit to increase private investment in the province by allowing more companies to qualify as eligible investments and by reducing the minimum investments so that more Manitobans can participate.

In the cannabis file, Manitoba will have a local, broad-based, adaptable and ongoing framework to implement legalized recreational cannabis, including a competitive retail market of privately owned retail stores offering cannabis access across the province.

Economic growth strategies: the Look North Steering Committee has hosted a series of round tables in Flin Flon and Thompson on March 14th and 20th, and will continue to meet early in the new fiscal year to develop implementation strategies for the six priority areas identified in the Look North Report and Action Plan.

Advancing on the new mineral development protocol with First Nations co-chairs Ron Evans of Norway House Cree Nation and Jim Downey, former Manitoba deputy premier and Cabinet minister, have met with many leaders and representatives from First Nation communities and industry over the past few months to establish a clear process for Crown-indigenous consultation during all phases of mineral development.

Travel Manitoba has released a northern tourism strategy and signed a memorandum of understanding with the Aboriginal tourist-tourism association of Canada to further indigenous tourism development in Manitoba.

Our commitment to the 96-4 tourism investment plan has resulted in funding increases for tourism

marketing and development of almost \$4 million since 2016.

The Province is developing a new economic development strategy under the guidance of business and industry leaders to establish a shared vision for economic growth, align efforts and resources, reduce duplication and chart a clear and bold path forward. Consultations will be held with the business community, starting early in the fiscal year.

Manitoba trade and investment: The Canada-European Union comprehensive economic trade agreement, otherwise known as CETA, was provisionally implemented in September 2017. Manitoba Trade and Investment has partnered with Global Affairs Canada to host two seminars, one in Brandon on March 19th this year and one in Winnipeg on March 20th this year, to promote the opportunities of CETA. Agreement has been reached on the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, otherwise known as CPTPP.

The government of Manitoba is pleased to have joined the New West Partnership Agreement and the New Canadian Free Trade Agreement during 2017. These trade agreements will provide our exporters with an advantage over their competitors in other markets in these important markets.

Employment standards: As a result of amendments to the Employment Standards Code passed by the government on June 2nd, 2017, Manitoba's minimum wage is now indexed with inflation in October of each year, providing businesses and workers with a predictable and fully transparent approach to minimum wage changes.

And the red tape reduction: Boiler, presser-pressure vehicle and refrigeration safety program, the Office of the Fire Commissioner will be moving forward with legislative changes, which will recognize advances in technology and introduce risk-based inspection modelling consistent with other provinces. Recreational vehicles and manufactured homes: Manitoba currently has a unique permit and inspection requirements for recreational vehicles and mobile homes, compared to other Canadian jurisdictions. The OFC has proposed a new framework which will remove these outdated requirements, update referenced standards and definitions for RVs and manufactured homes and will treat them under separate legislation.

Under gas and oil safety, the OFC is working to update reference gas and oil codes, reduce the duplication of services offered by different agencies such as Manitoba Hydro and to reduce the administrative burden associated with unnecessarily and overly complex enforcement requirements.

Under the Building Code safety program, the OFC has proposed changes which will allow municipalities to enter into agreements with qualified, third party contractors to conduct inspections of specified buildings and issue permits on behalf of the municipality.

Workplace Safety and Health, with the co-ordinated efforts of safety-SAFE Work Manitoba, Workers Compensation Board and others, key stakeholders, the time-loss injury rate has dropped below three injuries per 100 workers for the first time in Manitoba's history.

In closing, we are charting a new path to help Manitoba's economy grow. We have a new vision focused on increasing business investment in Manitoba, because industry and private sector are—the engine of our economy, not government as the engine of our economy. This is in stark contrast to the direction the NDP took, which meant bigger government, higher taxes and opportunities lost. This is not the direction we are taking.

Making progress means developing new and innovative approaches, such as our Framework for Economic Alignment and Growth. It doesn't mean spending more money on old ways that haven't generated results. That is what the NDP has proposed and will continue to propose. Going back to the old ways of one-offs and throwing money at problems to buy just enough time to get past the next election is not how we will do things. We're moving Manitoba in the right direction.

Our government remains committed to making Manitoba the most improved province in all of Canada. We were elected to right the ship and we are charting a new course with a focus on long-term, sustainable measures to fix our finances, improve the services relied upon our citizens and rebuild our economy.

Thank you.

**Madam Chairperson:** We thank the minister for those comments.

Does the official opposition critic have any opening comments?

**Mr. Tom Lindsey (Flin Flon):** Yes.

**Madam Chairperson:** Mr. Lindsey—the honourable member for Flin Flon.

**Mr. Lindsey:** It's a pleasure to meet with the minister and, hopefully, his staff of Growth, Enterprise and Trade—important department, tasked with leading trade and economic development initiatives in the province, as well as protection for workers.

I'll be guided today by the changes that have happened in this department since the end of fiscal 2015-2016. At that time, Manitoba had the second lowest employment rate in the country. Now it's higher than the Canadian average. There's 5,000 less full-time jobs in Manitoba than there were just one year ago.

The Department of Growth, Enterprise and Trade should play a critical role in addressing this. I'm hopeful that the minister can shed light on what action he is taking—or not taking—to address this.

Thank you.

**Madam Chairperson:** We thank the critic from the official opposition for those remarks.

Under Manitoba practice, debate on the minister's salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 10.1.(a), contained in resolution 10.1.

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

**Mr. Pedersen:** I have with me today, for staff, I have Dave Dyson, acting deputy minister; we have Melissa Ballantyne, acting assistant deputy minister, Finance and Strategic Services; Michelle Wallace, executive director, marketing sector intelligence and Jim Crone, acting assistant deputy minister, Resource Development.

**Madam Chairperson:** Thank you, Minister.

Does the committee wish to proceed through the Estimates of this department chronologically or have a global discussion?

Mr. Lindsey—oh, sorry, okay—the honourable member for Flin Flon.

**Mr. Lindsey:** Global discussion.

**Madam Chairperson:** Is that agreed? *[Agreed]*

It is agreed, then, the questioning for this department will proceed in a global manner, with all resolutions to be passed once questioning has concluded.

The floor is now open for questions.

**Mr. Lindsey:** Can the minister list all of his political staff, please?

**Mr. Pedersen:** I have a special assistant, Rae Wagner, who's in attendance with us here today, and executive assistant Piotr Stromecki, S-t-r-o-m-e-c-k-i. And Rae—sorry—Rae is spelled R-a-e; Wagner—W-a-g-n-e-r.

And while I'm at it, I should probably spell Piotr's first name, too, because you'll probably get it wrong. It's P-i-o-t-r.

**Mr. Lindsey:** Thank the minister for his very detailed answer and spelling of everyone's name.

The printed line from 2016—or, excuse me—2017-2018 budget and the statement of the line in this year's budget are out by approximately \$1.6 million. I believe that's because the energy division has been moved out of core government.

Can the minister confirm or explain why there's a \$1.6-million change that's not captured in the reconciliation statement?

**Mr. Pedersen:** Yes, you're correct. That's—the energy department was moved over to Sustainable Development.

**Mr. Lindsey:** Would it not be normal practice that that would show up somewhere on the reconciliation statement, or does it just show up in Sustainable Development?

**Mr. Pedersen:** I'll try to explain this. It was transferred mid-year, and so it was in—because the budget wasn't passed until fall, it was in the restated budget that was eventually passed in the fall.

**Mr. Lindsey:** Okay, so energy was moved to Sustainable Development. Will the work that they were doing continue, and how will that work be funded? Is it strictly now funded out of Sustainable Development?

**Mr. Pedersen:** That'll be a question that you'll need to put forward to Sustainable Development when they have their Estimates because it was moved from our department into Sustainable Development, so they now carry that file.

**Mr. Lindsey:** So, at the end of fiscal 2016-2017, the Department of Growth, Enterprise and Trade had over 430 full-time equivalents. At the end of 2017-2018, it was 344.

Can the minister confirm if those numbers are correct?

\* (15:10)

**Mr. Pedersen:** Fiscal '16-17, it was 400.3 FTEs, and '17-18, 344.8.

**Mr. Lindsey:** While I'm just quickly doing some math here, at least down proximately 60 positions?

**Mr. Pedersen:** I didn't realize there was a question there, but, yes, your math is right at 56—approximately 56 FTEs.

**Mr. Lindsey:** Fifty-six, not 66. All right.

So we know that in 2017-2018 there was a loss of 36 full-time equivalents. So going back, can the minister explain or tell us where all the positions were cut from that add up to the 56 total?

**Mr. Pedersen:** So I can do it two ways. I can provide you with a copy of it; it shows positions deleted. Or else I can read it into the record, whichever you would like.

**Mr. Lindsey:** I think I'd be quite happy with a list. As much as I love listening to the minister, I don't know that I need to listen to the entire list.

But perhaps maybe the minister could just very briefly tell us where the positions were cut from, as opposed to the complete list of who.

**Mr. Pedersen:** I—we're just compiling a quick summary here of sort of the major places where they're from, and we'll get that to you in a minute if you want to go on to something else while Melissa's working on that.

**Mr. Lindsey:** While you're at it, there's a further four full-time equivalents that were cut this year, so the same question, I guess, is: Where were those positions cut from and what functions were lost?

And I guess that really applies to the previous question as well: What all functions were lost as a result of the reduction in man—person power?

**Mr. Pedersen:** So, just going back to your previous question, I'll start out by saying these positions were all vacant and—that I'm going to give you here right now—finance and administration, there was three positions; Enterprise, Innovation and Trade Division,

there was 14; in the labour division there was 12.6; and resource development, 14. So that's a total of 36.6. From the previous year, I believe—I'll correct that—[interjection] Yes, from 2018-19 for the 36 points—[interjection] Okay, and the four that you're talking about are senior management.

Okay, now, first of all, let's clarify: the 36.6 were all vacant. In the four upper management, some of them were—there was people in those positions, and some of them were vacant—of the four positions you asked about.

**Mr. Lindsey:** Thank you, that's all—the 36.6, they were all vacant. So how many vacant positions do you have in the department now?

**Mr. Pedersen:** There are approximately 40 positions still vacant within Growth, Enterprise and Trade.

**Mr. Lindsey:** So what kind of percentage in vacancy rate are you maintaining, and is that a higher vacancy rate than there was in the previous couple years, or is it lower?

**Mr. Pedersen:** First of all, we're—the department is not mandated to keep a certain number of them vacant or otherwise not filled. There is—and—so there's about an—we're averaging about 8 per cent turnover rate year over year, and this is fairly consistent with previous years as well.

**Mr. Lindsey:** Okay, so you're maintaining about 8 per cent turnover rate. Is the percentage of vacancies the same, or thereabouts as it traditionally has been, or is that number going up?

\* (15:20)

**Mr. Pedersen:** First of all, these vacant positions that were eliminated have been vacant for a long time. There's other considerations, too, that all government departments, all businesses face, is that there is—as the baby boomers are retiring, there is a lot of retirements happening and that makes for more staff turnover. And also, on top of that, it's sometimes difficult to fill those positions. When a person's been in a position for a long time, in order to find that type of experience to fill that position, it takes a while to fill it but we are moving on the vacant positions we've got.

We want to fill those. It's just taking time to do it and considering, too, that we have that—you always have that 8 per cent vacancy rate or turnover rate that will create vacancy. You're never going to fill all the positions you have. It's an ongoing process and we're doing our best to fill these.

**Mr. Lindsey:** So the 8 per cent turnover rate is a different number than what the total vacancy rate is, correct?

**Mr. Pedersen:** Just for clarity, 8 per cent turnover rate does not relate—does not factor in or does not relate to vacancy rate. Vacancy rate is an ongoing thing; turnover—that we're trying to fill those vacant positions, but 8 per cent turnover is those who choose to retire, choose to move on to a different position, whatever. That's an ongoing thing, that's been—as long as I've been in this building, there's been a—you always—and as long as you have any business, there's a turnover rate. That does not relate to the vacancy rate.

**Mr. Lindsey:** I didn't really think that it did; I just wanted to clarify with the minister because my initial question is what percentage of vacancies do you presently have in your department.

You talked about there being 40 positions vacant at the moment, but what percentage vacancy rate do you have and is it similar to the vacancy rate that was in place last year or the year before, or does that number go up, gone down?

**Mr. Pedersen:** So, if we have three—and I'm going to round the numbers, so they're not technically correct, but if we have 340 employees, or 340-odd employees, we have 40 still vacant that we're looking to fill. That's about 12 per cent of our total positions are vacant right now and that's what we are still continuing to fill, not talking about turnover rate. So we separate the two.

**Mr. Lindsey:** And just to clarify, previously you'd said you would supply a list of the positions that had been cut, that you'll supply that still?

**Mr. Pedersen:** I'm sure we'll be able to get that to you. I don't know about today, but I will get it to you before the Estimates are over, for sure.

**Mr. Lindsey:** Thank the minister for that commitment.

So, numbers—it seems that there's somewhere in the neighbourhood of 50 full-time equivalents that haven't been accounted for between 2018-19 and 2016-17.

Can the minister explain where these approximate 50 full-time equivalent positions are gone just based on the numbers as presented?

**Mr. Pedersen:** You'll have to run those years by me again so that I—that we can—I'm not following you

there. You'll have to give me the years and give me your numbers—employment numbers there.

**Mr. Lindsey:** Okay, so now I stand to be corrected. Some of these numbers may have been changed already. So if there were 430 full-time equivalents in the department in 2016-17, now there's 341 that—we've talked about 36 and four, so 40. So I am corrected, it isn't 50 that are missing, it's 10 positions that seem to be unaccounted for.

**Mr. Pedersen:** I have full confidence in my staff that they'll find those 10. It—when we do those—when we get these numbers for you here we should be able to answer—have that question answered, too, about these other 10 positions, but Melissa and staff will get those numbers for you, and if, when she brings back those numbers, if you still have questions on it, then we'll gladly dig into it then.

**Mr. Lindsey:** I thank the minister for that, and, yes, I look forward to seeing those numbers and the clarification.

So, let's—can the minister—I guess we've already covered that off, so let's just switch gears here for a minute—well, maybe not. So we know, and you'll have to forgive me because—

**An Honourable Member:** You're forgiven.

**Mr. Lindsey:** Thank you very much.

So we know that you're running approximately 12 per cent vacancy rate, so how many vacancies are there in each division in full-time equivalents as opposed to the total overall?

**Mr. Pedersen:** We'll get that breakdown for you of each division of vacancies that—you're talking current vacancies, correct?

**Mr. Lindsey:** Yes, the vacancies that are to be accounted for now.

\* (15:30)

**Mr. Pedersen:** So what we will get you is the full-time employees, FTEs, for each division, and then we'll give you the vacancy rate of each division also.

**Mr. Lindsey:** Okay, once we get all the things that you're going to supply us, then we may come back to this, and I'm sure we'll have more questions as your answers will— So, okay.

So the government estimates that between 1,500 and 2,000 jobs are going to be lost in northern Manitoba over the coming couple of years. So let's

talk about some financial assistance programs that are or were available. How many loans and what total value were approved by the CEDF in 2015-2016?

**Mr. Pedersen:** So I'm reading from the CEDF annual report 2017, which is a public document which you can get access to or we can give it to you at some point.

The—now, they go on calendar year. They don't go on the same fiscal year as government. So they are—so for 2015 I've got seven point one seven—\$7 million; 2016, 5.77; 2017, 4.452. Now, that's loans. Then there's the fishery loans: for 2015 is \$3.563 million; 2016 is \$3.956 million—excuse me—and 2017 is 3.606.

As I said, this report is public information. You can get this, and remember it's on calendar year, not on government fiscal year.

**Mr. Lindsey:** So, the different loan streams are recorded differently. The fishery loans are reported differently than other business loans.

**Mr. Pedersen:** Yes.

**Mr. Lindsey:** If he could just run through the numbers and years again for the fishery loans, just because I can't write as fast as you talk, apparently.

**Mr. Pedersen:** I'll slow down. For fishery loans for calendar year 2015 is \$3.563 million. Actually, it's three-point-five-six-three, three-hundred-and-two—\$3,563,302.

For 2016, it is \$3,956,817 and for 2017, it's \$3,606,696.

**Mr. Lindsey:** It's my understanding is that the—there hasn't been any loans other than fishery loans for 2017. Is that correct?

**Mr. Pedersen:** So I gave you the numbers for calendar year, but, as part of our economic development review, like many of our other economic development programs, it has been on hold since—I'm going to say mid- to late 2017 while we're doing our review and we are—this is part of—it was part of the Deloitte study that looked at this and it's part of Dave Angus and Barb Gamey's review—consultations that were developing our new economic development program and CEDF will—I feel confident that it will be—there will be some sort of economic development program for the North, whether it's in the current form of CEDF is what we're trying to figure out right now and moving

forward we'll know, but we realize the importance of the program.

\* (15:40)

Economic development is important across the province, and it's not just the south; it's the North too. So we realize that, we realize the importance of it but we need to get it right and make sure that we've got a working model.

**Mr. Lindsey:** So if I correct—initially, the amount of funding that the government supplied to CEDF went from \$7.7 million in 2015-16 down to \$4.5 million, approximately, in 2016-17. So that's like 30 per cent cut.

The fisheries part, I understand, stayed more or less constant, but now that entire amount is on hold under review?

**Mr. Pedersen:** So I just—more clarification. The fisheries loans are not on hold. They continue. The loan portfolio is—has been on hold since mid- to late 2017, but the loans are still out there. The existing loans are still out there. So it's operating, just on a reduced scale right now.

**Mr. Lindsey:** So I understand, the loans that had been previously approved prior to mid- to late 2017 are still in the works, but there's been nothing new approved since mid-2017.

**Mr. Pedersen:** That'd be correct.

**Mr. Lindsey:** So, do you have a sense of how much the CEDF underspent in previous years, as opposed to the budgeted amount? What amount did they actually spend?

**Mr. Pedersen:** So the CEDF operates—we supply operating funds. The department of GET supplies operating funds for the operation of CEDF. The total amount of money that they'd have available to lend out comes under the loan act, which goes under the Department of Finance and through Treasury Board. So I don't have those numbers for you.

What they were—as, for instance, in a—under program objectives—and this is, again, for the calendar year 2017, lending activity, \$4.5 million annually. New lending activity during 2016-17 was 3.6, a slight decrease from 3.95 in 2015-16. And we don't have 2018 numbers yet because their report will come out probably this fall for 2018.

**Mr. Lindsey:** Right now, to—the fund is frozen or under review, whatever term it is we're using, so

there is no new number. That's just carry-over from the previous allocation. Is that correct?

**Mr. Pedersen:** That's correct.

**Mr. Lindsey:** Okay, and let—I understand that the government funds a certain portion of CEDF, but it's that portion that really has cut in this budget that you've presented.

Am I right, or am I off track, there?

**Mr. Pedersen:** Previous year, operating for CEDF was \$1.43 million—\$1,430,000. It has been reduced to \$1 million for this current year.

That's in operating. So that is separate from their loan act and capital borrowing—lending activity.

**Mr. Lindsey:** So, what type of things, then, have been cut in the operating end of things?

**Mr. Pedersen:** As a Crown corporation, CEDF operates independently. We will work—we are working with—the department is working with CEDF to manage that reduction in operating funds, and we are in constant communication with them to manage that.

\* (15:50)

And, again, I want to stress that this is while we do our economic development review, and I can't say right now whether it will remain the same or whether it'll be increased or what will happen to it until we bring out—you'll see what happens to it once we bring out our economic development plan. But we realize the importance of this because it does a function—a good function in the North and as an economic development agency in the North. And we continue to work with the board and staff of CEDF.

**Mr. Lindsey:** So all we know at present is that CEDF has been mandated by the government to reduce their operating budget from 1.43 down to approximately \$1 million.

**Mr. Pedersen:** That's correct.

**Mr. Lindsey:** So we don't yet know where any of those cuts are going to take place, but you're saying that it may not have any effect on the amount of money that's loaned through the program. That comes under a different budget that we would have to ask at Finance as opposed to asking here. We just know that for however they choose to do it, they have less money available to operate, so to pay wages, to travel, to do whatever it is they do in the process of approving loans for business, particularly

in the North where things are somewhat of a problem at the moment. Is that correct?

**Mr. Pedersen:** So this is a reduction in operating funds, so, yes, they will manage, and they will manage on less money for this year.

And you're correct again in separating out from the loan activity. That you'll have to go to Finance for, for the loan activity. But this is operating funds only.

**Mr. Lindsey:** Well, we do know that the whole program is frozen or under review, stalled, not distributing any money at the present time other than money that was already previously committed.

**Mr. Pedersen:** It's only the business loans that are—that have been frozen for now. The fishery loans continue as—and again, I can't give you what the current fishery loans are because they're in their fiscal—or they haven't submitted their fiscal year results yet. So this is—yes, the CDF continues to operate.

**Mr. Lindsey:** Thank you for that.

I guess I kind of look forward to seeing what kind of things that they may be funding in the future, particularly when we know that things in the North are in somewhat of a difficult period at the moment, that anything that can be done to spur economic activity, I hope we're going to continue to look at that, that it can't be frozen for too long. So do you have any idea of when the review of this process will be complete?

**Madam Chairperson:** I'm going to advise all members who are here for Estimates to please have their conversations away from the table, as it is disruptive to the conversations happening. Thank you for your co-operation.

**Mr. Pedersen:** So I think the member needs to realize that CEDF is not the only economic development tool out there, and all across the province we are reviewing our economic development programs to make sure that they work across the province and that includes the North. So CEDF is not the only vehicle for the North.

We still have our venture capital tax credit program that we are doing and access to capital outreach right now. I, for a moment, will not short sell northern entrepreneurs that they can access capital the same as anybody else. Don't sell the North short on their ability to go out and create business and to be able to do business.

CEDF has played a role in that, it will continue to play a role in that, but it's not the only vehicle and it's—we are going—as to time frames, we realize that we need to get this up and running as soon as possible.

That's, again, what Barb Gamey and Dave Angus are doing is we're getting input. I encourage you to—when you're in your home constituency, and we will encourage people all across the North to make sure that they are able to provide input to this outreach group and that when we are designing the new economic development program, it works for all of Manitoba, whether it's in the south, whether it's in the Capital Region or whether it's North or wherever you are in Manitoba.

So I'd—I have a little more confidence in the people of the North than I guess than the member does that they do have that entrepreneurial spirit and we've seen that from our Look North outreach, that there is lots of potential there in tourism, in home-based businesses.

We made—just one of the small changes we made in—as a result of our Look North outreach right away was prior to this you could not—if you were in social housing, you could not start—you could not run a home-based business out of social—if you were in social housing, and Churchill, you know, or any of our northern communities, with the amount of social housing, it was a discouragement from those who have that good idea in their home to be able to go out there.

Are they going to be able to make a living at it? Maybe not right off the start, but it's a hand up to them rather than a handout.

So there is lots of potential here and we're going to continue to work with all Manitobans.

**Mr. Lindsey:** Okay. I'm glad to hear you're going to continue to work with northern Manitobans and all Manitobans.

I hope you're not suggesting that home-based businesses are going to take the place of industry in providing employment opportunities and future opportunities for, particularly, people in the North.

**Mr. Pedersen:** Well, of course not, and at the same time I hope you're not discouraging home-based businesses, because not every—there's not going to be a factory moving into every town to provide widespread employment, but if there's an opportunity for a person living in their home, be it man, woman,

teenager, whatever, if they see an opportunity to start a home-based business but they are living in social housing, this gives them the ability to start that.

Social—home-based businesses is just one small entity of this. We've got tourism; we've got mining opportunities; there's lots of opportunities coming in the North that we need to work on. If you're going to sit back—the member wants to sit back and wait for a job to suddenly appear for them. It's—that's a difficult thing. We're encouraging people to go out and seek business, seek employment, and we're doing our best to be able—that they have those opportunities to be able to do that.

\* (16:00)

**Mr. Lindsey:** The minister takes great liberties with things I've said in his interpretation of what he thinks he heard. Certainly, I never once suggested that people in the North were going to just sit and wait for a job to magically appear, so I take exception to that remark.

But, moving on, let's talk about mining for a minute or two. Can the minister explain to us things like the Mineral Exploration Assistance Program and the Prospectors' Assistance Program? Are those grant levels remaining the same? Are they frozen? Do prospectors and exploration companies know where that grant money is at the present time, and I understand from going through the Estimates books and stuff that it comes out of a different fund so it isn't actually accounted for in the documents we have.

So could the minister clear up any information or provide information on those particular grants and on what we can expect to see, what exploration companies and prospectors can expect to see this year?

**Mr. Pedersen:** The 2017 mineral exploration community—Mining Community Reserve Fund is still there for 2017 and, as all other programs, it's being reviewed right now for 2018. There will be submissions for it and there's not been decisions made yet for 2018.

**Mr. Lindsey:** Did the minister have some more he wanted to say on that?

**Mr. Pedersen:** So mining exploration and Prospectors' Assistance Program—there's too many acronyms in government, but—and the Prospectors' Assistance Program are in place, or have been in



place for 2017 and they're—we're evaluating them for 2018.

**Mr. Lindsey:** So we're into April of 2018 and those exploration companies or prospectors don't yet know if there'll be any of those funds available or, if so, what levels the grants would be?

**Mr. Pedersen:** The program has, in the past, been decided by June and it will be the same for this year. We'll know by June just as—same as it has been in other years.

**Mr. Lindsey:** Thank the minister for that.

Are there other things that could potentially be in support of mining that are presently either under review or had their budgets cut? And I'm thinking like the geological surveys.

**Mr. Pedersen:** The member mentioned the geological survey, and that is the same as the mineral exploration and prospectors. That program is under review also, and we would have a decision by June.

The other thing I'd mentioned—and member's from Flin Flon, he knows the mining industry probably better than I ever will, but, at the same time, we know that mining is a long-term endeavour. We also know that a couple of factors—I'll just remind the member gently that it was not exactly a favourable regime over the last number of years for mining, plus the fact that we went through a downturn in mineral prices, and—which certainly didn't help encourage exploration—prospecting exploration, mineral development.

So—but we have our Look North round table that was—still recognizes mining as a tremendous potential of the North. We have our mining protocol with Ron Evans and Jim Downey that are doing the outreach with our indigenous communities so that when a mineral—right from the prospector to the mineral exploration company, long before a mine is even, you know, feasible to develop, we have these protocols in place to work with indigenous communities who are in very close proximity to these—to this.

I know it's—and again, we've managed not to—the member and I have managed not to get in too major a spat yet this afternoon, and we're only an hour and 10 minutes in. So I'll try to say it gently, but there's a lot more than just subsidies that we can do for the mining industry in the North.

You know, it starts with having our provincial debt under control so that our taxes—we can continue

to reduce our taxes. We raised the basic personal exemption in this budget. That helps the people—no matter where you live in Manitoba, no matter what your occupation was—is, it helps them. We're going to reduce the PST in the next—within the next couple of years, which is going to help mineral companies and consumers alike.

\* (16:10)

I was really encouraged—I went to Toronto with some staff here a month ago, I guess it was, to PDAC, which is the Prospectors and Developers Association of Canada. Boy, I got that acronym right. We met with, I think—and if the member would just give me a half a second here, I can tell you how many meetings we actually had, because I've got it in here somewhere. We met with a lot of mining companies, a lot of mineral exploration companies. We met with some prospectors. They're quite excited about Manitoba and, you know, and it was really good to see this.

What they were asking for—they weren't asking for subsidies to come. What they were really asking for the—whether it's a mining company, whether it's an exploration company, whether it's a prospector, what they're asking for is clear rules as to what it takes to develop, to look for a mine site, to develop a mine site. And that's where we're going with this in getting our fiscal position under control and with the mining protocol, which will be huge.

And I'm running out of time, and I could talk endlessly about the really great conference we had in—that I was at in Toronto. Thank you.

**Mr. Lindsey:** I wasn't at said conference. I have talked to some people that were there that had a little different take on their meetings with the minister, but so be it. People have different opinions of how things are going. But I really think, when I've talked to mining people in the North, is really what they're looking for is, you're right, some certainty, but they need to have some of that in place so that they know, can they go out and do the exploration. And right now, with everything being under review or frozen, they're not sure where that's going to leave them at the end of the day, so they're seeing opportunities elsewhere.

For example, I'm sure the minister's aware that Flin Flon is a border community and there are exploration potentials on the Saskatchewan side, as well—which, at the end of the day, if a mine gets developed outside of Creighton, it's still good news

for Flin Flon—but the Saskatchewan government has, in fact, created a fund to invest in some exploration opportunities which people in the area are quite excited about and they're actually got some drills turning as a result of that.

So I guess I'm just asking for the minister to make sure that mining industry people understand that things like Mineral Exploration Assistance Program and the Prospectors Assistance Program aren't going to be cut, that those—grant money from those programs will, at the very least, be maintained at the level they're at and, hopefully at some point in time, increased so that we can encourage more exploration within the province.

Is the minister in favour of at least—or is he willing to commit to at least maintaining those grant levels at the level they're at now?

**Mr. Pedersen:** One of the meetings that we had when we were in Toronto at PDAC was with HudBay, and we had—and we've met with—actually, my department, my staff has met with them a number of times. I've met with HudBay a number of times, too. We met with them in their Toronto headquarters, and they were cautiously optimistic that they'll be able to keep the operations running in Flin Flon.

They're—the 777 mine is closing; that's coming, they know that. They've got mines running at Snow Lake. They're fast-tracking as much as they can exploration in that Snow Lake area—in the Flin Flon area. Again, it is—this is where government can be of assistance to them to make sure that those permits are issued for exploration, that—and HudBay has a very good relationship with the indigenous communities around Flin Flon; you would know that, yourself. So we don't expect that to be an issue for HudBay. They're looking at some other alternatives which is confidential right now so I can't talk about that. But they're doing what they can to keep Flin Flon going, the zinc smelter going in Flin Flon. And so we're cautiously optimistic that they will be able to keep going. We realize the impact that it has on the Flin Flon community and on the North in general, but that's just one example. You know, we're talking—we've also—in regular conversation with Vale in Thompson, and there's issues happening in Thompson. We're very well aware of those.

But it is—there is a lot of things at play here, and it's not just about what can government do to subsidize them to keep in business. And that's what

we are—yes, we realize the importance of the, you know, the programs that you mentioned.

So we're—you know, another issue that we've got and we are dealing with that we have to deal with is land tenure. We need to have a consultation process that's—that is predictable between the government and the First Nations, and we're working on that. And that's been one of the biggest stumbling blocks to mineral exploration and mineral development in the North, and we will continue to work on that.

**Mr. Lindsey:** Thank the minister for the answer. Unfortunately, I guess I didn't hear that you're committing to maintaining those assistant grant levels at the existing level, which is really what a lot of the smaller players are concerned with. And, certainly, I've had meetings with HudBay, as well, and met with the mining association and they have many things that they would like governments to do for them. Some things, of course, I would agree with and support—other things, yes, maybe not so much.

I'm not a fan of governments just giving money to multinational corporations. However, if there's things that we as a government can do to increase exploration opportunities which then keep those mines or those process facilities operating, even if it's a different mining company feeding product into those zinc refinery or milling processes.

So, again, I'd ask, is the minister prepared now to make a commitment that those exploration grant funds will remain at least at the level that they were at last year?

**Mr. Pedersen:** My commitment is to review the programs, the same as it's been done every year, and have a decision by June.

**Mr. Lindsey:** I thank the minister for that. It's getting somewhat later in the day, and before I turn things over to my colleague from Burrows I'll try and get the minister a little more worked up so her life is easier.

Let's talk a little bit about the Enterprise division. Seen a reduction this year, and could the minister just give me a little better sense of what exactly it is that—what services that division provides?

**Mr. Pedersen:** Reading from page 29 of your Estimates book: it "provides services and financial support to create new companies and assist existing firms to expand, grow and innovate. Appropriate supports are provided to companies tailored to their

stage in the business life cycle, ensuring the companies receive fair, consistent and accountable responses to their requests for economic development assistance."

\* (16:20)

**Mr. Lindsey:** I thank the minister for reading that out to me. I've read the same thing.

So, the whole point of it is to provide assistance to businesses to either grow or get started, to things like Entrepreneurship Manitoba. So, then, when I look at some of the items in the budget—business financial support that goes from, I believe it's approximately \$11 million down to about \$6 million.

So that's less money being provided to allow things that the core mandate of the Enterprise division is really supposed to be doing. Is that correct?

**Mr. Pedersen:** On page 31 of the Estimates book, if you're there, okay, you're—you were talking about business financial support. You're talking about gross dollars, this goes from 11 million down to 6.6, but what you need to do is look at net. These are loans that are out and it's the business support that's been—these are loans that have been paid back. So, really, the difference between 2017-18 and 2018-19 is approximately 100—a little less than \$100,000, probably \$97,000. That's the net difference.

**Mr. Lindsey:** So, if I'm correct, in 2016-17, the annual report, the Business Financial Support was \$7.5 million underspent and the Commercialization Support for Business program was also underspent by \$2.2 million.

Can the minister confirm that those in-year reductions and that a pause on those levels of support has now been made permanent?

**Mr. Pedersen:** I have to kind of chuckle when the member keeps going back to 2016-17. If they hadn't been quite such an infatuation with talking to the Premier (Mr. Pallister) for hours and hours and hours last fall in Estimates, you may have actually got to get and had an Estimates process. We could've dealt with it, this get—Estimates book but, all right, so we're back here anyway.

So, again, you have to look at the difference under sub-appropriation. It's 1.8—\$1,816,000 under. But, again, that depends on the principal payout schedule for them. And just because it's less doesn't necessarily mean it was less money spent or less money lent out; it's the repayment schedule. And

it's—and under industry development, it was \$2.207 million less for 2016-17, and that was as a result of our economic development review at the end of the fiscal year.

Oh, am I still on?

And if I go to—this one, yes. If I go to—again, page 31, Commercialization Support for Business for 2018-19. First of all, 2017-18 was \$2.148 million, and Estimates of Expenditure for 2018-19 is \$2.148 million. So it's exactly the same for this year from 2017-18 adjusted to estimated expenditure for 2018-19.

**Mr. Lindsey:** But the question is, yes, there was money budgeted, but then there was substantial amount underspent. So, now, if the same amount of money is budgeted but again being underspent, does that leave that money now not available for what it was available before? Or is it ongoing that you budget a certain amount and have no intention of spending that amount?

**Mr. Pedersen:** First of all, just to clarify for the member, we do not deliberately budget high and spend low. That is—may have been the practice of the previous government. That it is not a practice of this government. So what we're—when we put a projection in, that's what we intend to spend in—and '18-19—Sorry for that interruption, but it was—again, the member keeps wanting to go back to '16-17.

And it was budgeted at approximately \$5 million. It was approximately \$2 million spent. But that was because we put it on pause while we're doing the review. We want to get this right and we will. That's not to say it can't go back there. We need to make sure that the money that we're spending on economic development is getting a return on investment, not simply just putting a number out there and spending the money with no idea whether we're going to get an economic return on it.

**Mr. Lindsey:** So in the adjusted budget line for that department—the Enterprise department—it was \$28 million in 2016-17. Today that number is just over \$18 million, a reduction of approximately \$10 million.

So can the minister explain what services have been and will be reduced in order to achieve that \$10-million approximate cut?

\* (16:30)

**Mr. Pedersen:** So it's the same answer, really. It's—there was reduction. You're correct in seeing that over the two-year period from 28 to 18. That doesn't necessarily mean it's going to stay there. The programs are under review, and we need to make sure that we're getting it right.

Now where the budget will go for next year, we will wait to see where our economic review comes back to where we're getting the most return, and then we can build from there.

**Mr. Lindsey:** So the minister has confirmed that from 2016 to now there's \$10 million less in that budget. So clearly something isn't happening that was happening before, or something is happening a whole lot cheaper than it was happening before.

So could you clear up for me what services have disappeared or what's been cut, what's not happening that was happening before to get us down \$10 million already?

**Mr. Pedersen:** I'll try to explain it again to the member.

This is basically grant money that was going out to some 83 different agencies. When we took over government and we—and this is what the Deloitte study found, this is what we found working in—looking through the department, that there was duplication. There was—organizations that were going to various departments and getting grant money. So what we did is, we said let's stop, let's take a look at this. We reduced funding to some of those agencies that were getting multiple sources of money.

There was other agencies, and I'll very proudly say that they went out—we reduced their funding, they went out and found private funding to match what they were getting before and it's business as usual for them, only—it's only better business than usual because now they have input from the private industry that they're working with anyway.

So it's grant money; it's not operational money that was reduced.

**Mr. Lindsey:** I get it. It's grant money that's been reduced and some entities have potentially picked up loans or whatever somewhere else.

So could the minister give us an idea of what entities have had their grant money reduced or done away with?

**Mr. Pedersen:** So we're talking about grant money to different agencies. You're asking for examples.

Canadian manufacturers and exporters is one of the groups that we reduced funding to. Canadian manufacturers and exporters is made up of companies who—private companies who do exporting business. And what we were doing is we were paying them to operate the organization overseeing them.

They have managed quite fine. We continue to meet with the CME. I was just at their awards banquet here a few weeks ago. The industry is very satisfied with this government. There—so, there's not—so, there's an example of an organization that we reduced funding to and, yet, they still managed to carry on business as usual.

In fact, they had a request to us to—for some money for a trade show that they were putting on, and we—and when I said no to the manager, he just turned around and said, okay, that's good, we can—we'll manage. Doesn't hurt—I guess it never hurts to ask for money. Looking at some of my colleagues down the row, here, they're pretty good at asking for money from people. So we know that can work.

Another—*[interjection]*—well, we believe in private enterprise.

Another one that we've—that we reduced funding to is a group called Futurpreneur. They are out—they're helping mentoring small start-up companies. When we reduced their funding, they turned around and got private money to maintain their budget to where they are. So they're doing very well, too.

Life Science Association of Manitoba, which is now known as Bioscience Association of Manitoba—they've changed from LSAM to BAM, is their new name—they have also—we reduced funding to them. They have also gone to the industry and maintain their operations as they were before.

There's three examples of how—and the list goes on. As I said, there was something like 83 different agencies that were coming just to GET, plus the ones that were going to many other departments such as education, Municipal Relations, indigenous relations, culture, heritage, sport. I—you know, they were very good, and good for them for asking, because they went out and asked. So they—but the trouble is they were going to government departments to ask for this money. Now we've got them going to the private industry and maintaining their organizations. And we think that's a win for everybody.

**Mr. Lindsey:** At this point in time, rather than going down another rabbit hole with the minister, I'll turn the questioning over to the member from Burrows.

**Ms. Cindy Lamoureux (Burrows):** I'd like to thank the member from Flin Flon for permitting me 21 minutes to ask some questions. I will take it, yes.

So my first question is: this government expects a slowdown in our average growth. Can the minister provide an estimate as to the extent of growth Manitoba will experience in the foreseeable future?

\* (16:40)

**Mr. Pedersen:** I thank the member for her question.

This was in my opening comments, but I'll just—I won't read the whole thing. Really, I won't.

But, according to Manitoba Bureau of Statistics, real GDP—gross domestic product—growth in Manitoba improved from a low of 1.3 in 2015 to 2.2 in 2017. The Manitoba Finance Survey of Economic Forecasts indicates 2 per cent growth in 2018 and 1.6 per cent growth in 2019. So that compares to 2.3 per cent and 1.8 per cent respectively for growth rate in Canada.

**Ms. Lamoureux:** Is there a long-term pattern that it has been estimated or we can expect at this point?

**Mr. Pedersen:** Maybe you should be asking the honourable Finance Minister this more than myself, but I think, generally, though, the thought is there was very rapid growth through the '90s through the—up until 2008 when everyone knows there was the economic crash in some places—slowdown here. The—I think, worldwide, the growth rate projection is projected to be much lower. We're not going to see—at least we don't project. We want to build an economy—help build an economy that will grow faster, but advanced economies are expected to grow by 2.3 per cent in 2018, and that would compare with what we're projecting of 2 per cent growth in Manitoba: 2.3 worldwide and 2.2 per cent in 2019 versus ours at 1.8.

So we're, you know, slightly below there, but that's projections too. If we continue to build—we've seen the investment—record investment in Manitoba in private industry in the last, you know, six months here. And so, if we can keep doing that, the spinoff from that—it's great to have the investment in there, but once we get those—once those businesses are up and running, that will create more economic activity too.

So—but, you know, we're—we want to be very cautious about growth projections. We're not about to put out great and wonderful growth projections and then not meet them, as what happened before. You know, we don't want to get in that position.

**Ms. Lamoureux:** Is the department working with other provinces or perhaps territories to ensure that economic opportunities are stable throughout the country, or are we solely focused on Manitoba specifically for competition? Can you—

**Madam Chairperson:** Honourable Minister.

**Mr. Pedersen:** This is why right after we came into government we signed the New West Partnership, because that allows goods and labour to flow freely through the western provinces. We've seen this and I'd—I'm sure you're aware of it too—the trade war that's going between Alberta and BC. That's not helpful for them; it's not helpful for us either. We've signed onto the Canadian Free Trade Agreement which opened up trade between all provinces and territories. That will help us.

We had a very interesting meeting here, oh, two weeks ago just before the break week. We met with the European Union trade commissions—commissioners, and I also—I have—I felt very fortunate. I met with the Hungarian ambassador, and the Hungarian trade commissioner was part of the delegation that was here too. I also met with the EU trade commissioner, and it was—we've typically—that's where the—I'll use the acronym CETA, C-E-T-A, the trade agreement with Europe.

We've—Canadians, Manitobans, have traditionally not looked to Europe for a lot of trade. We've gone south to the US; we've depended on that. Asia's a very big trading partner for us, but also, Europe is. There's over 400 million people in Europe, and the EU trade ambassador actually encouraged us to look at the eastern European countries. I know there's some—maybe a little bit of issues of democracy in some of those eastern European countries.

Hungary, for instance, was basically bankrupt 10 years ago. They've balanced their books right now. They don't have an annual deficit. They have a 15 per cent flat business tax and they have a flat personal tax rate and I just—the number escapes me right now. Those economies are booming and there's lots of trade with eastern European. And the other thing is when we—what federal government is doing,

that the trade deal with the Asian countries—the CPTPP, it's called.

The European Union is interested in Canada, in Manitoba, as sort of the halfway point between Europe and Asia and they're interested in investing in Manitoba. We're interested in investing in—our companies are interested in investing in Europe. So this—you know, this is all slow stuff. You just don't turn the economy on a dime and make it grow, but this is the kind of thing that we're looking at so that we can even better these economic forecasts that I had—gave you.

**Ms. Lamoureux:** Thank you for the response and that sort of segues into another question that I have.

What industries and companies here in Manitoba are going to be key or prioritized for maximizing the economic growth in our province?

**Mr. Pedersen:** I think that's really what we're asking of Dave Angus and Barb Gamey in the economic review.

Like we all have our favourite spots. Talk to the member from Emerson, he'll tell you that ag is the only business out there that really matters. We know that there is more than just ag, although ag and ag processing, as we've seen in Portage la Prairie with Roquette, the pea processing and in Simplot and the potato processing—HyLife Foods in Neepawa just did a major expansion again. So there's lots of potential and we're looking at the further processing of agricultural products. We've for too long exported our raw products. But also, you know, the aerospace industry is very important to us here.

The high-tech sector, the IT sector, is very important. That—you know, machine learning and all that kind of stuff. And that was the interesting part, talking to the European Union too, because they're into that and we can start building our businesses based on that too.

But, rather than prejudice where we should be, that's what we want—that's why we're focusing on this economic development review so that when we hear back from industry, business, from Manitobans all across Manitoba, that we have a better idea of where we should be focusing support—or I'm going to say more technical support because sometimes it's not a matter of—about dollars. It's sometimes—it's just about getting those doors open for companies and businesses.

**Ms. Lamoureux:** I can appreciate that it can take some time sometimes, but just to clarify, right now the priorities are agriculture, aerospace, IT sector, and machine learning?

**Mr. Pedersen:** I'm sorry if I misled you. I didn't want to say that those are the places that we're focusing on.

Historically, those have been high as well, and you can keep adding to it. Manufacturing has been—we have a very diversified manufacturing industry all across Manitoba and so there—that's examples of it, but we don't want to prejudge where our—where we should be—what is the next big thing that we should be in in terms of building businesses in Manitoba. That's not really government's role, is not to decide that. That's what we're seeking input from the business community and from Manitobans, and again, you know, I—I'm willing to go on all afternoon here.

\* (16:50)

We've got tourism which is a huge industry, and when we speak about the North, the potential for tourism in the North is good now. It can be even better and tourism Manitoba is doing a great job in there, but, again, we don't decide for tourism Manitoba what they should be doing. As a government we don't. We've set up a funding model for them. Now they're out to build a business. So that's what we—we want to put the bricks, mortars in place for those building blocks for business to grow.

**Ms. Lamoureux:** This minister has previously mentioned that this government will utilize natural resources for economic growth, but how exactly does he plan to ensure sustainable development and protection of our environment is at the forefront?

**Mr. Pedersen:** I appreciate the question. For too long—and let's talk about the mining sector. For too long it's been about developing a mine and it provides employment, and then the mine's gone and our department is now tasked with cleaning up some of those old mine sites which are—where companies walked out. That doesn't happen any—that will not happen anymore because there is a reserve fund that's set up—mining—for reclamation. *[interjection]* No, hang on. Stop.

I just needed the right terminology. There's a mine closure fund now. With any new mine that started, they contribute to a mine closure fund. So that—and that's what we're asking of, also, of Ron

Evans and Jim Downey as they do their outreach with, particularly, northern remote communities. They—those communities need to be involved from the start. From—they need to know when the prospector's going in and the prospector needs to know that the community is aware of what they're doing. There's proprietary rights and all this. Nobody wants to give away what they're finding, but at the same time there needs to be an acknowledgement of that.

In the mineral—it's same with the mineral exploration companies. If you go from prospecting to mineral exploration companies, the—our remote communities need to be involved in there, and we're not talking about just jobs. We're talking about careers.

From the PDAC conference in Toronto, one of the strong points coming through from the mining companies is that they want to go from just—they want to have the local communities go from just the brush-clearing and supplying camps to these mining companies. They want geologists coming out of there. They want mine technicians coming out of these local communities so that these people are—local people are trained and have good career—we're talking about careers, not jobs.

But that's where also, then, to—this mining reclamation fund comes in. Because we need to look at what happens when the mine is closed. That community still lives next door to it. They—that mine site needs to be reclaimed and that's something that we're—we've asked Ron Evans and Jim Downey to make sure that that's part of the discussion in this, because communities will be much more receptive to having a mine come if they know in the end that it will be reclaimed.

**Ms. Lamoureux:** I'm very new to the discussion of mines and environment within the legislative walls here. So simply put, this mining fund that you talk about, for example, how would that help protect our environment? Like, how is that money specifically going to be used to protect our environment?

**Mr. Pedersen:** When I spoke of this mining—mine closure fund, that the company—obviously, the whole mining process—even the prospectors and the mining exploration companies that do core samples—we'll get the member from Flin Flon to give us the short course on mining, but they do core samples. They're, you know, three-inch-diameter holes that they drill down to find what minerals are in there.

They need a permit in order to be on there. Before a mine can open, it has to have a permit in order for a mine to open. And as part of that permit—permitting system for a mine to open, there has to be a mine closure plan included in that which will reclaim, you know, whether its tailing ponds or tailings, you know, byproducts from the mines. If the cleanup of that, back to—restoring it back to its natural state—as close as possible, and that plan has to be approved before a mine can actually start.

So we're protecting the environment as much as we can. You go back 40, 50 years—I was in Sherridon a couple months ago. We're still cleaning up from a mine that closed in the '40s that has been a real mess, and the cleanup was a mess, and we're now getting to the point where it is—it will be environmentally sustainable now.

And—but that was—that's then. This is now, and we make sure that—at the same time, we need—there is a demand for minerals across the world. Lithium, copper—all those ingredients that go into batteries—you want to talk about electric vehicles, that's what's—nickel—that's what's getting the mining company—that's what's really kick-starting the mining industry again, is the opportunity for electric vehicles and the batteries that power them.

**Ms. Lamoureux:** If the member from Flin Flon allows me more time tomorrow, hopefully, I'll continue on the mining questions. But I did have one on tourism.

What is the minister's agenda for growing tourism in Manitoba this fiscal year?

**Mr. Pedersen:** I'm glad you asked about tourism, because tourism is another one of those industries that's really important to Manitoba. We've got a lot of potential not just in Winnipeg and the capital region, not just in Churchill, but all across Manitoba.

But it's up to Travel Manitoba to develop the plan. We leave it to them. We've got—the funding mechanism is in place, the 96-4. They get 4 per cent of gross revenues of tourism for their budget. It—their budget has grown over \$4 million in the last two years, so they're doing lots of work.

They are—they have their industry advisory councils that they're constantly working with. They're working with communities. As an example, they were out to Portage la Prairie and they sit down with the community of Portage la Prairie—and I'm

using them as an example. So what are your strengths, what are your weaknesses in terms of—and Tourism Manitoba helps them develop that, and then they come up with a tourism plan so that they can begin to attract more tourists.

And they're doing that all across Manitoba. They've been—that's been part of the Look North round tables because there is tremendous potential for tourism in the North. They've partnered with the indigenous tourism association of Manitoba—of Canada, sorry—Indigenous Tourism Association of Canada. They are providing—I spoke with one of the gentlemen with that organization. He has a lot of optimism about the North, but it's—you have people living—a person living in the North that has opportunity for a fishing lodge, but it takes a lot—we can't just hang a sign out at the end of the lake and expect people to come. ITAM—ITAC, sorry, the Indigenous Tourism Association of Canada is helping them to develop a business plan if you have a person there. So there's lots of potential for tourism all across the country.

**Madam Chairperson:** The hour being 5 o'clock, committee rise.

#### EXECUTIVE COUNCIL

\* (15:00)

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

Does the honourable First Minister have an opening statement?

**Hon. Brian Pallister (Premier):** Just briefly, Mr. Chair.

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

**Mr. Pallister:** Thank you, Mr. Chair. I apologize. I'll probably do that 20 times, so I'll apologize once for the 20 times I'll do it.

I just wanted to say that I'm very proud of the work that our team has been doing in government. We are—we have much more to do, obviously.

I've appreciated the input of Manitobans very much, and I know our ministers have, in our less than two years in government. We've been encouraging more public participation and involvement and input and we'll continue to do so

because we believe in listening to Manitobans. But we also believe in taking action and we have taken action on a number of fronts, not least of which, of course, is the—this very significant health-care reforms that we are pursuing—much needed, long overdue, according to many who work in the health system. And we're embracing the challenge of enacting those reforms with the full support and co-operation of not only the senior management in our health-care system and our government staff but also with the participation of front-line staff.

I want to say a real thanks to the people who work in the health-care system for their understanding through this time, because it is a challenging time. You know, change isn't easy, and we've been undertaking to make changes that involve the movement of staff from one facility to another, for example, or within existing buildings to move to different points of special service, and so that disruption is a real factor in making challenge harder for workers because they, of course, like all of us, build relationships and friendships with colleagues. They get accustomed to a workplace in a—that has a certain quality and nature. And so making changes of the nature of much of what we have done, though necessary, doesn't come without sacrifice on the part of our workers, and that's something I appreciate, and I would want, through you, Mr. Chair, I want to say thank you to them for their efforts in this respect.

In terms of child and family services reforms, again, in this, as you know, and I appreciate and I think our colleagues in the other parties appreciate as well, that this is a less partisan issue than many and in the past has, I think, the real lack of results has demonstrated a real need for us to pursue change together. Other jurisdictions have had much more success than we have in terms of embarking on changes within the child and family services system that empower as opposed to disempower people, families, communities, and we want to see positive reforms happen there, and I've appreciated the tone in particular, the member for St. Johns (Ms. Fontaine), in respect of this, as she has been critical but supportive of the need for change, and I thank her for that.

I also believe, in terms of our efforts at fixing the finances of the province, Mr. Chair, that we have undertaken difficult but necessary challenges to get back toward sustainability and balance in our province. This is, again, a monumental challenge. The tradition of structural deficits which grew annually, year over year, in spite of higher taxes, was



not one we wished to maintain, and Manitobans wanted a change; in that respect they've seen major progress: this—just this past budget, a record reduction year over year in our provincial deficit, very significant, from—in the first two years, from the levels rarely seen in our province's history, in the area of 900-plus million dollars of an annual deficit, to move down to just over \$500 million in just two years is a significant accomplishment, and I think everyone on the government's side that's contributed in terms of their committee work, their suggestions, their ideas, their consultations with their constituents and others deserves praise for their work there.

Tax reduction matters, and we know that Manitobans are facing higher bills. In many respects, the inevitable consequences of NDP mismanagement on Hydro are that hydro rates—we got in front of us now in this province, the highest rate application we've ever seen, and the situation is dire; it will result, as a consequence of the mismanagement of the past, in higher hydro rates for people. That means less money on the kitchen table for Manitoba families, and we're concerned about that.

We're also concerned that with interest rates going in an upward direction for the first time in a long time, that growing debt burdens in Manitoba households are going to be a reality, and many of our young families have never experienced interest rates like some of the older ones in this Legislature will remember where double-digit interest rates had to be paid to honour debt. As interest rates rise, there's less money available not only for families in our province but also less money available for us as a government, and for this reason, our debt obligations this year for the first time, debt-service costs, will exceed \$1 billion. That's the fourth largest department of government. That's a significant—significant—challenge, and we'll face up to it not by trying to spend our way out of trouble, as is the current approach taken by other political organizations running for re-election elsewhere, but rather by doing the sensible and honourable thing that Manitoba households do and Manitoba small businesses do, of getting our spending under control, pursuing value at every opportunity and making sure that we move towards the balance that all other common sense people have to live with and want to live with because they know it's the right way to sustain their families and their future.

So, on the fiscal side, we're fixing the finances to the best of our ability. We'll continue to stay focused on that. On the service side, we continue to focus on

repairing our services. And, in terms of economic growth, I'll have more to say on that. I'm sure the member for Fort Rouge (Mr. Kinew) will want to question me on the economic performance and progress we've been making in our province, and I'd be happy to provide him with great detail on that topic. But we are making progress in terms of partnering with Manitoba small business, in particular, defending their interests in the face of federal proposals to raise taxes, making sure that we stand with them in reducing red tape that unnecessarily burdens them with costs that are unproductive and don't result in a good rate of return for their businesses, and making sure that we work with them in partnership to find real opportunities for better economic growth in our province.

So I'm excited to hear the questions of the member, members opposite, and I look forward to having a good discussion on the progress we've been making to make sure the only thing that's better than today in Manitoba is tomorrow in Manitoba.

\* (15:10)

**Mr. Chairperson:** We thank the First Minister for those comments.

Does the Leader of the Official Opposition have any opening comments?

**Mr. Wab Kinew (Leader of the Official Opposition):** Yes.

Mr. Chair, things are getting a little bit more difficult for many families in Manitoba as a result of the decisions that the current government is making. I've spoken to many people who are upset that tuition is going up at a rate that it hasn't in this province since the last time the Conservatives were in power.

There's a lot of people who are very concerned about the impact that the hydro rates are going to have on them, hydro rate hikes that are being brought in under this government. And this is, you know, the average person who's paying a personal hydro bill, but it's also business people who are looking at the cost of doing business going up in Manitoba as a result of the appointees of this government's decision making.

And then, of course, there's, you know, people in Winnipeg who, at a time when we're looking to pursue green technology, to make the environmental choice, are wondering why is it becoming more and more expensive, because of budget cuts made by this government, to take transit, to use the bus. Why are

service and routes being impacted as a result of budget cuts being handed down by this government?

And so I think now more than ever people are looking for an alternative to the current government and the approach of cuts and austerity and, you know, a refusal to work with others.

On the health-care side, I was speaking to some nurses from St. Boniface and, you know, shortly before the media reports broke that already in the first few months of this year there's been more mandatory overtime given to nurses at St. Boniface than all of last year, and they were livid, essentially. They're very upset at the way that they are being treated by this government and the impact that cuts and deletions and changes to health care are having on them.

Now, certainly not a good thing to get nurses angry. We know that they're, you know, very often well-respected members of our community, but the concern that I have is the impact that's going to have on the care of people at a hospital like St. Boniface. So we know that nurses are human beings just like everyone else, and if they are stressed, if they're angry, if they're working consecutive shifts as a result of the rushed and mismanaged cuts to health care, that they're going to take that with them with the patients that they see, that it will impact the care that they deliver to people in our families. So I think a lot of families in our province are starting to wonder, you know, why are things getting more difficult?

And, again, the government is focused on the bottom line. We don't hear a discussion about improving health outcomes. We don't hear a conversation about, let's make Manitobans healthier. Let's make sure that the, you know, the family in the suburbs right now, to make sure that their kids are healthier for the rest of their lives and that the elderly parents of that same family get the care that they need as they approach their elder years. Instead, we hear talk of consultant reports and more cutbacks. And so there's a lot of concern.

On the side of Hydro, it's pretty unprecedented to hear, you know, some of the commentary made by the outgoing board chair, Sandy Riley. He essentially owned the Premier (Mr. Pallister), you know, in his public comments and, you know, just said, if the Premier keeps talking about this issue, I'll keep coming back out to set the record straight. At issue, you know, despite the Premier's deflections, was

what the outgoing board chair said, was a refusal to engage with the important critical governance and financial issues before Manitoba Hydro.

Now, I don't agree necessarily with Mr. Riley's analysis of the course forward for Hydro, but I do agree with his assertion that the First Minister should have made time to meet with Mr. Riley, and it really does pose a question, especially after, you know, the mayor's comments yesterday, the mayor of Winnipeg. I don't believe the mayor was out to chase after the Premier, but he did let it be known that it's been very difficult to get a meeting with the First Minister.

And so it really does beg the question, like, what is the Premier doing that he's so busy that he can't meet with the chair of the board for Manitoba Hydro, he can't meet with the mayor of Winnipeg, that, apparently, the federal government will not meet with him? You know, it really—it really begs the question.

And, again, this is at a time where life is getting a little bit more expensive, and there's a lot of questions that people have about why health care is being attacked in the way that it is.

So these are some of the questions that I hope to be able to discuss and explore. We know that it's been a very, kind of, bizarre few weeks for the current government. Rather than talking about the important issues of hydro rates and health care and tuition hikes, we're talking about dysfunction in the board charged with the oversight of Manitoba Hydro that—we're learning about luxury taxes in Costa Rica, and we're having to deal with these, you know, spats between the Progressive Conservatives and some of their allies that they charged with working with them to oversee the most important Crown corporation in our province.

So, as life gets a little bit harder, of course, we'll be there to stand up and be a good opposition. We'll ask the right questions and be working hard to provide a strong alternative for people in Manitoba as they grow increasingly tired of the distractions and the mismanagement of this current government.

Et puis aussi, pour la communauté francophone de notre province, on sait que la communauté a perdu le poste du sous-ministre adjoint dans le Bureau d'éducation française, que ça c'est vraiment un grand enjeu pour la communauté. On sait que la communauté franco-manitobaine a dû lutter pour ses droits : pour ses droits de langue, pour les droits de

culture dans notre province—et que les leçons de cette lutte dans le passé, quand on regarde la situation d'aujourd'hui, est que cette situation n'est pas finie. Que peut-être la communauté, la francophonie dans notre province a besoin de lutter encore pour ses droits, car la situation qui a été créée par ce Premier ministre est une situation dans le département d'éducation où les francophones ont besoin d'avancer leurs idées—pour la francophonie, pour l'éducation française—en anglais.

Pour moi, ça n'est pas vraiment le but d'avoir un gouvernement ou une société bilingues. Si on est vraiment une province ou un pays bilingue et on a un département qui est engagé avec l'éducation française, qu'on devrait avoir un espace où les francophones pourraient travailler, avancer leurs idées, avancer leur vision dans leur langue maternelle. Mais ça, c'est pas le cas maintenant, à cause des décisions de ce gouvernement.

Et puis, l'enjeu le plus important est que l'éducation française, c'est vraiment l'avenir pour la communauté française ou franco-manitobaine dans notre province. Si l'éducation française est diminuée ou supprimée, que ça va avoir un grand effet pour la communauté francophone. Et puis, ils savent qu'il y a beaucoup de personnes dans cette communauté qui sont engagées pour créer plus d'espace ou plus d'opportunités, pour ce qu'il pourrait avoir des jeunes membres de francophonie qui pourraient vivre et travailler, et puis prendre leur éducation, dans un milieu français.

Alors pour moi, c'est vraiment juste un peu étrange que ce gouvernement trouvait ce poste de couper. Alors ça va être un enjeu pour une des communautés importantes dans notre province aussi, qu'on voudrait explorer et puis peut-être exprimer des idées là-dessus.

### **Translation**

*And also, for the Francophone community of our province, we know that the community lost the assistant deputy minister position at the Bureau de l'éducation française, which is a major issue for the community. We know that the Franco-Manitoban community had to struggle for its rights, for its language rights, for rights respecting culture in our province and that the lesson learned from these past struggles, when we look at the current situation, is that the struggles are not over. Maybe the community, our province's Francophonie, will have*

*to continue to struggle for its rights, because the situation, created by this Premier, is a situation in the Department of Education where Francophones have to put forward their ideas—for the Francophonie, for French language education—in English.*

*In my view, that is not really the point of having a bilingual government or society. If we are really a bilingual province or country and we have a department that is committed to French language education, we should have a space where Francophones can work, put forward their ideas and advance their vision in their first language. But that is no longer the case because of the decisions made by this government.*

*And the most important issue is that French language education is really the future for the Francophone or Franco-Manitoban community in our province. If French language education is diminished or eliminated, that will have a major impact on the Francophone community. And they know that there are many people in this community who are committed to creating more space or expanding opportunities so that young members of the Francophone community can live, work and receive their education in a Francophone environment.*

*And so in my view, it is somewhat strange that this government would cut this position. So it will be an issue for one of the major communities in our province and one that we would like to explore and about which we might express some ideas.*

### **English**

So, with those comments in mind, you know, I'll just wrap things up. And, once again, partisan politics and, you know, our day-to-day discussions aside, I am very honoured to have the chance to represent the people of Fort Rouge, and very honoured also to have the chance to be the leader of Her Majesty's loyal opposition in this province.

You know, on a day like today, which is the 50th anniversary of the assassination of Martin Luther King Jr., I think it's particularly important for us to remember sacrifices that others have made so that we can live in the society that we do today.

Thank you, Mr. Chair.

\* (15:20)

**Mr. Chairperson:** We thank the Leader of the Official Opposition (Mr. Kinew) for those remarks.

Under Manitoba practice, debate on the minister's salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 2.1.(a) and proceed with consideration of the remaining items referred in resolution 2.1.

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

**Mr. Pallister:** Okay, merci Monsieur le Président. Permettez-moi pour introduire [*Okay, thank you, Mr. Chair. Allow me to introduce*] the Clerk of the Executive Council. Mr. Fred Meier is with us here and also Aurel Tess, who is the Provincial Comptroller with the—welcome.

And then Wes is over here too, I don't if you need to know Wes too. Wes is here.

**Mr. Chairperson:** We thank the First Minister for those introductions.

The floor is now open for questions.

**Mr. Kinew:** Maybe just like a question for you, Mr. Chair, about clarification. So we're proceeding in a global sense, we can discuss anything at this point?

**Mr. Chairperson:** Yes, it is in a global sense because it involves all the—oh, sorry.

Yes, it is in the global sense because it involves all departments and there really is no chronological order to anything because we have one resolution, not a number of resolutions.

**Mr. Kinew:** Thanks to that clarification. So my strategy will be to lull the Premier (Mr. Pallister) to sleep with some org questions off the top.

So I'm wondering if the Premier can provide an organizational chart for the staff of the Executive Council.

**Mr. Pallister:** Mr. Chair, I'm sorry that I'm—I'm not questioning your authority here in any way, shape, or form, but, having been involved in some of these for a while, I understood that we had to agree to embark in a global discussion as opposed to simply assuming such.

I think that's—and I'm not normally a stickler for procedure, but I just wouldn't want us to establish a bad precedent in respect of that. So if—I'm not averse to proceeding as you've described, Mr. Chair, and I

think the Leader of the Opposition and I could agree that would make for a more fluid discussion, but I just do think that's a important part of the process here, if I'm not mistaken.

**Mr. Chairperson:** I thank you for those comments, the honourable First Minister.

On page 30 of the Estimates book, Keeping our promises. Real progress in Manitoba, it basically is only one resolution. So if you wanted to, we could, I guess, agree upon going—we could ask the question, but it is my understanding from our Clerk here that because Executive Council is the one area, that the only way you can proceed basically is globally because there is only one resolution.

The honourable First Minister, you had a—

**Mr. Pallister:** I accept your guidance, Mr. Chair. Of course, I just understood. We had to agree to proceed in that manner, but that's fine. If there's only one way to proceed, there's no need for us to agree.

**Mr. Chairperson:** Is that agreeable?

**Mr. Kinew:** Yes, I agree, and I took your direction when you answered the same question earlier. So just go ahead and start. I'll continue. I'll just re-ask if the First Minister could provide an org chart for the staff of the Executive Council.

**Mr. Pallister:** I'd just be happy to undertake that as has been my custom in Estimates as opposed to previous customs of previous premiers, under previous administrations. I have undertaken to provide information as members of the committee have asked for it, and I will certainly undertake that.

I'll just add, for the edification of the member, who had raised concerns. He anecdotally referred to three nurses he had, I expect, had spoken with. I believe he was referencing from St. Boniface in respect of issues like overtime. I encourage him, never doubting that there's a wide variance of response among so many different staff as to how they might take to the Healing our Health System Plan. I don't doubt there's room, ample room, for a variety of views on that.

I would share with him, though, on page 49 of the Interim Evaluation of the Winnipeg Regional Health Authority's report, released in January of this year, authored by Keir Johnson, MPA, Winnipeg Regional Health Authority; Tara Stewart, Ph.D., Centre for Healthcare Innovation; Paul Beaudin, Ph.D., Centre for Healthcare Innovation; and Jason Klainchar, RN, BN, Winnipeg Regional Health

Authority, in which they refer specifically to labour adjustment impacts. And there's very useful information in this report, if the member's interested in reading it, on—specifically on page 50, section 5-4-2, monitoring sick time and overtime. And I'll just read that quickly, that section of the report. But it says: Early on in the planning process, WRHA identified the importance of monitoring sick time and overtime to see how employees are being impacted by change and implementation. Sick time was important as with any change, it was expected that some staff may face uncertainty, anxiety or workload-related challenges in the lead-up to and during implementation. While sick time isn't a definitive measure of these issues, it was seen as an easily accessible indicator to identify potential issues. Monitoring sick time as a percentage of total staffed hours has found that there were no spikes or major increases in sick time in the period before or during implementation.

That's good news, I think, Madam—Mr. Chair, good news that the staff overall, you know, and always with exceptions, as the member's pointed to an exception, I believe, that staff were able to deal with the challenges presented to them without increased use of sick time.

The member had referenced overtime. Overtime was also monitored. I'm reading from the report now again, page 50—to identify any potential stress points during implementation. Overall, overtime did not spike during implementation across the WRHA. In fact, overtime has decreased as a result of separate initiatives in this area. The evaluation team did note some isolated spikes at some individual hospitals, which appear to be temporary in nature related to the timing of the labour adjustments at that site. The report goes on to examine in more detail and to illustrate with well-designed graphs the actual impacts.

So, when the member refers to spikes in overtime, he's referring to the exception, but not supportable by data, the rule. The reality was there were no overtime spikes and nor were there spikes in sick time use. In other words, our front-end staff, who we all respect or should respect here, were able to respond; they were able to continue staying focused on their tasks during this period in time. They were able to stay at work and, in fact, not react generally with—in the manner emphasized by the anecdote the member shared with us earlier. So I would point that out to him. The report makes for very interesting and informative reading. It is

important that we look at these issues but we look at them factually.

**Mr. Kinew:** Will the Premier (Mr. Pallister) provide a staff listing for the Executive Council?

**Mr. Pallister:** Absolutely. Does the member—oh, I'm sorry, Mr. Chair—member also want a list of—what else could we provide him with? Additional job description or salaries? That might be useful data. We can do that. We could also do a comparison with the Executive Council numbers, staff positions and so on that was just prior to us coming to government. Can we do that with the member as well? Okay, we can have all that information for the member. I don't have it all here today, but we will have it at our next sitting, I hope. And I will undertake to get it here for the member in due course.

\* (15:30)

**Mr. Kinew:** So that's also under advisement.

Can the Premier please indicate any staff changes, whether there were hirings or terminations for technical officers or other staff on the Executive Council?

**Mr. Pallister:** Not wishing to overburden our, of course, dedicated civil service with too many tasks, I would encourage the member to just simply compare the previously provided, from last year's Estimates, complete data in respect of everything I've undertaken with the new data that he'll receive, I hope, as early as, well, at our next sitting, and he can do a cross comparison. He'll be able to ascertain very quickly any changes, and then if he has subsequent questions on that I'd be happy to deal with each one.

**Mr. Kinew:** I would like to, again, ask for notification of any staff changes, whether it's hiring or terminations just because there may have been staff changes made in the interim between the two updates, and I'm asking to be made aware whether there was any such changes. That would not, of course, be captured in any comparative analysis of the two updates.

**Mr. Pallister:** I would graciously decline to undertake that because the order-in-council hirings are all online. The member earlier castigated me for not being able to do research, simple research, but I'm sure he can, even though my skills may be more limited than his in this area. So he can go on the order-in-council online information and ascertain any interim changes that may have occurred in staff through the course of the year very easily, and I

encourage him to do that without burdening staff with that task.

**Mr. Kinew:** Yes. Okay, so the Premier (Mr. Pallister) declines a request for information in the Estimates process. That's his prerogative, I guess.

When did the Premier first become aware of the luxury tax that's charged on expensive homes in Costa Rica?

**Mr. Pallister:** Far from declining to provide information, I just gave the member complete, full and open transparent instruction as to how obtain it. So, if he's incapable of obtaining it, I'm sorry. I can explain it to him, but I can't understand it for him. He's going to have to figure that out for himself.

As far as my issues in Costa Rica, I always fulfill my obligations, always have, always continue to, and I will do so on an ongoing basis, as is my custom.

**Mr. Kinew:** I noticed in question period that the Premier didn't challenge any of the veracity of the facts that were in media reports about the Costa Rica issue, as he terms it, this—in the paper this morning. So just want to ask for clarification, does he dispute any of the facts that were printed in the paper today?

**Mr. Pallister:** I can only say that I don't automatically accept as factual every report I read in every newspaper.

**Mr. Kinew:** So does the Premier dispute any of the facts that were in the Winnipeg Free Press article about his home in Costa Rica this morning?

**Mr. Pallister:** As I said to the member just a moment ago, he did not appear to understand my comment, so I'll try to make it even more clear. I don't start with the assumption, when I read a newspaper or periodical, whether in broadsheet form, tabloid form or online, I don't automatically assume every statement within it is factual.

**Mr. Kinew:** I hear his repetition of the assumptions that he doesn't make, but there were facts asserted in that article, published, presumably vetted.

Does he challenge the veracity of any of those facts about the luxury tax not being paid in Costa Rica?

**Mr. Pallister:** I would let the member know that I have taken very seriously all my life my obligations in respect of paying my bills, whatever their form may take, and that is a responsibility I have accepted throughout my life and will continue to accept.

**Mr. Kinew:** So did the Premier purposely not pay the luxury tax on his home in Costa Rica?

**Mr. Pallister:** That assertion would be in sharp contrast to what is now 48 years of adulthood wherein such almost half century I have never failed to fulfil a financial obligation that was known to me.

**Mr. Kinew:** So, did the Premier purposely not pay the luxury tax in Costa Rica?

**Mr. Pallister:** Previously asked and previously answered, Mr. Chair.

**Mr. Kinew:** That's incorrect. It was not answered.

So I'd ask again whether the Premier was aware of the luxury tax that it's been published he did not pay.

**Mr. Pallister:** Previously asked and previously answered, Mr. Chair.

I'll clarify for the member, so that perhaps he can grasp this, that I have stated previously I have always fulfilled every obligation known to me and—in terms of money I owe, whether it's tax or it's—relates to bills I am responsible for. So, too, I'm proud to say, have the members of my family. And so that is a record which those who have ever done business with us or have had relationships with us of—in any respect that involve the exchange of payment would understand. Also, I could say Revenue Canada officials would also understand that as well.

And so that is the record I reference, and so, of course, the member's preamble would conflict with that and therefore doesn't deserve a third response.

**Mr. Chairperson:** I would like to remind the Leader of the Official Opposition (Mr. Kinew) that some of the questioning we have going on here is outside the perimeter of the office of the Premier. I would like to remind him his questions should be pertaining to the office of the Premier.

**Mr. Kinew:** With the utmost respect and deference, I would share the following. It seems that there's a bit of a tension between, you know, the Premier's past assertions that he's made while occupying this office, that it's all hands on deck, that Manitobans should get in line with job cuts, budget cuts, wage freezes, and yet it would seem that the Premier himself does not hold himself to the same high standard. So it seems to me that it is germane, but I would ask for clarification as to what exactly the Chair means by what he says.

**Mr. Chairperson:** I'd just like, again, to remind the Leader of the Official Opposition that you need to tie your questions to whatever, so, again, the Leader of the Official Opposition.

As you just previously stated, you must state the reason you're asking your question as to how it's related to the office of the Premier, so I will let you continue on with your questions.

The honourable—or Leader of the Official Opposition (Mr. Kinew).

**Mr. Kinew:** Okay. With deference, I thank you for the guidance.

So it's a question of judgment, Mr. Chair. Again, in a situation where Manitobans are being asked to pay more and more and life is getting more and more expensive, has the Premier (Mr. Pallister) purposely not paid his fair share in the form of a luxury tax in Costa Rica?

**Mr. Pallister:** Asked and answered.

\* (15:40)

**Mr. Kinew:** So, in the context of a situation where Manitobans are being asked to pay more and more, including higher deductibles for health-care services, either—even when services are being cut back on, when did the Premier decide that he would look into this matter of the luxury tax in Costa Rica?

**Mr. Pallister:** Immediately when it was brought to my attention, Mr. Chair.

**Mr. Kinew:** Again, in the context of, you know, questions about the Premier's judgment with respect to the affordability challenge faced by Manitobans at a time where he's facing questions about his payment of a luxury tax, when was it brought to his attention?

**Mr. Pallister:** The member raises questions about my judgment. My judgment has been demonstrated by my behaviour throughout my life. I have always paid my bills. I have always paid my taxes and I plan to continue doing so.

**Mr. Kinew:** Just as a—but just as a follow-up to his previous answer that he acted once it was brought to his attention, when was it brought to his attention?

**Mr. Pallister:** Yesterday.

**Mr. Kinew:** And, insofar as it relates to a follow-up on the same topic, what information has the Premier uncovered since yesterday about the status of this luxury tax and his requirement to pay it?

**Mr. Pallister:** I think that the questions the member is asking at this point, in my humble estimation, venture very far outside of the realm of my responsibilities as Premier of Manitoba.

If the member would like to get into issues of judgment, I would be very ready to discuss the issues around the female staffers, former MLAs and Cabinet ministers in the NDP who have made allegations against a former MLA, a former Finance minister of this province, and we can speak about that issue because I think that is an issue that many of the members of the Legislative Assembly care very much about and want us to deal with, and that is how we can create a safer work environment for women in this building and throughout our government not just in core government, but also in Crown services. In the mush—so-called MUSH sector there's recently been a story about municipal concerns: women elected to municipal office who experienced harassment in their place of work.

These are issues that are deeply concerning, I believe, not just to women but to all Manitobans, and that they would like to see us discuss here. And so I would encourage the member, if he would like to pursue a fulsome discussion on that, I know that Manitobans might well be interested in learning more about his inquiry that he launched to make sure that the culture of cover-up and conceit that the previous NDP government demonstrated in its behaviours around these issues doesn't continue. He has spoken well of this issue. He has said that it's a new show under his leadership. It would be good opportunity for him to demonstrate that today by talking about an issue that matters to Manitoba women and that matters to all Manitoba parents, and that I believe matters to progressive men in our province very much as well. I'd encourage him to pursue that line of questioning because I know that is something that many Manitobans would find fruitful and relevant and would be something we could perhaps make progress on together.

I think it is an issue which does not need to be dealt with in a manner of cover-up or concealment, as has been the case in the past. That has led to more and more problems rather than less and less, and I would just offer this to the member that I think by sharing some information, some ideas as we have had ideas shared with us in the initiation of some progressive changes we've already announced and made, we can perhaps make even more progress together on what I consider to be a very, very important issue for all Manitobans.

**Mr. Kinew:** I shared a number of ideas with the Speaker and expect that the Speaker will communicate those to the Progressive Conservative Party.

But the—it seems like the issue of the day is this, you know, media report about the, you know, question of the luxury tax in Costa Rica. And, again, I think that Manitobans who are being confronted with higher utility bill payments, who do pay their taxes on time, who do have to contend with higher tuition fees, they're wondering if the Premier (Mr. Pallister) holds himself to the same standard.

Now, again, in this committee, previously we had asked the Premier whether he thought the issue of tax avoidance or people understating values owed was an important challenge, and he responded absolutely. So I'd like to ask the Premier if he believes that his current situation falls into that which he had previously decried.

**Mr. Chairperson:** I would once again like to remind the Leader of the Official Opposition (Mr. Kinew) that questions should be related to government money spent or the performance of the Premier in his office. Personal questions are, I believe, for question period. They're out of order. So if the member would—or the Leader of the Opposition would like to target his questions towards the, you know, money aspect of what's being spent or the—in the Premier's office, but I think personal questions are for question period, not for Estimates.

**Mr. Kinew:** How much staff time is being spent to help the Premier deal with this issue of luxury tax in Costa Rica?

**Mr. Pallister:** I'm not aware of any staff time being spent on this issue. My wife and I deal with our personal issues. Esther does the—our books, so we're dealing with these issues as we have in the past. The allegations contained in the article were—as I said earlier—were news to us, but the right course of action will be followed immediately by researching the veracity of the story and finding out what the obligations are and then fulfilling whatever duties we may have, as we always have, as a couple, as a family.

I would like to, though, encourage the member in respect of the issue I raised earlier. I think it's one we could discuss and that would be fruitful, and that is the workplace harassment issues that have plagued this building for a long time, that were reported on sequentially and repeatedly as a consequence of

allegations made against a former NDP Cabinet minister.

The sadness of this, I'm sure, for those who were harassed, is immeasurable. Some of them withheld disclosing this information for many years. Others were told by former NDP chief of staff, allegedly, to suck it up, which is a deplorable way to deal with harassment anywhere, anytime. And these situations were left unaddressed in the NDP organization itself for year after year after year, and allowed to continue.

Now the member sits beside a former Justice minister, who became a colleague in rebellion with the former Finance minister, who is alleged to have misbehaved. Investigating the degree of awareness or lack of awareness of his own colleague would be a useful course of research. Understanding why it would be, why it could possibly be that behaviours so absolutely unacceptable would be tolerated within a caucus would be useful. It would be something we could learn from and make sure it doesn't happen again.

Behaviours that were exhibited, harassment that was enacted on—not only on political staff, but on elected MLAs and Cabinet ministers that was not reported. One former Cabinet minister said in the media, a staffer came to me and raised the issue of harassment, but then she didn't come back, so I assumed that it was dealt with.

Well, you know, how do we ever get to the bottom of how to solve the issues of harassment in the workplace if it is allowed to be covered up, and if the culture of concealment is allowed to continue?

So here we have a committee today with legislators who all share concerns about this issue. Of that I am absolutely certain. And here is a great opportunity to talk about an issue that matters to Manitobans, and that matters for our future and for our workplace.

\* (15:50)

That—the Leader of the Opposition has made comments about his concerns on this issue of a general nature, but is not using the opportunity we have here today to actually have a fruitful discussion on that issue.

We know that there should be encouragement given to people who are harassed to report it and here we have a chance to actually make sure that that is the case, that everyone here can send that message,



that there is no wrong door. That's a powerful message to send, to give confidence not only to women but to men too who may well experience harassment in the workplace as well, that they—there will be no reprisals against them, that they are going to be heard, that they're going to be understood. These are very, very important messages for us to send as legislators so that this kind of thing can never happen again.

**Mr. Kinew:** So is the Premier (Mr. Pallister) saying that no staff whatsoever are involved in helping him respond to media requests about the issue of luxury tax being charged on his Costa Rica home?

**Mr. Pallister:** Obviously, I can't make that claim, nor can the member make the claim that no NDP staff were involved in responding to media requests in respect to his past record.

Look, the media are going to ask questions. Political staff are going to be put in a position of assisting elected members in answering those questions. So to suggest that no political staff were ever involved when the NDP was facing questions about a rebellion within their caucus would be bizarre, right? So there are, clearly, public expenditures involved.

When I went out in the hall as the opposition leader after the NDP introduced their budget in which they broke their promise on the PST by broadening it to include workplace benefits, for example, after going to the doors of the people of this province and promising they wouldn't increase the PST, they went out and did it right away. Okay? And we have evidence that it was planned and that they intended to do it while they were going door to door telling Manitobans they wouldn't do it. Okay.

They broadened it to include workplace benefits, they broadened it to include, I believe, even women getting their hair done, getting their hair styled. Okay. This was \$200 million of new revenue to the government and \$200 million less that Manitobans had.

I go out in the hall after the budget—and this is just one example—and I'm just a candidate for the leadership of the PC Party at that point in time. I don't expect to draw a big scrum like the Opposition Leader likes to, but I had two people ready to talk to me straight away. I went out, they had their microphones there and a camera. It was really exciting for me because I hadn't done a lot of this

stuff before. And I said so, you guys want to ask me a question? No. No? Why not? Well, because they're two NDP staffers is why.

I had more NDP staffers in my first year and a half in the opposition—as the opposition leader, I had more NDP staffers in my scrums than I had reporters. So don't talk to me about using staff to deal with issues. I—the NDP had double—almost double the number of political staff that we have now. So you want to talk to me about proper use of staff time, I'm happy to talk about it. Let's talk about it.

Bring it on.

**Mr. Kinew:** Yes, okay.

So the Premier just asserted that there was no use of staff on this issue, and then he followed up in saying to make such an assertion would be ridiculous.

So which one is it? You know, which staff of his in the Executive Council are currently engaged with helping him manage this issue of the luxury tax in Costa Rica?

**Mr. Pallister:** The member has to take better care in asking his questions and phrasing them. He'll have to reread Hansard to see the difference in the two questions he asked and why they got two different responses. I can explain it to him but I can't understand it for him. He has to do his own preparation in respect of asking his questions. I answered each of them in response to the question he asked, accurately and fully.

**Mr. Kinew:** So which staff in the Executive Council are currently helping him manage the issue of the luxury tax in Costa Rica?

**Mr. Pallister:** Again, I would encourage the member to talk about issues that Manitobans care about.

We have a harassment problem we are attempting to deal with. We have an Opposition Leader who claims he cares deeply about it, and yet he refuses to engage on it and instead he wants to engage on issues that are largely irrelevant to the topics that most Manitobans would want us to address.

We have made it very clear that we are going to work to create a better environment in this place in respect of harassment. We have worked to strengthen the existing framework of respectful workplace and harassment policies, resources and training. We have taken five immediate concrete actions. Number 1, we

have identified a no-wrong-door approach for political staff.

Now, the member talks about which staff, this and that, and yet he expresses no understanding or demonstrates no compassion for the workplace safety of his own staff. The NDP failed to protect their own female political staff. Now, he would rather ask me a question about who's taking the phone calls or answering the emails from a Free Press reporter than he would talk about workplace harassment and protecting female staff within this building. I think this is a sad demonstration of a lack of understanding the real priorities we should be addressing here.

Going forward, political staff will be able to report through any avenue they choose. Rather than being told by a political insider that they should just buck up and not take it further because it might hurt an MLA or someone else, they will be given the opportunity and encouraged to forward their complaints so that we have in this place a better environment to guard against harassment.

We also are launching government employee consultations with government staff to get insight into employee experiences. Now, the member has launched, to much ballyhoo, a two-person inquiry, and I look forward to hearing the results of such an inquiry. If we hear nothing, then of course that would be perpetuating the culture of concealment that's gone on for far too long. So, let's hear from this inquiry and find out exactly what kind of information we can all benefit from to move towards a safer workplace environment here in this building.

Our consultations are going to be led by the Manitoba Status of Women Secretariat and the Civil Service Commission. They're going to draw on support and research from external experts and facilitators. Employee input and employee guidance on experiences and impacts related to workplace harassment will be solicited using different formats—roundtable sessions, online tools, connect with employee unions as well, engage with external experts as needed to assess and create recommendations and options to ensure that Manitoba has the best place for people to work and feel safe and listened to and respected.

I would encourage all political staff, and have encouraged the Progressive Conservative political staff, to report and be confident in reporting any incidents of harassment. I would encourage all NDP

political staff to take that same confident step forward.

I am not convinced, with the member's behaviour today, that he does fully value a safer workplace for women in this building or across our civil service, because if he did, he would be taking the time, the valuable time we have, to focus on this issue.

**Mr. Kinew:** The Premier (Mr. Pallister) referred to staff answering phone calls. How many staffers—political staff—are currently helping him strategize or formulate responses to media inquiries regarding luxury tax in Costa Rica?

**Mr. Pallister:** Unlike the member, I don't have ghostwriters. I do my own responses to things that are of a personal nature. I consider this of a personal nature. It's not a governmental issue.

**Mr. Kinew:** So are there any political staffers helping the Premier strategize on his responses to the luxury tax issue?

**Mr. Pallister:** To be specific, the discussions we've had around this issue, which began yesterday with a notification of a draft article hypothesizing on the issue from a Free Press reporter, would naturally result in a discussion in anticipation of how to respond in question period. That would be the nature of the advice that I would receive from political staff. We have discussions on a daily basis when in session, obviously not so much when not, about anticipated questions that we might be dealing with.

\* (16:00)

I expect the member gets advice on those things, too. And I would expect that he's probably, though not from me, been preparing with political staff paid for by Manitoba taxpayers to answer questions from the media on a wide array of issues, and I would expect that when he does that he feels quite fine in doing so. I try to make sure in our—with our almost, I believe, 40 per cent reduced budget in our Executive Council office, that we maximize the value that we derive from Manitoba taxpayers when we are working with our political staff or, in fact, with any other resources entrusted to us by Manitoba taxpayers. This was not the case under the previous administration, and I get no indication from the member that it would be the case were he given the honour and opportunity that I and my colleagues have been given to be in government.

**Mr. Kinew:** So which staff people were involved in the generation of these responses that the Premier has just referred to?

**Mr. Pallister:** Again, I would submit to you respectfully, Mr. Chair, that what the member is getting into here has no relevance whatsoever to any aspect of what Estimates is designed to do or what it is designed to provide in the way of benefit to the people of Manitoba.

I have offered to give the member a detailed chart of all of our political staff, their job descriptions, their salaries. I've undertaken to do so, also I've encouraged him in his desire to see if there were any changes during the year to consult with the publicly available online information because all orders-in-council are publicly available online and I would encourage him to avail himself of that information and encourage him also to deal with issues that matter to Manitobans. Workplace harassment is an issue that matters deeply to our government, and I think it's a good opportunity for us today to deal with it because of the tragedy of the past behaviours of NDP Cabinet ministers and the lack of action by other NDP Cabinet ministers in respect of protecting their own political staff.

We would not want to see a repeat of that here. We have gone further as a government and I will share with the member that we have engaged external experts to review all our policies and processes so that we can get a review of what we're doing here, and how we can do it better in respect of helping protect our people.

The purpose of this exercise is to ensure that Manitoba becomes the nation's leader in policies and practices that prevent workplace harassment and that address workplace harassment, and this review is under way. It will address workplace harassment by simplifying procedures, identifying gaps in current approaches, ensuring best practices, clarifying expectations and responsibilities of employees at all levels and promoting safety in a workplace free of harassment of any kind. Identifying actions that prevent sexual harassment in the workplace and improving response pathways to support employees.

What we hope can come from this, what we expect can come from this is that we get options and recommendations on procedures and practices that will identify ways to improve the training and education for all staff.

This is a key part of this. We've got to get away from this culture of cover up and deceit that the NDP demonstrated in their time in office.

Implementing public reporting on harassment in the workplace as well is an important aspect of this and so we are going to be implementing a public reporting process to provide statistics related to instances of harassment that occur across government.

Now, this is a delicate issue because for some, they do not obviously want to have their name raised. They do not—they wish to be guarded in their privacy. But in terms of global reporting, that will at least give our government employees and workforce and Manitobans generally the opportunity to have measurements as to how we're making progress on this issue, hopefully making progress on this issue.

This reporting mechanism is going to protect the privacy of complainants, but it will also provide, then, accountability to employees and the public. This is important because it's obvious to all that there was not accountability in the past. It is obvious to the complainants, certainly, and it has become obvious to us that there was no accountability for behaviours that were beneath contempt and totally unacceptable.

Now, the question that the Leader of the Opposition is in the best position, I submit, to answer, is how deeply did that culture pervade? He has members of his caucus who were there when these allegations were made, when these incidents—alleged incidents occurred. He's in a position to inquire and get information as to what led to these incidents and what led to the culture where they were covered up and hidden. Why were they not dealt with? Why were the people not protected who were harassed? What happened? How could it be that a Cabinet minister of all people could behave in such an unseemly manner, again, allegedly, but there seems consistency in the concerns expressed by victims, former NDP staffers.

**Mr. Chairperson:** I'd like to interrupt the honourable First Minister. His time has expired, but we'll be able to go on with it later.

**Mr. Kinew:** So how many staffers were engaged in formulating these responses with the Premier on the issue of the luxury tax in Costa Rica?

**Mr. Pallister:** I actually do most of the work—am I to go now? I actually do most of the work for preparation of question period, but I often will

consult with communication people. We have a small communications staff, about half the size of the previous NDP government. Again, I would say the extent of any preparatory work or time involved to—just to edify the member in his concerns about this issue, which, I submit, is far less relevant than workplace safety—I would say would be confined to preparation for the anticipated questions he would ask in question period and, unfortunately, here at this table as well.

Again, I would encourage him to understand that workplace harassment is an issue that matters deeply to not just government employees, but matters to many Manitobans, and I would go further and say we have taken significant steps in addition to the ones I outlined earlier. I'll just summarize a couple of other things we're doing. I mentioned the public reporting and I think that's an important part of this. Reports would include the kinds of allegations raised and addressed such as harassment, sexual harassment, bullying, other kinds of inappropriate conduct.

This—these reports are new. This is not something that was done in the past under the previous NDP government where this harassment, we now know, occurred within their caucus, within their political staff, was not dealt with, was not addressed. And again, the member himself has deplored that fact and said it's a new show. So, if it's a new show, let's talk about it. Let's talk about it because it's an issue that matters to people.

Mandating respectful workplace training for Cabinet, for political staff, that's already begun on—in respect of steps being taken to raise awareness about these issues, to educate all staff, to ensure workplaces are safe for everyone. This training will be mandatory for government caucus and political staff. Again, this is an encouragement to members of other political parties to take these same steps. This is a proactive approach to education on sexual harassment. It'll help to ensure the government of Manitoba becomes a safer place to work. Diversity, inclusion, respect, integrity—these are core government values and ethics, and more work can be done and needs to be done and should be done.

And, again, I encourage the member—everyone has a role in ensuring respectful, professional behaviour in government workplaces. So let's talk about an issue that matters deeply to Manitobans that can—that we can deal with together. Again, the member has made encouraging statements. I don't know how many political staff wrote them for him,

but he's made those statements. And the fact is he now has the chance to demonstrate his beliefs and put them into action or he can continue on the line of questioning that would be, I think, less advantageous to the people of our province.

\* (16:10)

**Mr. Kinew:** Respectful workplace training has been mandatory for all NDP caucus and staff, as well as constituency assistants, since last fall, shortly after I became leader of the NDP, as part of an overall strategy towards implementing good practice in the way that we do business.

One of the ideas that strikes me as being worthy of attention when it comes to addressing misconduct—potential misconduct in the workplace—is the issue of reporting. As it stands right now, and I've shared this advice with the Speaker—well, first the insight that I'm about to describe, and then I'll describe later the advice that I gave to the Speaker. There is a bit of a tension between the current policy that governs the Legislative Assembly, which says that once an investigation is made and some finding is arrived at, that that must remain confidential. And I understand the rationale for it remaining confidential, being to protect those who have been victimized. However, it seems to me that there is a need in some cases to make certain details public in order to protect the safety of others. Furthermore, what I think the #MeToo conversation has hinted at is that there is an important consideration of the consent of people who have been victimized that should be taken into account.

And so I'd suggested to the Speaker that, where consent of the victim can be obtained, that there be consideration the details can be made public. Would the Premier (Mr. Pallister) support that change to policy at the Leg?

**Mr. Pallister:** Now we're getting somewhere, Mr. Chair.

Now, these are the kinds of—this is the kind of topic and dialogue that we can have together here and make progress together, and I'm really encouraged by the member's comments. I'm encouraged by his actions, and I applaud them in terms of the measures he's taken within his own party.

Now, we need to work together to make sure these cross party lines, right? Because the silo problem has been part of the problem in the past. I think one of the issues certainly that—I shouldn't

say certainly—that I surmise may have impacted negatively on harassed staffers in the past—and they have—they've said it in articles—I won't chapter and verse quote them, but they've been willing, courageously, to come forward and use their names. And they have intimated or said that they were discouraged from raising issues. And I tell you, they were discouraged because of concerns about political impact.

Now, what should our priorities be? And I'm really pleased to hear the member's comments, because what should our priorities be? First and foremost: to protect his children, to protect my children. And that should mean that we do not allow political silos to be more important than honest methods of addressing problems within the workplace. It shouldn't matter. It shouldn't matter.

And I don't think to he and I it matters as much as it perhaps did in the past that the political ramifications of making abuse public may be felt by a political party, because the larger issue is how we address the issues of harassment properly so they are not repeated.

And so I am encouraged by his words.

I'll review, I have had a chance to get commentary from others, look forward to reviewing his submission as well to the Speaker. We right now—as he knows, we have different codes for different workers within the government, and part of our problem, I think, is it's overly complex for workers. Sometimes workers will move from one position under the purview of the Speaker and then move into another position which is in government or in civil service, or even into a political staff position on occasion where there are different codes in place. So that is one of the aspects, I know, that is under consideration in this review. And I want to verify that the Leader of the Opposition's submission to the Speaker would be—I want to be sure that that is in full consideration for the—in the review, to be sure that his suggestions are heard as part of that review.

We have an obligation to try to make things better here. The parents of our province deserve to know when their children apply for a job in the civil service in our province that they're safe, they're respected, they're heard all the time, not some of the time. And when they work as political staffers in a political organization, that responsibility is no less, not at all.

And so what happened here in the past should serve as inspiration for making the situation better, for healing the situation, and making sure that we—all of us—feel confident that we're doing the right thing. Of course that's part of it, but more importantly, that the people we work with feel protected.

Part of the reality of the set—the situation as described by a couple of the political staffers, was that they felt intimidated by the fact that a minister of the Crown was behaving in that way, and that they were reluctant to raise it. It shouldn't matter who the person is. It shouldn't make any difference who that person is.

And so again I thank the member for his comments. I had encouraged—there's much more to be said on this issue and much more to be done. But again, I think this is—should be treated as a non-partisan issue. We have—as a political organization we have tried not to raise this in a partisan manner. Mr. Struthers is the alleged harasser in this case, but we have not gone repeatedly out there and attacked him. What we want to do is attack the problem institutionally and get to solutions together.

**Mr. Kinew:** When did the Premier (Mr. Pallister) last meet with the members of the board of Manitoba Hydro?

**Mr. Pallister:** First of all, meetings are not the best measure of any effective organization. That being said, I've had more contact and my office has had more contact—I think we have 180-plus boards. I've had more contact with the Hydro board than, perhaps, all but one of our just-under-200 boards, agencies, and commissions, and that only other board would be—predictably, if you were to guess—the board that is dealing with the impending legalization of cannabis, Manitoba Liquor & Lotteries.

The issue is never one of meetings, despite assertions to the contrary. The contact has been regular, consistent, and in most cases, I believe the exchanges have been helpful. So, as far as meetings with boards are concerned, I believe very strongly that the approach that we have taken with our meetings—which reflects the approach taken by previous administrations as well—is that ministers are responsible for their departments and we have ministers responsible for the Crowns. We have had two in our first two years, and their meetings and contacts, in addition to my own through my office, have been many.

**Mr. Kinew:** It appears that meetings between the board of Hydro and the minister—ministers for Crown were insufficient because, as Mr. Riley had stated publicly, that those ministers conveyed it to him that the discussions Mr. Riley wanted to have were above his pay grade.

So would ask if the Premier can please provide the dates that he met with different members of the board of Manitoba Hydro over the past year?

**Mr. Pallister:** Again, I would explain to the member, and he will have to do his best to understand, that though I have had thousands of meetings in the last two years since becoming Premier, my meetings are generally not with board members because that is the assignment that we give to our Cabinet members. Our Cabinet members do that meeting. That does not mean we do not have contact by other means than face-to-meetings. We certainly do and have had much.

\*(16:20)

That being said, I believe very strongly that our ministers should be trusted with their responsibilities, and I am honoured and proud to serve with a team of ministers and caucus members who have earned that trust. So I will continue to demonstrate my respect for them by allowing them to do their jobs.

**Mr. Kinew:** What Mr. Riley's comments make clear is that the Premier (Mr. Pallister) has not permitted these ministers to do their jobs, which is why Mr. Riley requested meetings with the Premier.

So can the Premier please provide a list of the dates and the subjects that were discussed with respect to meetings that he had with the members—the outgoing members of the Manitoba Hydro board and himself?

**Mr. Pallister:** Well, again, I've been asked that question by the member before—its essence, at least—and responded already.

I'll continue to attempt to explain to him that I have a team of trusted advisers in terms of my ministers and also of our boards who they interface with and that that will continue—that practice will continue.

In addition, although I have had meetings occasionally with board members or chairs, it is not a practice of—that I will adopt, nor have previous premiers adopted a practice of meeting with boards or board chairs when an application—a rate application was in front of the Public Utilities Board.

That is not a past practice that—including NDP premiers have followed. I will not set a new precedent by attempting to discredit a process which is designed, as the Public Utilities Board process is, to protect the best interests of all Manitoba ratepayers by prejudicing the considerations that they must make. They're difficult ones, particularly given Hydro's disastrous situation under the NDP government—the incredible mess, which I'll quote from reports and studies, if the member would like to pursue this line of questioning, as to the fiscal mess left by the NDP over at Manitoba Hydro, which Mr. Riley himself has spoken about repeatedly.

It's not an enviable task to try to clean up a mess of that magnitude—almost impossible to understand the magnitude of the billions of dollars of waste that the NDP foisted on the people of Manitoba over at Manitoba Hydro when they decided to proceed with projects that were going to be unprofitable, almost certainly, by any consideration, by any measure, such as the bipole west line. In spite of the best advice of senior experts at Manitoba Hydro, they decided to proceed with a line, which fully 600 kilometres longer than would be necessary on the west side, extending around the province in such a manner, at such length, destroying so much habitat and fully, significantly, 15 to 20 per cent less effective at transferring power. Billion-dollar-plus waste on that project.

Then you've got Keeyask. Well, Keeyask now, the NDP pushed that project forward, said let's go build that and build it fast. Let's build it before we've got permission to build it. And they actually went ahead and proceeded to construct Keeyask before the Clean Environment Commission and that board, which the NDP had appointed, had even had a chance to look at the proposal. Then, when the NDP-appointed board of the Clean Environment Commission had a look at the proposal, they said: There's no way this project should proceed; but, since you've already built it, you may as well finish it.

And that's exactly the problem with the NDP's approach to Manitoba Hydro. For the NDP, it has never been about power for Manitobans; it's been about using Hydro for their own power. That's how they've used it repeatedly, even insofar as Greg Selinger and Eric Robinson going up to OCN and telling the guys at OCN—the Chief, Michael Constant, reported on this and stated that they promised him jobs at Hydro for political support.

That's the kind of misconduct we've seen under the NDP in respect of Hydro.

The member talks about his concerns about Hydro rates. Take a look in the mirror, because I'll tell you what, the NDP has created a situation in our province that's a massive mess, a difficult situation for any board, any management at Hydro to deal with. And that's putting it mildly.

So, in respect of working forward to address this issue, I'll give the member more information on Efficiency Manitoba, and we can explain that's one aspect of what we need to do to make sure we get every—take every possible measure to create a downward pressure on Hydro rates, rather than the upward pressure that the NDP created over an incredible period of mismanagement—historic period of mismanagement at Manitoba Hydro.

**Mr. Kinew:** The Premier (Mr. Pallister), in that answer, said of his practice of not meeting with the board of Manitoba Hydro, and I'm quoting here: that practice will continue. End quote. So, does that mean that the Premier will not meet with the board—the new board for Manitoba Hydro in this next year?

**Mr. Pallister:** I'd encourage the member to listen with comprehension. I said that it was not a practice that this Premier will adopt, nor would—had previous premiers adopted, of meeting with Hydro's board, board chair or members while a Public Utilities Board application—rate application—was before that board. That was clearly stated, and I encourage the member to—if he wishes to question that, to read the Hansard tomorrow, and he'll see that that's exactly what he asked me. So I've answered his question.

I can only tell him, you know, I got—I was communicated with by a former chair of Manitoba Hydro board in response to some of the assertions the member had made, saying, you know, I was a chair of the Manitoba Hydro board for over a decade. I met with the Premier on three occasions. Okay?

It's a question NDP—perhaps the NDP met with the board more frequently, because they were surely trying to get them to do all kinds of projects so they could bolster the economic numbers, so it wouldn't look like they were doing horribly when it came to the economic performance of our province.

I get the motivation, and I get that they instructed Manitoba Hydro, in terms of things like the bipole line and Keeyask, when they should have been listening. I get that.

Maybe those meetings weren't that productive. Maybe all those meetings they had cost Manitoba tax-payers hundreds of millions, if not billions of dollars. Maybe those meetings weren't really to be desired, and maybe the best measure of a good government isn't meetings at all, but results.

We concern ourselves with results here. Our—the new government will make sure we do everything in our power to assist, and I will share some information on Efficiency Manitoba with the member so he can understand the importance of that measure, the measure we are taking, to do everything we can do assist Manitobans in the inevitable future where Hydro rate pressures are going to be up, as a consequence of—well, Hydro debt will go from approximately 16 billion, if I have my numbers right, to \$25 billion. \$25 billion over the next five or six years, because of these misguided projects, too far along to stop, that the NDP got under way.

Historians, I predict, will write about this as the most blatant mismanagement in the history of Manitoba. So the member's right to raise concerns about Hydro rates, but wrong to say, as he did in the Chamber the other day, that he doesn't care about the issue because he can blame us for it.

Because most certainly, we understand, and Manitobans understand who caused the problem. We understand very well. But where they caused the problem, we take very seriously the responsibility of addressing the problem, of doing our best to solve it, or at least to mitigate, for Manitobans' purposes, some of the damage that the NDP has created on this incredibly important file.

**Mr. Kinew:** Premier talks about results. Well, the result of his mismanagement of Manitoba Hydro to date is that the entire board walked out on him, including several long-time Tories, long-time Tory donors, and essentially the brain trust of the business community here in Manitoba. They all walked out on the Premier as a result of his mismanagement.

So will the Premier meet with the new board of Manitoba Hydro this year?

**Mr. Pallister:** My schedule is going to be very full with meetings, but they will be different from the meetings the NDP had, because one thing I will undertake to assure the member is that we will not be encouraging Hydro to invest billions of dollars for American consumers of Hydro. We will not do that because we think that would be deeply misguided.

\* (16:30)

The NDP embarked on that program and chose to pursue it in spite of all logic, all reason and virtually all research. They chose to indebt Manitoba Hydro at a record level and they chose to do it while ignoring the very processes that exist to protect Manitobans. For example, when they proposed to advance the bipole west line and proceeded to push Hydro to build that line—as I said, 500 kilometres longer than was necessary—at a billion dollars plus of unnecessary investment, they excluded it from consideration under the needs for and alternatives to analysis process that Manitobans have—should have the opportunity to participate in. They excluded it from consideration so that it could be pushed ahead without Manitobans having a say in it. It could be argued that had Manitobans had the opportunity to participate in that process, they may have been able to force some logic into the head of the previous government. But they were not allowed to do so.

Furthermore, on the issue of Keeyask, I outlined earlier the previous administration arbitrarily decided that they would proceed with construction. At the urging of the NDP government they pushed Hydro to build a massive hydroelectric project without permission. Then, belatedly, having proceeded to build a significant portion of the project, they then sent it to the Clean Environment Commission where the clean environment commissioners reported—and I encourage the member to read the actual analysis and recommendations—and they said in their report, we would not recommend this project be built, but it is already largely built and it is too late to stop it.

Now, these are billions of dollars that were spent to provide cheap power to American customers, not for Manitobans' needs. There's no analysis that shows that Manitobans now need or will need for decades to come any power from the Keeyask project. None. Billions of dollars expended, can't get that back. And now Hydro's in a position where its debt is growing rapidly and it's so concerned about the situation, rightfully so, that it's put in an application to raise rates. Understandably, because, of course, Hydro's debt ratios are of great concern to all Manitobans who are the real owners of Hydro.

The essential problem that we have in the—have had in this province created by the NDP administration is this: they ran Hydro as if they owned it, but they didn't run it as a logical owner would. They made decisions which ran it into the ground. They concerned themselves with power, but

not hydro power. They concerned themselves with using Hydro as a tool to stay in power.

All Manitobans own Manitoba Hydro. This government understands that, and we understand that to protect the best interests of Manitobans we are going to consider fully all proposals that emanate from Hydro. But we will act as a government in the best interests of all Manitobans when we make decisions. And so this has been—the consequence of the NDP mismanagement has been that difficult decisions are being discussed, advanced and dealt with. We will deal with them openly and we will deal with them transparently and we will deal with them without consideration to who our donors are, but rather with full consideration to what is in the best interests of the people of Manitoba.

**Mr. Kinew:** No, it doesn't seem as though that's the case, Mr. Chair.

You know, it does seem that the Premier (Mr. Pallister) is concerned with his power as it relates to Manitoba Hydro. That's probably why the ministers for Crowns said to the outgoing board chair that it was above their pay grade and that the discussions had to happen with the Premier himself. It's probably why the Premier, knowing that he wasn't on solid ground to have any real engagement, a meaningful dialogue with Mr. Riley, instead put off the meeting and delayed it endlessly until eventually the chair and the entire board walked out on him.

So it seems as though it's actually this Premier who is concentrating power with respect to Manitoba Hydro in his own office, and yet when people come to him with concerns or questions about it, he simply turns off the lights and says he can't be reached. That's the situation that we've seen right now in our province. That is the record that this Premier has built. He's only halfway done his term in government, and yet he has already mismanaged Hydro to a degree where for the first time in its history it was without a board, which is a pretty shocking circumstance to find ourselves in.

So how soon will the Premier meet with the new board for Manitoba Hydro?

**Mr. Pallister:** Well, it's an important topic, and I appreciate the member dealing with it because it is an important topic. Of course, you're quickest to learn about the foibles and ego of your accusers when they accuse you of something. They reveal their own problems very quickly. My lights stay on



for a considerable time in my office, and they will continue to do so.

I am very concerned with cleaning up the mess we were left by the previous government. It is not insurmountable, but it is daunting to face the challenges we inherited—challenges like a—an—a deficit which was, in its first year, in excess of \$900 million. This year's budgets shows that we've made almost \$400 million of progress in reducing that deficit. That's a significant, significant and focused effort over just two years in government to achieve that progress.

I would point out to those who say we are not making enough progress—and there are some who say we should do more, we should, you know, eradicate government spending to the point where we could balance the books tomorrow. I would point out to my fiscal conservative friends that we also inherited a problem with our services, because our services were ranked 10th out of 10 in many categories, right?

Wait times, as the member for Concordia (Mr. Wiebe) knows, are just excessive, and that is nowhere more evident than in some of our hospital facilities in Winnipeg, where four of the five longest wait times, under the Canadian institute of health information's last analysis—four of the five longest in Canada are in the city of Winnipeg.

And yet, when we undertake reforms while attempting to reduce unnecessary government waste and expenditure, we attempt to undertake reforms, cost-effective reforms to improve services—and we do—the NDP jumps up and down and defends the status quo. Tenth out of 10 isn't great to defend. They're not on solid ground on that, and the member for Concordia, in particular, knows that what he's trying to defend when he says, don't make changes to health care, is the indefensible, because the people in Concordia understand that waiting twice as long as the national average to get treatment in an emergency room is not a good thing. They understand that really well.

Now, other jurisdictions have proceeded with changes, and we've—we know through the Peachey report and other studies and other analysis that the previous government undertook—they actually hired Dr. Peachey, and they had recommendations. They were in possession of information which would have allowed them, if they had the courage to act, to address these situations, but they did not. They chose not to.

Now, Nelson Mandela, the venerable person, and he once said, fear—no—courage is not the absence of fear; courage is the willingness to act in the presence of fear. The willingness to act in the presence of fear is required when one recognizes that the status quo is not good enough.

If the previous government had had the courage to act, they could have begun to address the issues of wait times which plague all of us. Indigenous people from the North who come to Winnipeg and then end up having to wait for extended periods of time. And I know the member for Kewatinook knows about this issue. It's—it multiplies the pain for them, and it multiplies the costs to the system at the same time.

Virtually every other major centre in Canada has undertaken reforms to reduce the number of emergency rooms and concentrate resources within those fewer number of emergency rooms. So, for example, in Calgary, in Edmonton, in Ottawa and Vancouver, there are half or a third as many emergency rooms per capita, yet their wait times are a half or third as long. How could that be? Because when people need help, they get it because the expert's there, because the testing equipment is there, because the diagnostic equipment is there. They concentrate their resources in a few key areas, and they are able to deliver better results.

I understand the need for meetings, but I understand the need for better results even more, and we are getting better results for Manitobans because we have the courage as a government to make the necessary reforms happen, and that is how you get a better system.

\* (16:40)

**Ms. Judy Klassen (Kewatinook):** I met with Minister Pedersen in June or July regarding the development of the east-side roads. He told me that his office had a five-year plan and that it would be tabled in October during that sessional period.

Then there was a Cabinet shuffle, so then I asked the new Minister of Infrastructure (Mr. Schuler) about that five-year plan. Instead, he went on and on about—rhetoric about the former NDP's failures, but I'd like to focus on the problem.

We still need those roads.

We need that five-year plan tabled.

So when can we expect that to be tabled?

**Mr. Pallister:** I think I do not—I do not mean to put the member off in response, but I would say she'll get a response from the minister at Estimates, and it's the best—I think the best way to get an accurate—it's a good, honest question. It requires a good, honest answer, and I would want the minister to provide that answer to her.

**Ms. Klassen:** The fire and evacuation—the fire evacuation in Wasagamack shed light on an issue that they've had for well over 30 years—their request for an airport on their own First Nation. Rather than keep waiting, what they started doing themselves is using—utilizing band funds to build their own airstrip and volunteer hours through labour.

Many people are continuously working on the airstrip, but Wasagamack needs their own airstrip. They want to know when can we get a commitment to help fund their airstrip because it is a provincial—it does fall under provincial jurisdiction, and the typical response is go see your federal cousins. Well, I've already ascertained that airports are provincial responsibilities.

So, you know, the budget was underspent by 46 per cent for airports, and so I know that there's money there, so we want dollars committed to help the reserve make an airport.

**Mr. Pallister:** I'll just give the member the same advice I did on the previous one. I think these are good questions, but best raised with the minister directly in the Estimates process. Our ministers are encouraged to provide information as I've been doing to request from the Opposition Leader, for example, and I would suggest to the member that that's the best place for her to get more accurate responses that will respond to her worthwhile inquiry.

**Ms. Klassen:** So I'm hoping that when I do ask in those Estimates times that I have confirmation verbally from you that they're supposed to answer me because they don't answer me. They—they go on and on. I'm still waiting for other things to be tabled. I have asked questions. I don't know the process, but I still haven't received answers. I was told that answers would be forthcoming; I still haven't received them.

So, my next—last question is—I believe that he could focus on one sole issue and craft a response in such a way that it is crystal clear as to what exactly you're trying to say, forgetting all other details surrounding the comment. I believe that one can apologize for something that felt like a slap in the face, not only by one group but by many.

I would really like for the First Minister to apologize for calling the Métis people a special interest group. Whether, you know, and you can craft it in such a way that it is clear that it's not some sort of admission of anything else because our Métis people are not a special interest group and that's definitely something this council, the executive council, can answer.

May I—may we get an apology?

**Mr. Pallister:** Perhaps a question of—as it is in most philosophical questions—of defining the words. And I didn't refer to the Manitoba Métis in the sense of the noun, but rather in the sense of the descriptive.

The Manitoba Metis Federation has described itself as a special-interest group when it is applying for special-interest group funding to support its participation, for example, in things like environmental hearings, as one example. In fact, we've just several months ago, despite the misstatement by the current president of the Manitoba Metis Federation that he had not been consulted with, we've been months consulting with the Manitoba Metis Federation on the issues around the outlet on Lake Manitoba, I'll give you that as an example. An application was made for funding for their interests, funding to be given so they could better participate in the process.

I think the member knows this is not without precedent, and so I'm simply using the words the same way that the MMF has used them in the past.

**Mr. Kinew:** The Premier (Mr. Pallister) never seems to apologize, never seems to find a reason to do so, even when it would just be a simple thing to address and then move on.

When did he begin the due diligence on the new board members for Manitoba Hydro?

**Mr. Pallister:** Yes, I don't know. Yes, I think there are some things that previous administrations have never shared and I'm not going to share now.

I think, quite frankly, we've made efforts—the member for Kewatinook (Ms. Klassen) just alluded to the frustration of not getting answers all the time in Estimates, and certainly I can tell her if she'd like to review Hansard for Estimates for the last 16 years before we became government, she'd be a lot more frustrated than she is with this government, because information wasn't shared, questions weren't undertaken to be answered at all. I can tell her that in the three years of asking the previous premier questions in Estimates, I had nothing undertaken by

the premier that he would provide me with, and if she would like to review those she would understand more fully that that is a change in that we are endeavouring to get more information out in respect of issues.

That being said, the process for selecting and appointing boards is complex. There's certainly many, many aspects to it. I don't recall ever hearing an explanation from any NDP administration about their selection of board members, and so I'll leave that topic unaddressed based on the precedent that I've never heard that question ever addressed before by any premier.

**Mr. Kinew:** So is the Premier (Mr. Pallister) refusing to answer the question? When did he start the due diligence process on the new board members for Manitoba Hydro?

**Mr. Pallister:** Let me just return in the interests of disclosure to an issue I was going to undertake to provide an answer to earlier, which was in reference to the concerns that the Leader of the Opposition has expressed about higher hydro rates.

We understand that the previous administration had such concerns as well about higher hydro rates, recognized that they were going to be happening as a consequence of their own mismanagement and then declared that they would take steps to address them. This is a news release that was issued by the previous NDP government on December 3rd, 2015. This is a repeat of a commitment made I believe four years earlier by the previous administration that they would actually set up an Efficiency Manitoba agency. This heading of this press release, which came just a year after the rebellion, nine months after the new leader was selected, who was the old leader, and it says Manitoba introduces comprehensive plan to address climate change and create green jobs.

\* (16:50)

Interestingly, it talks about this, but now we know, because the Auditor General has addressed this, and I can read from the Auditor General's report when I see it, that that plan wasn't a plan at all. In fact, for its goals to be achieved, they—the NDP government would've had to have taken every gas and diesel-powered vehicle off the roads in Manitoba. Those were the words of the Auditor General of the Province of Manitoba.

This well-worded, well-written press release says, as its first point, that Manitoba will take immediate action to create a new demand-side

management agency. This is in—December 3rd, 2015. This would be just, well, gee, two years and three and a half months ago.

This was the position of the NDP then, and it appears not to be the position of the NDP now. I've listened to members opposite decry, with the support of their new ally from Assiniboia, that the demand-side management agency, Efficiency Manitoba, was duplication and overlap, even though it is our commitment to make it work better at less cost to Manitobans and assist Manitobans in lowering their hydro bills.

Now, this is our commitment, and we have demonstrated we keep our word. The previous government had this commitment made not just in '15 but four years before and did nothing about it. Then, as a lead on their comprehensive green plan, which they introduced on the back of a napkin in '15, their first point was that they were going to take immediate action to create a new demand-side management agency, which they are now against. They said they were going to establish energy savings while pressure on hydro bills rose, and continues to rise, that they would work to lower utility bills by taking the existing Power Smart program to the next level and support adoption of green heating alternatives to fossil fuels, such as geothermal technology.

Okay, this is when they'd already been in power, remember, Mr. Chair, for 16 years. Sixteen years, pretty good opportunity to get it right on green, came up with this, last minute, December '15.

First point, Efficiency Manitoba, now they're against it. Okay, well, must be a different green plan now.

What are those electric cars called, the really expensive ones?

**An Honourable Member:** Tesla.

**Mr. Pallister:** That's right. Well, the member's idea of a green plan is we're going to subsidize Tesla purchases for Manitobans. That's not a green plan. That's not much better than the back-of-a-napkin green plan the NDP put forward in '15 at the last minute, just before they had to face the people of Manitoba in an election.

So, as far as comprehensively protecting ratepayers for Hydro, the NDP never had a plan, except to make rates go up; make rates skyrocket and then don't have a plan as to how you're going to help

Manitobans face that challenge. That's—the only thing worse than that would be some of the stuff I've heard from the member for Assiniboia (Mr. Fletcher) about just let's leave the doors open and the windows open because there's lots of power and we should all use it. The—neither of these is a plan. Neither of these has any degree of believability.

So we've got a plan. We're going to act on it. It's going to work better for Manitobans and protect them.

**Mr. Kinew:** I think it's a pretty good plan. Everyone on the government side seems to remember the announcement that I made and I always see them smiling every time that they talk about it. So it seems like a very credible and great pledge that we announced with our alternative Throne Speech.

See, even right now around the table, smiles, everyone recalls the details. It's a very sticky policy announcement.

**An Honourable Member:** On a point of order, please.

#### Point of Order

**Mr. Chairperson:** On a point of order, the honourable First Minister.

**Mr. Pallister:** I agree with the member in his observation that the members opposite are smiling. However, what he fails to comprehend is they are only doing that to avoid laughing out loud, okay, because the plan has absolutely no substance whatsoever. And so it's a misinterpretation of the smiles that I have to make a point of order on, Mr. Chair.

**Mr. Chairperson:** The member doesn't have a point of order.

\* \* \*

**Mr. Chairperson:** But I will recognize the Leader of the Official Opposition.

**An Honourable Member:** Are we allowed to challenge your ruling, Mr. Chair?

**Mr. Kinew:** Yes, we could have a recorded vote and go back to the Chamber and we could all be here 'til 6 p.m.

**Mr. Chairperson:** The Leader of the Official Opposition.

**Mr. Kinew:** Oh, okay, maybe I'll refrain from repeating my comments at this time, but I'll keep

them for later on. [*interjection*] Yes, I'll put them on the record at some later date, perhaps when we require a recorded vote.

When the new Hydro board members were being selected, did the Premier (Mr. Pallister) ask them if they were committed to keeping rates low in Manitoba? Did he ask them if they would do everything in their power to ensure that rates stay affordable and that they're not hiked at an—according to an arbitrary timeline?

**Mr. Pallister:** Let me just say—and I—again, I don't have the document with me, but I would be willing to share it with the member and all members of the committee who are interested. But there—the Auditor General did detailed work on board appointments, structuring guidelines, selection processes, methodologies around getting nominations, establishing criteria for, you know, relevant experience, a lot of other aspects I won't touch on here. But I'll obtain that for the member and he can have a look at it. And I think it would be helpful to him because we've endeavoured as a government to follow those recommendations, unlike the previous government. So we are actually using the recommendations of the Auditor General on how to get the most out of your committees in the process of both the selection and the relevant preparatory work that needs to be done to help committees facilitate committees in their functioning.

We have also, though, undertaken other work to reduce the number of committees. I don't have the detail—numbers here, I think, at this point in time, but I can get them for the members and share that with them because, of course, these committees all—not all are necessary. Over the years, a number have been established by the previous administration. As they grew the size of government, they also grew correspondingly the size of the number of committees and agencies and boards to the point where many Manitobans don't really believe they're getting value in return for all these agencies and boards and commissions.

They—also, it was alleged, and, I believe, supportable by the facts—used many of these committees as dumping grounds for party supporters, which is not something that is unusual but certainly had been the case predominantly over time. So we take very seriously the recommendations of the Auditor General's report and would want to make sure that I share those with the member.

I'd also say we've endeavoured, as well, to increase the number of indigenous Manitobans on our agencies and boards and committees because many of the issues, though not unique necessarily to indigenous communities, are particularly important to them and relevant to them.

As well, we've also made every effort to increase the number of women involved in our committees. This—I understand, and I should be able to obtain for our next session updated numbers on that, but I believe we've now surpassed the all-time record for our province in terms of the number of women serving on our agencies, boards and committees.

These are important steps. They're not without design. We have been pursuing these changes in a focused manner to try to make sure that this is a government that's—that is actually endeavouring to serve all of the people and not just some of them. And so we will continue to pursue that course of action as we move forward.

We thank, of course, all of the 180-plus agencies, boards and committees and the people who serve on them, and I would encourage Manitobans who are interested in the processes of learning or contributing or being part of this government's decision-making processes that it relates to these committees to be—to participate by bringing their name forward or suggesting others who they know and respect, who they would like to serve. We have been very proactive in encouraging that, and I would encourage all members, regardless of political stripe, to do the same because each of us has our networks and each of us knows many good people around the province who might well want to serve.

For example, just in respect of the announcement the member was addressing earlier about the board resignation at Hydro, we had dozens of Manitobans come forward and say they would like to serve—

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

### HEALTH, SENIORS AND ACTIVE LIVING

\* (14:50)

**Mr. Chairperson (Doyle Pivniuk):** Will the Committee of Supply please come to order. This section of Committee of Supply is now consider the Estimates for the Department of Health, Seniors and Active Living.

Does the honourable minister have an opening statement?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** I do.

First, let me begin by welcoming my friend from Minto into this role as the critic for Health. We have, I think, joked sometimes over our time in the Legislature that we don't get to spend enough time together. Having served as his critic for many years when we were in opposition and now the roles are reversed at this point, although in a different portfolio. That's not to even speak of football games where we sometimes end up not only in the same section, but there was the one year where I accidentally—I think I got seats right in front of—right behind him, actually, I believe it was, right, and I had to apologize for that, not because I don't enjoy his company, but, you know, it can sometimes make for awkward conversations.

But I do appreciate him taking on this role. I know he's a thoughtful individual who will ask thoughtful questions, maybe sometimes to my regret almost too thoughtful. But I do appreciate that even though for many years we've been in what would be traditionally considered adversarial roles, I think we've been able to do so in a respectful and a dignified way, and I have no doubt that this process will be no different than those past experiences.

So I am pleased to present the 2018-19 financial Estimates for the Department of Health, Seniors and Active Living, and I certainly would like to thank all of those who were involved in the policy planning and funding and oversight decisions that are made in relation to this proposed budget.

Certainly, this budget commits to Manitobans that we will continue to deliver a quality wellness in health services in a sustainable manner to patients who need it, to clients and to residents. The proposed 2018-19 Health budget represents the largest investment in health care in our province's history at just under \$6.2 billion and it includes many important elements. It is, I think, worth re-emphasizing that this is the largest investment in Health in our province's history, and \$6.2 billion can sometimes be a difficult figure to fathom.

I know I sometimes cause a bit of concern with my—for my friend, the Minister of Finance (Mr. Friesen), the member for Morden-Winkler, when I mention that health care runs about \$700,000 an hour in terms of the costs, and that's because, like

every other province, it's a significant issue and it is a key, if not the most, the top priority for citizens in Canada and that certainly includes in Manitoba.

We are spending over 70 cents of every dollar in hospitals and in health facilities on salaries and benefits and the workforce and for front-line services. That would be consistent, I believe, with other provinces in Canada, so the vast majority of the expenditures in Health are related to labour.

In 2018 there are continued investments in those resources including 43 and a half million dollars in negotiated wage increases in the health system. For '18-19, the fiscal year, over \$10.5 million in incremental capital operating funding has been made to support the operating costs of several capital projects, including but not limited to the following: the Selkirk Regional Health Centre being certainly one of them—and I had the opportunity to be at their opening and it's a wonderful facility thoughtfully designed in terms of how individuals are treated within the facility, and I know that the community and the region are proud of it; the Holy Family personal-care home as well, there's additional funding that's put in place for that, and the Flin Flon emergency redevelopment—know that that is important for the community of Flin Flon.

While I know that my honourable friend, the member for Flin Flon (Mr. Lindsey), sometimes, in this House, during question period, has questions that would lead one to believe that he is less than pleased about certain things, I know that he would be very pleased about the redevelopment of the Flin Flon emergency room, and I know that it will serve the residents there well and those that are nearby in Manitoba and potentially elsewhere.

There's also increased capacity for life-saving dialysis treatment. We recognize that there needs to be additional capacity. There's an additional \$7.7 million in this budget, representing 94 more dialysis spaces, as Manitoba deals with a significant issue around kidney disease and diabetes.

Mr. Chairperson, we have certainly made our case to the federal government—although I know the member for Minto (Mr. Swan) will have no questions about our relations with the federal government—I would say that we have had the opportunity to speak on many occasions, both directly with the federal Health Minister and more generally in the public domain about the significant challenges Manitoba has and our desire to have a

partnership with the federal government in dealing with that issue.

There's also \$14 million more to support enhancements in the Home Cancer Drug Program. That program, of course, helps those who are dealing with a very difficult diagnosis and what can be one of the most difficult times of their life, to get the kind of treatment that they need in the place that they would most desire it.

I'm most happy to say that we have new investments made to support 60 new primary-care paramedic positions. Paramedics, I think, we all would consider not just a critical part of the health-care system, but truly heroes within that health-care system. We're very pleased to see a number of initiatives move forward, not the least of which would be self-regulation for paramedics, something they've desired for a long time and for a variety of reasons, of which I won't expound upon right now, that self-regulation hadn't moved forward, but I know that we'd committed to it during the campaign and well on the way to fulfilling that commitment, and I'm sure the member opposite will have questions related to that.

Also working on the EMS review that was done by Reg Toews, I believe, in 2013—moving forward with those recommendations. And these 60 new full-time paramedics are an important part of fulfilling those recommendations from the committee that was struck under the former government.

There's an additional \$1.4 million for price and volume increases as it relates to vaccines, and we know that that can be important in keeping population health well for Manitoba. And we see more investments when it comes to lab and diagnostic testing, Mr. Chairperson.

In addition, there's continued support, an additional half a million dollars to the Manitoba screening program. These investments are made at the Cadham Provincial Laboratory to enhance Manitoba newborn screening program, something that I think all members of this House have come to appreciate.

This budget includes the universal screening of newborns for severe combined immune deficiency disease, S-C-I-D, as it's sometimes known as, SCID. The impetus for this, of course, came from former member Leanne Rowat, I believe, who brought forward private members' bills on this issue.

And I certainly want to give Leanne credit for many things that she did here in the Legislature, but I think that this is certainly something that leaves a legacy. And all of us, when we leave this place, not that we look for legacy, but I do think that we look back on things that we're particularly proud of, and I know that Leanne Rowat will be particularly proud, as she should be, of that accomplishment.

We've recently concluded the health sustainability and innovation review. That review took a look at the entire health-care system to look for economies and efficiencies and effectiveness. Certainly, in a system as big as the Department of Health, representing over 40 per cent of the provincial budget, there is a need to find efficiencies. Those efficiencies can then be reinvested into things that there are cost pressures, whether those are volume pressures or high-cost drugs, Mr. Chairperson. So that is certainly something that is important.

We've had some discussion already in the House in relation to question period on the reduction of ambulance fees from \$500 to \$340. That funding is included within this budget. I would expect that members would support that initiative. I know that during the election campaign, different parties had different commitments in relation. If I remember correctly, the Liberal Party of Manitoba committed, I think, to reducing the fees for seniors. We've taken that one step further in having it reduced for all Manitobans, which we think is particularly important.

And so I know that members would have wanted to support the budget for that reason alone, although I know, in the end, they chose not to support that particular initiative by voting for the budget.

Wait times task force report has been completed and released. I know members opposite will have questions about that and the implications of that report—wide-ranging report, although I know there's been only focus on a few particular aspects, but I really want to thank those who participated in that report and providing a very, very thoughtful report. And we're certainly looking at those recommendations and have already taken action on some of them and will be looking to implement others as we go along.

So I know that there's—oh, 10 minutes doesn't give adequate time to do an opening statement for a department as large and as important as the Department of Health, Seniors and Active Living,

but that's why I know over the course of the next couple of days, there'll be other questions that I can answer. I'm sure that this won't go more than a couple of days, so I'll be helpful to answer the questions very—in an expedient way, for the member opposite has always asked those questions in expedient way when I was his critic.

So I look forward to this process, Mr. Chairperson.

**Mr. Chairperson:** We thank the minister for those comments.

Does the official opposition critic have any opening comments?

**Mr. Andrew Swan (Minto):** As the minister has indicated, it is my first opportunity as opposition Health critic to go through the departmental Estimates for the department of Health. Given the size of the budget, the nature of the changes in the system, and the importance of health care to Manitobans, I expect the Health Estimates discussion will be lengthy, but I'm hoping it will also be informative and perhaps even productive.

As I think the minister alluded to in his comments, he and I are now the longest running road show in Manitoba politics, which why—may explain why there're so many people that have rushed into the Chamber to watch us. That started with the Richard Cloutier Political Panel some 13 years ago and has headed on through various critic responsibilities and also each of us—although neither of us really knows how each other's caucus works—playing sometimes a very similar role, a role which sometimes has been reversed since the recent election.

I would start off by reminding the minister it was exactly 10 years ago tonight that the two of us found ourselves in the same arena with about 30,000 other people in Grand Forks, North Dakota, listening to the man who would become the president of the United States, Barack Obama. I don't say that, Mr. Chairperson, to suggest that the minister and I share a great number of political beliefs, but I do know we share an interest in politics, and we do share a belief in democracy and democratic institutions.

So, Mr. Chairperson, in nearly 14 years in the Legislature, I've seen some good Estimates discussions. I have also seen some pretty dreadful ones. Maybe due to the amount of quality time that

we've spent together on the record, I'm hopeful that we can aim to be near the top.

Some of my New Democrat colleagues will want to pose questions about issues of importance that they're hearing about in their home communities. I also plan to cede the floor to the Liberal members on a regular basis each day so they can pursue areas of questioning they're hearing about in their communities as well.

I just want to say, before we do go into questions, that we are hearing a lot of concerns about health care from patients and their families, from people working in the system. But the one thing that I think we can all agree on, is that the individuals who work and provide health care in this province are doing the very best they can. They work hard every day to provide care to our loved ones and sometimes ourselves, and we can never forget that as we pursue questions and answers in Health Estimates.

So, with those words, Mr. Chairperson, quite prepared to have the staff brought in and begin questions and Estimates.

**Mr. Chairperson:** We thank the critic for the—of the opposition—official opposition for those remarks.

Under the Manitoba practice, debate on the minister's salary is the last item considered in the department for the Committee of Supply. Accordingly, we shall now defer consideration of line items 21.1.(a) contained in the resolution 21.1.

\* (15:00)

At this time, we invite ministerial and opposition staff to enter the Chamber.

I guess once the staff gets settled, if the minister wants to introduce his staff.

**Mr. Goertzen:** Mr. Chairperson, the member opposite mentioned the valuable staff that we have throughout the system and that is true, and some of those have joined me here today.

Real Cloutier is the interim CEO for the Winnipeg Regional Health Authority; Bernadette Preun is the assistant deputy minister, Provincial Policy and Programs; and Dan Skwarchuk is our assistant deputy minister for Finance.

**Mr. Chairperson:** Thank you, Minister.

Does the member from Minto want to introduce his staff?

**Mr. Swan:** Yes. I will introduce my one staff member who will be assisting me over the next several days. That's Emily Coutts.

**Mr. Chairperson:** Thank you.

Does the committee want to proceed with the Estimates of this department chronologically or a global discussion?

**Mr. Swan:** In keeping with the usual traditions of this House, we'd proceed to—we'd want to proceed in a global fashion.

**Mr. Chairperson:** Thank you. Is it agreed, then, that questioning—is that agreed to the minister?

**Mr. Goertzen:** Okay.

**Mr. Chairperson:** Thank you. I agree that the questioning of this department will proceed under a global matter with all the resolutions being passed once questioning has been concluded.

The floor is now open for questions.

**Mr. Swan:** I do welcome the officials that are with us today. We know you just—you couldn't wait to get in here and start listening to the questions and answers. What he did say just before you were able to enter is that even though there will be many questions about what is going on in the health-care system, we truly do appreciate the work of people in health care to provide care to patients to the best of their ability, and we certainly respect the work that is done in our various health-care institutions and even in homes by home-care staff.

I will start off by asking a number of questions, which I expect the minister was expecting, just about organization, and what I'll do is I'll run through those fairly quickly, and if the minister can undertake to provide us with those organizational charts and information, perhaps overnight or in the very near future, that would be a quick way to move ahead.

So the first thing I would ask is whether the minister will provide us with an organizational chart, which has, for some years, been one of the undertakings given at the start of Health Estimates.

**Mr. Goertzen:** I thank the member for that question. So there is an organizational chart for the department on page 10 of the Supplementary. If the member's looking for additional information or a different chart, certainly I'm willing to entertain that question.

**Mr. Swan:** Yes. Well, let me begin with asking for a staff listing for Priorities and Planning, which I



understand has been quite engaged in a lot of the health-care changes that have taken place and are yet to take place.

**Mr. Goertzen:** Just for clarity, I think the member's asking for a staff listing for Priorities and Planning, which is housed in the Department of Finance, if it's—if that is—if we're speaking about the same thing. And so, if that is the case, then I'm sure if his colleague, the critic for Finance, asked that question there he would receive those—that listing.

**Mr. Swan:** Well, that won't really help us as we go through the Health Estimates. I'd be prepared to amend that if the minister could provide us with a listing for any staff in Priorities and Planning that actually have worked on Health files or provide advice to his department; that would be sufficient.

**Mr. Goertzen:** Well, we don't have an analyst per se assigned to the Health portfolio. Certainly, Priorities and Planning, which is housed in Finance and headed by Jonathan Scarth, their—you know, I think that the member might be referring to Olivia Baldwin-Valainis who was involved with the Health transformation, I think, had the role of director of transformation.

**Mr. Swan:** I was going to get down to that in just a minute, but with respect to Priorities and Planning, then, it's the minister's position that there's no analyst, then, that provides particular support to the Department of Health or to the Health portfolio?

**Mr. Goertzen:** So I'm not trying to be evasive this early in the procedure; might choose to move to that direction later on, but it's difficult for us to speak to sort of the routing process within Priorities and Planning because that is—that's not housed in our department; it is housed in Finance. But in the effort of—to being transparent, Olivia Baldwin-Valainis is certainly the person who we deal most directly with—have dealt most directly with in Priorities and Planning, but I'm sure that the Department of Finance would be able to provide a fuller listing.

**Mr. Swan:** Would the minister be prepared to request from the—from his colleague?

**Mr. Goertzen:** Well, I don't want to sort of set out a precedent of requesting stuff from different ministries; I think our ministry's big enough. For requests that the member will have, you know, if he wants to ask questions related to Priorities and Planning and our interaction with it, I'll certainly offer to answer the best as I can. But I'm sure that his Finance critic is more than capable to ask that

question of the Finance Minister whenever their Estimates begin.

**Mr. Swan:** Okay. I understand that within the department, there has been a Transformation Management Office that's been established, which the minister may have alluded to.

Could the minister undertake to provide a staff listing of the individuals that work within that office?

\* (15:10)

**Mr. Goertzen:** Because there's a lot of transformation happening in health care, I want to ensure that I do my level best to provide the member with the information he's looking for. So we'll provide for him, I would expect, by tomorrow—unless he's prepared to conclude Estimates today, then provide for this in another fashion. But, if not, I'll provide for him tomorrow a listing of those who are in the transformation office and the transformation leadership team which exists more of those within the system.

**Mr. Swan:** Yes, I think we'll have at least another day of Estimates after this, so that's fine.

And I believe the minister was alluding to other individuals outside of the department but nested in the various health-care authorities. I understand that each health-care authority also has what you could call a transformation management or a leadership team. I'd also ask the minister undertake to provide the names of those individuals and the organization for each regional health authority.

**Mr. Goertzen:** We don't believe that every regional health authority has a transformation team per se. I'm certainly advised that the Winnipeg Regional Health Authority does not, although Mr. Cloutier sits on the transformation team that I referenced in the answer to the last question.

However, we will canvass the regional health authorities, and if they individually have transformation teams, I don't foresee a problem with providing the names of those who exist on those teams.

**Mr. Swan:** I thank the minister for that.

And would the minister also undertake to provide us with a list of the senior leadership at each regional health authority?

**Mr. Goertzen:** I'll just get the member to repeat the question.

**Mr. Swan:** I'd like the minister to undertake to provide a list of the senior leadership at each regional health authority.

**Mr. Goertzen:** We will ask the regional health authorities to provide their senior leadership teams for the member.

**Mr. Swan:** I thank the minister for that.

Now, when I look at the brief chart contained on page 10, there is a section described as—or a title described as department lead on strategic system realignment. Is that the person who's kind of the leader on the Healing Our Health System plan? Or what does that person do?

**Mr. Goertzen:** So the department lead on strategic system realignment is actually the assistant deputy minister, Bernadette Preun, who's here with us, as I mentioned earlier. That is her particular role for the department.

**Mr. Swan:** All right, so I'm going to just ask, then, under her leadership, then, what is the structure, what is the unit that is set up to attempt to manage some of the changes which are occurring? Is that where the transformation management team is, or is there a different structure that's being used?

**Mr. Goertzen:** So it doesn't exist as a specific unit. But, as the various pieces of transformation are undertaken, that transformation is resourced from both the department and the regional health authorities by those individuals who are best lead to—or seen to lead that particular area of transformation. So, as transformation is identified and improved and begins, there's a process by which individuals are identified within the health system and within the regional health authorities to form a team to help in that transformation process.

**Mr. Swan:** I thank the minister for that. I may return to that after we have the chance to review the material to be provided.

We'll be talking a lot about the money that the Department of Health is spending, but I do want to talk a little bit about the money that the government of Manitoba is receiving from the federal government. We know that in last year's Estimates of revenue, the estimated revenue under the Canada Health Transfer, the CHT, was one billion three hundred and fifty-five thousand—three hundred and fifty-five million four hundred thousand dollars.

I asked the Minister of Finance (Mr. Friesen) about that a couple of weeks ago, and he said, quite

appropriately, that there's no guarantee that's the exact amount of money that comes from the federal government.

How much money did the Province of Manitoba actually receive under the Canada Health Transfer in the last fiscal year that just ended on March 31st?

**Mr. Goertzen:** The member may know from his time in government—he may have even sat on Treasury Board, although I don't recall if he did—that the intake of money from the federal government doesn't come to the Department of Health. I often say we don't write as many cheques as people think we do out of the Department of Health.

The money goes into the Department of Finance, and so it would be best for the member to direct the question—although it sounds like he already did—direct the question to the Minister of Finance in terms of money that is coming from the federal department of Finance into the provincial Department of Finance. That's a question that's best laid at the feet of the Finance Minister, although it sounds as though the member has done that and maybe didn't get the answer that he received—or, the answer that he wanted, but he did ask the question at the appropriate place.

**Mr. Swan:** Just so I'm clear on that: the Minister of Health, then, doesn't know how much money was received from the federal government under the Canada Health Transfer in the last fiscal year?

**Mr. Goertzen:** Well, no, I think it's one of those questions that I think should be asked to the appropriate minister responsible. So, while I appreciate that the member might be seeking specific information here, he'll also know from his time in government that it's sometimes best for ministers to stay within their lanes. And this particular lane is the Minister of Finance's.

**Mr. Swan:** So, if the Minister of Finance acknowledged on the record a couple of weeks ago that, in fact, this year the Province of Manitoba expects to receive an additional \$85.7 million in revenue under the Canada Health Transfer and this minister says that he doesn't actually know how much money is received, how does this minister justify standing up and saying there's been a cut by the federal government?

\* (15:20)

**Mr. Goertzen:** Well, I don't think I said that I didn't know what we were receiving; I said that the

question should be better addressed through the— to the minister who is most applicable to answer the question. And that's sort of how government works, and it works that way for a good reason. You don't want ministers drifting all over the place and into different departments because you get poor or not-well-relayed information.

But to the point that the member asks about: how can we justify saying that the federal government has reduced their commitment to Manitoba? It's backed up by the fact. And the—in fact, in this regard, the federal government doesn't even dispute this—although I'm sure my friend from River Heights will have something to say of this later on. But certainly, when we went to Ottawa and had the discussion with both the Finance Minister and the Minister of Health—because they were both in attendance at the meeting in late 2016—they acknowledged what—quite clearly, that they were reducing the percentage transfers that were coming to Manitoba—and to all provinces—from six to three. And they didn't dispute the fact that the percentage of health-care costs were increasing in the provinces in terms of how much was actually being paid for by the province.

And the fact in Manitoba—it's not an exact percentage, but it—I believe it's certainly close at 19 per cent of the costs of health care—are funded by the federal government. And the balance is funded by the provincial government. And so—and that disparity, that gap is only widening.

So it's really not my assertion that the—although I have asserted it—that the federal government is reducing their support on a percentage basis to Manitoba and all of the provinces. It's something that's readily recognized by the federal Liberal government.

**Mr. Swan:** Well, I ask the question because I'm looking at the government's own budget papers which shows that the Canada Health Transfer is increasing \$85.7 million—or, 6.3 per cent—over the last fiscal year.

And I want to give the minister, again, the opportunity to correct the record if, indeed, that's not correct. Or if there is more money received than was estimated by the government—that's fine. If the minister says that he has no idea—that's fine. But I think the member for River Heights (Mr. Gerrard) and every member of his House will be somewhat suspicious the next time it's the Minister of Health who jumps to his feet to talk about a 6.3 per cent increase in funding really being a cut.

**Mr. Goertzen:** I wouldn't want my friend from Minto living in suspicion. It's not a good state to be in, particularly with the amount of time he'll be spending at football games and trying to be optimistic in the summer.

So, to alleviate him of any of that particular concern, I would remind him that it was very clearly the federal Liberal government who indicated they'd be reducing the transfer payments from a 6 per cent escalator to 3 per cent. That is a reduction, six to three.

He will know, of course, that the federal government in the last election committed—it was the Prime Minister who committed—to meet with premiers at a first ministers' meeting to specifically discuss and have a real negotiation on health transfers. That was his commitment that he made. That—he being the Prime Minister.

That commitment was not fulfilled despite our Premier (Mr. Pallister) and other premiers through the Council of Federation asking for that meeting repeatedly. In fact, when—I believe, when the Premier met with Prime Minister Trudeau along with other premiers at the time and asked for that real discussion as promised by the federal Liberals on health transfers, the response was that they would discuss it over supper. Well, that's hardly what was committed to during the federal election.

So the member shouldn't be suspicious at all; he should be joining us in our advocacy to ensure the federal government be a real partner in health care. And he can alleviate any suspicion or doubt that he has in his mind by simply referring back to the fact that it was the federal Liberals themselves who acknowledged quite openly that they were reducing the federal escalator from 6 per cent to 3 per cent, despite the fact that they'd made a promise to have a national discussion with premiers and the Prime Minister, and a real negotiation, which never occurred.

**Mr. Swan:** Well, the minister should not be surprised that the rest of us heard the Minister of Finance (Mr. Friesen) confirming that there's an additional \$85.7 million being provided under the Canada Health Transfer for the upcoming year—which again, is a 6.3 per cent increase over the previous year.

Maybe I'll ask it a different way by asking the minister to confirm that indeed he did conclude what I think we've been calling colloquially a health-care accord with the federal government last summer.

**Mr. Goertzen:** Well, it's important because terminology is important in politics as it is in life more generally. And, when we talk about an accord, this was certainly not an accord, and I don't think any—well, most of the provinces wouldn't describe it as accord. What it really was, was a series of bilateral agreements that were reached between provinces often reluctantly, and certainly that was the case in Manitoba where we didn't see this as either a fulfillment of the federal Liberal promise made by Prime Minister Trudeau, nor do we see it as a sustainable way to fund health care going forward.

So it certainly was not an accord, and there were many within academia—not that I always agree with everything that I read in academia, but there are many who indicated this was far from an accord and far from what was promised. So I don't take any offence to the member opposite, but I do take offence to the terminology that this was a Canada health accord.

**Mr. Swan:** Well, we can certainly use the minister's term of the bilateral agreement. Could I just get the minister to confirm that indeed he signed onto a bilateral agreement with the federal government respecting federal health-care funding?

**Mr. Goertzen:** So most provinces at last checking haven't signed on to bilateral agreements. What they have agreed is that they would enter into the discussion in terms of how dedicated money would be spent and what would—how the recording method would be for that. So we certainly indicated last year, after, I think, putting up a yeoman's effort and one of the strongest efforts in Canada to lead the charge for a real partnership with the federal government, that we would enter into those discussions for the dedicated funding that was committed to by the federal government, even though we know it wasn't a sustainable or a fair solution or a solution that was promised by the Prime Minister.

So we have entered those negotiations, those discussions. They relate to a series of different things, both how that money would be invested, but also how the reporting mechanism would be back to the federal government, because there's—there are requirements in terms of reporting back the results from the bilateral agreement once it's signed, which I don't have particular objection to. I don't object to reporting of results, but they have to be done in a way that's meaningful and that isn't so arduous that you lose the benefit of the funding.

So there's some discussion there, but the vast majority—or—sorry—the majority of provinces, the last I checked, hadn't actually signed the bilateral agreement. They were still in the process of negotiation, as we are in Manitoba. But I remain optimistic—not in the world of skepticism or suspicion—but I remain optimistic that we will be able to have a signed agreement in relatively short order.

**Mr. Swan:** Well, we know that money started flowing under the agreement in principle, I will call it, if that's what makes the minister more comfortable. So what was actually prepared? Is there anything in writing between the Province of Manitoba and the Government of Canada, or is the minister saying this is just a handshake and the federal government started paying out the money?

**Mr. Goertzen:** Well, it was hardly a handshake. I think there was a lot of finger wagging along the entire process, and I won't relay in great detail for the member those negotiations, such as they were. And calling them negotiations would be a flattering description of what they truly were. But we are in the process now of drafting a formal agreement in terms of how money would be—will be allocated out of the bilateral agreement, so those discussions are happening between us and the federal government at the officials' level. That's true for all provinces, so my expectation is that we will reach a landing spot in relative short order, and we'll be able to speak to Manitobans about where those funds will be invested.

\* (15:30)

Although I do want to dampen the member's expectations a little bit, although I, you know, never like to be a pessimist about these things, but certainly when there was an agreement, and it was one of the concerns when there was an agreement to move forward to try to move into a bilateral agreement, there was great expectation among those within the mental health community, the addictions community, that this was a significant amount of money. In fact, I believe the federal government referred to it as transformational funds.

Let's be clear that if we're talking about a \$3-million investment in mental health and addictions, that \$700,000 an hour which the health-care system spends, recognizing not all of it is on mental health and addictions, but that money is gone before most members are picking up their coffee in the

morning on the way to the Legislature, so hardly transformational.

I wouldn't want to say that it's not helpful. Any amount of money would be helpful, but I think it was probably oversold, in terms of what it could do within the system, which I think is unfortunate because there will be many who will have heard the announcement. And, because Health is often largely about scale, they'll have heard the raw dollar amounts and will assume that there's tremendous amount of money to be pushed out into the system for different things that are needed and, in fact, that's not going to necessarily be the case.

So I don't want to suggest that the money's unhelpful, but I certainly wouldn't describe it as transformational, as has been described by the federal Liberal government.

**Mr. Swan:** Yes. Just to be clear, I'm not suggesting it's transformational, either. I'm just trying to figure out and ask questions about how this agreement is going to be documented and concluded.

So the minister will agree that the money has begun flowing under this agreement, even in the absence of the formal paperwork being completed. Is that right?

**Mr. Goertzen:** So I—it gets more complicated than any of us would like it to be, in the sense that, as I mentioned earlier, the Health department is not really a receiver, generally, of money from the federal government, nor does it write cheques, generally, to the federal government or many other folks.

However—so the crux of the answer is that the funding for the bilateral agreements would primarily flow into Finance, and that funding will be determined, in terms of where it's used, as a result of the bilateral agreement that we hope to sign relatively soon, based on the negotiations back and forth on where that money would flow. There was, the member may remember, \$5 million, which our government strongly advocated for additional support for the areas of opiate addiction and for chronic disease. So that \$5 million, you know, we are having those discussions now that we have the VIRGO Report back, in particular when it comes to addictions, where that money could be utilized. My hope would be that within—I'm going to say a relatively short period of time again; I'm sure the member's going to ask me to define what a relatively short period of time is—but I would hope that we'll have some public facing, in terms of where that

money will be used, in a relatively short area of time as we have discussions coming out of the VIRGO Report and also have some discussions with those who are dealing with chronic disease in the system.

**Mr. Swan:** Okay, if I can just focus the minister a bit. We've—the minister's talked about receiving \$5 million for the battle against opioid addiction. Is the minister acknowledging that money has been received and has been spent, or is that incorrect?

**Mr. Goertzen:** No, the money has not been spent. We're undergoing the review of VIRGO, in terms of where that money would be best allocated when it comes addictions in particular and, even more particular, opiates and also chronic disease. And that funding, again, to dampen the expectations, while \$5 million is a large amount of money—certainly to me and I would expect it would be to the member opposite as well, although I'm not going to pass judgment on his financial wherewithal—it's not as significant as it sounds when it comes to the health-care system. However, it is funding, and so we want to use it in the best way possible, and I think we'll have more information in terms of that—how the money will be expended—in relatively short order.

**Mr. Swan:** Well, we're just talking about that one piece of the puzzle, and that's the \$5 million for opiate addiction. Can the minister just confirm: Has that money been received from the federal government?

\* (15:40)

**Mr. Goertzen:** In the—trying to avoid giving the member an incorrect answer, which—I know he was very studious with me when he was minister, I think we'd have to refer to Finance to sort of get a better sense of exactly where and how the package of money as it relates to the agreement, which hasn't been signed, when it's expected to flow. But I think on that one I'm certainly willing to have our officials confer with the Department of Finance and report back to the member in terms of the flow of that funding.

**Mr. Swan:** I thank the minister for that undertaking.

And, in addition to the \$5 million in federal funding that was targeted for opioid addiction, I understand there was other money that was to flow immediately to Manitoba after there was an agreement in principle, if I will call it that on a bilateral agreement. How much of that money flowed to the government in the last fiscal year?

**Mr. Goertzen:** At the risk of sounding repetitive, that money would not have flowed to Health, I understand. We believe if there would have been any money provided in advance of a signed bilateral agreement it would have gone to Finance.

**Mr. Swan:** Well, I understand that for the 2017-18 fiscal year, whatever agreement the minister reached with his federal counterpart provided targeted funding of \$7.27 million in funding for home and community care and \$3.63 million for initiatives to address mental health and addictions in addition to the \$5 million for opioids. And I just want to confirm, if the minister was able to announce in August—on August 21st, 2017, of this additional money, I just want to find out, did the money actually flow in the last fiscal year, or is all of that then yet to flow in the upcoming years?

**Mr. Goertzen:** Again, when—if I am remembering the correct announcement to which the member is referring, and that was simply an announcement that we had agreed to go into the discussions on the bilateral agreement, that we were going to move forward with the offer that was put forward by the federal government regardless of how unsustainable it was and how insufficient it was looking forward into the future, there was no handover of \$10 million at that point. There was no giving of a key to a safety deposit box or a vault. That was simply an announcement that we were moving forward with the bilateral agreement as every other province in Canada had at that particular point.

In terms of the flow of money between the federal Department of Finance and the provincial Department of Finance, that is something that would have to be referred to Finance.

**Mr. Swan:** So just to be perfectly clear, when the minister concluded whatever negotiations happened back in August and put out his press release, am I to understand, then, there was no agreement or requirement that funding would begin to flow to Manitoba immediately? Is that right?

**Mr. Goertzen:** I think it was an agreement that we would move to an agreement. Again, I wouldn't have had the authority as the Minister of Health to take a bag full of millions of dollars from the federal Health Minister, nor would the federal Health Minister have had the authority to hand me over such a bag. That—those discussions and those transfers happen between the federal Department of Finance and the Department of Finance provincially. And, certainly, that is where the questions could be directed in terms

of the flow of money between the federal and the provincial government.

But it is important to know that, you know, we have entered into the discussions with the federal government in terms of the bilateral agreement. It's not as easy as us putting forward the wish list that we had looked forward to spending the money such as it is in Manitoba. It is something that has to be essentially endorsed by the Government of Canada and then the performance measures have to be agreed to, as well, and that's not as easy as it might sound.

I certainly know that there are other provinces who have had some challenges with that in terms of determining how you can measure outcomes of the expenditure of some money without spending all of the money by measuring the outcomes. And so that's an important part of the work that's being undergone right now. And in terms of the flow of money between the federal government and the provincial government, I'm sure that the Minister of Finance (Mr. Friesen) would be happy to answer those questions.

**Mr. Swan:** Yes, I thank the minister for that.

And, again, I'm not putting a value judgment on what conditions the federal government is or isn't putting on the money, or what level of outcome or performance is required, but I do look forward to having that discussion with the minister to help us understand what is going to be done with this additional money.

Last summer it was reported that the total amount flowing under this bilateral agreement was \$399.6 million in targeted funding for these areas: for home and community care and mental health and addictions initiatives. I did ask the Minister of Finance, is this money particularly back-end loaded, or how is it broken up, and the Minister of Finance said that it would be roughly equal over each of the next 10 years, meaning roughly \$40 million per year.

Is that a fair statement by the Minister of Finance, or is that different with what the minister understands?

**Mr. Goertzen:** I would never want to contradict or run aside of the Minister of Finance, but I would be happy to sort of confer with the Department of Finance to see what their projections are in terms of the flow of the \$399 million over the next 10 years, I believe.

**Mr. Swan:** So, when the minister reached this bilateral agreement with the federal government, he didn't know what the amounts would be each year?

**Mr. Goertzen:** I think that there's a reason why at the meeting that we had at the end of 2016, why the federal Health Minister was there, and the federal Finance Minister was there. They were both there.

And, in fact, I don't think I'm telling tales out of the school on this one, that it was really the federal Finance Minister that led a significant part of the discussion, because it was the federal Finance Minister who was dealing with the flow of money and how money would flow in different ways. And it was the federal Health Minister at that point—Minister Philpott—who was really talking about health outcomes and the health issues.

And so I certainly would defer to the Minister of Finance's (Mr. Friesen) answers that he provided my friend from Minto. The funding will largely flow from the Department of Finance, federally, that treasury—into the treasury of Manitoba through the Department of Finance. We are not sitting with wide-open arms to receive the federal cash; it is done as it appropriately should be done, through the two departments of Finance.

**Mr. Swan:** But, just to be clear, even though the money will be received by the Department of Finance, I don't think it's a big overstatement to say the federal government expects that its money that's going to be spent one way or another by the Department of Health, for which the minister is responsible. Right?

\*(15:50)

**Mr. Goertzen:** I would never venture to try to determine what the expectations are of the federal government, but certainly the member will, I think, see very publicly the decisions in terms of where the targeted federal funding will be spent in Manitoba and I won't—as I don't presume to know what the federal government feels on certain things, I won't pretend to know how the member for Minto (Mr. Swan) will feel about the decisions in terms of where the money's being invested, but I can say to him it will be transparent and he can make judgment at that time.

**Mr. Swan:** Okay, maybe one of the things that I'm having difficult understanding, as are a lot of other Manitobans, is that the minister makes a press release—issues a press release back in August 21st, 2017.

Was that the result of the meeting around that time with the Health Minister or with federal officials, or was this just the point when the provincial government decided they didn't want to hold out anymore and they wanted to move forward? Which of those two statements is more correct?

**Mr. Goertzen:** Well, I don't know that either of them are incorrect. You know, the first scenario is that, you know, was at a time when there was a meeting with the federal minister, and I can tell you I had many meetings with the federal Minister of Health, many discussions, some over the phone, some in person. You know, my memory isn't as good as the member for Minto's, who remembered that it was exactly 10 years ago today that we were listening to Barack Obama and Hillary Clinton speak in Grand Forks, but if I recall correctly, you know, I had a discussion with the federal Health Minister about two weeks, I think, before that announcement. It wasn't just about the bilateral agreements. There was a variety of different things that we discussed at that time. She was in Winnipeg to discuss the issue of opioids, and I joined her at a roundtable discussion that she was having.

But it's also true, and I think it was said publicly by the government at that time that, you know, we had made, I think, the point that we were trying to make, that this wasn't a sustainable agreement. We didn't agree with the premise of the agreement, but there was a point at which you needed to move forward.

But there were other things at play as well. I mean, the member might remember that the federal government had held other projects like the Factory of the Future at bay in terms of this particular agreement, and there was quite a bit of public discourse about that. And there were certainly rumblings in other provinces that the federal government was also holding non-health-related projects up until provinces had moved on that, and so I would say that I give our Premier (Mr. Pallister) significant credit for coming out at that time and specifically fighting for Factory of the Future and saying that in no way should projects like that be held up because of our commitment to having sustainable health care in the province and in Canada.

And so the member may be correct on both of his scenarios, that yes, there were meetings that were going on with the federal Health Minister, but there was also a point, I think, at which, clearly, because

of the announcement, that we decided to move forward.

**Mr. Swan:** When the decision was then made to move forward, and again I'm not putting a value judgment on the decision to resolve matters at that time nor on the decisions made by the federal government. I'm just trying to understand how it was that we got to the point that you were able to issue a press release saying you'd secured additional federal health-care funding.

Is there an agreement in principle, even by way of emails, between your department and the federal government that confirms we now have this 10-year deal worth \$399.6 million over the 10 years with the government of Canada?

**Mr. Goertzen:** Yes. I don't—I mean, if the member's looking to determine if there was, you know, a particular signed agreement, at that time when we made the announcement that we were moving forward, having had the threat of the Factory of the Future taken off the table, having had discussions with the federal Health minister, having secured the additional funding related to opioids and chronic disease, at that time there wasn't a signed bilateral agreement. There was no signing ceremony. It was simply a decision to move forward with the process of working towards the bilateral agreement.

I think that that process was similar in all provinces. About half, the last time I checked, which may have been a week ago, had concluded their bilateral agreements; the other half, including Manitoba being in that half, were still working towards the conclusion of their bilateral agreements, and I hope in the relatively short future we'll be able to provide the member and all Manitobans an open view in terms of how those negotiations have concluded.

**Mr. Swan:** I thank the minister for that.

We, of course, have the federal government—and, again, this is not a value judgment on the amount of additional money they were providing, but we have the federal government that clearly did not have issues with the way that Manitoba described the additional federal health-care funding, so I presume there was a meeting of the minds, or else I expect we would have heard something from the federal government.

Tell me about the discussions that the minister has had with counterparts across Canada. As the minister has indicated, a number of provinces have

now signed a formal agreement with the federal government. A bunch of other provinces yet have not, Manitoba being one of them.

What does the minister understand is the obligation of provinces to report what they do with the money to the federal government?

**Mr. Goertzen:** Well—and the member should know, and I'm not sure if it was this way when he was the Attorney General in the province, that Health ministers' tenures aren't particularly long, and so—I think I'm the third longest serving Health minister in Canada now, behind Quebec and Alberta, and so you can have a discussion with the Health minister one week and the next week they're not the Health minister anymore. So it's—you know, be careful how much you talk about past discussions with ministers who aren't—are no longer in those positions.

I would say generally, though, in terms of Health ministers, at that time when we were undergoing the negotiations, many of them felt frustrated, expressed that frustration publicly, felt that the federal Liberal government—we're talking about provinces that are held by provincial Liberal governments—had not fulfilled their commitment in terms of having a real discussion across Canada on the sustainability of health care and the future of the Canada Health Transfer, and that frustration was demonstrated in Manitoba and certainly by myself, frustration on behalf of Manitobans.

It's worth recognizing that by our calculations, or by the calculations of Finance, I should say, because they're provided to us because it's not to repeat ad nauseam but there's not the kind of calculations we necessarily do in Health, but Manitoba stands to lose \$2.25 billion—billion dollars—over the next 10 years as a result of the reduction of the financial escalator.

You know, the discussions that we've had with Health ministers on the bilateral agreements, and, again, that goes back most recently to October when we met as Health ministers at the FPT in Edmonton—and, again, since then there's been a change of some ministers—but I think that everyone had some concerns about the reporting requirements, about what that expectation would be, about how you measure the outcomes on certain programs and also the concern that you'd be expending so much resources on trying to measure outcomes that you'd have no actual money left to provide those outcomes.

So that was a fairly consistent concern that I've heard from Health ministers and those have been



expressed to the federal government. And I don't want to say that they've been unresponsive to that. I think there's been probably different experiences depending on the ways in which provinces are proposing to expend the money. I think, in general, the federal government understands that there has to be some balance between measuring the outcomes and the ability to actually determine those outcomes. I don't begrudge the federal government at all for wanting to see outcomes from the money being spent. I think I've said that publicly, that's not a bad thing. It's something that we expect in our own department when it comes to expending money.

\* (16:00)

But, to answer the member's question maybe more succinctly, there was certainly frustration at the time of the negotiation, heading towards the bilateral agreements and now more recently as we're looking to finalize the bilateral agreements. I think officials are working diligently, and there's been some bumps when it particularly is relating to the reporting-of-results mechanism, but nothing that is insurmountable, and I don't think it'll be insurmountable in Manitoba either.

**Mr. Swan:** Well, I expect the minister's departmental staff are actively working, and I'm sure they're doing a good job.

We've now seen a number of provinces signing on to a more formal agreement. So what kind of reporting generally is now being mandated by the federal government with these other provinces under the health accord, or under these bilateral agreements, if I'll use the minister's words?

**Mr. Goertzen:** Thank the member for correcting that term, because it certainly is not a health accord.

But in terms of the reporting mechanism, it varies depending on the programs that are being proposed by the individual provinces. So there aren't standard programs or standard expenditures that are being put forward, I don't believe. I don't have a window into all of the different proposals from different provinces, you know, the different things I might hear anecdotally. But we've not been issued, I don't think, a particular form that says, you know, thou shalt report in this particular way. So that adds to the complexity in that we really are doing it on a program-by-program basis.

So as we put forward the things that Manitoba would like to move forward with the federal funding, that, then, results in a discussion about how we

would measure outcomes and how we'd measure the successes of the expenditures of those funds. But because every province is putting forward, I imagine, different asks when it comes to the expenditure of those funds, it doesn't lend itself to a pro forma kind of agreement on how one would report back to see the success and the use of those funds.

**Mr. Swan:** Well, that's fair. And the minister does acknowledge that different provinces have addressed this in different ways, and I presume that the stated priorities for Manitoba, namely being home and community care and initiatives to address mental health and addictions, were priorities that the minister and perhaps, when he's around, the Premier (Mr. Pallister), put forward.

But just help me understand this. The minister is saying that his view is that the reporting is going to be not just proof that money has been spent by the provincial government in a certain area, it's also proof that there have been outcomes? What kind of examples does the minister have of that being required by the federal government?

**Mr. Goertzen:** No, it's a good question that the member asks, not to suggest he hasn't asked any good questions, although I might not accept the preamble about people not being around, but the provinces are looking at different ways that they can make their own measurements, but not individually on their own. So, Manitoba, and I believe other provinces as well, will probably rely on CIHI, the Canadian Institute for Health Information, to assist us individually, perhaps globally, with other provinces in trying to measure some of these outcomes because while the—I mean, the programs are all going to be very different, not having seen all the recommendations or suggestions in other provinces, although I look forward to seeing that. The themes are similar, so with any luck—although luck is not a plan, I recognize—CIHI will be able to assist us and other provinces in a measurement and a fashion that'll satisfy the federal government in terms of what they're looking for, for outcomes.

**Mr. Swan:** So one of the areas of support is mental health and addictions. So, under addictions, in this year, there is not a single additional dollar going to the Addictions Foundation of Manitoba. So is it fair to say that no consideration has been given to any of the federal funding in freezing the funding to the AFM?

**Mr. Goertzen:** You know, I think that that, in many ways, opens up a broader discussion.

And, in many ways, I wish, as I'm sure the member does, that I could provide him the VIRGO Report today, and he could review it and ask questions on it tomorrow. But department officials need time, as he knows from his time as minister, to go through the report and weigh the implications of various recommendations. But I do commit to him, as we've committed to Manitobans, that we will release that report.

You know, I think we have to be open-minded in terms of how addiction services are provided in Manitoba. I suspect that VIRGO, in having consultations around Manitoba—and they did have consultations in Manitoba—will provide us some specific recommendations going forward.

You know, they might suggest a system that looks very similar to what we have in Manitoba today but they might not. And, you know, I'm not convinced that the system and how we do addictions treatment in the province of Manitoba today is necessarily the way that's going to get us the most treatment for the amount of money that is available for that.

As I've said in the House before, in an entirely non-political way, government is not going to be able to solve the problem of addiction. There isn't a government in Canada, there's not a government in the world, that has solved the problem of addiction. In many ways, addictions is an issue of the heart. In many ways, it's an issue of circumstance. And while government can assist in that, it takes a much broader effort than that.

But the challenge that I have as Health Minister, and that every health minister in Canada will have, is given a certain funding of resources—and we all live with limited resources; the member opposite did too when he was the Attorney General—how do we help as many people as we can solve their individual challenges and problems with the money that we have, even if we can't solve the entire problem of addictions?

And that's really, I think, what VIRGO was looking at. I mean, they recognize that provinces—there aren't provinces that have treatment on demand. All of us are dealing with many different challenges when it comes to addictions. And I am open-minded to the idea that the way the system is structured today, when it comes to addictions, may not provide us the best ability and the most ability to help as many people as possible who are struggling with addictions.

And so that is something that I take very seriously. I don't pretend that I, as a minister in whatever time I have to serve as minister, am going to solve the problem of addictions, but I do believe we can—we could solve the challenge for many more people than we are now, even within the resource limitations that we currently have.

\* (16:10)

**Mr. Swan:** Well, we'll be spending, I think, a lot of time talking about services for addictions. I'm not going to go on at length right now about the issues that I know the minister is aware of in Manitoba. I'm simply—in light of the bilateral agreement with the federal government and the need which the minister agrees to make some sort of reporting, I'm just trying to understand how this minister is going to give a report to the federal government when it's impossible to find anything in this budget that demonstrates that any of this additional money is being spent on services to Manitobans.

And I go beyond that to look at home-care services. While of the roughly \$40 million coming from the federal government, we can see an increase of less than \$1 million for home-care services. We see spending on community and mental health services are entirely flat.

Is the minister planning on doing more appropriations in the year to spend this money, or is he using this money to backfill his own cuts to the health-care system in Manitoba?

**Mr. Goertzen:** Well, of course, I'll first have to take exception with the last statement that the member made. As I said in my opening statement—and he may not have heard it, the acoustics in here can be tricky sometimes—but I did say, clearly, that the amount of money that is being spent in the Department of Health is at a record level. I believe more than—half a billion dollars more than when he was at the Cabinet table in Manitoba.

I don't remember at that time him describing any of his former colleagues—my friend Theresa Oswald or Sharon Blady or Erin Selby or Dave Chomiak or Tim Sale—as having cut the budget, and if an expenditure that was significantly less than what existed when he was at Cabinet wasn't considered to be deficient, I'm not sure how he would now describe a record level of funding health care in Manitoba to be deficient. So I take that as an exception.

Certainly, for the federal government, though, they will have a window—clear window into how

we're expecting to expend money under the terms of the bilateral agreement, through the negotiations that we're having. I think at this point, from what I understand in talking to officials, those discussions are going well. They have not expressed any of the concerns that the member opposite has expressed, and I look forward to being able to have a public discussion in terms of how the bilateral funding is going to be expended.

But, until the bilateral agreement is signed, it's not signed. And, you know, while I presume that we're going to have a satisfactory outcome, I tend not to pre-suppose these things until they're actually done, because the member opposite will know from his time in government, and I'm learning as minister, that things that you feel are well on track can sometimes go off the track very suddenly and very dramatically. And so that's not my expectation when it comes to this negotiation. I don't want to put a bow on anything until the package is actually delivered.

**Mr. Swan:** Well, I'm just trying to understand this. I mean, we have a total increase in spending from last year's Estimates to this year's Estimates, of 0.9 per cent, which is about \$56 million. It's undisputed now the federal government is providing another \$85.7 million under the Canada Health Transfer.

I'm just trying to help the minister out and ask him how he thinks this is going to play out, if the federal government looks at the same numbers that I'm looking at right now, and says that all that is being done by this government is backfilling their cuts to health care using the new federal money. I don't think that's what the federal government expects, and I don't think that's what Manitobans expect.

**Mr. Goertzen:** I appreciate my friend from Minto trying to help me out. I know he's always had my best interests at heart, and while I say that somewhat tongue-in-cheek, I do actually appreciate the friendship we've been able to have over our many years of disagreements in the Legislature. And this, I imagine, will be just another area of disagreement that we have.

I think there's two issues that—well, maybe three issues that should be pointed out. He again made the false assertion that there are cuts in health care. I will again point him to the same document that he's referring to, that in fact, health care has a record level of spending in Manitoba this year compared to any other year in the history of this great province,

including those years where he was a member of the Cabinet under the Doer government and also under the Selinger government. And so that is simply a false statement that I imagine was made in error by my friend for Minto.

The other discussion, though, which I think is an important one, is: I don't think we should assume that the way we are doing addiction services in Manitoba now—while there are great people within the system working with all the best intentions—that it's actually the optimal way to provide those services. And I think that's a large part of what VIRGO will speak to, and the work that they did.

In terms of the federal government and what their expectations are—and I—they've certainly fallen short of my expectations at some points in this, and other times they've met them. I have friends within the federal government as well—that'll surprise the member opposite, but I do. And—certainly, the former member for Inkster is one that I would count among them.

But the discussions that we've been having in terms of our bilateral agreement, certainly I believe that they are supportive at this point in terms of where we're looking to expend the funds from the dedicated money. And I expect that that's going to reach a satisfactory conclusion. Although, again, until the plane is actually landed, I wouldn't want to go too far to say that the deal is done, because it's not. But I certainly am hoping that it is done in the relatively near future.

**Mr. Swan:** Okay, but just to clarify, in the budget, the money which is anticipated to receive by—from the federal government is booked in the budget. But is it then the minister's position that none of the money that's being spent under this agreement is booked, and we can expect there'll be interim appropriations for new investments into addictions and mental health and home care and community care?

Or are we to actually look at the budget on its face?

**Mr. Goertzen:** Well, I think the member's going to be—I hope—pleasantly surprised in the weeks and months ahead as we look towards the recommendations from the VIRGO Report and make changes based upon those recommendations.

Now, any changes that happened within the health-care system I've come to realize over the last two years are difficult. Change, I think, is

particularly difficult in health. It may be generally difficult within government. And so my expectation is that, when the member sees some of the plans coming forward as a result of the consultations with VIRGO—and the consultations with others—I hope that he'll join us in seeing that there are ways that we can do things better, that using the existing resources that are provided within government—provided from taxpayers—in a different way can provide more resources.

But, more particular to the member's point, our discussions with the federal government as it relates to the bilateral agreement, I think, have been positive so far. I think that the expectations that we have and that they have when it comes to funding will be met. And, ultimately, the expectations of Manitobans, of course, are judged by Manitobans, and they will pass judgment in due course.

But I do think that they will also find the ways in which we are expanding the dedicated money from the federal government will be useful to—with the system and helpful for those who are dealing with issues of mental health and addiction.

**Mr. Swan:** The minister can't point to anything in the budget would actually be an additional investment this year over last year in mental health or addictions, can he?

**Mr. Goertzen:** Well, I can certainly point to—I think, to many positive things that are going to happen in the area of mental health and addiction.

It's not that there's going to be a lack of challenges. There are never a lack of challenges within health generally, or in that particular area specifically. Those challenges, I think, will be existing long after I'm not minister—probably long after there's been other changes within the Legislature. I don't think that we'll ever necessarily be able to alleviate ourselves of those challenges, nor do I think that that is something that's realistic.

But what is realistic is that we all continue to strive to make the systems better, to make them more effective and more efficient. And I do think the member will see in relatively short order investments that are going into mental health, in addictions, in programs that are important, in some programs that will be new in Manitoba. And, if we get agreement with the federal government on some of them, I think that he'll see that those are positive and new investments and positive and new programs.

**Mr. Swan:** Well, I don't see them in the book of Supplementary Information for Legislative Review, so I suppose we'll all be on the edge of our seat to find out how the minister's going to do that.

\* (16:20)

We do obviously hope that he's able to finally conclude a formal agreement with the federal government. And, again, I don't—I'm not saying the amount of money from the federal government is right or wrong. What I do see is that it's—the increase is actually greater than the total additional spending in the budget, but I guess we'll leave that be for now.

I would like to ask a few questions about the Pharmacare program. First of all, on the positive side, at page 127, the department reports there will be a substantial increase in investments in oral cancer drugs.

Can the minister describe where that's coming—is that a broadening of people who are eligible, or is it simply coverage for drugs which unfortunately are becoming more and more expensive?

**Mr. Goertzen:** I thank the member for the question.

I'm advised from officials that the increased budgeting is the result of the anticipation of new drugs which have additional costs coming onto the formulary. All right.

**Mr. Swan:** Right. I appreciate that and I do know that Manitoba, like the other provinces, are working to try to manage the costs of those drugs, and we certainly wish the department all the best in trying to manage those issues.

So, if I can just summarize the program, the program has basically remained the same. It's intended to allow Manitobans who require cancer drugs to be able to remain at home to have those drugs administered, and I take it there's no change in focus of the oral cancer drug program.

**Mr. Goertzen:** I believe that that is correct.

I would add, on a more partisan note—and so for those who are offended, please forgive me—that I think during the last election and campaign there was an insinuation made by members of the caucus—not this particular member, not the member for Minto (Mr. Swan), but members of his caucus—that this program was going to be eliminated. So this would certainly be an opportune time, if he chose to, to apologize on behalf of his caucus for that false insinuation, knowing that it wasn't he who levelled it.

**Mr. Swan:** Well, we were certainly concerned and we were very proud of starting the oral cancer drug program to allow people to be able to stay at home where it's more comfortable for themselves and their families. We're pleased to see that that program is continuing, so I will certainly acknowledge that for the minister.

One thing that was cut that wasn't mentioned by the minister's government was the sudden termination of the special drugs program, which went out of existence just four days ago. The special drugs program, formerly the Life Saving Drugs Program, has been around since the '90s and was providing a number of Manitobans with—many with rare diseases, with large costs for medication and other necessary medications and vitamins—full coverage for their costs.

Could I just ask, first of all, where did the appropriation for the special drugs program come from in the last year? Was it part of—was it coming out of the Pharmacare appropriation, or was it somewhere else?

**Mr. Goertzen:** Just to address the last point first for the member, I don't—the member's proud of a program, and that's good, I mean we all serve in government and do things that I'm sure that we're proud of and we should all take that with us when we leave this place, the achievements that we were able to do within government in whatever role that we served.

*Mrs. Colleen Mayer, Acting Chairperson, in the Chair*

I was simply asking for an acknowledgement from the member—not that he was the individual who levelled the charge, but as a representative of his caucus—to acknowledge that there are a lot of people, I think, who unfortunately were scared by the insinuation by one of their caucus members that that program was going to be eliminated. And so I thought he might take this opportunity to address that. Maybe I'll wait for the member who made that charge during the election to put words of apology on the record as a result, that if the member from Minto doesn't feel that it's his responsibility to do that.

In relation to the specific question, the appropriation, I understand, for the special drugs program has rested previously in the Pharmacare appropriation.

**Mr. Swan:** So how many Manitobans were enrolled in the special drugs program as of March 31st, 2018, when it ceased to exist?

**Mr. Goertzen:** I understand, Madam Chairperson, and I think it's been reported publicly, that there were about 800 families that were enrolled in the special drugs program.

**Mr. Swan:** Okay, and just to clarify, when the minister says 800 families, does that mean 800 individuals or 800 households, some of whom might have more than one person that was enrolled in the special drugs program?

**Mr. Goertzen:** I think it translates to about 1,100 individuals, whether they're all in the same household or not; it's not really the interests of the state to know that.

**Mr. Swan:** Could the minister just put on the record why he or his government believed it was necessary, advisable, to terminate a program which had provided people with large drug costs, combined with the stress of living with rare diseases, to end a program which had been in existence for more than 20 years?

**Mr. Goertzen:** Madam Chairperson, I think in large part, it was an issue of equity and an issue of fairness. I mean, I'll use, well, you know, the—whether you're talking about individuals who are dealing with cystic fibrosis or those who are dealing with diabetes, the vast majority of individuals who have—or dealing with either of those particular illnesses, and when I say vast majority, I'm talking in the 80 to 90 percentile of those are on the Pharmacare program and so different individuals but with the same illness, using the same drugs on different programs, one which had a deductible through our renowned Pharmacare program and one which did not. And certainly we would hear from those individuals who are on the Pharmacare program, wondering why, because I imagine some of these communities, they're—they can be relatively small, and certainly there's information sharing between them, that some individuals had to pay a deductible and some individuals did not. The member has often talked about, although I might not always agree with the description of what he's talking about, two-tier medicine. This is a situation where there just—it simply wasn't equitable between groups which were doing—dealing with the same illness.

And so I'm not trying to minimize or downplay the challenge or change for those who are moving to the Pharmacare program, but I would say that the Pharmacare program that we have in Manitoba is designed to be fair because it's income based, is designed to ensure that, you know, for those who are dealing with high-cost drugs, they would pay a very small portion of those high-cost drugs, and then the rest was being borne by taxpayers through the Pharmacare program, and being one of the most equitable and fair programs in Manitoba, it certainly made sense, although not easy, I understand, for those who were on the special drugs program, to move everyone into a position of equality through the quality program that we have with Pharmacare.

\* (16:30)

**Mr. Swan:** Well, in speaking with people who are affected by this, a change which blindsided anyone who was receiving benefits under the special drugs program, they take issue with suggesting that cutting a benefit they've enjoyed for more than two decades is not all about equity and fairness, and they say it's about a government doing anything it can to try to reduce any advantage or any better coverage we may have in Manitoba than elsewhere in the country.

I'm just looking at the story in the CBC, actually from today, about cystic fibrosis patients in particular. That article says there's about 1,100 Manitobans enrolled in the special drugs program. Is the CBC wrong, or does the minister want to take another look and perhaps undertake to give us the actual number of individuals that had been enrolled in that program?

**Mr. Goertzen:** Again, acoustics can be challenging in here. I think the member—not I do read the CBC; I don't want to suggest I never do, but I don't—I didn't read that particular article today. I think he referenced the number of 1,100, and I'm pretty sure that I gave him the number of 1,100 in a previous answer. So I think we are actually in agreement on that number.

**Mr. Swan:** Yes, well, I believe the member said—the minister said 800, but we have that cleared up now. So we can move on.

There were—there's 51 people that identified as cystic fibrosis patients who had been on the special drugs program. The minister knows that many of them came down to this building just a couple of weeks ago to let their concerns be—known and to have us advocate on their behalf.

I understand that the Department of Health has sent a letter out to a couple of these individuals saying that they're prepared to make an allowance, which is really only a six-month deferral on paying their deductible under the Provincial Drug Program. Is the minister familiar with that?

**Mr. Goertzen:** I am familiar with it. I did meet with the individual who had come to the Legislature and requested a meeting, and I was happy to meet with them to hear their concerns. I think I expressed to them the same things that I'm expressing to the member opposite now, that this is really a matter of equity between programs. And, while I recognize that for the—those individuals who are on the program, this is a change. And, for some, it might have a greater impact than others. It really depends on the income level that they're dealing with because of the transferring to the Pharmacare program. They are transferring to a program that will pay the vast majority of those drug costs.

But it was difficult to also sit with the many other people who have similar illnesses who are saying, we're not on the special drugs program, and we're paying a deductible while we have the same illness, we have the same drugs, we have the same challenges, and yet there are different programs for different people.

That didn't seem to make a lot of sense in Manitoba. In fact, I was reminded not long ago that there was a quote in this Legislature, in 2006, that said I would point out that Manitoba's Pharmacare program is one of the most comprehensive and fairest programs in Canada. That was Gary Doer who said that in this very House, in 2006. I think that Gary Doer was right. It's comprehensive; it's a fair program, recognizing that there is change, and change is difficult. But there was an issue of equity for the vast majority of individuals who were accessing the Pharmacare program.

Now, in—per terms of the particular question the member asks about the six-month deferral, the individuals that I met with personally expressed the concern on the refilling of their prescriptions, because they were able to refill their prescriptions prior to moving to the Pharmacare program which would have provided them, I think, an additional three months or so of medication. But they were concerned that they might not be able to fulfill their—get their prescriptions refilled in time. And so, in recognition of those concerns, which I think were genuine and were fair, the extension was provided.

**Mr. Swan:** I've had a chance to see the letter that Mr. Devin Rey, who spoke to the CBC, is talking about. And what is troubling is that the email instructed cystic fibrosis patients in the program to reach out to each other to tell them about this, because the Province wouldn't be communicating with them directly, because the Province didn't have a comprehensive list.

So, even with this group of 51 people, why is it that they have to reach out to each other to say to others what the Province has suggested they're going to do? That seems very inappropriate.

**Mr. Goertzen:** I think this maybe goes to part of the point. The member and I were going back and forth about numbers and I think I'd indicated to him there were 800 families but 1,100 individuals on the program and he then quoted the CBC story on individuals.

So I understand from officials, and this would have been true when he was in government as well, that those who are registered under the special drugs program register by family, not by individuals, and so that's why there was the request for that.

However, it's worth noting that the cystic fibrosis of Canada, the association representing those living with cystic fibrosis, was at the meeting that I had with the individuals here in the Legislature. And they certainly offered to help facilitate the transference of information, but the reason is that the registration was done by family, not by individuals, and I don't want to suggest that that registration process happened under the former government, because it may have gone back quite a bit further than that. But it certainly existed under the former government.

**Mr. Swan:** Yes, well, I remember that day well and, indeed, the director of the local chapter of cystic fibrosis was here and, of course, they have been quite prepared to share information with affected families. What I'm saying is that it seems almost unbelievable the government would only provide this to individuals who find out and who then apply.

And the other question I have is: Will the government be making the same small allowance available to everybody who's under the ending of the special drugs program? Or is this only for the representatives of the 51 families who actually came down here to the Legislature to try to get justice?

**Mr. Goertzen:** Well, I mean, it shouldn't be unbelievable to the member that that's how the

registration process worked because that's how it existed under his government. Now, I recognize he wasn't the minister of Health and so he may not have been dealing with the individual nuances of how the registration process worked for those under the special drugs program, nor was I attuned to it when I was in opposition asking him questions as the Justice minister, but that is how it existed under the former government.

And so in an effort to reach as many of those who have cystic fibrosis and who are on the special drugs program—again, that's the minority of those in Manitoba who have cystic fibrosis. The vast majority of those who are living with the illness in Manitoba are on the Pharmacare program. But for those who aren't, who are on the special drugs program, we're working with the Cystic Fibrosis Canada to ensure that we—we're reaching out to those individuals as a relatively small network of people who I think are also connected through the association.

So we certainly believe that we'll be able to connect with those individuals over the course of the time that the extension's been granted.

**Mr. Swan:** And I think the minister and I agree that there are 51 Manitobans with cystic fibrosis that have been impacted by the ending of special drugs program.

The question is, though, for the other 1,050 or so Manitobans who suffer from serious illnesses, some of them rare illnesses, who've required the special drugs program to get them the drugs and the other vitamins and other things they require, is the government prepared to extend this offer, such as it is, to those individuals as well? Or do we have to then have those people come down to the Legislature in order to get a meeting, in order to put their viewpoint across to get any action from this government?

**Mr. Goertzen:** Well, I would never dissuade anybody from coming to the Legislature, for a meeting or otherwise. It's both a beautiful building and it's the home of democracy in Manitoba. And so, regardless of the rationale or the motivation for an individual coming to the Legislature, I would certainly welcome it.

\* (16:40)

And, you know, I meet with as many Manitobans as I can. The member will know even today that the member for Kewatinook had asked me to meet with individuals who—there may have been

some confusion—I think they are currently walking to the Legislature, or maybe they arrived yesterday, but they are either here or will soon be here to talk about the issues of methamphetamine in the North. And I'm offered to meet with them, as well. Doesn't always work because there are meetings that are previously scheduled, but certainly, I don't have concern about meeting with individuals where I can and where the time allows. And, you know, those aren't always easy meetings. I'm sure the member opposite, as a minister, had some difficult meetings as well, but, you know, it's part of what we do. And so I learned from that group about the challenges that they were having or may have with the refilling of their prescriptions. They raised that specifically, and we responded.

Now, the member might be critical of that but, you know, we listened to the concerns, we responded to the concerns, and I think that's not an inappropriate thing for the government to do. Now, was it the exact response or the outcome that those individuals who I met with would have wanted? I expect not. And I haven't read the CBC article, but from what the member is relaying, I gather that it wasn't the outcome that they wanted. But I would go back to the point that every Manitoban is eligible for the Pharmacare program and that it is one of the most comprehensive and fair programs in Canada. It's described by Gary Doer—the former leader of the NDP and I know a person that the member opposite has great respect for. And the vast majority of individuals who are living with these illnesses are also on the Pharmacare program. And there is an issue of equity for them. The vast majority of those individuals are saying, why are we paying a deductible, which in some cases can be as low as \$100 depending on income, and—but others who are dealing with the same illness but are—and are using the same drugs aren't.

The member hasn't been able to answer that question for me in terms of how that is an equitable solution when we do have a Pharmacare program that is there both on a comprehensive basis and on an income basis, as described by Gary Doer. And this is one of the cases where I agree with Gary Doer. In fact, I agreed with him on many things—and then we had many points of disagreement. But this is certainly one where we did agree on.

And so is the outcome as those in the meeting would have wished? I think we listened to the concerns, we responded to some of those concerns, but certainly, we're still going to the position of

equity, which is important in Manitoba and which the member himself has expressed as being a value that he cherishes in different contexts and in different ways, but I think which is applicable to this particular discussion.

**Hon. Jon Gerrard (River Heights):** Just a couple of points of information for the minister to start with.

When I was up not long ago in St. Theresa Point, there were a lot of attention being paid to the meth crisis, a lot of posters in the—near the Northern food store. And they were obviously designed and done by the kids themselves, so this is something that they feel very passionate about and I thank the minister for his interest.

I believe, last night, they were in Grand Rapids. They're walking about 5 kilometres an hour. It's not clear precisely when they will arrive, but it might be later tomorrow or it might be Friday, or if things are not as fast, it might even be Saturday. But I think there'll be an attempt to keep your office up to date in terms of exactly where they are.

Second point of information has to do with people with cystic fibrosis. As we've been discussing, there were 51 people, I believe, who were under the special drugs program. Figures that I was given was that the total number of adults with cystic fibrosis was about 57, I believe. So that, in case of the cystic fibrosis, the large majority were actually covered under the special drugs program. And, in fact, that's not too dissimilar from what is happening in other provinces where most other provinces have a cystic fibrosis special drug program.

I want to thank the minister for extending for six months the coverage for those with cystic fibrosis. It at least is a recognition that this is a significant issue which people with cystic fibrosis need a little bit of time to adjust their personal finances so that they can plan. I know, for example, it was one individual who had immediately decided, as a result of the change, to move to a lower cost apartment because he would not be able to afford it and had, at the same time, decided that he would have to postpone his wedding for a year because of the changes until things got sorted out and he could figure out exactly where they were going to be financially.

My first question is actually related to the laboratories in doctors' offices, and this is an issue which I've raised in petition and question period, and I know that the minister commented in the Free Press that his officials were going to be meeting with



Dynacare and that this was an issue that he had some interest in seeing what could be done. And I wonder if the minister has an update in terms of the status of this issue of the many labs which were closed which are in doctors' offices.

And this, clearly, has, you know, significant ramifications for a number of physicians' offices where traditionally you see a doctor, then you get your blood drawn and then you wait for the results. But now, under these circumstances, somebody will have to be seen by a physician at one place and then go to another place to get their blood drawn for all these clinics where the labs have closed.

**Mr. Goertzen:** Now I thank the member for raising the issue. I mean, he'll know, of course, that, you know, there's some issue of private labs being purchased and then, you know, this isn't something that the government has a direct involvement in always, and that this isn't unusual in other places in Canada. And we've seen this happen in Saskatchewan; we've seen it happen in other provinces as well where there's—there is some of this consolidation and I think, you know, recognizing that there's inconvenience that can be involved with individuals.

We also, you know, had heard situations where, you know, there were two labs sort of sharing the same parking lot, they were that close together and so, you know, there are some, you know, decisions that are made that are really just based on efficiencies, but then others, of course, can be challenging for individuals if they have a particularly long way to access a clinic.

And so my understanding is that officials did meet with Dynacare and there was some of the different discussions about the concerns that were raised, some that were raised by the member himself and others that, I think, were raised specifically at the Dynacare locations. I understand from officials that we were supposed to get a report back on those discussions either today or tomorrow and, you know, I'm happy to update the member on that in the next few days, either at committee here or if he wants to speak to me individually. My expectation is we'll be here for at least one more day, according to my friend from Minto, so we'll—we can certainly update him either on the record here or individually if he chooses.

**Mr. Gerrard:** I thank the minister for that update. Yes, it is a significant issue and I look forward to

hearing what the next step is and how that's going to be—what's going to happen.

One of the other issues that the member has known that I have raised a number of times in the Legislature is the future of the ambulance service at Grandview, and I have been there several times now to talk with people to understand the situation and get an appreciation for the different members of their health-care team and how it is important that the paramedics are part of that team and that the community of Grandview is working closely with the community of Tootinaowaziibeeng.

*Mr. Chairperson in the Chair*

So I would just ask the minister if he has any update on the situation of the Grandview ambulance service.

\* (16:50)

**Mr. Goertzen:** So, to try to close the loop—not entirely, but somewhat on the last question, my friend, my long-time friend from Morris, the MLA for Morris, I guess had taken a picture at the Dynacare lab in La Salle, his home community. And I'll just read the picture now. So this isn't an official channel that we're getting this through, but I'll trust the picture for being what it is.

Dynacare will be reopening the lab here at La Salle Medical Centre. The new lab hours will be Tuesday and Thursday, 9 a.m. to 3 p.m.

So that's from the member for Morris (Mr. Martin), who's angling to be the deputy minister of Health, I think, but the—we appreciate—I appreciate the information that he's provided.

You know, in terms of Grandview, and I'll speak, you know, maybe more generally around the issue of the Toews report and moving ahead on what I see as providing a better, more predictable service in Westman generally. This is an emotional issue, as every issue is in Health, and it is often tied into many different things—a sense of community, a sense of safety—and I understand all of that.

I hope that this budget, which I know the member didn't support, but I hope that this budget demonstrates, through our commitment to hire 60 new paramedics—and we'll announce the location of those paramedics, I think, relatively shortly—but certainly, you know, Westman would be a benefactor of many of those paramedics, that it is about providing that predictable 24-hour service from highly trained paramedics.

Now, the active deployment or the geo-posting, whatever you want to call it, that's done out of the 911 centre—which I think the member's probably seen, and if he hasn't seen it, I'd be happy to set up a tour for him at the 911 centre to see where the deployment happens, so that the ambulances are being posted in positions, maybe not sitting in a garage, but where they're most likely to get a call from.

And so sometimes, and I'll hear this from my own constituents that see an ambulance sitting at a gas station, and they go, well, why is the ambulance just sitting at a gas station? That seems like a waste of time and resources.

Really, that ambulance is geo-posted, because the expectation is based on past data, that they're most likely to get a call from there or from near there, so they can quickly deploy and be there. The idea of ambulances sitting in garages isn't the way we do things anymore. And we get, you know, better response if we have enough paramedics doing it through this sort of active and rapid deployment. So the hiring of new paramedics, the fulfilling the recommendations of the Toews report, is a big part of that.

But I know it impacts in communities differently, individually. Now, Grandview might very well see an ambulance geo-posted at that location as often as not, because of the data and because of the numbers, but that doesn't mean the change is ever easy in these situations. But I would hope that people in Westman generally would believe that it's based on data and evidence.

And if they don't believe me, and sometimes—you know, I think my friend from Minto used the word suspicious before—people be suspicious about politicians. And I understand that. But the paramedics themselves are out there saying that this is important and we need to act on the Toews report. And not to be overly political, but the member himself, the member from River Heights said that in this House not long ago, that he chastised the former government for not acting on the Toews report, not acting quickly on it.

So I get it, that there's a political issue, and the member wants to raise it, and that's his job. I'm not being critical of that. I spent a lot of years in opposition. I get what the role is and I admire him for the work that he does in that.

But in an overall view, on an overall picture, when it comes to the EMS review and what's happening in Westman, we do believe that this is better for the communities as a whole. The paramedics believe it, the evidence shows it and we hope to prove it out as we hire more paramedics and people see their level of service not just maintained but enhanced.

**Mr. Gerrard:** I thank the minister. I'm glad to see that there has been some response to the concerns about the situation, at least in the laboratory in La Salle. That was one which was particularly problematic because if the laboratory was not there, they might have had to go quite some significant distance, so I'm pleased for that progress and I hope that the other sites will be looked at more carefully.

One of the concerns, clearly, was that in creating a monopoly that the government needs to make sure that it's not an exclusive monopoly granted and that the labs or medical clinics would have alternative options in some fashion if Dynacare did not decide to reopen their labs.

The issue of Grandview—yes, I know that the people in Grandview have put forward a strong argument that it would be advantageous to have extra paramedics positioned in Grandview and that that would serve that region very well and I just welcome the minister's approach, using evidence, because I think that there is substantive evidence which would suggest that Grandview would be the strategic place to post ambulances and that's something that we can follow up on.

One of the things which was pointed out when I was in Grandview recently was that the situation of telemedicine, which they have in Grandview, could be improved if there was more access to specialists in Winnipeg when the specialists were needed for helping physicians in Grandview, and I wonder what the minister is doing in terms of working with specialists in Winnipeg to get more access for people in rural areas like Grandview—it really applies to the whole of the province—to access to specialists, because this would clearly be a positive thing and it would enable some reduction, for example, in the number of people who have to travel to Winnipeg, because if you have immediate access by physicians to specialists through telehealth in places like Grandview, you're able to get things solved without necessarily having to have people come into Winnipeg.

So I'm interested in the minister's comments on that.

**Mr. Goertzen:** I mean, I think it's one of the issues, you know, that will be tackled somewhat by Shared Health, and it's one of the reasons why Shared Health, which is now a two-year-old infant—a two-day-old infant, sorry, having officially started that upon April 1st. I don't want to heap too many expectations on them yet, but, certainly, I know that that is one of the things that they're looking at more broadly in terms of, you know, how can we co-ordinate services well through the province. They're examining that from a rural perspective in particular.

There was some discussion about that within the wait times task force as well, but I do think that that's part of the work that'll be looked at.

You know, we've had success when you look at rural Manitoba in having teams of doctors sometimes do a bit of a rotation in certain areas. That's worked well. I think that we've seen doctors, emergency room doctors, come down from Churchill and work at HSC at times for relatively short periods of time but to keep their skillset up, and the issue of telemedicine is one where I think we could probably do more work in and more advancement, but I do think that that's something that Shared Health, as a relatively new entity, will be well equipped to look

at, to break down some of those barriers that exist between regions.

Now, regions will deliver their own services that they're mandated to do individually, but I do think that there can be more sharing of some of that expertise when we have an entity dedicated, as Shared Health is, to looking at some of these province—problems from a province-wide perspective.

**Mr. Gerrard:** I'll complete this tomorrow but give the minister an alert. I'll be asking about the situation of a doctor for Snow Lake.

**Mr. Goertzen:** I thank the member for the heads up. If he wants to let me know what he'll answering—asking in question period, I'll give him 10 more seconds to provide that too.

**Mr. Gerrard:** Tomorrow one of my colleagues has a question for question period, so I—

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

Call in the Speaker.

#### IN SESSION

**Madam Speaker:** The hour being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow.



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