

**Third Session - Fortieth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**Standing Committee**  
**on**  
**Social and Economic Development**

*Chairperson*  
*Ms. Nancy Allan*  
*Constituency of St. Vital*

**Vol. LXVI No. 2 - 6 p.m., Thursday, May 22, 2014**

ISSN 1708-6698

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Fortieth Legislature**

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**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON SOCIAL AND ECONOMIC DEVELOPMENT**

**Thursday, May 22, 2014**

**TIME – 6 p.m.**

**LOCATION – Winnipeg, Manitoba**

**CHAIRPERSON – Ms. Nancy Allan (St. Vital)**

**VICE-CHAIRPERSON – Mr. Ted Marcelino (Tyndall Park)**

**ATTENDANCE – 11 QUORUM – 6**

*Members of the Committee present:*

*Hon. Ms. Irvin-Ross, Hon. Mr. Lemieux, Hon. Ms. Marcelino*

*Ms. Allan, Messrs. Cullen, Gaudreau, Marcelino, Martin, Mrs. Mitchelson, Messrs. Rondeau, Wishart*

**APPEARING:**

*Hon. Jon Gerrard, MLA for River Heights*

**PUBLIC PRESENTERS:**

*Bill 34–The Consumer Protection Amendment Act (High-Cost Credit Products)*

*Mr. John Silver, Community Financial Counselling Services*

*Ms. Gloria Desorcy, Consumers' Association of Canada, Manitoba Branch*

*Bill 59–The Adoption Amendment and Vital Statistics Amendment Act (Opening Birth and Adoption Records)*

*Mr. Kirk Stanley, private citizen*

*Mr. Roy Kading, LINKS*

**MATTERS UNDER CONSIDERATION:**

*Bill 18–The Business Practices Amendment Act (Improved Consumer Protection and Enforcement)*

*Bill 34–The Consumer Protection Amendment Act (High-Cost Credit Products)*

*Bill 59–The Adoption Amendment and Vital Statistics Amendment Act (Opening Birth and Adoption Records)*

*Bill 62–The Consumer Protection Amendment Act (Contracts for Distance Communication Services)*

\* \* \*

**Madam Chairperson:** Good evening. Will the Standing Committee on Social and Economic Development please come to order.

Our first item of business is the election of a Vice-Chairperson. Are there any nominations?

**Hon. Kerri Irvin-Ross (Minister of Family Services):** I nominate Mr. Marcelino from Tyndall Park.

**Madam Chairperson:** Mr. Marcelino from Tyndall Park has been nominated. Are there any other nominations?

Hearing no other nominations, Mr. Marcelino from Tyndall Park is elected Vice-Chairperson.

This meeting has been called to consider the following bills: Bill 18, The Business Practices Amendment Act (Improved Consumer Protection and Enforcement); Bill 34, The Consumer Protection Amendment Act (High-Cost Credit Products); Bill 59, The Adoption Amendment and Vital Statistics Amendment Act (Opening Birth and Adoption Records); Bill 62, The Consumer Protection Amendment Act (Contracts for Distance Communication Services).

How long would the committee like to sit this evening?

**Ms. Irvin-Ross:** We'll sit 'til the bills are concluded.

**Madam Chairperson:** Agreement? *[Agreed]*

We have a number of presenters registered to speak tonight as noted on the list of presenters before you. On the topic of determining the order of public presentations, I will note that we have one out-of-town presenter in attendance marked with an 'asterick' on the list. With this consideration in mind, in what order does the committee wish to hear the presentations?

**Ms. Irvin-Ross:** We'll hear them as listed.

**Madam Chairperson:** Agreement? *[Agreed]*

**Mr. Cliff Cullen (Spruce Woods):** I just—it looks—do we have an out-of-town presenter tonight? I just wondered—[interjection] first up? Okay. Just wanted to clarify that.

**Madam Chairperson:** Okay, so you're comfortable?

**Mr. Cullen:** Yes.

**Madam Chairperson:** Okay, thank you very much.

Before we proceed with presentations, we do have a number of other items and points of information to consider.

First of all, is there anyone else in the audience who would like to make a presentation this evening? Please register with staff at the entrance of the room.

Also, for the information of all presenters, while written versions of presentations are not required, if you are going to accompany your presentation with written materials, we ask that you provide 20 copies. If you need help with photocopying, please speak with our staff.

As well, I would like to inform presenters that in accordance with our rules, a time limit of 10 minutes has been allotted for presentations, with another five minutes allowed from questions from committee members.

Also, in accordance with our rules, if a presenter is not in attendance when their name is called, they will be dropped to the bottom of the list. If the presenter is not in attendance when their name is called the second time, they will be removed from the presenters' list.

Prior to proceeding with public presentations, I'd like to advise members of the public regarding the process for speaking in committee. The proceedings of our meetings are recorded in order to provide a verbatim transcript. Each time someone wishes to speak, whether it be an MLA or a presenter, I first have to say that person's name. This is the signal for the Hansard recorder to turn the mics on and off.

Thank you for your patience. We will now proceed with public presentations.

#### **Bill 34—The Consumer Protection Amendment Act (High-Cost Credit Products)**

**Madam Chairperson:** The first presenter this evening is Michael Thompson, Cash Store Financial Services Inc.

Michael Thompson will be dropped to the bottom of the list, and his name will be called again.

John Silver, Community Financial Counselling Services.

Thank you very much, Mr. Silver. Do you have any written materials?

**Mr. John Silver (Community Financial Counselling Services):** No, I don't.

**Madam Chairperson:** That's perfectly fine. Thank you very much, you may proceed.

**Mr. Silver:** Thank you. I'm here to talk—to speak to Bill 34, the consumer protection amendment act, the high cost of credit products. First, I'd like to just say a few words about the agency that I represent. Community Financial Counselling Services has been operating in Manitoba for 40 years. We're a non-profit corporation. We're a registered charity. We receive funding from the Province of Manitoba, from United Way, from Workers Compensation and from Manitoba Liquor & Lotteries. We are a financial counselling services open to all Manitobans, and, as a publicly funded community-governed agency, we're in a position to address the needs of our more vulnerable and high-risk populations such as youth, seniors, lower income individuals, mentally challenged and problem gamblers.

We work in partnership with the Addictions Foundation of Manitoba to address the financial issues of problem gambling. And we are really able to take the time to provide comprehensive counselling to people's financial issues, as well as all the issues that may be affecting their financial problems. We also develop and offer financial literacy programs. Our financial literacy programs are offered with a behavioural economics focus where we focus on how people think about money as much as how they—what they do with their money.

Also, in partnership with Canada Revenue, we operate the Community Volunteer Income Tax Program. Utilizing trained volunteers in locations across Manitoba, we prepare taxes for low-income Manitobans. We've just completed our—this past year of tax preparation, and I think I have some interesting statistics, that this year, over a 32-week period from February to the end of April, at one of our locations which is at the Norquay Building, generously provided by the Province, our volunteers completed 8,900 tax returns. And that we were just—we're able to calculate this year that tax refunds, GST credits and child tax benefits in the amount of \$18,197,337 were returned to low-income

Manitobans because they got to file their income tax. If you—we don't—CRA hasn't given us data for the entire province, but if I take the averages over the past year, where we do 27,000 tax returns across the province, that would translate to more than \$55 million in benefits and income that goes to low-income Manitobans.

So we provide counselling to some 1,300 individuals and families and workshops to thousands more over the course of the year. We average 135 enrollees in our debt management programs. Twenty-five per cent of those individuals have outstanding loans which they cannot pay to payday lending organizations, higher amounts where gambling is involved. Approximately half of our payday borrowers have more than one outstanding loan from the same or multiple payday lenders. The number of loans per clients ranges from two to eight concurrent payday loans. We have noted that our clients with outstanding payday loans are almost twice as likely to default on their payments and do not complete their debt management programs. We attribute this to the higher risk, more vulnerable populations that must—that tend to use payday lenders as an income source.

\*(18:10)

With respect to Bill 34 and high-cost credit products, the high-cost credit products being offered by payday lenders or former payday lenders target the same consumers. These new high-cost credit products must be viewed within the context of the payday lending phenomena. We're really pleased that the Public Utilities Board review of July 2013 recommended that payday lending rates remain at the \$17 per \$100, the lowest in the country, and that all the regulations regarding areas such as replacement loans, borrowing limits, repayment, licensing and the financial literacy fund were recommended to remain intact, and we trust that the government has acted upon those recommendations.

And what has happened, the payday lenders have diversified the products they offer with some becoming financial service centres replacing bricks-and-mortar banks that used to exist in the inner cities. They provide credit cards, bank accounts, cheque cashing, currency change and other financial products including one, personal line of credit, that appears to be put in place specifically to circumvent the payday loan regulations. It is, in effect, a loan offered at 59.9 per cent APR, of which 90 per cent must be repaid within 30 days. Therefore,

it doesn't fall within the regulations of a loan of up to \$1,500 that must be paid within the person's paycheque period. But we've also found that, these loans, there's absolutely no limits on the additional fees that are charged. We've seen broker fees and payment protection insurance of more than \$300 on a loan of 15—of \$1,000.

From a consumer perspective, these products are not significantly different from a payday loan. Paying 90 per cent of a loan in interest at the end of the month is not seen as appreciably different from paying 100 per cent of a loan on your next payday, which for some might be the end of the month. So it is a payday loan. This product and others are payday loans with—in another name that don't fall under any of the current regulations.

We have seen many clients who have signed agreements for personal lines of credit. We have—including one client who had four personal lines of credit from different branches of the same lender. These products have the potential to produce as much, if not increased, harm to consumers as payday loans, and some of that harm, which I guess has been described before, includes using the high cost of credit products as a means to meet their living expenses. We know of consumers who have borrowed against fixed income sources such as CPP, disability, pensions, EIA and will not be able to meet their basic living expenses and pay back the loan. And that we've seen clients who were even considered—would not be considered to be low income who can borrow a bit more and—but what they borrow is a significant portion of their income and they cannot pay it back within the 90-day period. They cannot pay the 90 per cent within the 30-day period.

As I've mentioned, it's too easy to go to different payday lenders or as I—different branches of the same payday lenders to take out several concurrent loans. There's no communication between payday lenders and, in addition, payday lenders do not as a rule refer to credit reports before they lend somebody money, including these high-cost-of-credit loans so that loans are made to the people who are already significantly in debt and they may be using their payday loans to pay off other debts, which in the long run just doesn't work.

Most clients just do not truly understand the real cost of participating in these high-cost products. They will only see that, for instance, even with payday loans that it's only \$17 per \$100 over a pay

period. It doesn't seem like a lot of money, and when they don't recognize what the APR is over a year and that if they continue to take loan after loan, that they're paying more than 300 per cent interest rate. That—recent studies, one commissioned by—actually by the payday loan industry, shows that young people are turning to payday loans as an income source.

**Madam Chairperson:** Excuse me, Mr. Silver, one minute left.

**Mr. Silver:** Oh, okay, and it's just that we're concerned about the lack of financial literacy among young people and that payday loans are not the best. They may have other choices than payday loans.

And there's significant potential for confusion and misunderstanding amongst consumers who mistake regulated alternative lenders and unregulated payday-loan products. These consumers are vulnerable to purchasing a credit product in error that is much more expensive than any they intended to purchase. And all of these factors contribute to the potential for individuals to enter an ever-increasing spiral of debt from which there is little possibility of recovery. In order to ensure that these—that consumers are treated fairly and to mitigate the harm that they can cause, these new high-cost loan products should be regulated as much as possible to the same extent as payday loans.

And, in closing, I just want to thank the government of Manitoba for even considering these regulations. I know it is among the first province, if not the first province, across Canada that is doing so, and I love to tell my colleagues across the country about that.

**Madam Chairperson:** Thank you very much, Mr. Silver, for your presentation.

Do members of the committee have questions for the presenter?

**Hon. Ron Lemieux (Minister of Tourism, Culture, Heritage, Sport and Consumer Protection):** Yes, just a comment: I just want to take the opportunity to thank you for taking time out of your busy day to come to present to committee. And I'm not sure if you're aware of it, but this is really unique in Canada where we allow the citizens of our province to come forward on any piece of legislation, whether they object, agree or talk about anything else they wish within that 10-minute time frame. So it's quite unique in the sense that we try to enhance democracy in the province by allowing people to contribute towards

legislation, either making amendments or making suggestions or agreeing or disagreeing, however they wish.

So I just want to take the opportunity to thank you again for coming forward and giving us a little bit of insight of what you do, your organization does, and the kind of service you provide, but also, more importantly, where you see a lot of the payday loans and lending going—in the direction they're going in and how many—not many, but there are a number of companies that may be trying to circumvent the rules of the day and are putting people in a more difficult situation. So let me just thank you for giving us your insight into what you see every day and the kind of trouble that people are entering into when they start borrowing and borrowing and borrowing, trying to pay off loans with other loans and so on. So thank you very much for taking the time.

**Hon. Jon Gerrard (River Heights):** Yes, thank you. I mean, one of the problems with legislating payday loans is that there has been increasingly a way of circumventing the legislation. And can you help us this time in trying to make sure that there are no loopholes which haven't been filled? *[interjection]*

**Madam Chairperson:** Excuse me, Mr. Silver. I'm sorry, I have to recognize you.

**Mr. Silver:** Oh, I'm sorry. We're happy to do anything we can to work with—we do work with the office of Consumer Protection as much as we can, too, anytime. We're often the front line in discovering where the loopholes are and where people get into trouble, and we immediately bring that to the attention of the office of Consumer Protection, for instance.

But you know that as soon as you plug a loophole, they'll find another one. And I do know that part of the problem with high-cost credit products is that it's—is that the federal legislation doesn't allow limiting—putting any—the provinces to put any limits on interest rates or repayment. And so I think it's important that the federal government be lobbied, as was done with payday loans, to pass legislation to allow the Province to—the ability to pass legislation governing this product and any other product that comes along.

**Mr. Cliff Cullen (Spruce Woods):** Yes, Mr. Silver, thank you very much for coming tonight and for your presentation, and I want to thank you for the work

that you do and the work your organization does on behalf of Manitobans. So I thank you for that.

\* (18:20)

**Mr. Shannon Martin (Morris):** So just a question. You made reference that part of the challenge for your constituency in the need to utilize your services is, for lack of a better word, the abandonment, I guess, of certain areas of the city of traditional banking options, and I'm just more curious because I know they're has been an effort by the credit unions to help fill that void. I'm wondering if you have any comments on that?

**Mr. Silver:** Yes, I'm aware that credit unions, such as Assiniboine, have moved into the inner city to try and take up the space left by traditional banks. Unfortunately, there's still—there's a lot of inner city and there's a lot more payday lending operations than there are credit union branches at the moment. And also, realistically, payday lending operations are much easier to access for many low-income individuals who may not have all the identification they need to get a bank account or to—at a credit union or chartered bank and they may be somewhat intimidated by those financial institutions whereas payday lending offices have made themselves particularly open and easy to access for people who aren't used to using our financial institutions. We have to overcome that.

**Madam Chairperson:** Thank you. We are—that worked out very well. We're at our five minutes for questions. Thank you so much, Mr. Silver, for being with us this evening.

Our next presenter on the list is Gloria Desorcy with the Consumers' Association of Canada, Manitoba Branch.

Do you have any written materials? Oh, you're ahead of me. Please proceed with your presentation.

**Ms. Gloria Desorcy (The Consumers' Association of Canada, Manitoba Branch):** Thank you. I want to start by thanking this committee on behalf of the Manitoba branch of the Consumers' Association of Canada for the opportunity to offer some comments this evening. CAC Manitoba is a non-profit, volunteer, independent organization and our work is to inform and empower consumers in Manitoba and to represent the consumer interest. We've been doing that since about 1947 and we've had a long history during that time, not since 1947 but quite a long history of concern for consumers who use alternative credit products.

We've done research on low-income consumer access to financial services as long ago as 2007, and that was what really started us recognizing some of the issues and concerns. We participated in the first Public Utilities Board review of the cost of payday loans, which led to the current legislation. Manitoba then was in the forefront setting a maximum cost for payday loans at 17 per cent. We participated again in the review just this last summer, 2013, and we were pleased to note that the Public Utilities Board recommended that the rate not increase from 17 per cent and we certainly endorsed that recommendation.

Working with four other organizations we hosted a conference looking at community models for financial services in 2012 and over the years we have conducted numerous focus groups, met with stake holders on this issue, talked with consumers when we're out speaking and we hear from many consumers at our resource centre on this topic.

CAC Manitoba commends the promise—Province, I'm sorry, of Manitoba for bringing forward Bill 34, very much, again, at the forefront of other provinces in Canada. Why do we need this? Well, we believe that the alternative credit market requires regulation to protect consumers. Some of the consumers who use these products are unable to access mainstream financial services and often you will hear people say, well, with proper financial literacy skills they would recognize they had alternatives, but that is somewhat beside the point. If they believe that they do not have alternatives, they do not have alternatives and so they are captive users, some of them, of this market and these products. Some of the consumers who use these products are vulnerable consumers due to limited income, English or French not being their first language, low levels of literacy, either reading literacy, mathematical literacy or financial literacy, right. All of these things making it more difficult for them to represent their best interests—their own best interests when they choose these credit products.

The terms and conditions of these products can be complicated and confusing, and, I think, I don't need to dwell on that. I believe Mr. Silver did an eloquent job of expressing how confusing those can be. The cost is extremely high, cap—even with the cap compared to mainstream credit products and some—and often used by consumers who can least afford this extra expense in their budget, right. And some consumers of these products are less likely to complain, less likely to ask a lot of questions. They

sometimes feel embarrassed that they are not able to access other credit products.

What is specific to this particular bill, because you're going to say, well, we have legislation that looks at payday loans, but that is one credit product in this marketplace. And, as Mr. Silver very eloquently expressed, there are starting to now be more credit products, and I suspect there will be more new credit products in the future in the alternative credit market. And this really promotes consumer confusion. They are, as Mr. Silver mentioned, sometimes very similar to payday loans. Sometimes consumers think they are regulated or aren't sure which ones are regulated and which ones aren't, or aren't sure which alternative service providers are regulated and which ones aren't. It also doesn't promote healthy competition when one part of the marketplace is regulated and one part is not.

What are the good things about this bill that would assist: the provisions for disclosure. This would be a really huge benefit to consumers and, specifically, or I would say all of them, but some of the best ones, let me name some of my favourites: the part where they have the time to properly read through those complicated, sometimes complicated documents, right, and the part where their cancellation rights have to be explained to them and the process for cancellation has to be explained to them. Two of my favourites.

You'll see here that it says that I have noted, requires a rate cap to protect consumers, and I understand that is not contemplated in this bill, that is not possible at this time due to federal legislation. I echo Mr. Silver's wish. It's a—you know, we can dream, can't we, and I echo Mr. Silver's wish that we might lobby the federal government for that purpose. But this bill will go a long way to assisting consumers at the moment; this bill will go a long way to assisting the consumers who are already using these products and being surprised sometimes with what they end up paying for them.

My last point on this: consumer education. Robust, innovative consumer education is necessary, particularly for some of the consumers of these products who can be the most difficult to reach with information. And, you know, we work on informing consumers all the time and we have sometimes failed miserably with this—with these consumers. On—and so, you know, I'm not critiquing; I'm just saying, I know it's hard. And so you really have to think outside the box for a consumer education plan

because we don't have these new rights and new protections if we don't know we have them and if we don't know how to access them, right.

So let me just conclude by saying, CAC Manitoba strongly urges the Province of Manitoba to pass Bill 34, and I thank you very much for your time and attention this evening.

**Madam Chairperson:** Thank you very much, Ms. Desorcy, for your presentation.

Do members of the committee have questions for the presenter?

**Mr. Lemieux:** Thank you very much, Ms. Desorcy, for taking the time out of your busy day to be here. I just want to take the opportunity to thank you again.

And no questions as such, but I know that you also deal, along with Mr. Silver and others who deal with people in this kind of a marketplace, and you've seen first-hand the kind of difficulty that it has created for families, for children, for many individuals who feel like they have no other choice. And this legislation is proposing to try to address this. It's not absolutely perfect, as you pointed out with regard to the role the feds play, but we'll continue to work on that. But, as a Province of Manitoba, we're certainly here to do what we can. Thank you.

\* (18:30)

**Mr. Gerrard:** Thank you for your presentation and for your concern. Just a question to you, whether there are items which should be in this legislation, which are not, which would be also helpful?

**Madam Chairperson:** Ms.—oh, Ms. Desorcy, sorry.

**Ms. Desorcy:** Thanks, no.

**Madam Chairperson:** My apologies.

**Ms. Desorcy:** That's okay. It's the first time I've ever remembered to wait, so I just felt I had to.

Well, you know, I did, of course, I did mention one and I think, you know, the ability to set a rate cap, you know, and that's not something that's possible right now, but, you know, going forward.

Many of the, you know, of the things that we might consider important would, I think, fall under what you would call regulation, right, as opposed to in the legislation and so I think looking at the details of the regulation is going to be an important piece going forward. But, certainly, I mentioned consumer education, and I think—and I wouldn't say that isn't in here, but I think that's a thing that needs to be, you



know, spelled out really clearly in the regulation. And I'm trying to think if there are other things. But, certainly, that is one of the paramount ones.

**Madam Chairperson:** Thank you very much. Any—Mr. Cullen.

**Mr. Cullen:** Thank you, Ms. Desorcy, for your comments tonight. We really appreciate it and, again, we appreciate the work that you do on behalf of consumers in Manitoba. So thank you very much for that and for your presentation.

**Madam Chairperson:** Thank you.

**Bill 59—The Adoption Amendment and  
Vital Statistics Amendment Act  
(Opening Birth and Adoption Records)**

**Madam Chairperson:** Our next presenter is to Bill 59, Kirk Stanley, private citizen.

Do you have any written materials?

**Mr. Kirk Stanley (Private Citizen):** Yes.

**Madam Chairperson:** Thank you very much. Please proceed with your presentation.

**Mr. Stanley:** Good evening. I have comments on two matters related to Bill 59, The Adoption Amendment and Vital Statistics Amendment Act (Opening Birth and Adoption Records). To indicate the source of my views, I'm including a brief outline of my personal involvement and experience.

As to the first, several years ago my daughter, who is adopted, suffered a ruptured brain aneurysm while at a gym in Lethbridge. The health-care system reacted magnificently in all respects, from the trained staff at the gym, to the first responders, the STARS helicopter team and the surgical staff at Calgary's Foothills Hospital. My daughter survived, and although she will never be fully recovered, she is able to live a productive and fulfilling life.

An acquaintance of mine's wife was not so fortunate. Her crisis happened at their cottage in the Whiteshell and she died before reaching a hospital. She left three siblings. Because it is known that an aneurysm may have a genetic component, they each underwent a series of tests. Two of them had precursor indications and were able to receive treatment.

Bearing this in mind, I attempted to find a way to pass my daughter's medical information to her birth parents because I felt it could be beneficial to them, perhaps even critical. I was unsuccessful going

through the Post-Adoption Registry as there is no provision for the exchange of this information. Through a contact, I also determined that there was no political interest in pursuing the issue at that time.

The act before you contains no provision for the exchange of health and medical information between birth parents, adoptees and adoptive parents. There is a back-handed reference in section 112(3) that a person who files a disclosure veto may file with it a brief summary of any available information about the medical and social history of the person and his or her family.

This is wholly inadequate. Given the importance and advancement of medical knowledge, I believe that it is appropriate and necessary that the type of information to which I refer be made as available and accessible to and about my daughter who is adopted as it is to and my sons who are not. Unless a clear provision is embedded in the act before you, it is entirely conceivable that serious preventable health outcomes may occur.

As to the second, I am more than normally aware of the confidentiality surrounding adoption. I, myself, was adopted at birth. A decade ago, I had some health issues and was questioned numerous times about my family medical history. Alberta, where I was born, had recently made changes to its legislation which allowed the sharing of health and medical information. I embarked on the process to find out if there was any medical information available about my birth parents. Prior to making a request, I gave considerable thought to all of the implications which might affect my life and my family and was careful throughout to state clearly that I had no interest in any information, other than that related to health.

After some six months of correspondence, which included the completion of numerous forms and the provision of certified records to prove I was who I said I was, I received a letter advising me that there was no information available because I had been a home birth. I was satisfied and considered the matter closed.

Two weeks later, I received a telephone call from the writer of that letter, during which she said, we're not supposed to do this, but I thought you should know you have a brother who has been searching for you. She thereby violated the law, her professional responsibilities and my privacy. A decision with potentially major impact on my life

had been arbitrarily taken from me by someone who considered she knew best.

After undergoing considerable anxiety, discussing the matter only with my wife and giving what thought I was capable of to the consequences, I felt I had been left no alternative but to respond positively. While the penalties in the act for such a breach are probably adequate, the difficulty of obtaining a conviction may well render them moot. In my case, it would have involved my word against that of another party. No third-party verification existed. Perhaps more important than *ex post facto* fines, there must also be a rigorous and ongoing education and training program to ensure that those in possession of confidential information do not breach the trust they are given.

It matters not that I have subsequently developed a good relationship with my brother. Overall, with the benefit of 20/20 hindsight, I and my family may well have been better served had I never made my original request.

In summary, I ask that you ensure that the act provides an effective means for the sharing of medical and health information between appropriate parties, and that all involved are made aware of the potential impact brought about by a breach of privacy and confidentiality, no matter well-intentioned.

I would like to add that the sharing of the health and medical information is by far the more important of the two areas I have addressed. Thank you.

**Madam Chairperson:** Thank you, Mr. Stanley, for your presentation.

Do members of the committee have any questions for the presenter?

**Mr. Ian Wishart (Portage la Prairie):** Thank you, Mr. Stanley, for your very well-thought-out presentation. We've had some discussion about this before, and I appreciate your bringing this concept forward.

I do believe that there is probably room for an improvement. I think there is some options in the bill in regards to sharing of medical information now, but it isn't very clear, as you have pointed out.

So I take it from your comments you would like to see an amendment to the bill.

**Mr. Stanley:** Yes, I would.

**Hon. Jon Gerrard (River Heights):** I think you've identified an issue with the bill as it currently is, and just to be clear, I think what you're saying is that you would like to see some very clear provisions about the sharing of health and medical information, which would allow the sharing of health and medical information but restricted specifically to that or allow it to be restricted very specifically to that sort of information and not other information.

\* (18:40)

**Mr. Stanley:** Yes, I would and that, in fact, is part of the Alberta act. I had an option when I made the application as to which type of information I wished to receive, and one of them was just medical with nothing else. It was wrapped fairly securely.

**Hon. Kerri Irvin-Ross (Minister of Family Services):** Thank you very much, Mr. Stanley.

Can I just ask a question for clarification?

When you were talking with the Post-Adoption Registry, was that in the province of Manitoba, or was that in the province of Alberta? *[interjection]*

**Madam Chairperson:** Mr. Stanley.

**Mr. Stanley:** Oh, sorry.

In Manitoba, that's where I live.

**Ms. Irvin-Ross:** All right. Thank you very much.

So I wanted to—there is a provision already in our act. It's section 107 that does say that we have the ability to share information, medical information or safety information, with birth parents or the adult adoptee.

So there is provisions in there. I'm certainly prepared to have staff follow up with you and have you share your experience and see what we can do to—see how we can support you.

But I thank you very much for bringing this to our attention and for sharing your story.

**Mrs. Bonnie Mitchelson (River East):** Thanks, Mr. Stanley, for your presentation.

The minister's indicating that there is already provision in the act. Have you had a chance to look at the act?

**Mr. Stanley:** I did and—*[interjection]*

**Madam Chairperson:** Mrs. Mitchelson.

**Mrs. Mitchelson:** I just want—I'll just finish.

And are you satisfied that it's already there, or what more would you be asking for? What kind of an amendment would make—would be satisfactory to you? Are you saying that the Alberta legislation is different and it's clearer than what presently exists in Manitoba?

**Mr. Stanley:** I'm not sure how it's different. I'm not a lawyer and I don't—and I read through the act quickly, but I did not understand that it provided clearly for the transmission of health and medical information. I didn't read that into it.

**Madam Chairperson:** Thank you very much, Mr. Stanley, for your presentation this evening.

Our next presenter is Roy Kading, LINKS.

Do you have any written materials?

**Mr. Roy Kading (LINKS):** No, I don't.

**Madam Chairperson:** That's just fine. You may proceed with your presentation.

**Mr. Kading:** My name is Roy Kading. I'm an adoptee from Saskatchewan where the laws are very similar. I'm here tonight to represent LINKS Post-Legal Adoption Support Group, who have been lobbying the present government and the previous government for over 20 years.

As a group, we would like to compliment the present government on the bill to open post-adoption—past adoption records. This will mean a great deal to thousands of people who are separated by adoption and have been unable to get information to complete a chapter in their life.

Speaking personally, I did find my birth family, and it was the best thing I've ever done. It worked out well. I found out so many things about my past. It answered so many questions about who I am, who I look like, why I act this way, why I act like somebody that I never grew up with that acted like I do. And it was just a great experience.

LINKS has been lobbying for many years to have these records open, and we have had several issues we wanted addressed. This has been a long time in happening. Other jurisdictions have opened records over the past few years; Manitoba has not. We are now caught up with the rest of Canada and the world.

Almost every one of our concerns have been addressed. The only issue we do object to are the vetoes, but we have to accept these for now, and I'm

sure the vetoes will eventually become a thing of the past.

The concerns addressed were: adult adoptees may get identifying information about their birth parents; birth parents may get identifying information about the adoptee. Grandparents were acknowledged as people who may register if the parent is deceased. This, in my mind is very important. I know of many grandmothers looking for children—grandchildren because their son or their daughter, who was the parent, is deceased.

Children of deceased adoptees may register for information about their parent. This, in my mind, I thought was an error in the last 1999 law that I, as an adoptee, if I died, my children could not find out my background, but my adopted brother could. He's not blood. My children are my blood. They could not find out. That has been corrected, and that was, in my mind, a major, major step.

And a veto will cease one year after the death of a person who filed the veto. That is another major step. I have several people just waiting for that to happen.

The inter-jurisdictional section is a real bonus. This will help thousands of people, particularly those adopted many years ago outside of Manitoba where their adoptions were finalized in another province or state. They could do, literally, nothing until now.

In closing, I'd like to say that we're very pleased with the changes that we actually received, more than we had hoped for. And we want to—we would like to thank Janice Knight for all her hard work in making this a reality.

Thank you very much.

**Madam Chairperson:** Thank you very much, Mr. Kading, for your presentation.

**Ms. Irvin-Ross:** And Mr. Kading, I'd like to acknowledge your years, your personal experience that you went through in your 20 years of advocacy and how, with your vision and support, that you've been able to help us develop legislation that we can all stand and be very, very proud of.

That wouldn't have happened without your support and your patience. Twenty years is a long time, and I have to acknowledge that. I'm very pleased that you are supporting this legislation and that you see that your words have been shared and acknowledged and respected.

So, thank you for coming out tonight and, again, thank you for your years of passion and commitment.

**Mr. Kading:** I did not anticipate that we would get what we got, plus.

Thank you very much.

**Mr. Wishart:** Thank you, Mr. Kading, for your presentation and your patience in lobbying for this very important bill. As you have pointed out, there are many people out there waiting for the information that now will be available to them once this bill is implemented.

And there are reasonable limits. Certainly, there is always the issue of privacy, and we have seen in other jurisdictions where it became a bit of an issue back and forth, but I agree with you. I hope over time it becomes much less of an issue.

Thank you very much for your hard work.

**Mr. Gerrard:** I want to say thank you very much. And it's been quite a time, but at last it's here, and it should be passed by the end of—well, by the middle of June, we hope.

**Mr. Kading:** Thank you very much for your support.

**Madam Chairperson:** Thank you very much, Mr. Kading, for your presentation this evening.

We have one more name that was called for the previous legislation, Michael Thompson, who was dropped to the bottom of the list, and we are calling his name once again. Michael Thompson.

Michael Thompson will be removed from the list.

That concludes the list of presenters I have before me. Are there any other persons in attendance who wish to make a presentation?

Seeing none, that concludes public presentations.

\* \* \*

**Madam Chairperson:** In what order does the committee wish to proceed with clause-by-clause consideration of these bills?

**Mr. Cliff Cullen (Spruce Woods):** I see the minister's in the chair now, and she has one bill. I think we should proceed with Bill 59.

**Madam Chairperson:** During the consideration of a bill, the table of contents, the preamble, the enacting

clause and the title are postponed until all other clauses have been considered in their proper order.

Also, if there is agreement from the committee, the Chair will call clauses in blocks that conform to pages, with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose. Is that agreed? *[Agreed]*

\* (18:50)

We will now proceed to clause-by-clause consideration of the bills.

**Bill 59—The Adoption Amendment and  
Vital Statistics Amendment Act  
(Opening Birth and Adoption Records)**  
*(Continued)*

**Madam Chairperson:** Does the minister responsible for Bill 59 have an opening statement?

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

**Mr. Ian Wishart (Portage la Prairie):** Excuse my voice tonight, but I am very pleased to see that this bill has finally been brought forward. There are not only a large number that have been lobbying for this for the past, but there is also some groups that have been delayed in their process. In particular, the Metis Federation has made us aware that they have somewhere between three and four thousand files pending, waiting for information that probably will be freed up—we can't be certain—by action by this particular bill. And that will certainly have a significant impact on their—that's direct files. There'll be second and third generations that will be impacted by that as well. So it could be a very significant number of people in Manitoba alone.

And I would like to commend the minister for, in the drafting of the bill, having the foresight to make arrangements with other jurisdictions, because in that regard, this bill is actually ahead of many other provinces. And so I would encourage the minister have a look at the area of concern that was brought forward today. That's a fairly specialized area and perhaps was one that wasn't actually foreseen, and if we can do something to clarify that, to make sure that it is absolutely clear, so we don't have to go back in a few years and make minor amendments to this legislation. But that said, I think we're prepared to move forward with this bill.

**Madam Chairperson:** We thank the member.

Clauses 1 and 2—pass; clauses 3 and 4—pass; clause 5—pass; clauses 6 through 9—pass; clauses 10 and 11—pass; clauses 12 and 13—pass; clause 14—pass; clause 15—pass; clauses 16 through 19—pass; clauses 20 through 22—pass; clause 23—pass; clause 24—pass; clauses 25 through 27—pass; enacting clause—pass; title—pass. Bill be reported.

I would like to ask members of the committee if they would agree to consider bills as they are listed on our order—on our agenda, and we will start with Bill 18. Is that agreed? *[Agreed]*

**Bill 18—The Business Practices  
Amendment Act (Improved Consumer  
Protection and Enforcement)**

**Madam Chairperson:** Does the minister responsible for Bill 18 have an opening statement?

**Hon. Ron Lemieux (Minister of Tourism, Culture, Heritage, Sport and Consumer Protection):** No, I do not.

**Madam Chairperson:** Does the critic from the official opposition have an opening statement?

**An Honourable Member:** No.

**Madam Chairperson:** We thank the member.

Clauses 1 through 3—pass; clause 4—pass; clauses 5 through 9—pass.

Shall clause 10 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Madam Chairperson:** Mr. Cullen.

**Mr. Cliff Cullen (Spruce Woods):** Yes, I have an amendment to propose to the committee.

**Madam Chairperson:** Okay.

**Mr. Cullen:** Just trying to help you out. That's my job.

**Madam Chairperson:** Mr. Cullen.

**Mr. Cullen:** Madam Chair, I move

*THAT Clause 10 of the Bill be amended in the proposed subsection 14.1(2) by striking out "without a warrant, enter" and substituting "with the consent of the supplier or the person in charge, enter".*

**Madam Chairperson:** It has been moved by Mr. Cullen

*THAT Clause 10 of the Bill be amended in the proposed section 14.1—*

**An Honourable Member:** Dispense.

**Madam Chairperson:** Thank you. The amendment is in order.

The floor is open for questions.

**Mr. Cullen:** I just want to bring this to the committee's attention here. The way the legislation is proposed, that an officer of the Crown could actually enter into an office or a—I guess an office for the most part without a warrant at any reasonable time. And what we're proposing here is that the officer, acting behalf of the Crown, actually seeks the consent of the supplier or the person in charge at that particular residence or business. Just, really it's more of a consumer protection measure that we would like to see here.

Certainly open to the minister's comments on this, but we think it might be something that the government should consider under this legislation.

**Mr. Lemieux:** Yes, just a quick comment. We won't be supporting this amendment.

**Madam Chairperson:** Is the committee ready for the question?

**Some Honourable Members:** Question.

**Madam Chairperson:** Shall the amendment pass?

**Some Honourable Members:** No.

**Madam Chairperson:** The amendment is defeated.

Shall clause 10 pass?

**An Honourable Member:** Pass.

**An Honourable Member:** No.

**Madam Chairperson:** Mr. Cullen.

**Mr. Cullen:** Another amendment on clause 10.

Madam Chair, I move

*THAT Clause 10 of the Bill be amended in the proposed subsection 14.1(4) by striking out "if requested to do so".*

**Motion presented.**

**Madam Chairperson:** The amendment is in order. The floor is open for questions.

**Mr. Cullen:** Just to clarify for the committee, this particular amendment, in respect to 14.1(4), talks about an inspector must show his or her

identification if requested to do so in the context of an inspection. So, in essence then, an inspector will show up at a business or a residence, that particular inspector does not necessarily have to show his credentials unless he or she is asked to do so at the door. What we're saying by this amendment is, it should be the duty of the inspector, the officer of the Crown to provide that documentation up front, that he is actually acting on behalf of the Crown.

**Mr. Lemieux:** Just a quick comment. We won't be supporting the proposed amendment.

The wording in the clause is consistent with all other consumer protection legislation, and that's the way it's worded and we wanted that consistency, so we won't be supporting the proposed amendment.

**Mr. Cullen:** Well, I'll comment back to that.

The other wording may be consistent with other legislation. We don't say that we're agreeing with the other legislation as it is currently existing.

**Madam Chairperson:** Is the committee ready for the question?

**An Honourable Member:** Question.

**Madam Chairperson:** Shall clause 10 pass? Oh, sorry, excuse me. Shall the amendment pass?

**Some Honourable Members:** No.

**Madam Chairperson:** The amendment is accordingly defeated.

Clause 10—pass; clause 11—pass; clause 12—pass; clauses 13 and 14—pass; clauses 15 and 16—pass; clauses 17 and 18—pass; enacting clause—pass; title—pass. Bill be reported.

\* (19:00)

**Bill 34—The Consumer Protection  
Amendment Act (High-Cost Credit Products)  
(Continued)**

**Madam Chairperson:** Does the minister responsible for Bill 34 have an opening statement?

**Hon. Ron Lemieux (Minister of Tourism, Culture, Heritage, Sport and Consumer Protection):** No.

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

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

**Mr. Cliff Cullen (Spruce Woods):** No.

**Madam Chairperson:** We thank the member.

Clauses 1 through 3—pass; clauses 4 through 6—pass; clauses 7 through 11—pass.

Shall clause 12 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Madam Chairperson:** No?

**Mr. Cullen:** I'm sure I have an amendment for the committee.

I move that—[interjection] Oh, sorry. I'm sorry. I jumped ahead.

**Madam Chairperson:** Okay.

Clause 12—pass; clause 13—pass; clause 14 through 16—pass; enacting clause—pass; title—pass. Bill be reported.

**Bill 62—The Consumer Protection  
Amendment Act (Contracts for Distance  
Communication Services)**

**Madam Chairperson:** Does the minister for Bill 62 have an opening statement?

**Hon. Ron Lemieux (Minister of Tourism, Culture, Heritage, Sport and Consumer Protection):** No, I don't.

**Madam Chairperson:** Does the critic from the official opposition have an opening statement?

**Mr. Cliff Cullen (Spruce Woods):** No.

**Madam Chairperson:** Clauses 1 through 3—pass; clause 4—pass; clauses 5 through 7—pass.

Shall clauses 8 through 12 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Madam Chairperson:** Mr. Cullen.

**Mr. Cullen:** I have an amendment for the committee.

**Madam Chairperson:** Clauses 8 through 11—pass.

Shall clause 12 pass?

**Some Honourable Members:** Pass.

**An Honourable Member:** No.

**Madam Chairperson:** Mr. Cullen.

**Mr. Cullen:** I have an amendment for clause 12.

Madam Chair, I move

*THAT the Bill be amended by adding the following after Clause 12:*

*12.1 Clause 200(1)(b) is amended by striking out "extended, on a monthly basis – on the same terms as at present – until" and substituting "extended, for an indeterminate period, on the same terms as at present until".*

*12.2 Subsection 201(1) is amended*

*(a) by replacing the section heading with "Automatic extension"; and*

*(b) by replacing the part after clause (b) with the following:*

the contract is automatically extended on the same terms as at present and for an indeterminate period until either the supplier or the customer gives notice to the other that the contract is not to be further extended.

**Madam Chairperson:** It has been moved by Mr. Cullen

*THAT—*

**An Honourable Member:** Dispense.

**Madam Chairperson:** Thank you.

The amendment is out of order because it is not relevant to the bill.

As O'Brien and Bosc noted on pages 766 and 767, an amendment to a bill must relate in that it must always relate to the subject matter of the bill or to the clause under consideration. An amendment is inadmissible if it proposes to amend a section of the parent act unless the latter is specifically amended by a clause of the bill.

Also, Beauchesne states on page 207: An amendment may not amend sections of the original act unless they are specifically being amended in a clause of the bill before the committee.

Therefore, this amendment cannot be considered by the committee.

**Mr. Cullen:** I just wanted to make a comment, with all due respect to the ruling that's brought forward, and, hopefully, the minister will consider this possibly in looking at the context of the original legislation.

The legislation that's before us is proposing to make some changes and, basically, extend contracts on a month-by-month basis going—

**Madam Chairperson:** Order, order. I'm sorry, I've made a ruling and you're not allowed to comment. You will have to ask for leave if you would like to make that comment, Mr. Cullen.

**Mr. Cullen:** I'm seeking leave to make a comment to the—on the amendment, briefly, and it will be very brief.

**An Honourable Member:** Agreed.

**Madam Chairperson:** There is agreement.

**Mr. Cullen:** Thank you, Madam Chair, and I appreciate the indulgence of the committee on this.

The legislation that's being proposed before us will allow changes to contracts, clearly, but it will extend the contracts on a month-by-month basis, and I'm not sure where the minister's coming from in terms of extending these contracts on a month-by-month basis. We're simply saying, maybe the contracts could be extended on an indeterminate time.

Certainly, the provisions of the act will allow both the business that's involved to make changes to the contract and give notice to the individual that's involved. Those provisions are already in the existing legislation. We're just saying that we're not sure whether, going forward, the legislation should be on a month-to-month basis. That may get to consumers—both consumers, then, from the business perspective, it may arise to complications in terms of the contract and terminating the contract on a monthly basis. We're simply saying that the contract could extend, sort of, day-by-day, if you will, and that way there would be no, hopefully, no real complications in terms of the termination going forward.

**Madam Chairperson:** Clause 12—pass; clauses 13 and 14—pass; clause 15—pass; enacting clause—pass; title—pass. Bill be reported.

The hour being 7:09, what is the will of the committee?

**Some Honourable Members:** Committee rise.

**Madam Chairperson:** Committee rise.

**COMMITTEE ROSE AT:** 7:09 p.m.

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