

**Third Session – Forty-Second Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**  
**Official Report**  
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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Forty-Second Legislature**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, March 16, 2021

*The House met at 10 a.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. Good morning, everybody.

### ORDERS OF THE DAY

#### PRIVATE MEMBERS' BUSINESS

**Hon. Blaine Pedersen (Acting Government House Leader):** Good morning, Madam Speaker. I believe we're going to proceed with Bill 222, The Lobbyists Registration Amendment Act.

**Madam Speaker:** It has been announced that the House will consider Bill 222, The Lobbyists Registration Amendment Act, second reading.

#### SECOND READINGS—PUBLIC BILLS

##### Bill 222—The Lobbyists Registration Amendment Act

**Madam Speaker:** I will therefore call second reading of Bill 222.

**Mr. James Teitsma (Radisson):** I move, seconded by the honourable member for Lagimodière (Mr. Smith), that Bill 222, The Lobbyists Registration Amendment Act, be now read a second time and be referred to a committee of this House.

*Motion presented.*

**Mr. Teitsma:** It is good to see you, and it's a beautiful day, don't you think? You can smell spring in the air. Yesterday evening, my wife and I went for a walk around St. Vital Park. Seeing all the geese newly arrived there gives hope that there will soon be an end to this winter and a time of fair weather ahead.

Bit by bit, day by day, we're seeing small and positive changes. Madam Speaker, that is what this bill is like. It is a small step forward. It's a tiny improvement. It's a positive change, and it also represents an opportunity for members opposite.

An opportunity for what, you might ask. Well, it's an opportunity to put the interests of union members ahead of the interests of union leaders.

The NDP have clearly stated, by their words and actions, that they are beholden to union leaders. A few union leaders get to decide who's going to be the leader of their party. At the discretion of a few union leaders, the leader is permitted to continue or not continue in their role.

What the NDP have missed is that they should not be representing the narrow interests of a few union leaders. They should be representing the interests of union members. They should be representing the interests of all Manitobans.

Now, in the meantime, I can assure the members opposite that the Progressive Conservative caucus understands that and, in fact, does that. We know how important it is to stand up for every Manitoban, not just the ones who might agree with us.

In the last election, I lost count of how many union members told me at the door that they were tired. They were tired of being told how to vote. They were tired of being treated like they were just cogs in some big machine designed to elect the NDP. And, quite frankly, they were tired of the NDP and its disastrous legacy.

Clearly, things need to change, because if they don't, the NDP will continue to languish. And as much as that might suit my PC colleagues and I politically, I genuinely believe that it is not in the best interests of all Manitobans. Our democracy depends on it.

So this bill, small though it may be, is an opportunity for the members opposite. Will they take that opportunity and get this bill passed to committee? Or will they talk it out and keep on—keep moving on, going down the narrow road, blind to the fact that many union members know that the NDP and some of their union leaders have forgotten about them.

Now, this bill is about transparency. It's about accountability for union members and for all Manitobans.

Let me briefly get into the technical aspects of this bill. I feel it is both necessary and important.

Now, the current lobbyist—or legislation says that union representatives who attempt to influence government are lobbying. That includes speaking with government MLAs, with Cabinet ministers, but it also includes speaking with opposition MLAs or even a member of any of those officials' staff.

Now, currently, there are these two narrow exemptions that allow unions to go about their work of actively negotiating with government as part of collective bargaining or to represent an individual union member's interest. Those activities of union members—or union representatives, rather, and those alone, are currently not considered lobbying under the act.

I have to emphasize the word narrow. These exemptions, as spelled out, cannot and do not exclude all activities of union representatives. In fact, union members that I spoke with expected that their union leadership would be engaged in attempting to influence the government on their behalf, not just at the collective bargaining table, but everywhere.

So, by definition, and by expectation, you would expect to see a lot of union representatives listed in the Lobbyists Registry, but we don't. There are thousands of entries in the Lobbyists Registry, but to find union representatives, you have to search far and high—low—far and low. You have to [*inaudible*] There are—they are few and far between on that list.

Now, I must make one notable exception. My survey of the thousands of lobbyists entries in the registry over the past decade showed that one union did, in fact, appear to take seriously their obligation before the law to register as lobbyists, and that's the Manitoba Teachers' Society.

In a quick search, I found that Norm Gould, James Bedford, Samantha Turenne and even Liam Martin had registered as lobbyists. So, thank you to them for their work and for taking their responsibilities under this act seriously.

So then why don't we see many other entries from union leaders in the lobbyists registrar? Well, I can think of four possible reasons. I'm happy to hear more from the members opposite or even my own colleagues.

But the four that I can think of is, first, union leadership are not aware of their obligation under the act. I hope that today's debate alone, whether this bill is passed or not, will help resolve this issue.

Second, union leadership are aware of the rules but somehow believe that those rules don't apply to them or their activities. Perhaps they broadly define collective bargaining as everything that they do. I think I've heard the member from Flin Flon say that.

\* (10:10)

Certainly, such a definition is disputable. I can scarcely believe that they think, you know, who—leading—or, sorry, deciding who would lead the NDP is a form of collective bargaining. I sure hope not, but in any case, I think today's bill will remove that confusion by removing that narrow exemption.

Now, the third possibility is that union leadership are aware of the rules and they believe that they apply to them, but they just don't care. I certainly hope that that is not the case, because if it is, then there needs to be consequences. And I would expect that the members opposite would join with me today in clearly communicating that unions are not above the law, and that they are required to register as lobbyists when they are engaged in that type of behaviour.

Now, the fourth possibility—and this is the possibility that was of most interest to union members that I spoke to—was that union leadership are in fact not actively engaged in attempting to influence government.

Why are union members interested in that possibility? Well, they wonder what their union leaders are accomplishing. They wonder where all their union dues that they're paying, paycheque after paycheque, are getting spent. They wonder if union leaders are willing to be transparent and accountable about their activities and their use of union dues.

Now, I believe that governments, unions and indeed every leader needs to be willing to be transparent and accountable to their membership, to those who support them financially, whether through taxes, union dues or membership fees. And this bill represents a small opportunity to increase that transparency, increase the accountability.

It's a small opportunity for the NDP to finally realize they don't have to submit to the narrow interests of a few union leaders, but they can put the interests of all Manitobans and union members ahead of those own interests.

Madam Speaker, spring is in the air. Change is happening, but the question I'm asking myself is, is the NDP prepared to change or not? Are they going to continue to do what they've always done? Are they

going to continue to neglect the interests of union members, the interests of all Manitobans? Are they going to continue to think that they ought to be the ones being served, rather than doing the serving?

That's, I think, the question that the members opposite have to ask themselves. And I certainly hope that they'll come up with a—with the right response and the right answer because, in the interests of all Manitobans, all of us MLAs, no matter what our political affiliation—whether we're independents, Liberals, NDP or Progressive Conservatives—we all have to recognize that our own interests are not the ones that we should be concerned about.

We should be concerned about the interests of all Manitobans, and this bill represents an opportunity to do that. It represents an opportunity to provide transparency and clarity into what union leaders are busy doing, how they are attempting to influence government, what the topics of conversation are, to make them accountable to their own membership.

I'm a big fan of increasing accountability. I'm a big fan of increasing transparency. That applies not just to our government, where we're clearly demonstrating that commitment, but to union leadership as well, and I would say to the leadership of every political party. All of those people in those positions need to demonstrate transparency and accountability.

So, Madam Speaker, I know change is hard, and the NDP may not have yet hit rock bottom. They might not have clued in that they can't treat taxpayers and union members with disrespect. They can't squeeze dollar after dollar of them without being accountable for it.

Good leaders serve not their own interests, but the interests of those they lead, and my question is: when will the NDP figure that out?

### Questions

**Madam Speaker:** A question period of up to 10 minutes will be held. Questions may be addressed to the sponsoring member by any member in the following sequence: first question to be asked by a member from another party; this is to be followed by a rotation between the parties; each independent member may ask one question; or—no question or answer shall exceed 45 seconds.

**Mr. Tom Lindsey (Flin Flon):** There's quite a lot of misinformation. Clearly, the member introducing this piece of legislation hasn't got a clue how a union works.

So could I ask the member, perhaps, why he believes that these amendments need to be brought forward right now, in the middle of a pandemic? Is this really the most important piece of legislation that this government should be bringing in right now?

**Mr. James Teitsma (Radisson):** I thank the member for the question, and I certainly am pleased to see that he has been designated as the asker of the first question. I think he's eminently qualified based on his experience in union membership and union leadership. I think he's seen both sides of that coin.

So, I think as a Legislature it's our responsibility to continue to move forward and to do what we can to make things better for all Manitobans. That's what this bill is intending to do. And I'm just glad to have the opportunity to bring it forward and to debate it.

I think to make the most of the time, the best thing to do would just be to allow it to pass before the end of the hour.

Thank you.

**Mr. Shannon Martin (McPhillips):** Good morning, Madam Speaker.

I'm wondering if the MLA for Radisson can tell me, how will these changes—or, proposed changes to The Lobbyist Registration Act serve to improve the lives of Manitobans and transparency for Manitobans?

**Mr. Teitsma:** I thank the member for McPhillips for that excellent question.

I think it's clear that there needs to be a level playing field when it comes to attempting to—say that, you know, one group is subject to rules but another group isn't. And so these changes level that playing field and it balances the interests of all Manitobans to be able to see who's attempting to influence their government officials; how often are they doing so; what are they trying to talk about; what are they trying to do.

And it also improves things for union members, as well, because they get to see how their own union leadership is busy with engaging with government.

**Mr. Dougald Lamont (St. Boniface):** I just have to ask: This government, in 2016, promised to bring in a conflict of interest act. Nothing has happened. It's still sitting on the Order Paper.

We know that the conflict of interest act in Canada—in Manitoba, is the weakest and oldest in Canada.

Why are we focusing only on unions and not on, say, former Cabinet ministers or staffers?

**Mr. Teitsma:** Once again, I think the leader of the Liberals is showing his inability to focus on a particular task and pick a particular topic.

So, you know, while I would be happy to debate the legislation that he's referring to, that's not what—really what's in front of the House at this time. Today we are talking about The Lobbyists Registration Act, and in my role as a private member, this is a type of an act that I'm able to bring forward. I'm happy to do so.

I hope that the member shares my belief that this is an improvement for Manitobans; that this is going to make things better for union members; that there's going to be a better line of sight and a better level of accountability among union leadership to their membership; and, I think, a better understanding of how government is attempting to be influenced, which is very important.

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

**Mr. Lindsey:** I've listened to this member introducing this piece of legislation, and he really talks like he has a lot of knowledge about unions and how unions work, and that I rather doubt.

But perhaps he could explain what exactly would constitute—and I quote this from the bill—what—representation of a union employee, in terms of registering. So perhaps the member could explain that in further detail.

**Mr. Teitsma:** You know, I appreciate the willingness to focus on the technicalities.

I think the real driving reason behind—or, I know that the driving reason behind removing these exemptions is because I want to remove the confusion. It seems that union leadership does not appear to believe that they need to register their activities with the Lobbyist Registrar.

I think that's wrong, and I think that union leaders either, you know, are engaged in that activity and should be logging that activity, or they aren't and they should be. So that's—yes, that's my response.

Thank you.

**Mr. Andrew Smith (Lagimodière):** I thank the member from Radisson for introducing this important piece of legislation.

My question to the member is: How will the legislation help improve democracy and accountability?

\* (10:20)

**Mr. Teitsma:** I thank the member for the question. I think, you know, democracy is all about giving power to the people, right, and giving the ability for individual Manitobans to get a line of sight into what's happening within their government—what's happening within their union, if they're a union member.

That's what democracy looks like. Certainly, that's something that I think we can continue to improve in our province. Improving transparency, improving accountability, levelling the playing field: that's what this bill is about.

**Mr. Lindsey:** The member's previous answer to my question clearly answered my question for me: that he really doesn't understand what is in the bill—what's in his bill—and how it reflects on union representation.

So I'll ask him again. Maybe he can take some time to figure out the answer.

So could he please provide an example of what would constitute, and I quote, representative of a union employee, in terms of registering?

**Mr. Teitsma:** I thank the member for his question, and I can understand that change is hard. He seems to want to focus on a minutia of the bill but to avoid the substance of it. And I think what I would like to do is actually ask the member a question.

I know that's not quite in the rules but, you know, my question to that member is: does he think that union leaders should be engaged in attempting to influence government for their benefit or not—for the benefit of their members or not? And if they are going to be engaged in influencing government, should they be transparent about it or not?

That's my question for the member, and certainly he hasn't given any indication of an answer to that.

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

Is the honourable member for—

**Mr. Jon Reyes (Waverley):** I apologize, I just had some technical issues.

Could the member for Radisson (Mr. Teitsma) please answer: Why has this correction taken so long to be implemented?

**Mr. Teitsma:** Well, you know, when you're dealing with a big mess, you can't get it all cleaned up right away. It takes time and, you know, I think that this particular aspect of the mess, you know, it's certainly important and it certainly does need to be cleaned up.

I think now is the time that we can spend cleaning it up, but at the same time, I acknowledge that we had way bigger messes to clean up in the years prior to this, and that's what we've been engaged in doing until now.

**Mr. Lindsey:** Once again, the member clearly demonstrates his lack of knowledge of how unions work, he demonstrates his complete lack of knowledge of what's in his own legislation and he demonstrates a lack of knowledge what's in the existing legislation. So, rather than belabour that point, sooner or later he won't be the member opposite. Somebody else will take his place.

So, can you please explain which unions you worked in collaboration with as you developed this particular piece of legislation?

**Mr. Teitsma:** I think it would come as no surprise to the member to know that the source of inspiration for this bill lies not in union leadership but rather in union members. And so yes, I did work with union members from several of the major unions within our province and—this—when discussing and developing this legislation.

And yes, those union members represent—are representative, I should say, of a significant portion of the union membership in this province. But in respect for their identity and the need the protect their privacy as well, I'm not going to say much further on that.

Thank you.

**Mr. Andrew Micklefield (Rossmere):** What will the financial cost for these new registrants to the lobbyists—what will be the financial cost for these new registrants to the lobbyists' registration?

**Mr. Teitsma:** What a great question to end with, because the answer to that question is it's free. It is free to register. It is free to access the registrar itself. The—it's free for the members of the public to be able to access it. It's free to be a lobbyist. You don't have to pay, but you do have to do the work of submitting the paperwork.

That's what I think is missing right now. And today's union leadership, we're just not seeing enough participation within that registry. And I look forward

to seeing better registration, whether or not this bill passes.

Thank you, Madam Speaker.

**Madam Speaker:** The time for this question period has expired.

### Debate

**Madam Speaker:** Debate is open.

**Mr. Tom Lindsey (Flin Flon):** It's my pleasure to stand up and speak about this particular piece of egregious legislation brought forward by a government who clearly has been on the attack of union workers since the day they got elected.

So many pieces of legislation they brought in were designed specifically to undercut the rights of working people in this province, and this is just one more swing of the axe.

So, I've asked the member if he could tell us which unions he consulted with. He can't, or won't, or didn't. So, you know, that speaks volumes about open and transparent, that the member says he talked to all these union members. I didn't ask for their names, I asked which unions he consulted with, and the answer is none.

So there's several troubling things in this particular piece of legislation, that I'm sure members of the PC caucus, and particularly the member who introduced this, have no concept of what—the difference between negotiating a collective agreement and lobbying a government. Two entirely different animals, and yet this government and this member lumps them in together, as if somehow they've magically become the same thing, that negotiating with your employer is the same as coming to a government asking them to change a regulation, asking them to change an act.

Clearly, those are not the same thing. They're completely different. There's parts in the actual act that talk about people paid to be lobbyists. Clearly, the members of this government, and this particular member who introduced this piece of legislation, have no concept that many union stewards—and I know, I was one for many years—don't get paid for the service they provide to members.

So do they now, each and every one of them, have to register as a lobbyist when they file a grievance; when they go to management to try and straighten out an issue with somebody's holidays, do they have to register as a lobbyist? Because that's what this

minister and this piece of legislation is proposing, because it talks about not just lobbying a government, it talks about the administration of a collective agreement. The administration of a collective agreement is what union stewards do every day of the week to make sure that their members are being treated fairly.

Now in the act itself, it says that your registration ceases to exist at the end of your particular thing that you've lobbied about, which clearly, this is not lobbying, but—so does that mean every time a union steward files a grievance, they have to re-register?

Does that mean every time a union representative—which I asked the minister to try and define, but he hasn't got a clue what constitutes a union representative, so he wasn't able to, wasn't willing to—I'm going with not able to—define what that meant, and yet he's introduced a piece of legislation that attempts to bring in this broad brush of trying to make union representatives lobbyists.

And while some union representatives are in fact lobbyists, and perhaps should be registered if they are not, as lobbyists, clearly the day-to-day administration of collective agreements, clearly the act of negotiating a collective agreement, are not the same as lobbying. They are, in fact, negotiating. They are, in fact, doing that which a union is supposed to do, which is negotiate collective agreements for their members, which is in fact making sure that that collective agreement—whether it's with a government or with a private entity—is administered fairly under the terms of the collective agreement.

\*(10:30)

So there's many questions that the member couldn't answer, wouldn't answer. So we're left wondering what exactly is the intention? Is it from this government that claims to be the protectors or the cutters of red-tape to make sure there's less regulation, less rules, less of everything—well, except in this case.

Because in this case, it will clearly—or maybe not clearly, because, again, the member couldn't enunciate properly what was in his bill—it'll create such a mass, potentially, of red tape, of registering, of re-registering, of registering again—because we don't know the answer. Does it mean they have to re-register for every time they file a grievance? Because that's administering a collective agreement.

Does it mean every time a union representative—a shop steward—meets with someone in management, that they have to register? Does one blanket registration cover it? Well, that's the problem, is we

don't know the answer to that, and it's not clear in the legislation that has been put forward.

And that's why things like the administration of collective agreements were not included previously, because it made no sense. And you know what, Madam Speaker? Still doesn't make any sense. And yet here we are with this government. They don't care if it makes sense. They don't care if it helps working people in this province. The only thing they care about is their ideological dislike of unions.

Now, I'm not sure how many of the members opposite have ever been a union member but, you want to talk about transparency, Madam Speaker. Any union member that goes to union meetings will find out more about their union than anyone will ever find out about their government by coming to this question period.

They talk about transparency, but really that's not what this is about, because this doesn't create transparency. It creates nothing but a mass of red tape to try and slow up the work of unions. But you know what, Madam Speaker? Unions won't be deterred by this government. They won't back down because this government throws another roadblock in their way.

In fact, maybe this government is doing the union movement a favour, because every time they take another swipe at them, those unions start to stand up and start to become stronger. And their members become more actively engaged, because they realize—Madam Speaker, union members aren't stupid—they realize what this government is doing. They realize what this government is trying to do.

And while the member purported to have spoken to so many unions—he may have spoken to some individuals—he didn't, in fact, speak to any unions. Otherwise he'd have clearly said that. You know, it's kind of a shame that a government that claims to be open and transparent and all about consultation, every time we talk about open and transparent, they do the complete opposite and that's clearly the case in this piece of legislation.

It seems pretty simple on the surface of it, but it's much more than, really, what it appears to be.

And again, I can't reiterate enough that this government and this member clearly haven't got a clue when it comes to the difference between negotiating and lobbying. And they are two entirely different animals. The reason for this amendment is completely null and void. It means absolutely nothing because they are, in fact, different things.



But, like I said, for the number of roadblocks that this government throws in the way of unions, be prepared, because unions will stand up. Union members aren't afraid to stand up to this government. It doesn't matter how many pieces of legislation they try and trample on workers' rights, workers will stand up and—

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

**Mr. Shannon Martin (McPhillips):** Good morning, Madam Speaker. It's always a pleasure to participate in the democratic process, even if it is virtual.

I think it's important, as we mark just past the one-year anniversary—and it's an unfortunate anniversary—of the recognition of the COVID-19 pandemic, that I take this opportunity to remind all of my colleagues, and indeed, all of Manitobans, to continue to follow the advice of public health officials and make sure that one is wearing their mask; washing one's hands; make sure that they are properly distanced from one another; and of course, making sure that, should they want to, make themselves available for the vaccine.

We are indeed—it appears that there may be a light at the end of the tunnel when it comes to COVID-19, Madam Speaker, and it is my hope that soon enough, when it comes to private members' business, like the lobbyist registry act, Bill 222, brought forward by my colleague, the MLA for Radisson, that soon enough we will be able to debate and discuss this legislation in person as opposed to virtually, because I think we can all agree that there is, indeed, something missing from the virtual interaction of Zoom as compared to the face-to-face interaction with our colleagues, and that may lead, indeed, to some confusion and to some misinformation.

And so it's my hope that with these very brief comments that I will make on my colleague's legislation that he's putting forward this morning, that I can clarify some of those comments.

Now, the first issue, Madam Speaker, is that of, you know, private members' business itself. So, this is an opportunity for my colleague to put forward this amendment. But we already saw from the questions being put forward by the member for Flin Flon (Mr. Lindsey) and the comments, that they would rather turn this into a partisan debate, which, unfortunately, private members' business is indeed—has become a microcosm of the larger legislative process, where it's more about scoring political points than actually taking a serious look at legislation and making that decision of whether or not it is of ultimate

value to Manitobans to improve their lives, to improve their access, and to prove—and to improve their understanding of the political process.

Now, Madam Speaker, the understanding here—and, you know, the issue may be—and I believe the comment was made about the legislation being brought forward, Bill 222, that it is a minor amendment. And it—indeed it is. But to put it into context, about the necessity that sometimes legislation is brought in, then we have an opportunity to see that legislation in action; and then we make the decision, as elected officials, that, you know what, maybe this legislation needs further enhancement.

To members opposite, members of the NDP party, I would give, actually, a very good example. Members opposite, during their 17 years of ineptitude, did on occasion do—bring in some important pieces of legislation. I think one piece of legislation I think that we can all appreciate, especially against the backdrop of the COVID-19 pandemic, was the decision to bring in or to—sorry, to eliminate the expiration of gift cards.

Now, as someone who has a wallet full of theatre—movie theatre gift cards, I don't imagine that I will be using those any time soon. So private members' business came forward through—actually, one of my colleagues across the way, Mr. Andrew Swan, some years later, made the realization that the NDP legislation, when it came to gift cards, was flawed.

\* (10:40)

You see, originally, they made the decision to exempt, you know, unions from their gift cards. So, the large malls—for example, Portage Place, which was owned by Cadillac Fairview, which is indeed owned by, I believe, the Ontario public sector's union—put an immense amount of pressure and lobbying pressure on the NDP to exempt them from the gift card expiration, Madam Speaker.

But back to private member's business, Madam Speaker, it did take a couple years, but the NDP MLA, Andrew Swan, came forward, said, do you know what, we need to add this legislation, we need to make a modest change to approve this legislation.

And, you know, I'm sure all my colleagues have done their research, Madam Speaker, that they have reviewed—read Hansard in preparation for today's discussion and debate, and they would've seen that when MLA Swan brought forward that legislation, he even acknowledged that the expansion of the gift cards in their non-expiry to malls would probably save Manitobans, I think he estimated—and, again I'll let

members check the records themselves—but I think he estimated, I think, \$1.75 per Manitoba family.

So, I mean, nothing in particular, but he did recognize that the legislation itself did require improvement. And we all supported that small, modest amendment. And that's what I believe the MLA for Radisson is bringing forward today with Bill 222, the lobbyist registration act.

Now, members opposite—in particular the member for Flin Flon (Mr. Lindsey)—keeps bringing up the issue of collective bargaining and whether or not that type of negotiation is applicable when it comes to the lobbyist registry, Madam Speaker. I don't believe—and again, it's a bit disappointing, because I think it's incumbent upon all of us as MLAs to make sure that we are doing our homework. And as part of that homework when we come in to debate this legislation, I think we have to have a full and proper understanding of what we're discussing.

So, as one of those points, Madam Speaker, I took effort and I read the original lobbyist registry act. I read the comments made by the then NDP when they brought in it, to get an understanding of what they were trying to achieve. And yes, there were similar questions put forward at that time, but unlike the member for Flin Flon, and unlike the—you know, and I would hope that his perspective is unique in that he is of the opinion that somehow union leadership is incompetent, that they simply are unable to understand the difference between lobbying and between collective bargaining.

And unlike the members opposite, I don't believe that. I believe that the union leadership, and those that lobby on behalf of the unions are intelligent individuals, men and women that have the best interests of their members in their heart and are doing their best to make sure that that information is being shared with government, Madam Speaker.

Now obviously, Madam Speaker, one union in particular, The Manitoba Teacher's Society, as noted by my colleague, the MLA for Radisson, has on a number of occasions registered through the lobbyist registry act. So, obviously, the understanding or the inability to comprehend as to what constitutes lobbying versus say, negotiation or collective bargaining, seems to be understand—understood by teachers, so—and at least the teachers' society.

So I would encourage the member for Flin Flon perhaps to call his colleagues across the way, maybe over at the union hall on Broadway, and maybe

discuss with them and—through MTS, and discuss with them how they were able to come to the understanding that registering for discussions with government, in terms of influence government, was necessary, Madam Speaker.

I am confident they will find that the process was smooth, Madam Speaker, and was part of a process—a process of transparency and accountability.

Now again, Madam Speaker, I just want to point out I am not going to suggest that passage of Bill 222 today is somehow going to have a immense and a profound effect on Manitobans.

But again, back to my earlier comment: the modest change of bringing in mall gift cards to the—to banning that expiry fee on them again. It was a very small change, but a necessary change.

I think, as elected officials, we need to go back to previous legislation to look for areas of improvement. I think the inclusion of union members as lobbyists, and lobbyists—again, encourage the member to look at the legislation—are clearly outlined and defined.

So I encourage all my members—all my colleagues to support the legislation.

Thank you.

**Ms. Nahanni Fontaine (St. Johns):** I do just want to put on the record for our members that are virtual—both the member for Radisson (Mr. Teitsma) and the member for McPhillips (Mr. Martin)—just so my colleagues know that the claps in the House once they've finished their speech have been a little tepid.

So, I just wanted folks to know that, that while they're putting their comments on the record in the House, their own colleagues don't even believe them. So I think it's important to put that on the record.

I'm going to put a couple more notes on the record in respect of Bill 222, which is the bill that the member for Radisson is bringing forward.

I am always shocked, Madam Speaker, every time they let the member for Radisson speak in the House and actually get up and put forward private members' bills, because the member for Radisson seems to keep getting his caucus members in trouble with the things that he puts on his social media.

And I remind folks who are watching this riveting debate this morning—Manitobans who are wondering what we do in the House—I remind folks that the member for Radisson, who's bringing forward Bill 222 this morning, is also the same member that

doesn't want to feed school-age children; who, on behalf of his PC caucus, put it on the record in the social media sphere that children—somehow, Manitoba children who are struggling, their families are struggling—we shouldn't feed them.

And so I guess, Madam Speaker, on the same—by the same token, it makes sense that that same member who doesn't want to feed struggling children—Manitoba children—would bring forward a bill that is quite honestly not even worth the paper that it's written on.

And before I go on to some of the notes here in this bill, I do also just want to point out the member for McPhillips (Mr. Martin). The member for McPhillips is trying to, in his couple of words that he put on the record, trying to offer some type of advice to the member for Flin Flon (Mr. Lindsey) on labour, on unions.

I would suggest he not do that. I would suggest that the member for McPhillips doesn't need to worry about our member from Flin Flon and what he knows about unions and labour. We're very proud and honoured to work in a caucus with the member from Flin Flon, who brings such a wealth of knowledge and expertise and history in respect of unions and that very, very important work that is done on behalf of Manitoba workers and, by extension, Manitoba families.

So I would suggest the member from McPhillips take the member of—for Flin Flon out of his mouth and don't try to offer any advice. And for the member for Radisson (Mr. Teitsma), he'll have an opportunity to ask the member for Flin Flon questions—or maybe he won't; actually, I suspect he won't—because soon enough, the member for Flin Flon will be the minister for labour, and whoever is left here, they can ask the questions when he's a minister. Because I can assure each and every one of the PC caucus—the ones that are here this morning, the ones that are virtual—your time is coming. Your time is coming.

\*(10:50)

And I would be very scared for each and every one of you if you are not clued in to what's going on right now in the minds of Manitobans, who are seeing first-hand the devastating effects that each and every one of you are having in legislation in this province. If you guys don't know what's going on, I think you guys need to do a little bit of research. And I suspect you need to be—and I submit to you, you need to be very, very scared for each and every one of your seats,

including the member for McPhillips, who I also—I already know that there are some amazing folks that are going to be running against you; including the member for Radisson, who I also know there are amazing folks who are lining up to run against you. And every single one of the PC caucus, we're coming for you and we're going to be government in the next election, and you can be sure of that.

And so, let me put a couple of words in respect to bill 22. I think that it is ironic that the member for Radisson is bringing forward legislation that is attempting to construct unions as lobbyists. And in his—whatever that was for his 10 minutes, he's trying to say that we don't know about unions and that unions aren't being represented, and that they're lobbying groups.

That's absolutely not true, Madam Speaker. We know that you cannot equate lobbyists to unions when unions are on the forefront fighting for fair wages and for working conditions of Manitobans. It's not the same to try and attempt to construct them as the very folks who are lobbying every single PC member in this House.

And so we know that the Premier (Mr. Pallister) and all of his caucus are routinely lobbied on behalf of the agricultural industry, on behalf of all kinds of corporations, insurance. We know all of that because that is really the PC's *raison d'être*, that they are—would give time and space—and actually legislative space—to those folks who are actually lobbying, and not lobbying in the best interest of Manitobans, but lobbying for their own self-interest.

And so to sit here this morning and try and equate unions as lobbyist—again, who are fighting for Manitobans and for—are fighting for workers, fighting for fair wages for a proper work conditions—to lobbyists who are trying to lobby the Premier for lower taxes or whatever it might be, it's pretty disingenuous and it's not at all accurate.

And so I do think that it's important to lay out some of the Premier's instances where he's interfered with a union. And so—and really, he's kind of stuck his nose into places where he has no business sticking his nose.

We know that the Premier told the U of M to rip up a bargained collective agreement, which we know this created a strike on behalf of profs at the U of M in 2016. Everybody remembers that. That was the Premier's work. We also know that the Labour Board ultimately found that the U of M engaged in

unfair practices. At whose direction? The Premier's (Mr. Pallister) direction, because he cares so little about collective bargaining.

We know as well that he interfered again in 2020, which almost created another strike, which, again, would have been devastating for students and professors and staff. What else did he do? Well, he interfered with the negotiations with the Winnipeg School Division bus drivers. That led to a strike.

You can see the theme here. Every time he kind of gets involved in something there's a strike here.

He ordered wage freezes for teachers and MPI workers. He's now refusing to let Manitoba Hydro negotiate in good faith. He has got an unconstitutional wage freeze that led to IBEW workers going on strike.

So we can see, Madam Speaker, that the Premier has a real distaste for collective bargaining, and since taking government, since he became Premier, has actually done everything in his power to really quash any unions. And I don't have enough time, I think, that we could go on and list the variety of different ways, including legislation, that the Premier has attempted to make it harder for unions to operate and harder for unions to fight for Manitobans and for Manitoba jobs.

And so, you know, again, let me just end by—with this, is that in the midst of a global pandemic, this is what the member for Radisson (Mr. Teitsma) thinks and deems is important. And, you know, I would suggest to each and every one of the PC caucus, think before you bring forward legislation that is having an impact when people are in the midst of absolute crisis and struggling and suffering in a pandemic.

Thank you, Madam Speaker.

**Mr. Dougald Lamont (St. Boniface):** This really is a very bad bill. I have been a union member. I have been a member of unions that were good and unions that failed to represent me. I remember when more than a dozen of my colleagues were—ended up losing their jobs because of NDP freezes at the Manitoba Museum. It was really unfortunate.

But the fact is, this bill makes a fundamental mistake. Bargaining is a right. The right to bargain for the value of your own work is a fundamental right. Being a lobbyist is not. The fact that this—that there's a suggestion that people are doing something wrong by not registering for the lobbyist registry when the law says they don't have to is ridiculous.

And I will also go to say that there is a much bigger problem with a revolving door with lobbyists.

I will—I looked at the lobbyist registry, they're—I don't see the former MLA for St. Vital, who went on to become the development director for STARS, which ended up buying a whole bunch of planes from this government. That is completely ignored.

So you can be a Cabinet minister and walk out and become a lobbyist, not register and then get a whole bunch of sweetheart deals from this government and nothing happens. I see the revolving doors because I meet with the same people who used to be staffers, and all of a sudden they're sitting across from me in a boardroom trying to tell me that they want legislative—or, changes.

And I will also point out one of the people—I know that the member for McPhillips (Mr. Martin) used to be a representative for the CFIB; so was Elliot Sims, and now he's associate clerk of the Executive Council.

So, the fact is, the problem is a revolving door and that we have no standards whatsoever when it comes to conflict of interest, lobbyists or anything else.

The fact that this is being brought forward in an attempt to smear the work of people who are doing their jobs is outrageous, especially, especially, considering the fact that his government has continually failed to bring forward any conflict of interest legislation. At the first meeting I ever attended as an MLA, there was an effort to get rid of the Conflict of Interest Commissioner.

So, please, if you want to clean up this mess, start with passing conflict of interest legislation that applies to everybody, and stop pretending that people's rights, their right to negotiate, is something as—a privilege that can be taken away from them. This is disgraceful. It's an embarrassment, and it's absolutely contemptible that this was brought forward to waste our time for an hour.

Thank you very much, Madam Speaker.

**MLA Uzoma Asagwara (Union Station):** I appreciate the opportunity to put a few words on the record in regards to Bill 222, which I think has become very, very apparent that absolutely everybody else who has spoken to this piece of legislation knows more about it than the member who brought it forward.

The member for Radisson was unable to answer even the most basic, simple questions that are in the piece of legislation that he put forward, Madam Speaker, today.

I want to commend my colleagues, the member for Flin Flon (Mr. Lindsey), the member for St. Johns (Ms. Fontaine), for raising some really important points; thank my colleague, the member for Flin Flon, for providing some education to the member for Radisson (Mr. Teitsma), who very clearly needed it.

But there's a couple of things in regards to what the member for Radisson said that, you know, I think are important points for us to reflect on. I highly doubt, Madam Speaker, that the member for Radisson can define transparency and accountability, let alone talk about them at length, as evidenced by his government's decision-making throughout this pandemic, and as evidenced by his lack of ability to even expand on what that means in terms of this legislation.

So, Madam Speaker, you know, I think that when we talk about a piece of legislation like this, it's really important for us to talk about that fact that the government who's bringing it forward—

\* (11:00)

**Madam Speaker:** Order.

When this matter is again before the House, the honourable member will have nine minutes remaining.

## RESOLUTIONS

### **Res. 13—Calling on the Provincial Government to Protect Manitoba Hydro**

**Madam Speaker:** The hour is now 11 a.m. and time for private members' resolutions.

The resolution before us this morning is the resolution on Calling on the Provincial Government to Protect Manitoba Hydro, brought forward by the honourable member for Riding Mountain.

**Mr. Greg Nesbitt (Riding Mountain):** Well, good morning.

I move, seconded by the honourable member for Swan River (Mr. Wowchuk),

*WHEREAS Manitoba Hydro as a Crown Corporation has been saddled with debt by the poor decisions of previous governments; and*

*WHEREAS Manitoba Hydro's debt was tripled under the previous government; and*

*WHEREAS the previous government disregarded expert advice and opinion; and*

*WHEREAS the previous government moved ahead on projects and began spending public funds before attaining approval from the proper authorities, sinking public funding into politically motivated decisions; and*

*WHEREAS the previous government made politically motivated decisions at the expense of Manitoba Hydro and Manitobans; and*

*WHEREAS the Provincial Government is working to strengthen Manitoba Hydro; and*

*WHEREAS the Provincial Government undertook an extensive and thorough review of the previous government's mismanagement of Manitoba Hydro in order to prevent making the same mistakes and the previous government's overspending; and*

*WHEREAS good stewards of Manitoba Hydro should take into account economic considerations and the clear recommendations of utility and environmental experts when making management decisions, which the previous government failed to do; and*

*WHEREAS the Provincial Government is working to repair, strengthen and ensure the viability of Manitoba Hydro for future generations; and*

*WHEREAS Manitoba Hydro is an important generator of clean, green energy which benefits all Manitobans.*

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the provincial government to continue taking steps to ensure future hydro projects are accountable and demonstrate value to Manitobans in order to ensure the longevity of Manitoba Hydro for future generations.

### **Motion presented.**

**Mr. Nesbitt:** I'm proud to bring forward this resolution today, which I hope will signal to the opposition that our government has no intention of privatizing Manitoba Hydro and instead will do everything in its power to ensure the company gets back on a strong financial footing.

It's amazing to me that the opposition can get up in this House or go out to the media and tell Manitobans that Manitoba Hydro is extremely profitable, there should be no rate increases and any demands of their union friends must be satisfied.

Then they double down by saying the nasty Progressive Conservative government is planning to privatize Manitoba Hydro and that Bill 35 will take

away the authority of the Public Utilities Board to regulate rate increases.

I say that the members opposite obviously have no respect for the intelligence of Manitobans, who know full well that a referendum would have to be held before any sale of Hydro could be contemplated.

*Mr. Doyle Piwniuk, Deputy Speaker, in the Chair*

Manitobans will also be relieved that Bill 35 will enhance the PUB and give them the authority to authorize rates for five-year periods, giving residential and commercial power customers rate stability so they can budget with confidence.

Mr. Deputy Speaker, Manitoba Hydro has spent over \$90 million on PUB hearings since our government was elected. Once Bill 35 is enacted, the savings derived from less frequent costly PUB hearings are expected to save Manitobans the equivalent of a 1 per cent rate increase each year.

The NDP seems to think if they repeat something enough times it suddenly becomes true. When the NDP runs out of ideas and is desperate for attention, they bring out the privatization bogeyman. Deny, blame and deflect continues to be the NDP's mantra. However, Manitobans aren't buying what the NDP are selling. Consumers know what will trigger any hydro rate increases moving forward, and that is the \$10-billion boondoggle of Keeyask and the west-side bipole line that the NDP saddled Manitobans with.

I want to be clear this morning, Mr. Deputy Speaker, Manitoba Hydro has never been, is not now and never will be for sale under a PC government. We are committed to strengthening the law even further on referendums and working to ensure the financial viability of Manitoba's Crown jewel for generations to come.

Manitoba Hydro is projected to have a net profit of \$111 million this year. The NDP makes this sound like a lot of money to anyone who's never put their capital at risk. Manitoba Hydro's current debt sits at approximately \$23 billion. That's 23 with nine zeroes behind it. When you do the math, a net profit of \$111 million on \$23 billion in debt equates to approximately 0.6 of 1 per cent return on the capital debt of Manitoba.

On this side of the House, we know that many of the opposition members, like their colleagues before them, aren't particularly astute with public money. But, quite simply, I would ask them if they personally would be prepared to borrow the money needed to

invest in a business that would only return a profit of less than 1 per cent a year, and that's with the lowest interest rates that any of us have ever seen.

Mr. Deputy Speaker, interest rates have nowhere to go but up, and as they do, millions more in interest payments will be needed to service this debt. How did Manitoba Hydro accumulate this \$23 billion in debt? Under the former NDP government, of course.

Hydro's debt tripled during the NDP's 17 years in power, and the rates paid by consumers and businesses increased 40 per cent during that same time period. Needless to say, the political decision to proceed with the Keeyask project and the rerouting of the bipole line down the west side were major backroom decision blunders for which Manitobans will now have to foot the bill.

Until the Keeyask Generating Station came online earlier this year, Manitoba Hydro was only paying the interest on the money borrowed to complete the project, just like a builder's loan for a new house. Now, and for decades and decades to come, principal and interest will be due on a project which well exceeded its estimated budget, which will cut drastically into Manitoba Hydro's cash flow.

The bipole line cost billions more to bring down the west side of the province rather than the preferred eastern route. The rerouting also caused significant disruption to owners of the agricultural land on which the towers sit by taking the long way around. The west-side route also required two converters and carries 50 per cent electricity due to line losses because of the extra distance travelled.

Let's be clear, Mr. Deputy Speaker, the decisions to proceed with Keeyask and the rerouting of Bipole III down the west side were not made by experts at Manitoba Hydro. They were made in the backrooms of the NDP government, who actively dismissed and ignored any and all concerns raised about Keeyask and bipole. Simply put, the former NDP government directly interfered to ensure these projects would go ahead based on their political preferences rather than on expert economic and environmental advice.

The Public Utilities Board was not offered a chance to give proper scrutiny to these projects, as over \$1 billion had been spent before any proposal even went to the PUB. And once these projects were under way, they were not given proper oversight by the NDP. Instead, they allowed project costs to escalate, creating massive cost overruns to add to the

monstrous debt that Manitoba Hydro is now saddled with.

Mr. Deputy Speaker, I'm not asking the opposition to take my word for any of this or any members on this side of the House. Our government commissioned a third party report which dug into a treasure trove of Cabinet documents and other correspondence which corroborated what we already suspected. The NDP built Keeyask for Americans, but left Manitobans to foot the bill. To add insult to injury, the NDP even decided it would be a good idea for Manitoba to build a transmission line not just to the border of Minnesota, but across the state.

Mr. Deputy Speaker, six volumes of documents, totalling 14,000 pages, make up the damning report that shows that the NDP thought they owned Manitoba Hydro and didn't have to listen to experts or concerned Manitobans. They went full speed ahead with no oversight, and now our government—and, in the end, all Manitobans—have to pick up the pieces.

It is true that the damage done to Manitoba Hydro's finances by the NDP can never be undone, but it is also true that our government is taking the necessary steps to make sure this politically motivated interference in a company owned by Manitobans will never happen again.

We will be strengthening Bill 35 even further with additional amendments. We will provide for a referendum on any future megaprojects and ensure that any amendment to The Referendum Act will have to go to a public hearing and, Madam—or Mr. Deputy Speaker, we will be implementing all recommendations of the Wall report.

Fundamentally, the former NDP government treated Manitoba Hydro as if it was theirs. Our government knows that Manitoba Hydro is the property of every Manitoban, not the New Democratic Party.

Our government has a reputation for keeping its word. We said we would fix the finances, and we did, just in time to face the most significant public health and fiscal challenge our province has ever encountered. Our promise to Manitobans today is that we will fix and strengthen Manitoba Hydro while keeping it public and free from political interference.

Thank you, Mr. Deputy Speaker.

### Questions

**Mr. Deputy Speaker:** A question period up to 10 minutes will be held. And questions may be

addressed in the following sequence: the first question may be asked by a member from the other—another party; and each subsequent question must follow a rotation between parties; each independent member may ask one question. And no question or answer shall exceed 45 seconds.

\* (11:10)

**Mr. Adrien Sala (St. James):** I'd like to ask the member for Riding Mountain about the Wall report, and on page 32 of the report, Mr. Wall recommends selling off non-core assets.

Can you define what core versus non-core means?

**Mr. Greg Nesbitt (Riding Mountain):** Well, thank you very much to my friend for that question.

Manitoba Hydro should have the ability to run their operations the way they want to. They are the—responsible for all facets of their operation and, indeed, should be able to get maximum value for all of their operations and decide which are core to them and which are not.

**Mr. Rick Wowchuk (Swan River):** Can the member elaborate further on the severe mismanagement of Hydro by the former government, as outlined in the recent Hydro report?

**Mr. Nesbitt:** Well, thank you to my good friend from Swan River for that excellent question.

The former NDP government actively discussed in a—dismissed and ignored concerns regarding Keeyask and Bipole III. They directly interfered to ensure these projects would go ahead based on their political preferences rather than on expert economic and environmental advice. The projects ran billions of dollars over their budget due to lack of proper oversight.

**Mr. Dougald Lamont (St. Boniface):** I have a question. There's been a tendency to paint the selling electricity to Minnesota as Americanization. I really don't understand how that is supposed to be the case when that is a contract that is at quite advantageous terms and that it's bringing money into Manitoba.

Why is selling electricity outside of Manitoba supposed to be bad?

**Mr. Nesbitt:** Thank you very much to the honourable member for the question.

Selling electricity certainly isn't bad. I think it was determined in the report that the dam wasn't needed at this present time for domestic—or provincial use, but

yet the former government decided to push it ahead because of their own political agenda.

I want to be clear that selling power, whether it's to the US or whether it's with an east-west power grid across Canada, certainly, in my opinion, should be the focus of Manitoba Hydro to enhance the corporation and keep rates low for all Manitobans.

**Mr. Sala:** In his response to my last question, the member for Riding Mountain (Mr. Nesbitt) stated that Hydro should be able to decide what assets are non-core and which are core, seeming to allude that if they want to sell off something that's non-core, that should be up to them.

Can he clarify what he meant by that statement?

**Mr. Nesbitt:** All I'm saying is Manitoba Hydro is a Crown corporation and should have the ability to manage their affairs as they see fit. Like any other business, if they find a subsidiary is not profitable, they should be able to wind down that business or do what they want.

Manitoba Hydro will always remain public, but they need to have the autonomy to manage their business the way they need to.

**Mr. Dennis Smook (La Vérendrye):** I'm grateful for the member for Riding Mountain for bringing forward this important resolution.

Can the member elaborate on the findings of the recent Hydro report and why this report was necessary?

**Mr. Nesbitt:** Well, thank you very much to my colleague from La Vérendrye for that question.

The Wall report brings to light the horrible mismanagement of one of our most important Crown corporations. Recently, the NDP has touted the idea of creating another Crown corporation to manage Internet and cell service, and this come just prior to the Wall report being released that showed their interference in Manitoba Hydro. And I would assume, if they returned to power, they would want to interfere in this and compose new Crown corporations.

Manitobans need to be—needed to be informed of the billions of dollars of waste the former NDP government spent and drained from Manitoba Hydro during their 17 years in power.

**Mr. Sala:** I'm kind of speechless with the member's last response where he stated in no uncertain terms that they should be able to wind down a Hydro subsidiary if they want. So, he spent his PMR here

talking about how his government is going to protect Hydro, and yet he just stated that they should be able to wind down subsidiaries should they see fit.

Which one is it?

**Mr. Nesbitt:** Manitoba Hydro, like I said before, has—should have the autonomy to run their business the way they want without political interference. I—they have a board of directors over there, they have management in place and they need to know what is—they know what is profitable and what isn't for them. And they—again, they need no political interference within that business.

**Mr. Len Isleifson (Brandon East):** I want to go back in my history and what I certainly remember firsthand, that the former NDP government did tell Manitobans that Bipole III would not cost them a cent. I remember that very clearly. However, they quickly reneged on that, costing Manitobans billions of dollars.

I wonder if the member from Riding Mountain can explain to the House how this resolution would help to ensure that mismanagement like this never happens again?

**Mr. Nesbitt:** Thank you to member for Brandon East for that excellent question.

This resolution, very important resolution I might add, advocates for necessary strengthening of Manitoba Hydro, such as ensuring that Hydro decisions are consulted on properly and that major decisions involving Hydro are made by Manitobans, not in the political backrooms.

Our government is committed to ensuring that the massive amounts of debt Manitoba Hydro took on during the NDP government's time in power never occurs again.

**Mr. Sala:** The member stated that if Hydro as a corporation decides that they find that a subsidiary isn't profitable or it's not desirable to have as part of the organization, they should have the ability to just sell it off.

Can the member elaborate on whether he means Centra Gas, whether he means Manitoba Hydro Telecom, whether he means Manitoba Hydro International?

If Hydro goes to sell off one of those subsidiaries, would his government support that?



**Mr. Nesbitt:** I think we—our government has indicated here that we would be supporting all the recommendations of the Wall report.

Manitoba Hydro will have the autonomy to run their business as they see fit and, again, run it so that it's for all Manitobans and not have any political interference that happened under the NDP's regime.

**Ms. Janice Morley-Lecomte (Seine River):** Again, and I think the member from Riding Mountain may have alluded to this, but could he explain how our government is going to be committed to keep Manitoba Hydro in the hands of Manitobans, where it belongs?

**Mr. Nesbitt:** Well, thank you to my good friend from Seine River for that excellent question.

Our government recognizes the importance of clean, renewable energy provided by Manitoba Hydro. The NDP intervened in Hydro projects for political reasons. The decision to force Bipole III down the west side of the province cost Manitobans billions of extra dollars and caused significant impacts to communities along the route.

Our government is committed to strengthening Hydro referendum requirements so that this kind of unprecedented mismanagement can never happen again.

**Mr. Sala:** If the government cares about keeping rates affordable for Manitobans, why did they force a 3 per cent rate increase in the middle of the night, just in time for the holidays last December?

**Mr. Nesbitt:** I'd just like to remind the member, during his party's 17 years in power, rates went up 40 per cent. That's 40 per cent over the length of time they were in power, and, in fact, the average rate increase was well above the 2.9 increase that we put in interim, really, last December.

So I don't think that he should be lecturing us on rate increases and indeed, moving forward, we want to go to the Public Utilities Board and have them set rates for a five-year basis so there's some stability for consumers and business customers across the province.

**Mr. Wowchuk:** Can the member from Riding Mountain elaborate on why these changes and protections are absolutely necessary?

**Mr. Nesbitt:** As we all know, governments come and go, but Manitoba Hydro should be here to outlast us

all, providing clean, green energy for all future Manitobans.

These legislative changes will protect Manitoba Hydro from political interference like we saw under the 17 years of NDP mismanagement.

**Mr. Deputy Speaker:** Time for question period has expired.

\* (11:20)

### Debate

**Mr. Deputy Speaker:** The debate is open. Any speakers?

**Mr. Adrien Sala (St. James):** I'm really happy to have a chance to talk a bit to this PMR. Obviously, the subject is incredibly important. This is fundamentally about preserving and protecting Manitoba Hydro for our future generations, for our kids and our grandkids, and that's incredibly important.

Manitobans expect that their government will work to protect Hydro. They expect that their government will work to continue to preserve it, and that means keeping Manitoba Hydro public—all aspects of Manitoba Hydro, even the non-core parts of it that were identified in the Wall report.

And that's because we know that it's crucial that we keep Hydro public because it's only with a public Manitoba Hydro that Manitobans can continue to have access to affordable and reliable power in this province, and especially clean power. And we know that that's increasingly important as we move ahead, Mr. Deputy Speaker.

The PCs are fundamentally trying to pitch a story here to Manitobans. They can talk all they want about the report that was written by their friend and political ally, an ex-right-leaning premier—the second right-leaning premier in a row to be at the helm of that report. So they can talk all they want about that report, but Manitobans know, fundamentally, that they have the cheapest power on the continent, and that doesn't align very well with the story that the PCs are pitching.

So on the one hand, they're trying to sell to Manitobans that Manitoba Hydro is in a bad financial position, that the last NDP government somehow sent it into a bad place, but we know that that's just simply not the case, and Manitobans know that that doesn't align in any way with the reality that they're facing in terms of their day-to-day power costs.

Now, one of the reasons, I think, that this proposal, this argument that the PCs are trying to put forward, is false is because we just have to look at what happened the last several times they went to the Public Utilities Board. The PCs talk about Hydro being in this incredibly bad financial position; however, the last few times they went to the Public Utilities Board to ask for rate increases, they were given rate increases that were about half of what they went in for.

Now, what that tells us, and it tells all Manitobans, is that the experts at the Public Utilities Board, who reviewed their rate request—one of which was for 7.9 per cent increase, which would have been a massive rate shock for a lot of Manitobans and would have been a really hard ride for a lot of folks—that they were sent packing with half of that.

And what does that tell Manitobans? It tells us that the experts at the Public Utilities Board who reviewed their rate increase request told them that they did not in any way—that there was no need for a rate increase that was anywhere near as high as what was requested. So that completely and totally undermines everything that the member for Riding Mountain (Mr. Nesbitt) is putting forward here today.

And again, the public doesn't have to take our word for it. We can just look to the experts at the Public Utilities Board, and we can look to their opinions about Hydro's financial position and we can look to see, by virtue of them rejecting this government's 7.9 per cent rate increase and instead sending them packing with half of that, as probably the best, most impartial evidence we can hope for to speak to Hydro's actual financial position, and not the financial position that the Tories like to put forward. So, Manitobans already know this, but I think it's worth repeating.

So the question then is, what is the purpose of this story that the Tories are trying to sell, that they're trying to pitch to Manitobans? Well, I think we have clarity on what the reason for it is. And the member inadvertently, I think, stated that with clarity in his responses to one of my questions, which is the PC government is looking to sell off and privatize aspects of Manitoba Hydro.

So they can resist that all day long, but we know that the Wall report spells it out in plain language, that they should be selling off non-core assets. The member for Riding Mountain stated with clarity that his government is going to honour all recommendations within the Wall report. He even stated,

with clarity, that they do support whatever it is that Hydro comes forward with, even if it does mean divesting of assets. And that's troubling.

So this is what's being put forward here, is we're trying to be sold this bill of goods so that they can move ahead with selling off really valuable and important parts of Manitoba Hydro.

It's worthwhile just reflecting briefly on some key things, one which is Manitobans haven't forgotten what this government did with MTS many years ago. That may seem like ancient history to the PCs, but Manitobans haven't forgotten that. And there's a lot of Manitobans that remember, with total clarity, that this government said all day long that they were not going to be selling off MTS, and then next thing you know, MTS was on the chopping block and it had been sold off.

And by the way, it's worth noting that the Premier (Mr. Pallister) of this province was at the table when MTS was put on the chopping block and when that PC government did that, and the Premier voted against an NDP motion to have referendum on that sale of MTS.

So, you know, just to make plain how absolutely hypocritical this government is in terms of their desire to see referendums, you know, giving Manitobans a voice on these kinds of big decisions, well, they got rid of MTS without any referendum, and the Premier supported that sell-off of MTS, and he didn't support a motion to have a referendum—so, clear that he wasn't interested in giving Manitobans a voice then, as much as he likes to talk about it now.

So, Manitobans haven't forgotten about that, and, you know, this is something that we need to keep top-of-mind when we listen to the PCs talk about what they're going to be doing to protect Manitoba Hydro.

More recently, if we talk about protecting Hydro and how the PCs view protecting Hydro, we can just look at what they did to Manitoba Hydro International. Manitoba Hydro International, over the course of six months, was ground into dust by this PC government. That was an incredibly valuable public asset.

They've wound down their international consulting division, which made millions of dollars of profits for Manitobans that helped to keep our hydro rates low. And that interference that the member for Riding Mountain suggests that, you know, we should be avoiding at all costs, and Hydro from government,

that interference, which he suggests should never happen and tries to blame us for, was clear in this case.

And, in fact, their interference was so great that the Auditor General of this province is currently conducting an investigation into their interference into Manitoba Hydro International, into their lack of care and caution within very valuable Manitoban resources.

So I don't know how that adds up to protecting Manitoba Hydro or how the member suggests that that reflects preserving Hydro for future generations. For the rest of us, all we see is a government that's chiselling away at that valuable resource. They're chiselling away at those subsidiaries, and that is the furthest thing from ensuring that Hydro is protected for future generations.

You know, I think Manitobans would also have a hard time buying that this government was protecting Hydro when they secretly gave direction to the CEO of Hydro without reporting it to—as they were—needed to, according to their own Crown accountability act.

In fact, they broke the law in giving secret direction that actually was about having a Manitoba Hydro subsidiary avoid bidding on a contract, so taking away opportunities for a Crown subsidiary and giving that to Bell MTS. And we don't need to get into that story; I think we all know how that one ended. So again, not a great example—or very convincing argument—to be made there for this government protecting Hydro.

And then, of course, Bill 35. I mean, that bill won't do much to protect Hydro either. That's a draconian bill and it takes away the most essential—and by far the most critical—function of the Public Utilities Board, which is to make sure that when rate increases are proposed, that they're actually what is required, that the rate increase reflects the needs of Hydro.

Well, this government is eliminating that, and they're eliminating that function and they're moving rate setting from the independently reviewed process at the PUB to the Cabinet table.

And I don't think anyone in this province will believe that this member—as this member states, that this government is looking to protect Hydro by making moves of taking away expertly reviewed rate-setting processes and moving them to a political process set at the Cabinet table. That is not something anyone is—in this province is going to believe as evidence of them working to protect Hydro.

No one believes for a second that this government is interested in preserving Hydro in the long run. It's clear from their 20-year plan that came out recently that—

**Mr. Deputy Speaker:** Order. Order.

**Mr. Sala:** —they see a future for Hydro where—

**Mr. Deputy Speaker:** I just want to remind the member for St. James (Mr. Sala) that there's a prop in the background that I would like to see removed—*[interjection]*—to identify, yes. Especially when—the topic that he's talking about, too.

**Mr. Sala:** Thank you, and I am proud to state my support for IBEW members 2034 in their strike against this government's unfair wage freezes and unforced—or forced paid days off.

\* (11:30)

But no—I—going back to what I was saying there, I think it's clear that no one believes this government that they're going to be working to protect Hydro. Everyone knows that they're looking to continue to undermine it, to interfere in Hydro and to work towards privatizing key aspects of it.

So if the member wants to ensure Hydro is protected, I would argue that he goes back to his membership and tells them that they should keep Hydro public.

Thank you very much, Mr. Deputy Speaker.

**Mr. Rick Wowchuk (Swan River):** Thank you to my colleague and the member from Riding Mountain for bringing this very important resolution forward.

And, Mr. Deputy Speaker, it was really 'enlightening' to hear the member from St. James finally acknowledge blame in saying that the previous government put Manitoba Hydro in a bad place. And it's gratifying to hear that. At least one member opposite has finally admitted that, and I hope he can 'transvey' that message to the rest of his colleagues.

Mr. Deputy Speaker, the members opposite continuously try to deflect their mismanagement by using their tactics of fear mongering to the hard-working people of Manitoba.

Manitoba Hydro provides our province with some of the lowest electricity rates across the country and North America, while ensuring to maintain green, sustainable energy.

Our government knows that Manitoba Hydro belongs to all Manitobans, despite repeated, baseless

accusations made by the NDP. We have been and remain absolutely clear that Manitoba Hydro will remain public. And I'll repeat that, that Manitoba Hydro will remain public.

Mr. Deputy Speaker, our government is working to strengthen Manitoba Hydro and ensure that the mismanagement that we have seen by the previous government never happens again.

Manitoba Hydro will not be privatized. This 'oppor'—or opposition is so desperate for attention, and now that they are out of the idea—or now that they're out of ideas, the NDP clearly want to distract Manitobans from their gross mismanagement that they performed with Manitoba Hydro during their 17 years in power.

Ten billion dollars of taxpayers' money was wasted—\$10 billion. Mr. Deputy Speaker, that is a thousand million 10 times over. Just think the many, many kilometres of road, the services in health care, the services for families, the additional officers to prevent crime and protect our property. This money could have been invested into children's education, but it wasn't. Shame, shame, shame to the members opposite.

We're going to ensure that a government will never be able to do this to the taxpayers of Manitoba again. Reckless decisions, reckless spending have taken so much away from our future generations. Our government has begun the hard work required to repair this damage, correct the course and move towards balance in a sustainable way. The NDP has left a trail of destruction, and our job is to mitigate the damage caused by the NDP.

The previous government intervened in Hydro projects for political reasons. The decision to build Keeyask and Bipole III without proper Public Utilities Board scrutiny created a multi-billion-dollar debt problem that taxpayers are now stuck with.

Hydro debt tripled during the NDP's 17 years in power, and the rates paid by customers increased by 40 per cent during that time period. The NDP's decade of debt, decay, decline has had a terrible toll on our province, particularly Manitoba Hydro. Their vision for Hydro focused on the NDP's political interests instead of the best interests of Manitobans.

The NDP motive was to Americanize Manitoba Hydro by having a multi-billion-dollar project serve the US at cheaper rates before looking after Manitobans. End result—\$23 billion debt. Then when Manitoba Hydro has a net profit of \$111 million, the

member from Fort Rouge wants to use it against rate increases. Let someone else look after cleaning up the mess, spend any money that may be used to clean up our mess, is the thought by this member.

Well, Mr. Deputy Speaker, our government's working hard to clean up this mess. The Wall report says it all. The volume of documents show the NDP thought they owned Manitoba Hydro and never had to listen to anyone. We'll be implementing all recommendations of the Wall report. The report has finally given answers to key questions regarding Bipole III and Keeyask project. It's out in the open now.

The cost has placed the burden of billions of dollars directly on Manitobans. Our government commissioned this review to find out how these projects were allowed to even go ahead in the first place and get recommendations on how to ensure that it never happens again, and Manitobans will not be left with the bill.

The former government dismissed and it ignored concerns regarding Keeyask and Bipole III. Their government interfered to ensure these projects would go ahead based on their political preferences rather than expect economic and environmental advice.

As owners Manitoban Hydro—or, of owners of Manitoba Hydro, Manitobans need to be able to hold Hydro and their projects to account. Our government is committed to taking Hydro out of the dark and moving it into the light so that this kind of unprecedented mismanagement can never happen again.

It's true the damage that the NDP government created through this can never be undone, but it's also true that this government will take the necessary steps to make sure this can never happen again. We said we would fix the finances, and we did, just in time to face the most significant public health and fiscal challenge one province has ever witnessed. And we're committed to fixing Manitoba Hydro.

Thank you.

**Ms. Lisa Naylor (Wolseley):** You know, I think that the member for Riding Mountain (Mr. Nesbitt) and the member for Swan River (Mr. Wowchuk) might actually believe their own speaking notes about protecting Hydro and not privatizing. And I honestly hope they aren't too crushed when the Premier (Mr. Pallister) goes ahead and does what he does and sells off another public utility. I do believe that most Manitobans can see through this distraction.

Manitoba Hydro is our most important source of clean energy, which benefits all Manitobans. If this government had any measurable commitment to halting climate change, they would understand the true value of Manitoba Hydro as a public utility. And if this government had any kind of plan to electrify transportation, they would understand the true value of Manitoba as a public utility.

Manitoba Hydro, including all of its subsidiaries, are owned by Manitobans. Manitobans want and deserve affordable and consistent utility rates which can be ensured by keeping all of Manitoba Hydro, which includes the subsidiaries, operational and public. We have seen in Ontario, BC and Nova Scotia that privatized hydro services have resulted in massive increases for energy rates and have led to less accountability to the general public.

You know, we worry that the door for privatization is looming, and we see this by the Pallister government selling off profitable subsidiaries and forbidding Manitoba Hydro Telecom from competing in an RFP. MHI was recently forced to wind down international consulting operations, and it's unclear why this happened, since MHI has consistently made millions in profits for Manitoba Hydro and has kept rates low for Manitobans. The only explanation is because the Premier (Mr. Pallister) plans to privatize Hydro piece by piece.

The decision to slow down international consulting operations will eliminate jobs and make professionals in Manitoba leave the province to find new work. It will also result in less profits for Manitoba Hydro, which will result in higher utility rates for all Manitobans.

\* (11:40)

We know the provincial government has plans to deregulate and sell off other divisions and subsidiaries of Manitoba Hydro. Their politically commissioned report said so itself. They have no regard for putting good-paying jobs for Manitobans at risk. And these decisions will continue to place this publicly owned Crown corporation at risk.

The Premier and this government continue to meddle in labour negotiations, including with Manitoba Hydro. I very proudly stand in solidarity with IBEW members who have faced wage cuts, freezes and layoffs from this government—the very same workers who responded to Manitoba's ice storm in 2019.

We recently revealed that Hydro has more than doubled their expected profits for this year, proving that the Premier's unconstitutional wage freeze is unnecessary and unfair. Unfortunately, this government has proved that keeping utility rates affordable for Manitoba families is not a priority. They raised hydro rates for Manitoba families in the middle of a pandemic with a stroke of a pen at the Cabinet table.

This government is using legislation like bills 2 and 35 to circumvent the PUB and unilaterally raising rates on Manitoba families.

The provincial government must keep Manitoba Hydro public by ensuring no part of it, including its subsidiaries, be sold off. This will keep the Crown corporation in the hands of Manitobans. This will keep utility rates low. This will keep good-paying jobs in Manitoba.

This government continues to make less affordable—to make—sorry. This government continues to make hydro less affordable for Manitobans by increasing rates and undermining authority of the PUB, the—increased rates for hydro for Manitoba families and completely abused the PUB process for accessing rate increases.

And we know that, overall, life has gotten substantially more expensive for the average Manitoban since the Pallister government took office. And we understand that Manitobans want life to be affordable. And we can contribute to this by keeping hydro rates low and develop programs that provide subsidies to low-income homeowners.

Rates have continued to increase by nearly 13 per cent since the Pallister government took office. Hydro rates increased 3.36 per cent in 2017; 3.6 per cent in 2018; 2.5 per cent in 2019; and then, during a pandemic, 2.9 per cent in 2020.

We know these increases are not necessary. It seems that the Pallister government wants Manitobans to think that we can't afford hydro, we can't afford to pay Hydro workers. But the reality is, with a public company, we can keep rates low and affordable for all Manitobans and we can provide good-paying jobs for workers.

Now the government's attempting to introduce Bill 35, which will 'furthee'—further undermine the PUB's independent oversight and approval of increasing hydro rates.

Manitobans have expressed time and time again that this government is completely missing the mark.

My colleagues and I introduced legislation that protects Manitoba Hydro from threats of privatization and keeps rates low, and the Pallister government voted it down.

This government has laid out the groundwork to privatize Manitoba Hydro. Early in the pandemic, they threatened to lay off 700 Manitobans working for Manitoba Hydro. Between 2016 and 2020, they cut over 1,000 full-time positions from Manitoba Hydro. And the government conducted a year's-long campaign to undermine Hydro.

The Pallister government has much to account to and is not being transparent with Manitobans. The Pallister government's plan to close consultancy, not compete for bids and sell off subsidiaries is empowering them to go the route of privatization.

Now, I've heard quite a lot of talk today about a so-called independent review. So I'd like to clear up any illusions of the Wall report being independent of this government. Brad Wall conducted a conflict-ridden and politically motivated commission to inquire into Manitoba Hydro only to justify the cuts and already-planned privatization by the Pallister government.

We all know that Brad Wall has standing conflicts and has a long legacy of privatization. He was hired by Avenue Living real estate to lobby on their behalf to the federal government. The same company is, on an ongoing basis, lobbying the Province to sell off its Manitoba Housing stock, a decision that would benefit both Brad Wall's employer and himself. He's also a director of NexGen Energy, a company paid to promote small nuclear reactors as baseload power over other forms.

So the so-called independent review of Hydro has a significant stake—sorry—reviewer of Hydro has a significant stake in another type of power that would actually—could actually compete with Manitoba Hydro.

As premier of Saskatchewan, Brad Wall was directly opposed to the federal government's phase-out of coal. And how on earth can this government trust him with our clean energy? In 2017, he announced that he wanted to repeal the Crown privatization law, which would have allowed the sale of 49 per cent of a Crown corporation. During his tenure, he sold off over \$1.1 billion in public assets and eliminated 1,200 public jobs.

At the end of the day, actions always speak louder than words, and the Premier's (Mr. Pallister) actions

have always been to privatize. Under Gary Filmon, he privatized MTS, as my colleague from St. James has skilfully outlined; he's recently sold off Teshmont to a private company; he shut down the international consulting operations of MHI and he forbid MHT from participating in an RFP.

Deputy Speaker, we understand that Manitobans want their Crown corporations to remain public. It's important for Manitoba Hydro to be kept public so we can keep utility rates low and keep good-paying jobs and skilled workers in the province.

Manitoba families have enough going on during this pandemic and they do not need the Pallister government meddling in Manitoba Hydro.

Thank you.

**Mr. Dougald Lamont (St. Boniface):** I welcome the opportunity to put some facts on the record. One of the things—you know, I'll just step back for a moment. The fact is, is that I know that there are honourable people in every party, and, frankly, I find it—one of the challenges of working in this place is when honourable people are expected to read out stuff that's clearly been written for them which is just blather.

There was never any referendum legislation, so the idea that we could ever have a referendum on tax increases or Hydro privatization has always been a myth. It's really quite shameful that no government, while there was all this posturing about having referendums, no government ever saw fit to actually bring into referendum legislation over 30 years.

When we talk about the \$10-billion increase in Hydro's debt, \$4 billion of that went straight to the government—\$4 billion. So the rest of that actually went into building dams and transmission lines. The fact is that the—between 2009 and about the end of 2015, the NDP took \$2 billion out of Hydro in terms—in water rentals, capital tax and debt fees. And since being in office, the PCs have also taken out \$2 billion, and that's one of the big ways in which we keep adding to Hydro's debt.

It's why Hydro's debt is at \$23 billion, and it's why it poses a threat not just to Hydro, but to Manitoba. I talked with Sandy Riley about this. He said this is about—it isn't about privatizing Hydro, it's about whether Hydro continues to exist, because it cannot possibly service the debt that it has.

If you look at Hydro's books right now, over 50 per cent of Hydro's revenue is going on interest

payments, and the money that this government is taking over—over \$454 million.

In May 2018, the Public Utilities Board said that the government should give Hydro a break on water rentals, on some of these fees, but to compensate Hydro for the fact that it was forced to build a transmission line where it shouldn't have gone.

Now, we needed that transmission line. Boston Consulting made it absolutely clear: if it goes down in a—if, as it stands, a—one of the transmission lines from the North were knocked out by a big storm, we could face \$20 billion—20 billion with a B—billion dollars in economic damage. That's a third of Manitoba's GDP, and people would be without power for weeks or months.

\* (11:50)

There is no question we needed bipole. It was needed since 1975. But it's also—was completely transparent, the fact that the NDP were political about it, because after the 2007 election, Gary Doer said, well, it was in our platform and that's why we picked it. He said, well, the people have spoken and there—that's why we're going to build it the way it is.

I also remember Gary Doer wanting to undermine the PUB because they wouldn't raise rates the way he wanted it to. But the idea that the—the thing about it is that all these bad things are still happening. It has not—the mess has not stopped. The interference has not stopped.

Putting a hydro rate increase into the budget is political interference. That's doing an end roundabout around the PUB. The only difference is, is it's so brazen and not covered up and not denied, that it doesn't seem suspicious. It's absolutely outrageous what's happening.

What needs to happen in order to prevent Hydro from being in even bigger trouble is for it to have—is for us—the government to stop raiding it. Because that's what's happened: \$4 billion. And I will say, when people say, well, what about—where—how could all that money have been spent otherwise? Well, it's Hydro's debt. It's not provincial debt.

Some of that money was spent on dams—dams that didn't need to be built, which everyone knew. Everyone knew in 2007 that Keeyask did not need to be built, because you could get as much power out of the system with efficiency as you could with Keeyask.

Now, what you needed to do was set up Efficiency Manitoba then. But now what's happening

is we have Keeyask and we have Efficiency Manitoba, which is taking another \$100 million out of—another \$100 million out of Hydro to help people use less power, when the thing we need to do more than anything is sell more of it.

The idea that it's been Americanized because we're selling to Americans at a favourable rate doesn't make sense. Now, there is light at the end of the tunnel because there is—once some of these things start making it through, we'll be able to—Hydro will actually be able to pay off some of its own debt. It's Hydro's debt. It is also all of our debt. And it's not just limited to taxpayers, because there are other people in the province other than just taxpayers.

Well, we're talking about \$23 billion in debt, and over half—half of Hydro's revenues are either being taken out by the provincial government right now or going to interest. So something has to happen to improve that situation.

The idea that we have—because we have a sliver of profit, when that—those debt levels keep rising and those interest levels keep rising, Hydro is still in serious danger. And it is in serious danger for all of us, because if it can't pay its bills, all of a sudden the Province has to come up with \$23 billion. How is that going to happen? None of this is being discussed. We're all talking about privatization.

And I will say—look, there's two things: (1) when the choice to hire Gordon Campbell—a sort of Conservative/Liberal—he made exactly the same mistakes. He built Site C and—the Site C dam in BC, which is also facing massive cost overruns for exactly the same reasons.

In the late 2000s, everybody thought that hydro was going to be the power of the future. Nobody thought fracking was going to come, and all of a sudden fracking came along and disrupted everything. So all of the sudden a bunch of really important projects that cost a hell of a lot of money—or sorry, I apologize—a lot of money will be—all of the sudden were irrelevant.

But, frankly, Brad Wall did exactly the same thing in Saskatchewan because he thought that oil prices were going to keep going up forever. So if you look at his fiscal record, he ended up having massive deficits, as well.

The other thing—but when it comes to things like privatization, there's no question that Brad Wall said,

well, we should just focus on the core: providing low-cost energy, low-cost electrical energy to Manitoba. But that's not—that—that's—that is a—I don't know that that's a decent recommendation because it's basically saying, well, maybe we should sell off all these other things if we're selling transmission lines into Saskatchewan, or we're selling our 'transmixon' lines into Minnesota or we're going to sell off Centra Gas or something else like that.

And this is absolutely critical to climate change. But even the NDP's platform from—on climate change is basically to give people a cheque for—to use Hydro as a piggybank.

So, frankly, I am very frustrated by this because Hydro has incredibly serious problems. Privatization is not the answer. We have to put money back in.

And if we do that, we can—we don't have to sell it off, we don't have to fire anybody and we don't have to raise rates the way we've been doing. But the state that Hydro is in is because of the deliberate plundering of Hydro that has never stopped under either the PCs or the NDP.

Thank you, Mr. Deputy Speaker.

**Mr. Dennis Smook (La Vérendrye):** I see I don't have a lot of time left to speak, so I'll get right into it.

The NDP intervened in Hydro projects for political reasons. The decision to build Bipole III down the west side of the province cost Manitobans an additional \$1 billion and caused significant impacts to communities along the way.

Bipole III, on the west side, goes through some of the best and most productive agricultural land in the province. How could the NDP justify taking agricultural land out of production when there was an alternate route on the east side of Lake Winnipeg that was 500 miles shorter?

Mr. Deputy Speaker, not only was the east-side route shorter and did not impact agriculture, the NDP was spending hundreds of millions of dollars on an east-side road to service communities out there.

The east-side road was another NDP boondoggle that is a story in itself: how the NDP duplicated services and paid out millions of dollars to friends and got some of the most expensive road ever built in this province.

Mr. Deputy Speaker, I would like—I would suggest that the new members opposite read the Auditor General's report on the east-side road. This scathing report by the Auditor General found multiple problems in the way the East Side Road Authority was managed.

There are some members opposite that were in government when that scandal was occurring, and, Mr. Deputy Speaker, the NDP just showed their poor management ability.

The experts from Hydro suggested the east-side bipole road—route, but the NDP government would not listen. They would not even let the Public Utilities Board look at the east-side route—another bad political decision.

The NDP direction to build Keeyask and Bipole III without proper Public Utilities Board scrutiny created a million-dollar debt problem that taxpayers are now stuck with and will be paying for generations to come.

The NDP were masters at political interference. Over the years that I have been here, I've seen the NDP members opposite campaign on many promises.

One that brings back memories is the front page of the Winnipeg Sun when then-premier, Greg Selinger, is saying that Manitoba Hydro will not cost Manitoba taxpayers one red cent. That is a broken promise, and that multi-billion-dollar promise will cost Manitobans forever.

Thank you very much, Mr. Deputy Speaker.

**Mr. Ian Bushie (Keewatinook):** Thank you for the opportunity to put a few words on the record for this—the PMR, which is Calling on the Provincial Government to Protect Manitoba Hydro.

And trust me when I say, Mr. Deputy Speaker, the hypocrisy of the word protection and independent is not lost on me, and those words coming from this Conservative government when they talk about protection and protection of Manitoba Hydro, protection of Manitobans, because nothing could be further from the truth.

Where were—where was this government in the protection for the Hydro workers, those same Hydro



workers, Mr. Deputy Speaker, that we all stood in the Chamber.

We all rose and to this day we still show appreciation for—at least, members on this side of the Chamber show appreciation for—those Hydro workers when they stepped up to protect and help and service the people of Manitoba during the ice storm that we went through, the unprecedented ice storm.

And what happened? And I remember on that day, Mr. Deputy Speaker, thinking to myself, there's going to come a time where this Premier (Mr. Pallister) is going to then either call out, lay off or fire those very same workers that he's thanking. And, again, sure enough, that's what happened.

So when I talk about the independence and the protection—and using the word protection, using the word independent—the 'hypocary' is not lost to me in that.

We talk about the independent and the PCs—PC government always claims the independent Wall report. There was nothing independent about that report.

That was just nothing but a PC report, and, in fact, Mr. Wall was just left out there to say, what do you want me to say? What do you want me to put in a report? How do you want me to further your agenda?

So the word protection and the word independent is nowhere found on this government, and it's—

**Mr. Deputy Speaker:** Order. Order.

When this matter's before the House, the honourable member for Keewatinook (Mr. Bushie) will have eight minutes to remaining.

The hour being 12 noon, the House is recessed and stands recessed until 1:30 p.m.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Tuesday, March 16, 2021**

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