

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

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Forty-First Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 12, 2017

The House met at 1:30 p.m.

Madam Speaker: Please be seated.

ROUTINE PROCEEDINGS

Madam Speaker: Introduction of bills? Committee reports?

TABLING OF REPORTS

Hon. Heather Stefanson (Minister of Justice and Attorney General): I am pleased to table the following reports for the Department of Justice: the annual report for the Manitoba Office of the Commissioner, Law Enforcement Review Agency, LERA, for the fiscal year of 2016; the annual report for concerning complaints about judicial conduct of judges, masters and judicial justices of the peace for the fiscal year 2016; the annual report for the Provincial Court of Manitoba for the fiscal year of 2015-16; the annual report for the Manitoba Residential Tenancies Commission for the fiscal year 2016-17; and the annual report for the Automobile Injury Compensation Appeal Commission for the fiscal year of 2016-17.

Hon. Cameron Friesen (Minister of Finance): Madam Speaker, I rise today to table the Public Service Group Insurance Fund, Benefits Summary, Auditor's Report and Financial Statements for the year ended April 30, 2017.

MINISTERIAL STATEMENTS

Madam Speaker: The honourable Minister of Sport, Culture and Heritage, and I would indicate that the required 90 minutes' notice prior to routine proceedings was provided in accordance with rule 26(2).

Would the honourable minister please proceed with the statement.

Diwali Festival of Lights

Hon. Cathy Cox (Minister of Sport, Culture and Heritage): I rise today to recognize Manitobans who, like millions of people around the world, are preparing to celebrate Diwali. Known as the Festival of Lights, Diwali is the five-day celebration observed by Hindus, Sikhs, Buddhists and Jains, and it's also observed by people who are not religious.

This year the main day for celebration falls on Thursday, October 19th, and as this Chamber will not be sitting, this was the best opportunity to acknowledge this important annual festival.

Diwali represents a period of renewal, inspiration, optimism and recommitment to values centred on peace and harmony. The lighting of diyas or lamps represent victory of good over evil, light over darkness, truth over falsehood, and knowledge over ignorance. From India to the United Kingdom to Kenya and to Trinidad, to right here at home in Manitoba, millions of people celebrate Diwali. These events will serve as a reminder of the value placed on family, friendships and peaceful co-existence.

Madam Speaker, I am proud that diversity is one of Manitoba's strengths and remains a great source of pride. As Manitobans, we have the opportunity to learn from one another, appreciate one another and live happily side by side like a row of lights, which is literal Sanskrit translation for the word Diwali.

It is my pleasure to have the opportunity to wish a happy Diwali to everyone preparing to celebrate this very important festival.

I want to acknowledge my special guests in the gallery today as we recognize Diwali. Happy Diwali.

Ms. Flor Marcelino (Logan): Diwali, also known as the Festival of Lights, is celebrated by our Hindu, Sikh, Jain and Buddhist communities across Manitoba. This day is celebrated with great quantities of food, festive dancing, the exchange of gifts and the gathering of friends and family.

Diwali marks the new year, a day which celebrates the triumph of light over darkness, good over evil, and optimism over pessimism. Diwali, like many festivals, is a reminder of the diversity of our province. We take this opportunity to celebrate and acknowledge that our differences make us stronger, and no matter what faith we practise we can call Manitoba home.

To all those celebrating Diwali, on behalf of the NDP team, I wish you and your family a happy Diwali. May this new year bring you and your family good health and happiness.

Thank you, Madam Speaker.

Ms. Cindy Lamoureux (Burrows): Madam Speaker, I ask for leave to speak in response to the minister's statement.

Madam Speaker: Does the member have leave to speak in response to the ministerial statement?
[Agreed]

Ms. Lamoureux: Happy Diwali, Madam Speaker, and to all my colleagues here in the House.

I'm very delighted to speak today about Diwali as it is one of my favourite festivals. Every year I celebrate with my close friends at our local gurdwara and hopefully one day I'll be able to celebrate in India.

Madam Speaker, Diwali is celebrated all over the world. It marks the end of harvest season, and it's a joyous occasion full of feasts and dancing.

Madam Speaker, Diwali is also known as the Festival of Lights. It's when fireworks and firecrackers are set off all night long and people hang up lights and set out candles all over their homes. These lights are set out in place to pay tribute and to guide the goddess of wealth, Lakshmi, into homes. These lights are also a reminder of the importance of knowledge and self-improvement.

When I was studying at the University of Winnipeg I learned about the legend of Lord Rama and his wife Sita, who returned to their kingdom in northern India from exile after defeating the demon king Ravana.

Madam Speaker, Diwali symbolizes good overruling evil.

In closing, I would like to thank the Hindu Society of Manitoba for hosting an annual Diwali Mela event this Saturday at 7 p.m. at the RBC Convention Centre, and I hope to see you all there. Thank you.

Madam Speaker: The honourable Minister of Agriculture, and I would indicate that the required 90 minutes' notice prior to routine proceedings was provided in accordance with rule 26(2).

Would the honourable minister please proceed with his ministerial statement.

National Farmer's Day

Hon. Ralph Eichler (Minister of Agriculture): Thank you Madam Speaker, I'd like to invite my colleagues to join me in celebrating National Farmer's Day.

Having grown up on a farm, worked on, a farm, I can attest to incredible contribution Canadian farmers make to our lives, our province and our country.

Farming is something that should be concerned about for everyone, not only because it supplies our daily food but because it is a base for so many sectors and so much of Canada's trade and commerce. Agriculture employs one in eight jobs in Manitoba and in doing so, affects the economic welfare of our entire province.

Those who are unfamiliar with farm life often underestimate what is involved. Yet, if they were to follow a farmer for a day, they would see the success in farming is the result of clear thinking, skilful management, not to mention a great deal of hard work.

Anyone who has worked on or visited a farm, knows that environmental stewardship is a cornerstone of every farmer's operation. From sustainable soil management to ALUS-like programs, the future of our farms depends on the adoption of a science-based water quality nutrient management practices.

Thomas Jefferson once wrote, and I quote: agriculture is the wisest pursuit, because it will in the end contribute most to real wealth, good morals and happiness. End quote.

So tonight, when you sit down for your dinner table, remember, thank the farmer.

Mr. James Allum (Fort Garry-Riverview): I'm pleased to get up to help to celebrate national farm day on behalf of the NDP here in the Legislature.

Madam Speaker, one of the ways in which Manitobans celebrate national farm day is through Open Farm Day. On September 17th, Manitobans had the opportunity to strap on some sturdy shoes and head out to explore Manitoba's incredible farms.

This year, 46 farmers opened their doors to families from across the province to learn first-hand about where and how local products are made. Farm day is an excellent opportunity for all residents of Manitoba to build a connection to agriculture and understand where their food comes from. Many people never really get to see what goes on beyond the farm. The visitors were fortunate to have the opportunity to see and learn about the equipment farmers use and sample any products that farmers produce.

Madam Speaker, we in the NDP celebrate our farmers on this national agricultural day.

* (13:40)

Ms. Judy Klassen (Kewatinook): Madam Speaker, I ask for leave to respond to the ministerial statement.

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

Ms. Klassen: First, on behalf of the Liberal caucus, I would like to thank the 20,000 farmers here in Manitoba for their tireless work.

Second, let's have a lesson in that language we borrow from the future.

The First Nations and the British Crown entered into treaties between 1871 and 1921. I quote: entered into 11 separate treaties that enabled the government to actively pursue agriculture, settlement, transportation links and resource development in the Canadian west and north. The First Nations negotiated and entered into the numbered treaties in order to formalize a long-standing relationship with the Crown. This relationship developed through many years of interaction and trade with newcomers. The First Nations entered into treaties to protect their livelihoods, cultures, language and land bases. First Nations did not view the treaties as a surrender of their land, but as an agreement to share with the newcomers. From the Crown's perspective, under the numbered treaties, the First Nations ceded tracts of land to the Crown in exchange for specific rights. These treaty rights include: reserve lands for the sole use and benefit of First Nations, education, health, agricultural assistance, livestock, annuities, ammunition, clothing, taxation exemptions and continued rights to hunting, fishing, trapping and harvesting. End quote.

This is a mere glimpse of the treaty education teachings that—

Madam Speaker: The member's time has expired.

MEMBERS' STATEMENTS

Abigail Stewart

Mr. James Teitsma (Radisson): Madam Speaker, last week, we heard the MLA for Lac du Bonnet talk about September being Childhood Cancer Awareness Month, and he also mentioned the work of my constituent and friend, young Abigail Stewart.

Well, today, Abigail, along with her family, have joined us in the gallery. Abby is just 11 years old and she spent most of her life battling cancer. She is always thinking of ways to help more people recognize goals and the gold ribbon as the sign for childhood cancer awareness and to help raise funds. This past spring, she was the top fundraiser in the Canadian Cancer Society's Relay for Life in Winnipeg, raising over \$5,500.

Last fall, Abigail bravely spoke to a room full of MLAs right here in this building to support the official recognition of September as Childhood Cancer Awareness Month.

Soon after that, she asked me, her MLA, to help her with an idea she had: could we ask all the car dealers in our neighbourhood to tie gold balloons to their vehicles? Everyone cruising the neighbourhood would be sure to notice and the result would be greater awareness and more funds raised in the fight against childhood cancer.

Well, the result of that was the creation of Abby's Balloons for Childhood Cancer, an initiative under the Canadian Cancer Society. We ordered thousands of special gold balloons with the childhood cancer ribbon on it and contacted all the dealerships in Radisson. And nearly all of them agreed to participate in Abby's Balloons for Childhood Cancer initiative.

Of special note, though, is the Vickar dealer group who participated with all three of their Regent dealerships, plus the other four Vickar dealerships in Winnipeg, and pledged \$50 from every vehicle sold through the entire month of September. Just yesterday, Abby and I popped over to Vickar Community Chevrolet to pick up a cheque for \$26,000—all that in support of childhood cancer research.

Sam Vickar and Steve Lipischak and Sam's two sons are with us in the gallery, as well, here from the Vickar auto group.

Next year, we're hoping to get even more businesses involved in Abby's Balloons for Childhood Cancer.

So please join me in recognizing and thanking and praising young Abigail Stewart for her courage, inspiration, leadership, perseverance and grace. We love you Abby.

Madam Speaker: The honourable member for Radisson.

Mr. Teitsma: Madam Speaker, I ask leave to have the names of all those who are in attendance with regards to this initiative entered into the Hansard.

Madam Speaker: Is there leave to have the names entered in Hansard? *[Agreed]*

Abigail Stewart, Ashley Stewart, Gabriel Stewart and Zack Stewart. Erin Crawford, Steve Lipischak, Joanne Teitsma, Mark Teitsma, Belinda Squance, Mason Vickar, Sam Vickar, Vaughn Vickar

NCN Facilities

Ms. Amanda Lathlin (The Pas): Today marks the official grand opening for an exciting new development opening in Mosakahiken Cree Nation. MCN is welcoming three new facilities to enrich and support the community: a health centre, a sports and wellness centre and a business centre. This announcement is a huge milestone for MCN and the families that live there.

I'd like to thank past and current MCN leaders who have worked tirelessly to ensure this vision became a reality. Their work will mean so much to the young people who need the proper facilities to get involved in recreational sports. I know current and future generations thank MCN leaders for their hard work.

The health centre will ensure that essential health services are provided closer to home so that families can avoid long trips for primary care. The sports and wellness centre will accommodate indoor soccer, lacrosse, youth and cultural activities, community events and the community's first ever minor hockey team, named the Mosakahiken Hawks.

The business centre will provide a home to the community's cafe, c-store and fuel shop. Apart from all these—all the services the development provides, it creates good jobs for the MCN people in their own community.

As a fellow Cree member from Treaty 5 territory who worked with the Swampy Cree Tribal Council in different capacities, MCN—and now as their MLA—these new developments make me proud. Manitoba's First Nations are thriving communities that are building capacity, creating solid jobs and promoting healthy, happy families.

Congratulations to the MCN community and all those involved. Go, Hawks.

Mahi Arora

Mr. Andrew Micklefield (Rossmere): I rise just one day after the International Day of the Girl to acknowledge Mahi Arora. She's 10 years old, she lives in Rossmere, and with the support of her parents, she is developing her talents and pursuing her dreams.

When she was just three years old, she performed at Folklorama and Pantages theatre. But her achievements soon gained the attention a little wider than that. She was featured on national television. She performed for the Prime Minister and the consul general of India and received Mayor Bowman's appreciation award in 2015.

Mahi is a keen student and athlete. She's active in soccer, gymnastics, swimming and skating. She volunteers at her local gurdwara and in the wider Sikh community. Mahi supports the Canadian Cancer Society and the Heart and Stroke Foundation. She has helped the Lions Club raise funds for wheelchairs and the Mamta Foundation care for neglected girls in India.

Madam Speaker, we should encourage people like this, and I'd like to welcome this House—or ask this House to join me in welcoming my friend Mahi Arora.

Health-Care System

Ms. Cindy Lamoureux (Burrows): Madam Speaker, Manitobans value our health-care system. And considering we spend 44 per cent of our budget on health care, we need to better manage change.

For example, some say we should have elected officials in our regional health-care authorities. Others say that we should abolish the regional health-care authorities altogether.

Well, Madam Speaker, it's time that we get Manitobans engaged on the future of our health care, and that is something I am committed to doing.

Thank you, Madam Speaker.

Wallace District Fire Department

Mr. Doyle Piwniuk (Arthur-Virden): Madam Speaker, I am pleased to rise here today to recognize the Wallace District Fire Department, including the Elkhorn fire department, Virden EMS, the local RCMP, as well as the Town of Virden and its many citizens.

On the evening of September 22nd, 2017, the Wallace District Fire Department was called to a downtown retail store to fight a small fire, which they distinguished.

The next morning the fire department was called again to another fire in the same general area. This time the fire could not be contained and the fire department worked tirelessly to save as many buildings as possible on the Main Street block. It should be noted, though they saved many businesses, Virden lost three heritage buildings that day.

Later that evening, the fire department was once again called to a third fire and a three-storey historical schoolhouse located 25 kilometres north-west of Virden. The school was completely destroyed.

All those buildings lost that day were 100 years old and older and held a special place in the hearts of the Virden and, indeed, in an international stage. The movie *A Dog's Purpose* was recently filmed using the beautiful heritage buildings as a small downtown backdrop for the movie.

We are thankful that no lives were lost. The outpour and aid from volunteers and caring people in the community make me proud to be a Manitoban.

* (13:50)

Madam Speaker, on behalf of those who stand here today in this Legislature, I would like to thank everyone who contributed their emergency services to our community of Virden. These people who are so dedicated in times of tragedy are to be commended, and we feel very fortunate to have the very best in our community.

Thank you, Madam Speaker.

Introduction of Guests

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

We have seated in the public gallery from Technical Voc High School, 95 grade 9 students under the direction of Frank Harms, and this group is located in the constituency of the honourable member for Minto (Mr. Swan).

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

ORAL QUESTIONS

National Climate Plan Manitoba Participation

Mr. Wab Kinew (Leader of the Official Opposition): Well, welcome to all our friends from Tec Voc here today. *[interjection]* Yes.

Madam Speaker, the Premier has been causing distractions and delaying action on climate change for over a year—the year in which we've seen record storms in the Atlantic and wildfires here at home—keeps changing the reason why he won't sign on to the national climate plan, picks fights with Ottawa that don't advance Manitoba's interests and wastes time getting legal opinions, the answers to which people already know: the federal government has the ability to tax.

Now, joining the fight against global warming offers the opportunity to create good jobs and potentially even to help keep Manitobans' hydro rates low in the process.

Will the Premier commit to signing on to the pan-Canadian framework on clean growth and climate change?

Hon. Brian Pallister (Premier): Well, just two points, Madam Speaker. I put the expertise of the constitutional legal authority who we consulted with ahead of the member's own legal expertise, and I think most would, objectively. We consulted with someone who is renowned throughout our country as knowledgeable on constitutional affairs, constitutional issues, in an effort to be sure that our position, as we move forward with our made-in-Manitoba green plan, is the right one and to make sure we avoid unnecessarily incurring court costs going to court to stand up for Manitoba's rights to have its own plan.

The member clearly wants us to either waste time and money in court unnecessarily or to follow Ottawa's lead and have a Trudeau tax plan. We don't choose to do either of those things, Madam Speaker.

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

Mr. Kinew: The Premier has demanded credit for hydroelectric projects he himself opposed. What's more, he has staked the province's case for a climate plan on the contributions Manitoba Hydro makes to our province. But, Madam Speaker, while the Premier and his staff may have consulted with

people across this country, they have not talked with Hydro.

Let's be clear: Hydro should be a part of any climate change solution. Information obtained through FIPPA shows the president of Manitoba Hydro—and I'll table this for you—but says that the president, quote, has no insight into Manitoba's pending climate plan or its priorities for any allocation of federal funding, unquote.

Madam Speaker, if the Premier and his staff are not speaking with Manitoba Hydro about our plan to fight climate change, who are they talking to?

Mr. Pallister: Well, Madam Speaker, to Manitobans, to Manitoba experts, to Manitoba environmental advocates, to individuals and groups who all have strong views about how we can address this important challenge—and we will address it together. We'll address it effectively as well, and we'll do it from a Manitoba-centred perspective.

We are not going to follow the member's advice and do what's best for Ottawa. We'll do what's best for Manitoba.

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

Mr. Kinew: It seems like talking to Manitoba Hydro would be good for Manitobans.

We know that the Premier's plan to raise hydro rates by some 8 per cent a year is going to make things worse for people in this province. Now, our plan would be to use export sales of hydro to reduce costs for Manitoba families and businesses.

We know that if the Premier signed the pan-Canadian framework, he could access—*[interjection]*

Madam Speaker: Order.

Mr. Kinew: —at least \$66 million in federal funds through the Low Carbon Economy Fund. Hydro knows how they could potentially use that funding. In that note that I tabled, it says, quote, for transmission projects in support of existing and potential power sales to Saskatchewan. End quote.

It seems the Premier may be leaving federal money on the table that could lower rates for Manitobans through power exports.

When will this Premier commit to selling more of our green energy across Canada and keeping rates affordable for people right here in Manitoba?

Mr. Pallister: Well, Madam Speaker, we like to work with Manitoba Hydro, but not tell Manitoba Hydro what to do the way the previous administration did.

What they did, Madam Speaker, was politicize Manitoba Hydro—*[interjection]*

Madam Speaker: Order.

Mr. Pallister: What they did, Madam Speaker, was disregard the expertise within Manitoba Hydro, disrespect it, disrespect Manitobans, politicize the construction of a bipole line which wasted a billion dollars, proceed with construction of a Keeyask dam without proper consideration of the consequences of doing so, proceed with investments to the tune of several hundred million dollars in a dam that had not even been approved.

Madam Speaker, they politicized Manitoba Hydro because they felt they owned it. We know who owns it; Manitobans own it and we'll respect Manitobans in everything we do.

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

Health-Care Premium Impact on Manitobans

Mr. Wab Kinew (Leader of the Official Opposition): Yes, Manitobans own Manitoba Hydro, which is why—*[interjection]*—always love getting props from the other side—which is why the Manitoba Premier should be talking to Manitoba Hydro about a Manitoba climate action plan.

Now, it's hard to go anywhere these days without hearing people talk about health-care premiums. Families are talking about it, and they're worried. I don't blame them—potentially \$1,200 more a year in a health-care tax.

Businesses are talking about this, too. They're raising their voices in opposition. Patients in our health-care system see this Premier float a health-care tax while making cuts to cancer care and urgent-care centres, and they just don't get it. It's hard to find a voice in support of this Premier, even using his rigged survey.

The Premier can be clear with Manitobans: Will he listen and reject any health-care tax here in Manitoba?

Hon. Brian Pallister (Premier): Well, I'm proud of our record of listening, Madam Speaker. We're not afraid to talk with Manitobans and to listen with

Manitobans about individual and group perspectives on health care, fiscal matters, pending legalization of cannabis, any number of other issues. That's why we've embarked on the most ambitious prebudget consultation in the province's history.

Madam Speaker, in contrast to the NDP, who actually went to court and fought against Manitobans having the right to vote—*[interjection]*

Madam Speaker: Order.

Mr. Pallister: —to vote in a referendum—*[interjection]*

Madam Speaker: Order.

Mr. Pallister: —on a PST hike which they proposed to invoke, which they promised they would not, Madam Speaker. They ran up a bill. They ran up a bill going to court to fight against Manitobans—*[interjection]*

Madam Speaker: Order.

Mr. Pallister: —right to vote, Madam Speaker, against Manitobans' right to be heard on a tax they proposed to bring in which they ran on the promise of not introducing.

As I recall, they said it was ridiculous nonsense they'd even raise this tax, and they spent over \$155,000 of Manitobans' money to take away the right of Manitobans to vote.

I don't need a lecture from the member opposite on respect for Manitobans' right to be heard, Madam Speaker.

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

Mr. Kinew: Thanks, Madam Speaker, though I don't take the First Minister's fury seriously, because he ruled out having a referendum on health-care premiums.

Now, this morning we had intended to debate a bill—*[interjection]*

Madam Speaker: Order.

Mr. Kinew: —on banning health-care premiums—*[interjection]*

Madam Speaker: Order.

Mr. Kinew: —today. So we were trying to debate a bill banning health-care premiums this morning. Other events intervened. But our bill is clear: we want to ban a health-care tax in Manitoba.

Now, the Premier has the opportunity to stake out his—*[interjection]*

Madam Speaker: Order.

Mr. Kinew: —position clearly. Does he want a health-care tax or not?

The Premier has the opportunity to stand with Manitobans in opposition to health-care premiums. The Premier can be clear.

Will he support Bill 232? Will he go on the record and support a ban on health-care premiums in Manitoba?

* (14:00)

Mr. Pallister: Well, it's hilarious, Madam Speaker.

Let's get this straight. The NDP took away the right of Manitobans to vote in a referendum and now—flip-flop—instantly, they're for a referendum.

Madam Speaker, it doesn't make any sense. There's no consistency with it, none whatsoever.

The NDP raised taxes on Manitobans on their home insurance; they didn't have a referendum. They raised taxes on benefits at work—didn't have a referendum. They raised taxes on everything. Under the PST, they raised it after saying they wouldn't, and they took away the right of Manitobans to have a vote.

Now they've flip-flopped, and now the member says he's the saviour of all Manitobans' tax dollars? It isn't going to fly, Madam Speaker. It doesn't work.
[interjection]

Madam Speaker: Order.

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

Mr. Kinew: With answers like that, it's easy to see why the First Minister wants to keep trying to evade responsibility for proposing a health-care tax.

Why did he propose this idea and then equivocate? He needs to be clear with Manitobans. He needs to stop creating rigged surveys. He needs to stop wasting over \$1 million on an ad campaign trying to spin Manitobans. He should be very clear with his intentions.

Now, we know there is a sustainability challenge in our health-care system, but we can't cut our way out of it. And health-care premiums are

not the answer. Investing in primary prevention—
[interjection]

Madam Speaker: Order.

Mr. Kinew: —is the way forward.

Will the Premier institute a health tax on Manitobans, yes or no? [interjection]

Madam Speaker: Order.

Mr. Pallister: So let's just consider the facts for a second. The NDP never asked Manitobans for their views on tax; they just invoked them. They didn't even ask each other, Madam Speaker.

They raised taxes and didn't even know. Most of the former Cabinet who revolted said they didn't know anything about it. So who knew they were raising taxes, Madam Speaker? Who knows. But it wasn't many people.

Now, we're having a discussion with Manitobans about trying to save health care, make it sustainable in the face of two plus—\$2.2-billion less funding from Ottawa, which the members opposite have not spoken a word against. And they are on their high and mighty saying, well, yes, we doubled the debt while health-care services went to 10th of 10. Yes, we ran massive deficits while jacking up taxes. But now—now—even though we were never on your side, Manitobans, we're on your side now.

Well, they're on the right side of the House to make that claim, Madam Speaker, but their actions in government don't support that thesis one little bit.

Manitoba's Carbon Pricing Plan Government Survey

Mr. Andrew Swan (Minto): Madam Speaker, we know the government's survey on climate change was a failure. Among other things, anyone could fill it out as many times as they liked and didn't even have to live in Manitoba to complete it. And this was the basis, says our Premier, for a made-in-Manitoba climate change solution.

I'm wondering if the Premier could tell us how many submissions were received from Ottawa regarding Manitoba's carbon pricing plan.

Hon. Cameron Friesen (Minister of Finance): I thank the member for the question.

We're very proud of the fact that we're listening to Manitobans. We take a very different approach than the NDP did when they were in government. In advance of the PST hike, they had a phony

consultation process that would not have received any indication from Manitobans that they favour that view of raising the PST. Nevertheless, they did it.

We take a different approach; our approach is listening. Last night, we kicked off our prebudget in-person meetings here at the Manitoba Legislature. We heard submissions from a variety of groups and stakeholders. And then we heard from ordinary Manitobans who took their time to come to those meetings. We're listening; we will act on their advice.

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

Climate Adviser's Travel Expenses

Mr. Swan: Madam Speaker, I think the Premier should have been able to answer the question. We've learned his high-priced climate change adviser was charging taxpayers for a large number of trips to Ottawa. Ottawa also appears to be where he has his primary residence.

And, in fact, documents obtained through freedom of information show that in just 12 months, his hand-picked adviser took over 30 trips, most of which were to Ottawa, and charged Manitoba taxpayers nearly \$60,000.

In light of the Premier's refusal to work with the federal government on climate change issues, can the Premier report today on what exactly his adviser was doing on his many trips home?

Hon. Brian Pallister (Premier): Not only have we got a national and internationally renowned expert advising us, Madam Speaker, on our made-in-Manitoba climate plan, but, as opposed to the previous government who paid people to quit, who paid people to leave, who paid people to go and work in Alberta for the other NDP government that they cared to support, we actually pay people in this province to work. And that's exactly what we're paying Mr. McLaughlin to do to advise us on a made-in-Manitoba climate plan, that's the good advice we're getting.

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

Mr. Swan: Can the Premier explain to this House and to Manitoba taxpayers what stakeholders were in Ottawa that required nearly 30 trips at a cost, in addition to the six-figure salary paid to his climate-change advisor of nearly \$60,000? What

agreement does the Premier (Mr. Pallister) have with this advisor that justifies such a massive expenditure of money?

After spending, as we know now, \$40,000 on a legal opinion the government could have received for free—

Some Honourable Members: Oh, oh.

Madam Speaker: Order.

Mr. Swan: —we now know the Premier spent even more in travel and accommodations for his advisor.

Will the Premier step in today and stop that waste of money?

Mr. Friesen: I thank the member for the question, but the member for Minto knows well his own failure on this issue.

When that party was in power, when they paid over \$600,000 to former technical officers simply to be quiet, to leave and go away in a manner that did not follow the rules, that was not transparent, and then they hid those payments—*[interjection]*

Madam Speaker: Order.

Mr. Friesen: —for a year in the Public Accounts. They tried to make it go away.

It's not the approach of this government. We have—we've made a commitment to Manitobans. We will be accountable and we're going to be proud to stand up for all Manitobans.

Child Welfare Services Bipartisan Approach

Ms. Nahanni Fontaine (St. Johns): Madam Speaker, child welfare is in a state of crisis. We all need to do better and go further for Manitoba children and families in need of support. Manitoba children deserve the expertise, recommendations and love of their families and community.

We are cautiously optimistic and committed to working with this government, in concert with families and communities, to be part of a solution in building a system focussed on keeping families together.

Is the minister open to working together in a collaborative, meaningful way across party lines on behalf of Manitoba children?

Hon. Scott Fielding (Minister of Families): It was an absolute pleasure to be in Andrews family street centre today with the Premier to introduce our

child-welfare reform for the province of Manitoba. We truly believe that our plan, our reform plan, is a community-driven process. It's a process that's based on evidence. It's a process that builds stronger roles and stronger lifelong connections between individuals.

We encourage the NDP, we encourage community groups to support this. We think this is right for families. We think this is right for everyone involved in the child-welfare system.

So, absolutely, we will work with anyone that wants to provide solutions in the child-welfare system.

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

Block Funding Allocations

Ms. Fontaine: Our children are not a partisan issue. We must work together to find a path forward, responding to the calls of families and experts for change, and that is exactly what we are willing to do.

Block-funding and customary-care approaches have been called for by families. We have to ensure that the block funding allocated is able to support the important work agencies, families and communities will undertake on behalf of Manitoba children.

How will the minister establish block-funding allocation, and will the minister ensure that block funding is enough so that children get the supports that they require and need?

Mr. Fielding: This government is absolutely committed to funding for success and results. We truly think that block funding is a way to provide more flexibility to agencies and organizations that deliver services in terms of the child-welfare system.

We've heard from indigenous organizations. We've heard from agencies. If they're able to provide more flexibility, they're able to provide investments that make sense in terms of prevention, in terms of early 'intermention' and in terms of reunification with parents when they're safe.

* (14:10)

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

Recommendations for Framework

Ms. Fontaine: We know that for a variety of reasons oftentimes many families do not get or have access to the supports they need in creating safe and healthy

environments. I agree with the minister when he says we need to, and I quote, keep our children and youth safely within their family networks and home communities.

So within this spirit, one of the proposals that we will be suggesting is that poverty is not grounds for apprehension, and so I will repeat: that poverty is not grounds for apprehension.

Will the minister work with us and include our ideas in the legislative framework?

Mr. Fielding: We want to work with everyone that's got solutions. We know the opposition had 17 years to get it right in child welfare. What I want to say is we are here to get it right. We know that providing lifelong connections to children and youth and families is something that's going to make a difference in terms of people's lives.

We provide things like subsidized support to guardians. We think that those guardians will provide lifelong supports. The evidence suggests that they're going to be better off in all those cases, and that's what this government's about. This government's providing results and having a more effective child-welfare system for Manitoba families.

Manitoba's Climate Plan Emission Reduction Targets

Mr. Rob Altemeyer (Wolseley): It sounds like this government's much tortured climate-change plan may finally be seeing the light of day. The latest 'scientific' advice that the world is receiving is that global emissions of harmful greenhouse gasses simply have to level off by 2020. Yes, that's only three years from now and it will happen at the tail end of this government's mandate.

In their new climate plan, will they include emission-reduction targets that match what the scientists are telling us simply must happen?

Hon. Rochelle Squires (Minister of Sustainable Development): I'm very proud to talk about our very progressive climate and green plan that we'll be revealing in the next two weeks, that we've done broad consultation and we'll continue to have consultation with Manitobans.

I believe that the member's opposite former, former, former leader said it best when he said, if we don't meet our target reductions, Manitobans will have their say.

Well, Manitobans did have their say in April of 2016, and Manitobans continue to have their say today and into the future on consulting on our carbon plan.

Thank you.

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

Mr. Altemeyer: This issue is particularly relevant, not so much for those of us sitting here in the lower bowl of the Legislature, but for the children who are sitting in the gallery right now.

Jeremy Rifkin, yesterday, at the opening plenary of the national energy conference and climate change conference happening here in Manitoba, said the world simply has to be carbon neutral by 2050 or we head into the abyss.

This government and its minister did not, in her first answer, indicate there will be any emission targets in their plan. I will give her another opportunity.

Will there be emission-reduction targets in their plan to match what the science is telling us?

Ms. Squires: Madam Speaker, again we're very happy to be putting forward a very progressive plan. We are going to be reducing our carbon, and members opposite, they never met a target. They failed to achieve any results in terms of their carbon-reduction plan. Members opposite, he, you know, he went to Paris, took some selfies at the Eiffel Tower and then flew back here and blustered in this House and said, you know, 17 years, we never got a plan. Where's your plan?

Well, Manitobans are going to have a plan; they're going to have a say on their plan, and we're going to—where they failed to reduce carbon emissions, we're going to get it right.

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

Mr. Altemeyer: Yes, Madam Speaker, I have document to table. It comes from the radical environmental organization known as Environment Canada, and it is a summary of Manitoba's climate emissions.

Some Honourable Members: Oh, oh.

Madam Speaker: Order.

Mr. Altemeyer: If the minister would care to do some homework she will see that the commitment

we made to have our emissions in 2010 be lower than they were in the year 2000, in fact, happened. She will also note that we reduced her previous Conservative government's rate of emissions growth by 90 per cent.

There is very important work still to be done, and it is up to this government to do it. We need emission targets for 2020, 2030, 2040, to carbon neutrality in 2050.

Will this minister deliver?

Ms. Squires: I appreciate hearing about targets from members opposite when they failed to achieve a single target.

Their climate plan was about as effective as his solidarity plan—[interjection]

Madam Speaker: Order.

Ms. Squires: —so we'll take no lessons from members opposite on carbon reduction emissions.

Women's Health Services Concern Over Program Changes

Ms. Cindy Lamoureux (Burrows): Over the last few months, this government has shown their lack of support for community hospitals by closing down emergency services. On top of this, the Minister of Health wants to shut down our lactation counselling program at the expense of women's health.

Madam Speaker, lactation consultants play a critical role in maintaining the overall health and well-being of mothers and newborns.

How will this minister assure women that they will be able to receive the same specialized care that lactation consultants are able to provide?

Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living): I thank the member for Burrows for the question.

Currently there were two lactation specialists who are providing care. We have invested to have education so that all the nurses can have that training and provide care, so there'll be significantly more nurses able to provide lactation services, Madam Speaker.

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

Ms. Lamoureux: Madam Speaker, the short-sighted cuts that this government has made to women's

health services in Manitoba are alarming and a disservice to women throughout our province.

The WRHA announced the closure of the Mature Women's Centre that specializes in dealing with a range of gynecological and menopause transition issues. According to the medical director of the Mature Women's Centre, this collaborative care model that is currently being used actually saves our health-care system over \$550,000 a year.

Madam Speaker, it's baffling. Why is this minister jeopardizing quality health care?

Mr. Goertzen: Madam Speaker, I know the member for Burrows has been busy over the summer. So I can understand why she doesn't have the correct information.

She was incorrect in terms of the lactation services. When it comes to that particular clinic, the specialized services are moving to the Health Sciences Centre where the Women's Hospital is, Madam Speaker.

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

Ms. Lamoureux: Madam Speaker, for generations women have been fighting for improved health care, and we will not allow this Conservative government to take us backwards.

We need to change the narrative, because women's issues are Manitoba's issues.

Our Liberal caucus FIPPA'd the closure of these health-care programs and they were returned as Cabinet confidence. So much for transparency, Madam Speaker. It is shameful that these decisions are coming directly from this Conservative Cabinet.

Why is this minister disregarding women's issues and women's health, and what supports will be available for vulnerable women?

Thank you.

Mr. Goertzen: Well, Madam Speaker, I know that the member has already written her questions, and so she just wanted to read them as she had written them.

But, as I indicated on the first question, there'll be more nurses who are trained when it comes to lactation services.

I indicated on the second question that those specialized services will be available at the Health Sciences Centre where the Women's Hospital is and, I might indicate, on her third question in which she

comes and talks about lack of support, she may want to cast her eyes east a little bit towards Ottawa where they are cutting \$2.2 billion from funding for Manitoba, which is certainly going to impact women's health, Madam Speaker.

First Nation Communities Treaty Land Entitlement

Mr. Derek Johnson (Interlake): Madam Speaker, we know that the former NDP government talked a lot about indigenous priorities but achieved very little in the way of meaningful progress. During the last three years they were in office, not a single acre of land was transferred under the Treaty Land Entitlement process. This is very important to First Nations not only in my constituency, but across the province.

Can the Minister for Indigenous and Northern Relations update this House on how our government is delivering for First Nations under the Treaty Land Entitlement process?

* (14:20)

Hon. Eileen Clarke (Minister of Indigenous and Northern Relations): I thank my colleague for that great question.

We know that addressing our treaty land obligations will create new opportunities for our First Nation community development, as well as economic growth. That is why I'm extremely proud that in just one year of office our government has transferred provincial interests in 42 parcels of land selected by First Nations under the TLE process for a total of over 53,000 acres. That compares, as my colleague indicated, to a total of zero parcels, zero acres during the last three years of our NDP government.

Madam Speaker, unlike the former NDP government, we are taking real action on Treaty Land Entitlement, and we will continue to.

Some Honourable Members: Oh, oh.

Madam Speaker: Order.

Regulatory Accountability Act Impact on Crown Corporations

Mr. Tom Lindsey (Flin Flon): Through the freedom of information, we know that this government's Regulatory Accountability Act diverted as many as 330 civil service employees. Those people had to be trained and taken away from their normal duties at a time when the

Premier (Mr. Pallister) is personally deciding what front-line workers will get cut.

Does the Minister for Crown Services believe that interfering with Crown corporations and redirecting workers into a bureaucratic sinkhole is an effective way to eliminate red tape?

Hon. Cameron Friesen (Minister of Finance): Well, Madam Speaker, I thank the member for the question. But, of course, he's got it all wrong.

Manitoba was the laggard when it came to regulatory accountability by any standard, but also by official measurement. And under our government we've said we intend to get it right so that individuals, non-profits—*[interjection]*

Madam Speaker: Order.

Mr. Friesen: —businesses and other levels of government who are attempting to do business or seek services will have a less encumbered time of doing that. We're about that business, we've counted those regulatory burdens that face the province and we're working that down safely for the benefit of all Manitobans.

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

Mr. Lindsey: The Regulatory Accountability Act will potentially create massive delays for necessary regulations that protect Manitobans. Civil servants have been forced to waste time working on this Premier's agenda instead of working for Manitobans.

Madam Speaker, it's easy to forget why a regulation might have been created until the reason rears its ugly head and something goes wrong.

Will the Minister for Crown Services acknowledge that The Regulatory Accountability Act is the wrong way to get rid of outdated regulations and that it's nothing more than a red tape witch hunt?

Mr. Friesen: Well, Madam Speaker, let's be clear that the member stands on the side of an approach that says do nothing. But, for too long, their party always said, do nothing, make Manitobans wait.

Manitobans have waited long enough, especially for regulatory accountability in this province. Think of a change that's coming under this bill that simply sees an audit requirement for veterinary services, non-profit organizations removed from a one-year to a multiple-year basis, a simple change that allows those groups who asked for this change to have a less encumbered time of going about their business.

That's the kind of reasonable change that this bill is all about, and he should get on board.

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

Mr. Lindsey: The Regulatory Accountability Act has basically created a hidden mandate for Crown corporations.

Kelvin Shepherd, CEO of Manitoba Hydro, says that the government method is highly administratively burdensome. The same regulatory witch hunt at MPI spanned several months, and we know that this is just the beginning.

Will the government inform the House how much unnecessary bureaucracy he's planning to create for all our Crown corporations?

Mr. Friesen: Well, Madam Speaker, this member repeats the same tired old lines, but the facts are these: a 2016 survey by the Institute for Citizen-Centred Service found that 53 per cent of all Manitoba entrepreneurs felt that the regulatory burden had increased significantly in the past three years.

What does that member have to say to those entrepreneurs, who are the engine of the Manitoba economy, when they say this burden is too great? His approach: do nothing. Our approach: get results on behalf of all Manitobans.

Why won't he support these changes in our bill?

National Child-Care Plan Timeline for Manitoba

Mrs. Bernadette Smith (Point Douglas): The federal government signed a national child-care deal with the Province in June. Yet, the minister says negotiations are still under way and that a final agreement may not be reached for another month, at least. Meanwhile, 16,702—and I repeat myself—16,702 children are waiting on that list, up 2,000 in just the last nine months. Parents are waiting up to 15 months before they can return to work.

Will the minister stop sitting on his hands and Manitoba's child care—while child—Manitoba's child care worsens? Will he release a plan immediately?

Hon. Scott Fielding (Minister of Families): As a government, we really want to support working families. That's what—something that we're all about.

We know, under the previous NDP administration, when they were in power, they took an

ideological approach to child care, where they wanted to put out home-based child care. In fact, under the NDP administration, they lost over 27 per cent of the spots. Eleven hundred spots were lost under the NDP administration because of their poor system.

We, as a government, has invested more money in the history of Manitoba in child care, in fact, \$12 million more than the NDP did in their last budget. We want a balanced approach that's going to work for Manitobas, and that's exactly what we'll do.

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

Mrs. Smith: The minister says that he wants a balanced plan, but yet there's 2,000 more children waiting on this list. Will the minister release a plan to create public home spaces now?

Mr. Fielding: Again, this government is very much in favour of working parents. We need to ensure that supports are there. We know what happen in terms of the long wait lists that the NDP put us under.

We also know—and only an NDP government would suggest—or, announce a plan without knowing how much funding we're going to get from Ottawa, how that's going to work. We're in negotiations with Ottawa in terms of a bilateral agreement. We need to sign that agreement to understand what we can spend the money, where we can, and that's exactly what we'll do, Madam Speaker.

Madam Speaker: Order.

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

Mrs. Smith: The—Pat Wege of the Manitoba child care says, in the absence of a provincial strategy, nothing is really happening right now. The minister's inaction has meant parents are even farther away from an accessible child-care spot. He should have got to work the minute he signed that deal with the federal government. Wege says centres that want to expand spaces are left in the dark, unsure if they will get any money from this minister.

Manitoba parents have no time to waste.

Will the minister get to work and put a—put forward a plan?

Mr. Fielding: I can guarantee the members opposite than the investment, over \$170 million in terms of child-care supports, is working in this neighbourhood. We have endless amounts of NDP

red tape that's—are affiliated with things of trying to start child-care centres.

We need to take a balanced approach to child care, not something that just looks at facilities or looks to put out-home-based child care out of business like the NDP government did. We need an investment that makes sense.

We're had the—had a fantastic pleasure of being in St. Vital just fairly recently to announce more child-care centres, more money in these important areas. That what's we'll do as a government. We're going to work with the federal government and get a program, a facility and child-care system that's going to work for all Manitoba families.

Thank you, Madam Speaker.

* (14:30)

Wage Increase Case Concern

Mr. James Allum (Fort Garry-Riverview): Madam Speaker, recently I received a letter from an individual who's worked as a security guard in Manitoba since moving from a war-torn country.

Since then, he's paid off his immigration loan, put his children through school and certainly paid his fair share of taxes.

Madam Speaker, this constituent said that he was supposed to get a raise of 90 cents an hour, but that the Premier has delayed that raise and may, in fact, cancel it altogether.

So I have to ask him: Why is the Premier punishing those who have come to our province, made a profound contribution to our community, and put their life on the line to save Manitobans every single day?

Hon. Brian Pallister (Premier): Well, I'm not, Madam Speaker. In fact, Manitoba leads the country in many economic growth categories. Merchandise exports are increasing in our province at the fastest pace. In the last three years, wholesale trade as well. Farm cash receipts are at their fastest pace in the last four years.

We've got housing starts increasing at an unprecedented pace. Building permits are increasing at their fastest pace since 2012. In Manitoba, we have the lowest household debt—[interjection]

Madam Speaker: Order. Order.

Mr. Pallister: —per capita in the country, and we have the lowest unemployment in Canada too.

So good luck to all Manitobans as they make their way forward. We are their partners in finding success, Madam Speaker.

Madam Speaker: The time for oral questions has expired.

Petitions? Petitions?

Mr. Mohinder Saran (The Maples): On a point of order, Madam Speaker.

Point of Order

Madam Speaker: Oh, the honourable member for The Maples, on a point of order.

Mr. Saran: Yes, Madam Speaker.

Madam Speaker, to date, lawyers for the truck drivers who are being asked to be tested again called a press conference, with the intention to hide against this injustice in the court.

It will cost the taxpayers and the truck drivers. I ask the minister to advise the MPI to reverse their decision of retesting the drivers who already have been operating successfully. Thank you.

Madam Speaker: A point of order needs to reflect on a breach of the rules or the practices of the House, and I would indicate to the member that his point of order did not do that. So there is no point of order.

PETITIONS

Transit Funding

Mr. James Allum (Fort Garry-Riverview): I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

(1) Bill 36, The Budget Implementation and Statutes Amendment Act, 2017, section 88(8) repeals the portion of the Municipal Taxation and Funding Act which states, quote, "The municipal grants for a fiscal year must include for each municipality that operates a regular or rapid public transit system a transit operating grant in an amount that is not less than 50 per cent of the annual operating cost of the transit system in excess of its annual operating revenue," unquote.

(2) Public transit is critical to Manitoba's economy, to preserving its infrastructure and to reducing the carbon footprint.

(3) Eliminating the grant guarantees for municipal transit agencies—guaranteed for municipal transit agencies will be detrimental to transit services and be harmful to provincial objectives of connecting Manitobans to employment, improving aging road infrastructure and addressing climate change.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to withdraw its plan to repeal the annual operating grant for municipal transit agencies and remove section 88(8) of Bill 36, The Budget Implementation and Statutes Amendment Act, 2017.

Madam Speaker, this petition is signed by James Beurkis [*phonetic*] and many other fine Manitobans.

Mr. Wab Kinew (Leader of the Official Opposition): Madam Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

(1) Bill 36, The Budget Implementation and Statutes Amendment Act, 2017, section 88(8) repeals the portion of The Municipal Taxation and Funding Act which states, quote: The municipal grants for a fiscal year must include for each municipality that operates a regular or rapid transit—public transit system a transit operating grant in an amount that is not less than 50 per cent of the annual operating cost of the transit system in excess of its annual operating revenue. End quote.

(2) Public transit is critical to Manitoba's economy, to preserving its infrastructure and to reducing the carbon footprint.

(3) Eliminating the grant guarantees for municipal transit agencies will be detrimental to transit services and be harmful to provincial objectives of connecting Manitobans to employment, improving ageing road infrastructure and addressing climate change.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to withdraw its plans to repeal the annual operating grant for municipal transit agencies and remove section 88(8) of Bill 36, The Budget Implementation and Statutes Amendment Act, 2017.

This petition is signed by Holly Giesbrecht, Monique Seys, Lynn Carrière and many other Manitobans.

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

Northern Patient Transfer Program

Ms. Amanda Lathlin (The Pas): I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

(1) Manitobans recognize that everyone deserves quality accessible health care.

(2) The people of northern Manitoba face unique challenges when accessing health care, including inclement weather, remote communities and seasonal roads.

(3) The provincial government has already unwisely cancelled northern health investments, including clinics in The Pas and Thompson.

(4) Furthermore, the provincial government has taken a course that will discourage doctors from practising in the North, namely, their decision to cut a grant program designed to bring more doctors to rural Manitoba.

(5) The provincial government has also substantially cut investments in roads and highways, which will make it more difficult for northerners to access health care.

(6) The provincial government's austerity approach is now threatening to cut funding for essential programs such as the Northern Patient Transportation Program, which was designed to help some of the most vulnerable people in the province.

(7) The provincial government has already—has recently announced it would cancel the airfare subsidy for patient escorts who fly to Winnipeg for medical treatment, which will be devastating for patients with mobility issues, dementia or who are elderly and need assistance getting to the city.

(8) The challengers—the challenges that northerners face will only be overcome if the provincial government respects, improves and adequately funds quality programs that were designed to help northerners, such as the Northern Patient Transportation Program.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to recognize the absolute necessity of maintaining and improving the Northern Patient Transportation Program by continuing to respect Northern Patient Transfer agreements and funding these services in accordance with the needs of northern Manitobans.

This petition has been signed by many, many fine Manitobans.

Mr. Tom Lindsey (Flin Flon): I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

(1) Manitobans recognize that everyone deserves quality accessible health care.

(2) The people of northern Manitoba face unique challenges when accessing health care, including inclement weather, remote communities and seasonal roads.

(3) The provincial government has already unwisely cancelled northern health investments, including clinics in The Pas and Thompson.

(4) Furthermore, the provincial government has taken a course that will discourage doctors from practising in the North, namely, their decision to cut a grant program designed to bring more doctors to rural Manitoba.

(5) The provincial government has also substantially cut investments in roads and highways, which will make it more difficult for northerners to access health care.

(6) The provincial government's austerity approach is now threatening to cut funding for essential programs such as the Northern Patient Transportation Program, which was designed to help some of the most vulnerable people in the province.

* (14:40)

(7) The provincial government has recently announced it would cancel the airfare subsidy for patient escorts who fly to Winnipeg for medical treatment, which will be devastating for patients with mobility issues, dementia or who are elderly and need assistance getting to the city.

(8) The challenges that northerners face will only be overcome if the provincial government respects, improves and adequately funds quality

programs that were designed to help northerners, such as the Northern Patient Transportation Program.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to recognize the absolute necessity of maintaining and improving the Northern Patient Transportation Program by continuing to respect Northern Patient Transfer agreements and funding these services in accordance with the needs of northern Manitobans.

And this petition, Madam Speaker, has been signed by many Manitobans.

Taxi Industry Regulation

Mr. Jim Maloway (Elmwood): I wish to present the following petition to the Legislative Assembly.

The background of the petition is as follows:

(1) The taxi industry in Winnipeg provides an important service to all Manitobans.

(2) Taxi industry is regulated to ensure there are both the provision of taxi service and a fair and affordable fare structure.

(3) Regulations have been put in place that has made Winnipeg a leader in protecting the safety of taxi drivers through the installation of shields and cameras.

(4) The regulated taxi system also has significant measures in place to protect passengers, including a stringent complaint system.

(5) The provincial government has moved to bring in legislation through Bill 30 that will transfer jurisdiction to the City of Winnipeg in order to bring in so-called ride-sharing services like Uber.

(6) There were no consultations with the taxi industry prior to the introduction of this bill.

(7) The introduction of this bill jeopardizes safety, taxi service, and also puts consumers at risk, as well as the livelihood of hundreds of Manitobans, many of whom have invested their life savings into the industry.

(8) The proposed legislation also puts the regulated framework at risk and could lead to issues such as what has been seen in other jurisdictions, including differential pricing, not providing service

to some areas of the city, and significant risks in terms of taxi driver and passenger safety.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to withdraw its plans to deregulate the taxi industry, including withdrawing Bill 30.

And this petition is signed by many Manitobans.

Ms. Flor Marcelino (Logan): I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

(1) The taxi industry in Winnipeg provides an important service to all Manitobans.

(2) The taxi industry is regulated to ensure there are both the provision of taxi service and a fair and affordable fare structure.

(3) Regulations have been put in place that has made Winnipeg a leader in protecting the safety of taxi drivers through the installation of shields and cameras.

(4) The regulated taxi system also has significant measures in place to protect passengers, including a stringent complaint system.

(5) The provincial government has moved to bring in legislation through Bill 30 that will transfer jurisdiction to the City of Winnipeg in order to bring in so-called ride-sharing services like Uber.

(6) There were no consultations with the taxi industry prior to the introduction of this bill.

(7) The introduction of this bill jeopardizes safety, taxi service, and also puts consumers at risk, as well as the livelihood of hundreds of Manitobans, many of whom have invested their life savings into the industry.

(8) The proposed legislation also puts the regulated framework at risk and could lead to issues such as what has been seen in other jurisdictions, including differential pricing, not providing service to some areas of the city, and significant risks in terms of taxi driver and passenger safety.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to withdraw its plans to deregulate the taxi industry, including withdrawing Bill 30.

Signed by many, many, many Manitobans.

Transit Funding

Mr. Greg Selinger (St. Boniface): I wish to present the following petition to the Legislature.

The background to this petition is as follows:

Bill 36, the budget implementation and statutes amended act, 2017, section 88(8), repeals the portion of The Municipal Taxation and Funding Act which states the following, in quotes: The municipal grants for a fiscal year must include for each municipality that operates a regular or rapid public transit system a transit operating grant in an amount that is not less than 50 per cent of the annual operating cost of the transit system in excess of its annual operating revenue. End quote.

Public transit is critical to Manitoba's economy, to preserving its infrastructure and to reducing the carbon footprint.

Eliminating the grant guarantees for municipal transit agencies will be detrimental to transit services and be harmful to provincial objectives of connecting Manitobans to employment, improving aging road infrastructure and addressing climate change.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to withdraw its plan to repeal the annual operating grant for municipal transit agencies and remove section 88(8) of Bill 36, the budget implementation and statutes amendment act of 2017.

Signed by many, many Manitobans, Madam Speaker.

Mr. Matt Wiebe (Concordia): I wish to present the following petition to the Legislative Assembly.

And the background to this petition is as follows:

Bill-(1) Bill 36, the budget implementation and statutes amendment act, 2017, section 88(8) repeals the portion of The Municipal Taxation and Funding Act which states: The municipal grants for the fiscal year must include for each municipality that operates a regular or rapid public transit system a transit operating grant in an amount that is not less than 50 per cent of the annual operating cost of the transit system in excess of its annual operating revenue.

(2) Public transit is critical to Manitoba's economy, to preserving its infrastructure and to reducing the carbon footprint.

(3) Eliminating the grant guarantees—sorry, eliminating the grant guarantees for municipal transit agencies will be detrimental to transit services and be harmful to provincial objectives of connecting Manitobans to employment, improving aging road infrastructure and addressing climate change.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to withdraw its plan to repeal the annual operating grant for municipal transit agencies and remove section 88(8) of Bill 36, the budget implementation and statutes amendment act, 2017.

And this petition is signed by many Manitobans.

Madam Speaker: Grievances?

Hon. Steven Fletcher (Assiniboia): Not a grievance.

Madam Speaker: Pardon me?

Mr. Fletcher: Not on a grievance.

Madam Speaker: No, I believe there is some tabling that the member wishes to do—orders of the day.

Point of Order

Madam Speaker: The honourable member for Assiniboia, on a point of order.

Mr. Fletcher: I am tabling three copies of documents which I referred to on Wednesday, October 4th, 2017, as I was speaking to my matter of privilege. There are 18,000 pages in total. Madam Speaker, I have included an index rather than naming them all in the interest of time. Thank you.

Madam Speaker: We—I thank the member for that and would indicate that he does not have a point of order, but we do have the documents here.

* * *

*(14:50)

I had also indicated to the member for Assiniboia last week that I would follow up on what happened to boxes of material that he had wanted in the House for tabling last week. I did investigate it and this is what I learned: the documents were not here because the member had sent pages to pick them up, but he had sent them to the wrong

locations where there were no documents. The member also did not notify the proper authorities that he wanted boxes full of documents brought into the House.

Therefore, when someone unknown to Chamber Branch attended to deliver some of the boxes, there was no clearance to do so, and from a security perspective, no permission had been sought to have several boxes placed in the Chamber without appropriate clearance.

So I would indicate that the Legislative Assembly staff bear no blame for the documents not being available in the Chamber, as was inferred by the member for Assiniboia. So I trust that this clarifies that situation.

Mr. Fletcher: On a point of order.

Point of Order

Madam Speaker: On a point of order.

Mr. Fletcher: I wish we had an opportunity to discuss this matter of what happened behind closed doors because, unfortunately, the facts as were presented to you, I'm afraid, are not completely correct. *[interjection]*

Madam Speaker: Order, please. Order, please.

Mr. Fletcher: And so—

Madam Speaker: Order, please.

I would indicate to the member right now that he has no point of order. There were—there was a thorough investigation, and based on conversations with people that were involved in this, those were the findings. And I would indicate that to the member.

And, also, I brought it forward to the House because it was the member himself that made allegations in this House indicating that the Legislative Assembly staff were at fault. I felt it was only appropriate to bring that back into a—the same forum so that all of the information could properly be identified.

And so—*[interjection]*—I would indicate to the member that I have just brought forward a ruling and that there are no challenges to a ruling when a Speaker brings forward a ruling on a point of order. So there is no point of order and there cannot be a challenge to what I have already indicated.

Point of Order

An Honourable Member: A point of order.

Madam Speaker: I would indicate, then, if the minister's bringing forward another point of order, is it on a new topic?

Mr. Fletcher: Madam Speaker, in the events of recently—my caregivers, my staff nor I were consulted on any of the events of Wednesday. So how any conclusions can be made on a definite basis is very disturbing—and I'm not challenging the Chair; I'm just making it as a statement of fact.

Madam Speaker: I would point out that I have already dealt with this issue and there will be no further discussion on it. I would clarify for the member that it—our findings stand as they were and we will now move on from this issue.

* * *

Madam Speaker: I also want to indicate, and I am advising the House, that I have received a letter from the member for Assiniboia (Mr. Fletcher) indicating that he has identified Bill 213, The Gift of Life Act (Human Tissue Gift Act Amended) as his one selected bill for this session.

As a reminder to the House, subrule 24(2) allows for each independent member to select one private member's bill per session to proceed to a second reading vote and, despite rule 69(1), an independent member will not require a seconder to move the second reading motion for their selected private member's bill. The member for Assiniboia has therefore advised that the question will be put on second reading of Bill 213 in the first hour of our morning sitting on Tuesday, October 31st, 2017.

I would add for the information of all members that, in accordance with our subrule 23(5), any recorded vote requested during a private members' hour on Tuesday must be deferred to 11:55 a.m. on the following Thursday.

House Business

Hon. Cliff Cullen (Government House Leader): On House business.

I would like to announce that the Standing Committee on Social and Economic Development will meet on Monday, October 23rd, 2017, and on Tuesday, October 24th, 2017, at 6 p.m. to consider Bill 30, The Local Vehicles for Hire Act.

I would also like to announce that the Standing Committee on Legislative Affairs will meet on Monday, October 23rd, 2017, and on Tuesday, October 24th, 2017, at 6 p.m. to consider

Bill 31, The Advanced Education Administration Amendment Act.

I would also like to announce that the Standing Committee on Social and Economic Development will meet on Wednesday, October 25th, 2017, and Thursday, October 26th, 2017, at 6 p.m. to consider Bill 24, The Red Tape Reduction and Government Efficiency Act, 2017.

I would also like to announce that the Standing Committee on Legislative Affairs will meet on Wednesday, October 25th, 2017, at 6 p.m. to consider the following bills: Bill 23, The Fisheries Amendment Act; and Bill 27, The Elections Amendment Act.

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ORDERS OF THE DAY

(Continued)

GOVERNMENT BUSINESS

Hon. Cliff Cullen (Government House Leader): Madam Speaker, I'd ask that you call Committee of Supply.

Madam Speaker: It has been announced that the House will now resolve itself into Committee of Supply.

Mr. Deputy Speaker, please take the Chair.

COMMITTEE OF SUPPLY
(Concurrent Sections)
EXECUTIVE COUNCIL

* (15:00)

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

I would like to inform the members of the committee today that we are having some technical issues with the audio diffusion in this room; however, the recording is not affected. Therefore, I would ask all honourable members to please speak a bit louder today. Thank you.

The floor is now open for questions.

The member for Fort Rouge—oh, no—the honourable Leader of the Opposition.

Mr. Wab Kinew (Leader of the Official Opposition): I just want to acknowledge that my first time asking questions in this committee in my new role and I think that this is an important part of our budgetary process. It's an important part of the accountability that we exert on government decision making, and so I look forward to participating in a good way towards advancing the best interests of Manitobans.

I know that the Premier and I have different solutions to some of the political challenges of our day that we'd like to see happen, but I think we share an interest in advancing the well-being of Manitobans and also in increasing opportunity for young people of all backgrounds in our province.

I also just want to say that, you know, some of the issues that are particularly concerning for me right now is—I'm talking to a lot of people who are having a tough time getting by. Many people find that the wages they're earning are not enough and in some cases people can't get the hours at their job that they need, and so that drives people to look for other means of getting income, second jobs, third jobs, sometimes doing a little work on the side here and there doing contracting or what have you.

So affordability, the cost of living is a concern and definitely that guides, I think, some of our concern around utility rates and, you know, proposed taxes.

I also know that there are many changes being implemented in the health-care system and that I've spoken to many Manitobans who are concerned about these issues and the health-care providers that I've spoken to seem to suggest that investing in primary prevention and focusing upstream seems to be the best way to ensure that there is a balance between long-term sustainability in health care but also to ensuring that there's a high quality of life for people who are part of the system now.

So I just wanted to make those sort of preliminary comments given that somebody else made the opening statement the last time this committee was sitting and there's now, you know, an opportunity for me to speak.

So just to begin, I'd just like to—I know the Premier has also had some changes with respect to his Cabinet and some of the roles in people working around him. So I was wondering if the Premier would be able to provide an updated organizational chart, staff listing and corresponding salaries for employees in Executive Council.

Hon. Brian Pallister (Premier): First of all, I want to congratulate the member on his victory in his leadership contest and wish him well in his challenges in his new role. It's an honourable thing to do, to offer yourself to the public in any way, and I think as a leadership candidate, that's a particularly—applying for an onerous job with a lot of responsibilities and I think that takes courage and I applaud him for his courage in doing so.

I'd be happy to provide him with an updated org chart. As I have been doing through this process—and I think he noted this earlier, when the member for Logan (Ms. Marcelino) was acting as the interim leader, who I thank also for her—accepting her responsibilities and carrying herself well in them. I will perhaps not get the information immediately but will undertake to get it and will get it to him.

I could just summarize, I guess, for the benefit of the record, just a couple of the changes and then we'll get more information to him. First of all, we're continuing to maintain an Executive Council expense line which is approximately 35 per cent lower than the preceding government. We are attempting to demonstrate in a real way, through lower spending at the top of the organization, our commitment to make sure that we are modelling the way and not just talking the talk of trying to more effectively manage taxpayers' dollars but doing it in my office too. And so our Cabinet, as the member knows, is

considerably smaller in number, though not in capacity to work or in capability.

Also, our staffing levels are considerably lower as well, not just in ministers' offices but in terms of my own. But I wanted to also—I could put on the record my thanks to not only our elected members who have—whether they serve in Executive Council or in other roles, have all committed themselves admirably to their work, to their assignments, who have looked for additional opportunities to serve the people of Manitoba, but also, of course, to the staff that work with them and, as I mentioned in the House the other day, a sincere thank you to the families who support all elected members. Also, the families of staff. It is a different kind of work than many, and it's not to suggest there aren't many fields of endeavour that offer challenges. There are, of course, and in many, many, many pursuits where there are challenges placed on families. But I would say, certainly in the field of public service, that there are challenges that are not the norm for many families in our province and so, with that in mind, I say thank you to the spouses, to the partners, to the children, to the parents and to the extended family of all of our MLAs, because it is not an easy thing, this job.

* (15:10)

Many times it is unpredictable in terms of its hours and demands. Sometimes it subjects members to criticism, justifiable or not, and it certainly is not an easy thing to put yourself in the public eye. That being said, it goes with the job and members experience that—sometimes, also, their family members do as well.

And so I know that both the NDP leader and I have tremendous love and pride in our families, and know that it is a challenge to give that balance of time to them at the same time as we're trying to devote ourselves to our responsibility. So I wish him well with finding the balance that we all need to find in that respect, and I will certainly endeavour to get a completed org chart to him; perhaps at our next meeting I can have it fully completed. And he had asked also about compensation, and I would include, of course, the information he's asked for in that undertaking.

Mr. Kinew: All right, thank you, Mr. Chair and I thank the Premier for that as well.

So we've been talking about carbon pricing in the House and in the media for the past couple of

days. So I would like to discuss that issue, in particular, the outreach or, you know, what sort of a, you know, surveying is done to gauge Manitobans' attitudes around carbon pricing and what sort of plan might be developed here in Manitoba.

So I would like to ask if the Premier can indicate to the committee how many responses have been received to the survey on climate change that the government created.

Mr. Pallister: I don't have that right with me, but we can get that for the member. I'd be happy to get that to him.

I would also, if I could, I'd just add that the survey's just one way that we've been reaching out and we've been reaching out in many other ways as well. So there are other mechanisms that we've been using to get views and to gather opinions from Manitobans on the important issues of climate change.

This is an exciting challenge and one that we undertake with some enthusiasm because we know that climate change is real. We know the effects that it is having. We know—we see them worldwide and we see them here in Manitoba too.

Mr. Kinew: So in that undertaking to come back with a bit more detail on the survey responses, can the Premier also share with the committee how many responses came from stakeholder organizations as to general members of the public?

Mr. Pallister: I'm not sure and I'll have to gather the data.

The member is asking for stakeholder responses on a survey, right? [*interjection*] I should mention, yes, I've undertaken to get that. So I'll do the best I can to get that information. It may not be today, but it can be at another sitting.

And I would emphasize too, if the—to be clear, because this was not the case when I was Opposition Leader, that in asking for information I will be endeavouring and undertaking to provide it, as opposed to the practices that were previously engaged in where I was not apprised of information when asked.

I would also mention that should the—should it be the wisdom of the official opposition to move on to question other members of Executive Council, I will not fail to provide the member with the information that he's asked; I'll make sure that he gets it.

I can give him a bit of a summary. I know that there have been other meetings over the last year, as well, with interested groups besides the survey. So if he was interested in that I could share some of those with him as well.

Mr. Kinew: Yes, I would like to hear these other ways of reaching out that the Premier has referred to and also if he might be able to share what different options in terms of a carbon pricing plan has he and his government explored in this process?

Mr. Pallister: Well, I would say in terms of options, it's important in consulting to not go in with a closed mind. So certainly we've, in our meetings, gone in without trying to prescribe what the recommendations or suggestions of participants might be and, in a real way, have tried to gather broad-based perspectives from people.

And so, in terms of specific options around pricing, I think it's important to make the point that, most significantly, what we've tried to do is gather together perspectives and listen and hear from people their thoughts on the issue without going to them and saying, you know, here's a solution, or limiting their input. And so I would say the efforts at stakeholder consultation, without doubt, were sincerely undertaken, and more successful because of that—because we didn't just ask people to come in to discuss our agenda; we actually went to them and said what do you think the agenda should be. And I guess in trying to explain a consultative process, it's difficult because there are various stages of consultations. And sometimes you undertake a consultation to frame an issue early and then, once framed, go back and say, you know, give us your views on that as it's framed.

With respect to our climate and green plan consultations, they began last year, as early—some of the first meetings that I recall were about a year ago, a little more. And so we're meeting with people, you know, over that time period as recently as meetings again, I believe this week.

So it's—the meetings have gone on over a fairly long period of time and, as happens, I think when you're in an honest discussion with people, things evolve as you're having the discussion. You might start saying, well, you know, what do we think, and we're dreaming about all kinds of options. And then, as you move forward, you start to narrow down, okay, well, here are some things that we really think are priority items. That—I would just say, I guess it's—the discussions have been open, frank. But they've—

I've seen some evolution in some of the topics, the agendas, the priorities over time. And I think that's natural as you go back to people.

And so some of the groups and individuals, of course, have participated in the consultation process not just once, but, you know, a couple of times, and their views have evolved. And some of their views have changed over time, too.

Mr. Kinew: Can the Premier share with us what sort of research has he or his staff carried out that would show what sort of impact a \$10-a-ton price on carbon would have on the Manitoba economy?

Mr. Pallister: I can—I think maybe it will be beneficial to share with the member where we've gathered ideas from first, and then we can get into some of the ideas that they've brought forward. I think that's been the process that we've used with some enthusiasm. And that will help, I think, to clarify—like, he's moved, fair enough, to prescriptions on solutions with respect to tax. But that is only one aspect of our green plan and wouldn't be—I doubt it would be the major one.

So, climate change is a big issue. You're not going to solve it all with tax. Even the federal government, who—which has imposed its tax backstops on our province doesn't lay claim in any of its statements that I've read to a carbon tax as a solution to climate problems. It's just one piece of the bigger challenge. So I—just to be clear, the consultations aren't just on carbon tax. They've been on, you know, many different aspects of climate change. Gathering input, gathering concerns initially, and then moving to how can we solve this, or what are ways to address it.

So maybe just to help clarify, because I'm not doing a very good job of clarifying, I'll explain who were some of the people that we consulted with to start with. I can go through this list with the member, if he likes, but we had a round table, carbon pricing was one of the topics of it, and that was a year ago September 30th. And attendees and—I don't think I'm—am I at risk of revealing confidences here? Is—I think I can say these are—I didn't ask each of these people if I could release their names. Do I have to do that? [*interjection*]

* (15:20)

They were publicly invited. So I'm just going to take the risk of telling the member who was all at the round table, and if I get criticized for it later I hope the member won't be one of the people criticizing

me. Just in the interest of transparency, yes. The member for Minto (Mr. Swan) has promised me he won't attack me for this.

So Bruce Duggan, I hope I'm pronouncing Bruce's name right, is from an organization called 50 by '30, was there. Joe Masi from the Association of Manitoba Municipalities—*[interjection]* Oh, maybe. You just want me to say the organizations. Okay, Mr. Chair, what I'll do, just—and I'll double check and make sure if the member wants the names, I should stop saying the names—I'm now advised—and say the organizations. So I'll say the organizations. So if they were there as individuals I'm stuck. Okay.

The City of Winnipeg sent representatives to that meeting: a group called the Clean Prosperity; a group called Climate Change Connection; Graymont Western Canada; Husky Oil; and a representative from the Minnedosa Ethanol Plant; Green Action Centre; Keystone Agricultural Producers; Koch Fertilizer Canada; Manitoba Business Council; Manitoba Chamber of Commerce; Manitoba Trucking Association; Partnership of Manitoba Capital Region; Winnipeg Chamber of Commerce; University of Winnipeg; University of Manitoba; Manitoba Environmental Industries Association; Manitoba Energy Justice Coalition; Green Action Centre; Manitoba Beef Producers; and Ecofiscal Commission of Canada. So by my number—rough—over 20 representatives from various groups with different perspectives were at that first round table meeting September 30th of last year.

Mr. Kinew: I thank the Premier for that information, gives a good idea of which sort of organizations were consulted at the round table process.

But I am curious to know whether there was any sort of internal research, you know, done in—you know, whether the Department of Finance or other internal economic analysts to determine what sort of impact the \$10-a-ton price on carbon would have on the Manitoba economy.

Mr. Pallister: Well, as the member knows we work—and this was raised, of course, in question period today in reference to travel costs. We have an expert, internationally renowned on this that has led this exercise, and a number of models have been looked at both in terms of how they might impact environment and economic goals.

I'm not sure if I have anything here I can share with him at this point in time, but I would just assure

him—I can't assure him of the specific of the \$10 issue, but I can assure him that models were looked at that looked at the environmental impacts that our plan might have versus what a federal plan might have. So the federal plan does propose 10 initially, and so comparatives in that respect have been done.

But I don't have anything here that I can give him in more detail. If he'd like to elaborate a bit I—perhaps can get more information for him at a subsequent meeting.

Mr. Kinew: Yes, the question's based on, I guess, the remarks that the Premier and other officials in his government have made in the past, which is to make reference to the federal climate plan, which we know has been proposed to go from 10 and then eventually to \$50 over a number of years, and that the Premier seems to suggest that the plan that he will bring forward will offer a different pricing regime on carbon.

The inference being that the Premier, his government, have probably analyzed the economic and environmental impacts of the federal plan and also of what their proposed option is.

So, I'm asking for some insight into what was concluded in those analyses, specifically in year one, where a federal proposal might say \$10 per ton, where a proposal brought forward by this Premier might suggest something else. What can you tell us about what the impact would be, first on the economy and then, perhaps, on the environment, if he's able to do so?

Mr. Pallister: Well, I can share with the member that I made a commitment to release our plan. And of course, in so doing, we'll be releasing some of the information at that time, which will be in the next couple of weeks, in terms of the analysis.

So, we just learned—I don't know the exact date—from the constitutional expert, Professor Bryan Schwartz, that the federal government can impose its plan on us if we don't develop our plan, and so we're proceeding now to finalize, over the next few days, our plan for presentation to the people of Manitoba. And the—of course the opposition, as concerned citizens—we'll be presenting that plan for their perusal, and in due course, over the next couple of weeks—within the next couple of weeks—in approximately a couple of weeks.

Mr. Kinew: So, I know that in some policy areas, the Premier uses reports developed by outside

consultants to inform the decisions that he makes. Are there any sort of consultant reports, or reports generated internally, that fed into the decision-making process on how to structure a carbon pricing plan that will be announced in approximately two weeks?

Mr. Pallister: Well, I had mentioned David McLaughlin, who's a senior adviser to our government on climate change, as co-ordinating a lot of this outreach.

I should also mention we have a great many Manitoba experts who've been consulted throughout the last 14, 15 months by him and others.

But specifically, I've read some of those groups into the record. I'll wait for clearance to give the individuals' names, as I said earlier, but I have mentioned some of the groups. But I will go further and say that, in referencing the first consultation meeting—and these are the broad-based consultation meetings—there was a second one on November 30th, as well, last year, an all-day gathering.

And it was attended by a number of Manitoba interest groups, individuals representing a variety of interest groups, a number of whom I don't think I've listed. So I will add to that list and say the Manitoba Energy Justice Coalition was there; Manitoba Geothermal Energy Alliance; 50 by '30, again; Manitoba Wildlife Federation as well; a representative from the Provincial Council of Women; as well, Manitoba Climate Change Connection program manager; Eco-West was there; Council of Canadians, Manitoba chapter; Manitoba Environmental Youth Network; Wilderness Committee; Manitoba Wildlands; Ducks Unlimited; Social Planning Council of Winnipeg; the Manitoba Forestry Association; the forest industry association as well; Manitoba Electric Vehicle Association; Canadian Parks and Wilderness Society; and, as well, Manitoba Habitat Heritage Corporation.

So, in that particular meeting, 18 individuals representing a wide array of various interest groups were consulted with.

Again, I emphasize this because I think it is important to understand that we have endeavoured to reach out and build a Manitoba strategy not exclusively based on Manitoba input because, of course, there are people all over our planet who are concerned about our planet, and their expertise and their concerns should be heard as well.

But we have really focused on reaching out to Manitobans to gather their perspectives and to get their ideas and their input. And that's—Mr. McLaughlin has been one of the main co-ordinators of those activities.

* (15:30)

Mr. Kinew: So, the Premier's (Mr. Pallister) made reference to this outside legal expert whose opinion was sought in reference to the constitutionality and related legal issues about the federal government's imposition of a carbon-tax regime.

Why did the Premier use this outside legal expert rather—which I understand cost some \$40,000 to obtain the services of—why was that outside legal expert consulted rather than using the experts within government?

Mr. Pallister: I appreciate the question. It's a question I asked as well when we were making the decision, because we do have internal constitutional expertise within our civil service. However, the advice I received was that by asking internally I might be putting our civil servants in a position of some conflict because they were—would be giving, in a sense, political advice on the shaping of what would go into the political arena, as I'm sure we'll both prove over the next number of weeks and perhaps months. And so to put civil servants in that position where they're forced to defend what would have to be, in some respects, a political decision would not be right or fair. So that was the—this was the advice and this was the reason for reaching out to outside expertise to ask for advice which would then not impugn the integrity of our government employees who should not be put into a political situation.

Mr. Kinew: There are a number of areas, Mr. Chair, where, you know, Department of Justice lawyers or other internal legal experts are asked to determine the constitutionality of different government measures which are brought forward in the political arena.

So what in particular made this issue one that required outside legal opinion? Because it does seem as though internal government lawyers do rule—or do offer opinion, rather, on issues which are then brought forward in the political arena.

For instance, one area that we actually agreed on last session was on rectifying funding imbalances on reserve and I know that Justice officials have been asked to rule on the constitutionality, constitutional

division of powers between the province and the feds on reserve, and so, to me, their insight is used in that arena. So what was different about this? Why did we require the outside legal opinion in this instance?

Mr. Pallister: I thank you for raising the question and the follow-up question too.

In the interest of transparency, we're going to find the actual note of advice that I was given and share that with the member when we can come up with it. The member's suggesting—and it's a difficult issue—the member's suggesting that another area of advice we might have gone solely internally and not outsourced or sought additional advice. Perhaps that's true. We'll get the rationale for this.

There's little doubt that this is an area of public policy that will be hotly debated and will be, I suppose, politically debated, and so I believe, if I recall, that the—one of the reasons or principle rationales for outsourcing advice was to make sure that we did not put our legal counsel and expertise internally to government in a position such as, for example, a former minister did with respect to an immigration debate by sending out an invitation through an assistant deputy minister, if I recall, to participate in a protest rally, right?

So, involving, as the previous government did in that case and possibly in others, civil servants who should not be partisan in organizing a—assisting in getting attendance to a protest rally placed the integrity of the civil servant in dispute.

This is not a helpful thing or a good thing. Clearly, we need to have our civil servants away from accusations of partisan participation. And so it would be, I believe, consistent with the advice I recall receiving. And, as I said, I'll undertake to get the member more transparency on this.

But I would recall that the argument was being made that we not place our legal expertise in a position of having to advise on an issue which could have very serious political overtones as that would potentially impugn their integrity or call their integrity into question.

Mr. Kinew: So, just to clarify, the note that the Premier (Mr. Pallister) is making reference to will be taken as a matter under advisement and brought back to the committee?

Mr. Chairperson: I'm happy to provide the member with an update on the advice I received. Yes.

Mr. Kinew: I appreciate the gesture and look forward to reviewing that when we have a chance to reconvene.

I'm wondering, now that the Premier has received the legal opinion, has had an opportunity to consider its advice, has this changed anything with respect to the Premier's plans on the carbon pricing plan and the climate action plan?

Mr. Pallister: I would say that, and I should mention—I'll back up a second and say, our constitutional law branch actually made the recommendation of Professor Schwartz as someone that they felt would be—would have the qualifications to give, you know, good advice in his area of expertise, which is—I understand is constitutional law that he would be able to give us advice.

I don't have a copy of his ruling here. I don't think the member is asking me to read it out, but I do think there is much greater clarity as a consequence of Professor Schwartz's counsel than was the case without it. I think the important thing to understand is that there is not ever total certainty with respect to constitutional law on issues like this.

And so to try to clear the air, so to speak—no pun intended—the—it is important to consult with experts. It's important to get their input, and we've done that with somebody that I think the member would agree has deservedly built a reputation for knowledge in this area.

It's sort of akin, though, in some respects, when you ask for advice like this the—to people talking the day after a ball game about how they knew who was going to win, you know. They always know after the game is over what the score would've been if they predicted it. I mean, I don't know that there was total certainty as to what Mr. Schwartz would come out with. We were guessing. A lot of people were guessing, and now they're saying they were guessing right.

* (15:40)

Mr. Schwartz says—Professor Schwartz, I should say, says that the federal government has a good case to make in respect to their ability to impose their solution on the province of Manitoba.

I'm not a constitutional legal expert and I'm not going to disagree because we hired Professor Schwartz and so I'll take him at his word that they have a good case. They may have a good case legally; I don't know if they have a good case

morally or politically. So, quite frankly, I think we have a better case to make that we should have a plan of our own that's designed with Manitobans in mind, that's respectful of our green record, that's respectful of the investments we have made and will be making in green areas, not exclusively hydro investment, but others as well.

I would give, as an example, in terms of the other arguments that can be made counter to the legal argument, the example that we have billions of dollars that we have now overcommitted to expansion of Manitoba Hydro by the previous administration, that is a real investment.

Now, it's an investment. Whether it will pay off, of course, the experts who testified before the Clean Environment Commission and the PUB on this issue were uniformly critical of the government's approach in terms of these investments, saying that they would not pay back for decades, that they did not follow proper prescribed procedures, that some of the investments were made in advance of approvals. For example, the Keeyask construction proceeded well in advance.

In fact, the Clean Environment Commission, if I recall, said that the Keeyask dam shouldn't be built and the reason they had to approve it was because it was already largely built.

Now, all that being said, that's not a dollar of Ottawa money; that's billions of dollars of Manitoba money. Manitobans have invested that money. The federal plan, to my mind, doesn't—it's imposition of a plan doesn't fully respect Manitoba's tremendous record and Manitobans' commitment, forced or not, to Hydro investment, let alone the other investments that we are already making without any help whatsoever from the federal government.

So, again, the legal advice is they can do it. My concern, the concern of our government, is that it's not designed for Manitoba or with Manitobans in mind.

Mr. Kinew: Looking at the situation from outside Executive Council, it seems like getting this legal opinion was a delay tactic or a distraction. I'm sure the Premier (Mr. Pallister) would disagree with that assertion or that view, but that's why I'm asking whether there's anything that the Premier can point to that was received in this legal opinion that has changed anything in his thinking.

Did this legal opinion have a positive impact in the plan that is going to be delivered to Manitoba citizens and families?

Mr. Pallister: Yes, absolutely. I would say that there is no doubt that part of Professor Schwartz's ruling clarifies that Manitoba has a good chance of winning a court case if we bring in our own plan and it can be demonstrated to work as well or better than the federal plan. That was not out there before. That's a very interesting observation and it gives some clarity to our position and some fortitude, I suppose, to our position, that should we proceed with our own made-in-Manitoba plan, the federal government couldn't simply say no.

This was worth knowing and this is worth pursuing because the federal plan, as I said, was not designed with Manitoba in mind, does not demonstrate respect for Manitoba's commitments and previous green investments, and if one works on the presupposition that the federal government can do this and we should just stand back and do nothing, they are for the federal plan because the federal plan will be invoked. The Prime Minister has said that. That is the ultimatum we have been given by the federal Liberal government.

So, if we do nothing we get the federal plan. If we go to court and fight, according to Professor Schwartz, we lose and get the federal plan. These two courses of action don't appeal to me. I don't think they appeal to most people in Manitoba.

So we have a choice now. We either advance our own plan and do our best to make sure the federal government does not invoke its plan, or we follow that previous course of advice, do nothing and we make a show of going to court, spend potentially millions of dollars, lose—which Professor Schwartz has obviously told us would be futile, and—if I could get the ruling somewhere I could read from it, the specific chapter and verse, but I think the member recalls that Professor Schwartz did communicate pretty clearly that we have a chance of success—reasonable chance of success by developing our own plan. This was not known before Professor Schwartz's advice was given to us, so I think that's important to understand, and that's a valuable aspect of what we received from his work.

As far as achieving results is concerned, I can—if the member wants—get into some of the detailed problems that the previous administration had in not only establishing targets, but in achieving them. But

I'll save that for another answer, if the member would like. We can get into that in some detail.

Mr. Kinew: So, from the beginning that this issue's been discussed on the national stage, it's been clear that provinces have the ability to set their own climate regimes. British Columbia has had one for a number of years. Ontario—some other provinces have moved in that direction. It seems—like, it was already well-established that Manitoba would have had latitude to pursue its own plan.

And so, I'm still not clear on what this legal opinion advanced in terms of clarifying things for the Premier's (Mr. Pallister) thinking. Beyond that, wouldn't an expert like Mr. McLaughlin who the Premier has raised—wouldn't he be able to provide clarity on those issues with respect to the constitutionality and what sort of latitude that the province has? Because he is being retained. He's being paid a salary. He's also having his expenses paid for. Wouldn't he be able to provide that sort of expertise to the First Minister?

Mr. Pallister: Well, I've got to ask the member, would he get his teeth filled by a plumber? Like, you know, is—there are different levels of expertise in different fields. David McLaughlin's an environmental expert, Professor Bryan Schwartz is not. Professor Bryan Schwartz is a constitutional law expert, David McLaughlin is not. So we didn't hire David McLaughlin to give us constitutional legal advice because he doesn't have that expertise.

So if the member is suggesting we should have got better value out of David McLaughlin, I'd have to tell him we got great value out of David McLaughlin. We're getting great value out of the man. He's been working his tail off. I mean—and his expertise in terms of developing an environmental plan is well understood, and I hope the member's not putting that expertise into question because I could read him his—if he wants to hear his CV, I mean, it's pretty impressive stuff. So I can; if he wants, I can read it into the record.

But no. We didn't hire David McLaughlin to tell us what the Constitution of Canada is about because that would have been dumb. If we're going to ask somebody about constitutional law, we'll go to a constitutional law expert. And that's what our legal people advised us to do. We did that, and we got great advice from Professor Schwartz who said we have a chance to have our own plan developed.

Now, when the member alludes to what other provinces did, he's quite right. Other provinces have

advanced plans which the federal government has said they'll approve. We are designing our own plan. It's not like the other provinces' plans, and so there's going to be a kind of a negotiation that's going to have to happen for us to get our plan accepted.

Now, in a couple weeks, the member will look at our plan. I expect, as is customary with opposition politicians, he will oppose it in some way. But that's fine. I totally accept that. But I want him to understand two things. One, if we just say no, we get Trudeau's plan. I don't want that. I hope he doesn't want that, either. I know the previous position of the NDP was that the tax should be much higher than the federal liberals want. I don't agree with that. I think we're a highly taxed province. I'm very concerned about the impact of lower disposable incomes on Manitoba families. The member has started his preamble saying he has those same concerns, which does not sit with his party's position that the carbon tax should be higher than the federal government proposes. Nor does it sit with his position that the money should not be recycled back to Manitobans. So he's saying he's concerned about struggling Manitobans. I am. He's concerned about their diminished incomes. I am. That's why we're reducing taxes, not raising them as the previous administration did.

* (15:50)

But his positions are contradictory. He's taken the position the carbon tax should be (a) higher and (b) not recycled back to Manitobans. I disagree with both those positions and so he has some indication of what our plan will look like versus what he's proposing.

But I urge him to reconsider his position because I am concerned about the money left on the tables of—kitchen tables of Manitoba families and I don't think a higher carbon tax kept in the hands of government to spend for their own devices is a good idea. I certainly don't think it's a good idea to let the Prime Minister—with all due respect to the Prime Minister and his friends—I don't think it's a good idea to let them invoke a tax on our province, take the revenue out of Manitoba and then decide what their priorities will do in terms of allocation of that money. I don't think that works; I don't think that's what we want.

I hope the member will join with us when he sees our plan, and our plan is the result of a ton of work with a lot of Manitobans, and I know that there are many Manitobans—never all, but many

Manitobans who want to see a made-in-Manitoba plan. And I sincerely hope the member in looking at it will look at it with an open mind with an open heart and say: you know, that makes a lot of sense; that makes a lot of sense for Manitoba; it makes a lot of sense for our environment; it'll work better. That's what we've been working very, very hard to develop and I think it would be a powerful message to Ottawa, quite frankly, if he and I could join hands and say that plan is better for Manitoba than what Prime Minister Trudeau wants to invoke on this province. If we could do that together, I think we can get our made-in-Manitoba plan in place, not worry that the Liberal government in Ottawa would overrule us, which now Professor Schwartz has said, clearly, they could. That would be dangerous. That would be dangerous to the future of our province environmentally and economically in my mind.

So I want a made-in-Manitoba plan. I believe Manitobans will support that.

Mr. Kinew: I will consider it, but, of course, we have to see a plan first.

The Premier mischaracterizes the commitments that I've made on the issue. What I've stated is that every dollar that's collected from a price on carbon should be re-invested in adapting to climate change and fighting global warming. So when the Premier brings his new plan forward, will he be able to say the same thing: that every dollar they collect from Manitobans with a price on carbon will be spent on climate change and adapting to global warming?

Mr. Pallister: I'm not sure of the somatic intentions of the wording the member has offered, but I do know that there's going to be a good, healthy discussion among Manitobans about what percentage of money ends up back on their kitchen table versus how much the government gets to keep and get credit for spending. I think that's an important and healthy discussion to have.

I take, from what the member is proposing, that very little would go back directly to Manitoba households in any form with tax reduction not being a high priority. It hasn't been a high priority in the past, of course, for his party. I don't expect it to suddenly become a high priority now. But at the same time to suggest that virtually no money could go back to Manitobans in the form of lower taxes would be, I think, disadvantageous to Manitoba families. So I'd have to see more detail on the member's proposal before I'd be able to comment fully on it, but that—the implications of it, I think, are

somewhat less advantageous to Manitoba families than what our plan would entail.

Mr. Kinew: Adapting and mitigating climate change includes the ability to provide low- and middle-income Manitobans with adjustments so that they can afford utilities, so that they can afford transportation once a pricing-on-carbon regime is brought in. So that has been clear.

The Premier (Mr. Pallister) makes an assertion, and I quote: We got great value out of David McLaughlin in one of his previous answers. So I'd like to ask: Can the Premier advise as to how many reports Mr. McLaughlin has submitted to his government regarding this issue?

Mr. Pallister: Innumerable, in various forms. This is an ongoing dialogue. I'll continue to try to illustrate to the member the work that's gone into this by outlining another meeting that was held in terms of consultation, this with the Winnipeg Chamber of Commerce as a co-ordinating agency.

On January 11th of this year, there were representatives at this meeting from Bockstael Construction; the University of Winnipeg; Keystone Agricultural Producers; the Winnipeg Airports Authority Incorporated; the Manitoba Trucking Association; the University of Manitoba; a firm of chartered professional accountants—which if I read the name I would be revealing the name of the attendee, probably, so I won't do that yet; Emerge Knowledge; a company name which doesn't have the man's name in it, so I'll say HTFC Planning and Design; Aki Energy; Manitoba Environmental Industries Association; the International Institute for Sustainable Development had two attendees as well.

In terms of additional meetings between August up to, in this case, up to the end of the year of last year, there were bilateral meetings with Smart Prosperity Initiative; again, separate meetings with the University of Winnipeg; green action climate centre; FortWhyte Alive; Clean Prosperity; International Institute for Sustainable Development; Winnipeg Airport Authority.

Again, I emphasize they're bilateral meetings, separate meetings to go in depth on topics of interest to them, topics for research, topics for discussion—the Manitoba Business Council, twice; the Winnipeg Chamber of Commerce, twice; the Keystone Ag Producers, three times; the green buildings Canada, Manitoba chapter; Bison Transport; Manitoba Trucking Association, on two separate occasions;

Koch Fertilizer; Ducks Unlimited Canada; Manitoba Wildlands; Manitoba Metis Federation; Canadian Manufacturers & Exporters; Federated Co-operatives of Canada; 50 by '30; Capital Region; Ecofiscal Commission of Canada; Manitoba Environmental Industries Association; partnership of the Manitoba Capital Region again; CFIB, or the Canadian Federation of Independent Business; Eco-West Manitoba; Bullfrog Power; ALUS Canada in February of 2017; the Canadian Fertilizer Institute; the International Institute for Sustainable Development, governance session with national stakeholders; Manitoba Business Council; Manitoba Chambers of Commerce; Eco-Network; Canadian canola council; Tundra Oil & Gas; Prairie Climate Centre; Canadian Manufacturers & Exporters, Manitoba section; Canadian Oilseed Producers; Canadian green building council; Manitoba Heavy Construction Association; international emissions trading council; SaskPower; CCS knowledge centre; the Nature Conservancy; the Canadian peat moss association.

I'll go to March and April through August as I continue to emphasize to the member that the work that has gone into planning for this and the consultation that has gone on has been intense, worthwhile, because it involves listening and learning from Manitobans, and I thank Mr. McLaughlin for his service and his co-ordination of this very important work.

Mr. Kinew: So we learned today that Mr. McLaughlin took 30 trips over the past year, many of which were to Ottawa, which may be where his primary residence is located. So for \$60,000 there were 30 trips, which suggests that the Premier's so-called made-in-Manitoba carbon plan may have been made in Ottawa, rather than here in Manitoba. But it certainly raises eyebrows to hear that there are this many public dollars being spent to fly back and forth, so I would like to ask the Premier: What were the nature of these trips to Ottawa?

Mr. Pallister: First of all, I would suggest to the member that when we get internationally renowned expertise to help us co-ordinate something as important as a climate change strategy that allows us to help the environment and our economy at the same time, we should use it. I would also mention that Mr. McLaughlin has a family, and so part of the negotiation for his services was that he be able to maintain contact. He has two children and his wife and they reside in Ottawa, not in Winnipeg.

* (16:00)

And so I would mention that to him because I do think it's important to recognize that the value-for-money proposition is one that we evaluated carefully in the selection of this gentleman. This is someone who comes to us as not only a former chief of staff to a prime minister of Canada, but comes to us as also a former deputy minister to a premier, who had, I think, a very good environmental record, by the name of Bernard Lord. That was in New Brunswick in '99 to 2005. So, for five years, he served as a deputy premier there in terms of policy planning; secretary to the Cabinet committee on policy and priorities; developed the government's policies and legislative agenda; worked on their prosperity plan for economic development at a time when, of course, like all provinces, there were many, many challenges in New Brunswick. He worked in a variety of areas there in terms of health-care reform, electric utility restructuring, their learning agenda. He was also involved in their intergovernmental affairs portfolio, which is important here because we are interfacing with Ottawa on these issues in the hopes that they will see the wisdom of supporting our plan, this is very important expertise. In terms of a number of other issues, he was at the forefront there, that was in his time of service, half a decade in New Brunswick. He also served as the executive director of the advisory panel on fiscal imbalance, which was a—as the member—as the NDP leader—I'm sorry—should recall, was a major area of concern, remains a major area of concern. He managed on the fiscal imbalance file. He managed the national research and outreach program and the activities, and this is an independent panel that led to the preparation of its report to Canada's premiers on the fiscal imbalance.

Improvements to fiscal federalism—there was just a—actually, interestingly, just a report from the Parliamentary Budget Office last week saying that most of the provinces are going the wrong direction on their fiscal practices, which I take very personally. I want to see their next report say that one of the provinces going the right direction is ours. We certainly inherited a mess when it comes to fiscal challenges. And the federal government was noted in that report as flush with cash, but seems to want to reduce the transfers for health care at the most inopportune time when our population is aging.

Most importantly, he served as the president and the chief executive officer of the National Round Table on the Environment and the Economy for the

Government of Canada. This is a public policy advisory agency which Mr. McLaughlin led for half a decade. This is groundbreaking work: reports on economic modelling, analysis, on climate change, climate prosperity, sustainable water use by natural resource sectors, business resistance to climate change, and a low-carbon economic plan.

That work produced Canada's first-ever map and cost study of global warming and its impacts on the country. This is the level of expertise that we've been able to obtain. He partnered with the Royal Canadian Geographical Society to produce lesson plans on climate change impacts for 11,000 Canadian schools. That's really important. We've got to change our attitudes towards this issue. And those attitudinal changes will not occur overnight, and they will only occur with honest science and communication on the impacts.

So these are the things that Mr. McLaughlin worked on over that half decade. Also convened industry, environmental, government and academic interests and experts across the country to develop consensus public policy solutions to advise governments. Remember, this is not a partisan group; this is an impartial think tank that's organized to advise all governments, regardless of political stripe, on environmental policies.

They convened an oil sands dialogue with industry, environmental communities, governments, public policy experts, to create steps for sustainable development in respect of the oil sands sector.

Mr. Kinew: Is there a cap on the amount of expenses that Mr. McLaughlin is allowed to claim?

Mr. Pallister: There's always a concern with this government on getting value for money. We'll make sure that we do, and we'll continue to focus on doing so. Our anticipation is that, with the release of our climate change plan and subsequent-addressing of subsequent issues, that Mr. McLaughlin will not—his contract will not continue much beyond the next three or four months.

Mr. Kinew: Can the Premier (Mr. Pallister) tell us what was negotiated with Mr. McLaughlin beyond his salary in terms of compensation, travel allowance?

Mr. Pallister: Yes, we can obtain that for the member. I would like to, however, clarify that the member stands on rather fragile ice when he speaks about getting value for money for taxpayers. Let's understand that the NDP administration had a

rebellion, during that rebellion the taxpayers of Manitoba actually paid the salaries of the campaign manager for the man who was defending himself against the rebellion. Now, that's not value for money I think we'd all agree, I hope we would all agree.

I would also say that as a consequence of that and other hires done for purposes not to benefit the people of Manitoba, that hundreds of thousands of dollars were expended by the NDP administration of taxpayers' money to hire people to work in political organizational roles. I would also emphasize that the Cabinet budget for the previous government was 40 per cent higher than the current budget, that the executive council salaries and compensation is over 30 per cent higher under the previous government than ours.

And if the member is wanting an illustration of how we're concerned about getting value for money I would hope those would serve as some example to him.

I would go further and remind him that subsequent to that leadership restoration by the member for St. Boniface (Mr. Selinger), subsequent to a rebellion organized by his own colleagues, a number of staffers were given severance pay. This severance pay was covered up, not disclosed, as opposed to the approach I'm taking which is to answer every question the member asks me openly and provide and undertake to give him full information, I received none. I asked repeatedly for information on the breakdown on severance pay for former NDP staffers, was given no information at all.

Subsequently found out that payments in excess of half a million dollars were made, not for people to come and work here in Manitoba like David McLaughlin is doing, but to cover their costs of not working here, to actually pay them to leave, to pay them to do not only nothing but less than nothing. This illustrates the approach of the party that the member now leads.

Now, granted he was not here at the time, and I want to give him that; I'm not blaming him for these decisions, but I want him to have the historical context to understand that we are very concerned not to repeat those mistakes of the past, but rather to make sure that good value for money is being achieved, openness is being demonstrated and we will continue to do that to the best of our ability. Such was not the case under the previous administration.

And so, for example, I asked repeatedly if I could see reports on the untendered contracts that were given by the previous—Steve Ashton to his pal, untendered contracts on tiger dams. I was asked repeatedly—I asked repeatedly if we could see information on that, there was no disclosure on those contracts by Mr. Ashton or the government; they were supposed to be put on the library, okay, the Leg library computer, all untendered contracts. I know the member, you know, thinks that this isn't important now, but it is important to put in context the reality of the importance of his questions. Oh good, good, good, good, and the member says he doesn't mind, that's good; taxpayers do and people who are concerned about value for money do, and that's why we're governing in a different way from the way the province was governed before.

Now, these untendered contracts that were given out over a period of six or seven years to the tune of over \$10 million, now these weren't put. According to the Financial Administration Act of our province, they're supposed to be put on the computer in the Leg library; they were never put on the Leg library. They weren't disclosed; they were covered up. They were not only covered up, but they were given out over a six-year period, seven-year period, approximately.

*(16:10)

Now, was there value for money being achieved from that process? It's extremely doubtful, I would say it's extremely doubtful, or why would the minister have covered it all up? If it was—if there was value for money there, he should have put the contracts—according to the Financial Administration Act, he should have put them on the computer in the Leg library, we could have had a look at them, and we could have discussed whether they should have been tendered or not tendered, for sure. After the fact that they were given out untendered, of course, there's a serious doubt that there was value for money—no way to demonstrate it, because there was no use of the market forces that should be used when you're shopping.

Every Manitoban understands—I mean, most Manitobans. Not every Manitoban, but most Manitobans shop pretty smart with their own money. Why should it be different when Steve Ashton or the NDP get a hold of it? I'm not sure. But the fact remains that it was covered up, the shopping wasn't done anywhere but at Pony Corral and the reality was that there was no value-for-money determination

made by the previous government. In fact, they covered up the fact they were giving the money away.

That's what we inherited, and we're not going to repeat that. So I have undertaken, as a result of the member's questions, to get him every piece of information he's asked for. That is in total contrast to the way the previous government ran their ship.

Mr. Kinew: Just to clarify: when I said I don't mind, I meant I don't mind the Premier (Mr. Pallister) taking a rather circuitous route towards answering the question. I'm always keen to hear his thoughts on various matters. And so what he shows me in his response is that he understands, I think, that issues like severance are calculated based on a formula. I believe the Premier also took severance payments based on a formula when he exited provincial politics previously, and when he exited federal politics to return to the provincial level. So I'm sure that he understands those things.

But I guess what I'm trying to understand is: Is there a similar sort of formula, or is there, you know, a maximum amount of expenses that Mr. McLaughlin can claim, or was this not subject to the same sorts of rules or calculations. That's what I would like the Premier to tell us with respect to the compensation paid to this advisor.

Mr. Pallister: Unlike former, disgruntled NDP staffers who were paid to leave the Province of Manitoba using taxpayer money, Mr. McLaughlin will not get a penny of severance. That is an extreme contrast to the way the previous administration did things.

The member says severance is given out according to formula. This is true for core civil servants, but was not true for NDP staffers. But my greater grievance with respect to the way that the NDP handled this issue was not that they departed from a formula, but rather that they covered up the fact that they were making the payments and then they covered up how they were doing them. There was no way to have an intelligent debate about the way in which the severance was paid.

I have great respect for political staffers, regardless of party, and I want them to be treated fairly at all times. But when a government takes over half a million dollars and pays it out to political staffers and covers it up, something's wrong with that. They were not paid according to a formula—as it turns out—at all. They were paid on an arbitrary basis,

and it would lead one to believe they were paid to be quiet about the issues they dealt with. That is—whether that's right or wrong, that is what one might conclude as a consequence of the payout; that it was somehow, in some way, hush money.

Now, many—and that's unfortunate because that puts the integrity of the staffers at issue when the integrity of the government of the time should be what was the issue. Six hundred and seventy thousand, not half a million; \$670,000 of severance payments were paid out, including a couple of packages in the area of \$150,000. Now the member is raising the issue of travel costs for an internationally-renowned expert on the environment who we brought in here to help to address a major issue. I would put that in stark contrast with paying what, triple, quadruple, quintuple the amount of money for doing nothing to former NDP staffers.

I appreciate the question, but again, I've got to tell the member the approach of the previous government has taught us something: how not to do things. I mentioned the Tiger Dams before. I asked questions of the former premier in Estimates back-to-back years about the Tiger Dams and got no information, no answers whatsoever. I don't want to repeat that behaviour.

I finally was able to FIPPA and ask for an analysis of these Tiger Dams so that I would be able to understand how they worked and if they were effective. And I didn't understand why the government was covering up the report. And finally, after trying again and again to get this information, the government sent me a copy of the report.

This is what it looks like, for the member's benefit. A preliminary technical analysis of Tiger Dam flood tubes as a flood protection tool. I note that I—this report was done in 2009 and I didn't receive it for over half a decade.

That's what that report looks like. This is what the report—I'm showing, for the record, blacked-out pages, okay? This is what I got from the government of Manitoba. Thanks for the transparency. Thanks a big chunk. Okay, so how do you possibly assume anything except that the Tiger Dams were garbage? How do you assume anything? Why would you cover up and black out a report like that? Advice to Cabinet? That was the argument that was used, advice to Cabinet.

Look it, it's ridiculous, and this is the kind of stuff we had to deal with in opposition, and we're not

going to create this problem again for you, for the member from Fort Rouge as a leader. So if he wants information I'll give it to him. We've given him every piece of information on Mr. McLaughlin, and I will defend the value-for-money proposition, but I want him to understand that the party he now leads never did this when they were in government. They covered up information. They covered up untendered contracts. They didn't release information even after it was FIPPA'd. At the best of times, this is the type of stuff we got from them. This is what we are not going to do.

Mr. Chairperson: I would like to remind the First Minister that props are not allowed in committee. *[interjection]* Exhibits.

Mr. Kinew: Thank you, Mr. Chair, and thank you for your very wizened interjection into our debate here this afternoon.

So just to be clear, the First Minister is taking it as a matter under advisement that he will come back and tell us what was negotiated with Mr. McLaughlin in addition to salary, and also, am I to understand that once Mr. McLaughlin's contract is completed, once he's done working with the government, that there will be full disclosure of all payments, including expenses and other benefits paid to Mr. McLaughlin?

Mr. Pallister: In total contrast to the conduct and misbehaviour of the previous NDP administration, that is correct, sir.

Mr. Kinew: And so the Premier (Mr. Pallister) listed a variety of groups, not necessarily specific individuals, but groups that were consulted at various times with respect to meetings in Manitoba. However, since we now learned about the trips to Ottawa that Mr. McLaughlin took, can the Premier provide us with a list of the groups that Mr. McLaughlin met with on his various trips to Ottawa?

Mr. Pallister: The intent of the trips to Ottawa was so Mr. McLaughlin could maintain his wife and the relationship with his wife and his children. If the member would like further listings of meetings Mr. McLaughlin undertook here, I am happy to read those into the record. Why don't I do that?

In March of '17, further meetings were held with the Keystone Ag Producers, carbon offsets workshop was held for forestry and agriculture in co-operation with the international institute of sustainable development, the Nature Conservancy, Keystone Ag Producers, IETA—I am sorry I can't remember right

now what that acronym means—the international emissions trading council—ALUS Canada, which is the alternative land use program, Manitoba Habitat Heritage Corporation and the University of Winnipeg. And that had—that meeting itself had 25 attendees.

As well, a presentation was made to a conference on environmental issues. In addition, the Manitoba Heavy Construction Association held a breakfast meeting at which they had invited Mr. McLaughlin to speak. As well, he had meetings with Bike Winnipeg—important aspect of what we need to do to get fit, and I don't get enough time biking; I don't know if the member likes biking, but it's a good—*[interjection]*—not so much, yes. It's a good fitness activity; the MEIA workshop, which had—that's the Manitoba Environmental Industries Association with 20 different companies; also meetings with the City of Winnipeg representatives, the Association of Manitoba Municipalities and, in addition, a meeting co-ordinated with the Keystone Ag Producers which had attendees from one dozen—about a dozen agricultural producers, so in areas like corn production, beef, pork, chicken, dairy, canola, grasslands.

Each of these industry groups, by the way—greenhouse growers as well, wheat and barley, each of these interest groups, it's interesting, in agriculture have divergent views just within agriculture. It's not a homogenous point of view on how things should happen within—in terms of a green plan. They disagree on many aspects of what should be done. This is an example—a further example of the kind of important outreach that has been done.

* (16:20)

Now, I'm not suggesting Mr. McLaughlin didn't do work in Ottawa, but I am being frank in saying that the principal purpose of his plane tickets was so he could have a family. So there are meetings here as well, I'll mention some. In April through August I'll summarize—because I know the member doesn't want to hear of all the meetings—but meetings, for example, with Environment Minister McKenna, Deputy Minister Lucas, Chief of Staff Reynolds.

As well, two separate international institute of sustainable development meetings with Manitoba government officials helping co-ordinate workshops on carbon offsets, carbon sinks. Two full-day sessions involving a range of stakeholders from agriculture, forestry, grasslands, the university academic environment expertise sector, habitat

sectors. Over 40 people in total in those meetings, two full-day sessions.

Meetings, and, in addition, some phone calls that are ongoing with various business and environmental stakeholders during this period of time: Fertilizer Canada; the Greater Winnipeg capital partnership; Prairie Climate Centre Winnipeg; and Manitoba Chambers of Commerce; Manitoba Trucking Association; Keystone ag producers.

In addition, in September just past, there was an output-based carbon-pricing workshop. So in this instance, now having evolved and listened to the various perspectives of a wide array of Manitobans, we move into the issues the member raised initially.

One piece of a broader carbon strategy would be pricing, and I'll give more detail as I see that the Chair has told me I'm out of time. I'll save the detail on that—those workshops for later.

Mr. Kinew: I thank the Premier (Mr. Pallister) for clarifying that the purpose—the primary purpose, anyways, of these some-30 trips to Ottawa was to maintain a relationship with Mr. McLaughlin's wife and children.

So just a quick point of clarification, all those meetings that the Premier lists took place in Winnipeg or in Manitoba not in Ottawa. But, yes, those—for the most part those all—all those meetings occurred in Winnipeg or Manitoba.

Mr. Pallister: I may as well just finish my list, and I'll double check with Mr. McLaughlin to get a list of his Ottawa meetings. But the bulk of them were in Manitoba because that's where we're trying to make our carbon plan, in Manitoba. So that's where the bulk of them were.

As far as the carbon-pricing workshop last month, as far as the carbon-pricing workshop attendees go, I should thank the Winnipeg Chamber of Commerce because they co-hosted this event and helped in terms of some of the co-ordination in getting attendees to it.

The Manitoba Business Council was there, Manitoba Chambers of Commerce, Manitoba Trucking Association, Manitoba Heavy Construction Association, Keystone Agricultural Producers, Ecofiscal Commission, International Emissions Trading Association, International Institute for Sustainable Development; Koch—which is, of course, the large emitter in Brandon, the fertilizer plant there.

Real concerns among farmers about downstream impacts of carbon pricing on them because it isn't—for a farmer it's a very different thing than for many industry groups. I should just explain that for a second, but for many farmers they're not price makers, they're price takers. They take prices on a world market, and so for them an additional input cost is particularly a challenge, because they can't simply go to the grain buyer and say, now I had these additional costs I have to pay—I want you to pay me more. That isn't how it works in the agricultural sector. It's a challenge for farmers.

So this—these meetings with a fertilizer producer are an important aspect of the planning around how we design our plan so it doesn't have a negative impact to—on our agricultural producers.

Many of our agricultural producers this year have enjoyed a reasonably good year. But that isn't always the case, and so it's important to understand that when farmers have a good year, in a way we all have a good year in Manitoba, and we don't want to do things to hurt our agricultural economy. So what we're very concerned about the impact—the downstream impacts, if you will, when a large emitter, like Koch, how do you deal with that issue? So that's one of the aspects here.

In addition, in terms of mining, Vale was there; Hudbay; Roquette, the new—the newly acquired, new investor in a pea-processing plant. Now, this pea—pea not for starch, but pea-processing for protein—very exciting investment, one of the largest capital commitments to Manitoba in decades, quite frankly.

Mr. Greg Nesbitt, Acting Chairperson, in the Chair

I'd share with members of the committee for their interest, that in Portage la Prairie—of course my—it's my hometown, so I have some experience with things that have happened there. We had lost our—major employer was Campbell's Soup back in the day in the late '70s, early '80s. They announced they were downsizing and then they closed their plant. And then right away, within a year, the air force base was being announced as being closed. Portage la Prairie was in really dire straits. This is—maybe not sound like much to people in Toronto, but we were losing over 20 per cent of our jobs in that community and that's a massive impact on people. And fear was real, and the people in the community were very, very concerned for their future, for the future of their kids, right.

And some good things happened. The community came together, worked with their elected

representatives and a tribute to the co-ordination that happened as a result of that. Both federal, provincial, municipal worked together and they lobbied the federal government. We were able to get—when they privatized the flight pilot training at the federal government level, this resulted in Portage la Prairie's former air force base getting the contract to train pilots. So fixed wing and helicopter pilots are now trained at that facility in Portage la Prairie. That was great.

The second thing that happened, I'll share with the members in a minute. I hope the member is sympathetic to my enthusiasm for the success of my hometown, but it's an important event for Portage la Prairie.

Mr. Kinew: Did Mr. McLaughlin author the province's climate change plan, or was it more of a group effort? How does the Premier describe Mr. McLaughlin's role in creating this plan?

Mr. Pallister: That's a tough and tricky question to answer. I think when you're listening to as many people and getting as much input as Mr. McLaughlin's done, it would be difficult to say he was the author of that. It might have been more ghost-written by him, I would say, because it was his—you know, it's the people of Manitoba who had the chance to have input throughout the process, but there's no doubt that his expertise helped to—would help and I think will continue to help us synergize all this input—and diverse input, right—in terms of preparing a plan that works for Manitobans.

I'll just conclude my little diatribe about my hometown and say—because it's important to understand, not just for background, but for future success, this community co-operation that we developed around the region, not just in the city of Portage, but the rural municipalities, surrounding municipalities—we then applied to recruit investors to come and we were able to land a McCain's expansion. McCain's, of course, famous processor—food products, and in our case in Manitoba we have some of the largest potato-processing facilities in the country and one of them is in Portage la Prairie.

Mr. Chairperson in the Chair

So these were good—good progressions back in the '80s for a community that was under attack, and they did a really good job, I think, as a community and deserve a lot of credit for recovering from those challenges.

But I would mention that in spite of that, the population in that area, interestingly, in the rural municipality and Portage la Prairie in 1940, was 20,000, and today it's 19,000.

So with this Roquette announcement of an investment of, I believe, over \$500 million, that actually is larger than the combined investments of McCain's, the flight-training school, and another family company called Simplot that is a potato processor as well, combined. It is a tremendously significant thing.

So understandably Roquette is involved in these discussions. A French company, just under construction—their facility's just under construction right now, but they came across the Atlantic to participate and to have their views expressed and heard.

*(16:30)

In addition, other companies, Gerdau steel, Graymont, Tundra, TransCanada, Cement Association of Canada, representatives from Finance Canada, Environment Canada, also from Manitoba Hydro which, I guess, I should have said to the member earlier when he asked if we were listening to Manitoba Hydro, and in addition—

An Honourable Member: So you do listen.

Mr. Pallister: Of course. And in addition, other meetings as well later in September were held with a number of groups. I would say, so far, just to summarize them, over 200 different groups have been consulted. Over 300 plus if you include the individual and bilateral discussions and meetings and there is—there are many other meetings as well that happened with government officials that we don't include in this list that I'm not reading to the member, but the member has asked those—that question, quite rightly, of what other meetings may have happened here and in Ottawa and obviously, some of those would have been with government officials. I just read in lists of what I'd call consultation. I suppose we could call meetings with government officials consultation, but it's more internal in nature. But in the interests of clarity, I'll undertake to get also the list of the governmental consultative meetings that have been held as well. So I can add that at the next meeting.

Mr. Kinew: I thank the Premier (Mr. Pallister) for that undertaking as well as his lengthy explanation of who Roquette is. That was a quite thorough background on that matter.

So it's my understanding the Mr. McLaughlin has been retained to provide advice on developing a carbon-pricing plan, but what sort of other functions is he carrying out for the Premier or for this government? Like, when he tweets about Bill 28, like, is that part of the scope of work that he's doing? Is he advising on issues related to the labour laws that the government has imposed? Is he advising on the constitutionality of that issue? We know that there's a court challenge going on there. So, can the Premier lay out whether those activities are contemplated in the agreement, the contract, or is this over and above what he's being paid for?

Mr. Pallister: Well, I'll just clarify for the member, we don't place restrictions on our staff for what they do on their own time, but the difference, I guess, with us, is we'd also—don't pad our staff with political people who spend all their time tweeting. So our budget is actually considerably smaller—[*interjection*] The member for Minto (Mr. Swan) says he's tweeting right now. But, you know, I would point out that—can I see the comparative here or is it here? [*interjection*]

Oh, I'm up?

Mr. Chairperson: Yes.

Mr. Pallister: Oh, they were listening to the whole conversation, here?

Mr. Chairperson: Because you started and set it off.

Mr. Pallister: Oh, okay, well, I'll just say I've got to get the information for the member because it's intriguing and wonderful and useful to show how much we are saving Manitoba taxpayers by not paying a whole load of political staff to tweet, fax, burp and do whatever they do for the government of the day. We're not doing that, we're actually saving millions of dollars that way.

But I wouldn't assure the member that all of the people employed by the government of Manitoba are restricted in some way from communicating in any way they choose on issues. I would, of course, hope and expect that members of the civil service and certainly, certainly in core government would refrain from participating in any partisan activity of an excessive nature. I think it impugns the integrity of the civil service, but as far as people outside of the core civil service, I think the members' friends and family are entitled to say what they want and Mr. McLaughlin is entitled to say what he thinks, too. It's kind of a free country that way.

So I would assure the member that he's not being compensated for tweeting. He's being compensated for his advice on environmental issues. And that is as it should be.

Mr. Kinew: So there's this amount of money that has been paid for Mr. McLaughlin's travel. The Premier (Mr. Pallister) hasn't said whether or not there's a maximum amount to which—you know, the expenses can be charged. But it—does that exist for other people in government? Are there other consultants who there is a large—you know, is there a travel budget like that for other consultants that are being retained? Like, is this sort of a common practice? Does this exist for others that the Premier is working with?

Mr. Pallister: I think the member raises a good suggestion. I think we should pull the data together and do a comparison of our expenses for travel as a government versus the previous government's. I think that'd be useful. I think we should have a look at that.

I think we should pull together data also on our government advertising expenditures versus the previous government. That would be useful, a good purpose—a good source of comparative data. That'd be good.

I'd also like to see us get that comparative data on the number of political staff that were employed by the previous government versus our government. I think that'd be useful.

Let's see. What else? Well, untendered contracts—we already know we have far fewer than the previous government. Certainly, we can probably pull up some comparative data on untendered contracts. That'd be useful.

Let's see. I mean, there's a number of areas that we could go and get more comparative data, if the member would like. I think one thing for sure, though: in terms of value for money, the two issues he's raising—that not only these defensible but smart uses of money for the taxpayer's purposes, whether it's Professor Schwartz who he earlier raised in his questions who has given us some understanding of the futility of going to the Supreme Court and trying to tell the Supreme Court of Canada the federal government can't invoke its carbon tax on our province. If we were to have followed that route, which I have discussed with Premier Wall, and I'm not confident that that is the right course of action—I wasn't confident before, but now I'm confident would

be the wrong course of action, because I expect it would be largely a futile show.

And some might argue that that's principle, but it's principle at the price of taxpayers' investment. We're using taxpayers' dollars for a publicity venture; I don't think that's the right thing to do.

The previous government did a lot of that with their advertising, even putting \$2 million into a Steady Growth ad campaign to put up signs all over the province to—they even put up one at Gimli. Steady growth, which I think reflected the number of zebra mussels in the water; I'm pretty sure that was the steady growth they were promoting. So \$2 million for an advertising campaign just the year before the election—that wasn't value for money.

The member is asking me about value for money today, but, in his first question period and subsequently, he's attacked me for worrying about money too much. It's interesting—as if worrying about money was somehow not compassionate, you know.

I remember a lot of years growing up where—well, I came back from university one time and my dad was reading an old Reader's Digest—you know, those condensed books. It was pretty good. There—you know, he—after we sold our cattle, he spent more time reading than he had had time to do, and he was reading this Reader's Digest book and I came in from—hitchhiked back from university and came in the farmhouse. And he was laughing. And I said: what are you laughing at? And he says: there's this article here. And I said: well, what is it? And he says: it's talking about all the stress people experience managing money; I've had a lot of years of no money, and I'd take the stress of managing money any time. And I thought that was pretty—it was pretty revealing, and kind of cute, because, relatively speaking, I've been with—in times where there was a lot of month left and no money. And now I'm accused of worrying too much about money.

It's my nature, I suppose, to be concerned about giving people value for their money. It has been since I ran for public office the first time. I don't think it will change. But I don't associate caring about money with not caring about people. I never will because I know times have been very, very tough in a lot of families when there was no money. And I know how important it is to have money left at the end of the month and not run out of money before the end of the month, because I've been there. I've been in a family that's been there.

* (16:40)

So the member says I care too much about money. I care so much about money, I hate to see a government go to court, spend \$155,000 like the NDP did so they could take away the right of Manitobans to vote. I didn't like that at all. And then I now understand that the new NDP has a new image and they now support a referendum.

That's great. I'm encouraging them to support referendum and I'd like them to give Manitobans back the \$155,000 they wasted in court taking away their right to vote in a referendum, because it'd be good if Manitobans had that \$155,000 back. I think they'd like to have it back, and they'd like to have the right to vote in a referendum back.

So, if the member's going to join with us and support Manitobans having a greater say, I'm happy about that. I encourage him in that.

Mr. Kinew: Do Mr. McLaughlin's expenses come from the Executive Council budget?

Mr. Pallister: I've already undertaken to get the detail for the member and will, and I'll clarify in response to his last question. I would also emphasize that our budget for Premier and Cabinet, year over year, from the last year of the NDP government to the first full year as in the consolidated financial statements was a decrease in Premier and Cabinet's number by 46 per cent.

In number of technical officers—in other words, political staff—89 per cent decrease. In terms of technical officer payroll, a decrease from \$8 million to just a little over \$4.3—that's an 84 per cent decrease. In mid to senior staff, a decrease from 64 to 31. That is a 106 per cent decrease; junior staff, 44 to 26—that's a 69 per cent decrease.

So, overall, we have greatly reduced the number of political staff, saved millions of dollars from Manitoba taxpayers, demonstrated that we can achieve and—never perfect, no government's perfect, but we've certainly done our best to achieve better results at less cost at the top of our organization, and we'll continue to do that. That will carry through with every item that we expensed money on, including Mr.—including Professor Schwartz, including David McLaughlin, and including everyone else in this government.

I would hope it would carry through to the way the opposition manages their budgets as well. Now that they no longer have the payroll, now that they no

longer have the vote tax to subsidize their party, I understand they're getting creative with fundraising and looking at new and innovative ways to raise money, and good for them for finding ways to raise money with raffles or whatever mechanism they pursue.

This is far better than being subsidized. Far better than having a subsidy paid to your party to be lazy, to not fundraise, to not be innovative, to not do work. Manitobans have to work for their money and political parties should have to do the same, and so, if the best the members can come up with is a raffle, that's great. I think they paid a lot more than they needed to for the prize.

If they had just shopped intelligently, I expect they went to—I hear it was untendered contract that—Pony Corral, they let it out for the Costa Rica vacation. They could have just talked to me; I'm never at my place so they could have bought something from me for a lot less. I don't know why they wasted so much money on it. Just not very good, really.

But, you know, better—as I say, better than hiking the PST, absolutely, and better than a vote tax subsidy. So they're raising money. I'm glad they're doing that, and I know—I know—for a fact that because they're working to raise that money, they'll be more careful with spending it than they would have been if it was somebody else's money. I know that.

Mr. Kinew: I appreciate the First Minister's sense of humour when he says I'm never at my place, referring to his place in Costa Rica. I think we all agree that's a good one. Yes, we think that's pretty funny too.

So the Premier (Mr. Pallister) has defended in this committee today, you know, the travel expenses for Mr. McLaughlin and the added expense of retaining a legal opinion as a smart use of money. That was his words.

And he's also outlined that Mr. McLaughlin—his services will probably not be needed in three or four months, something like that. So contract's coming to an end.

Would the Premier hire him again after this time period? Like, would he still bring him back to do other work with the Province or does, you know, this—you know, attention to the expenses sort of preclude any further engagement with Mr. McLaughlin?

Mr. Pallister: That's a hard thing to predict. I mean, it depends on the project and the expertise of Mr. McLaughlin if it suits that new project. Might make that necessary. I mean, Anna Rothney got a heck of a good compensation package from the previous government, and who knows, they might even rehire her back here soon. So the fact of the matter is, I mean, it depends on the expertise of the person.

I'm not disputing that the members of the opposition can use taxpayers' money to compensate people to leave and then hire them back. We're actually paying people to do honest work. And if—I wouldn't preclude hiring a person—a good person for a job. I don't think that's fair or right.

I wouldn't doubt though that it is important for the member to understand. He alluded to my time away as—and I think he meant it sarcastically, it won't show up in Hansard, of course, sarcasm doesn't. They'll have to throw an emoji on it or something and make it a smile, but he was alluding to my time away. I haven't been in Costa Rica since January of this year. And I think if he wants to reference my vacation time, I know that he could accurately because he has those sources, so I encourage him to do that. And I'd like him to stack up his own vacation time. How much time did he spend working for the people of Manitoba over the last half year when he was running for leader of the party?

You know, if you want to get personal, we can get personal back, I'm fine with that, you know. My wife and I love each other and we're going to spend time together and we're going to have a strong marriage, and if the member doesn't like that I don't care, it doesn't matter to me. But if he's going to put innuendo on the record, be careful because two of us can play at that and I'll use facts. So I encourage him to do the same.

Mr. Kinew: Oh yes, okay, so let's have some facts from the Premier (Mr. Pallister). Can the Premier detail the \$500 million commitment that he made to Churchill? Can he break down that figure? What is being paid for out of the \$500 million and over what time period?

Mr. Pallister: I want to make a really important point here for the NDP to understand. Every single time that they point across at the government of Manitoba to take over responsibility for rail import, they make it easier for the federal government not to do the right thing. They are working against the recovery of Churchill and the North. And I would

really implore them and encourage them to join with us and call on Ottawa to do the right thing in respect of its constitutional obligations.

Every single time that they divert away from that strategy they're hurting the people of the North, they're hurting the people of Churchill. They are getting in the way of progress being made. Now, I'm not blaming the federal government on this, I'm pointing my finger at the NDP on this. I think it is really important to understand that the federal government has constitutional responsibilities. It runs 68 ports in Canada and they could run 69.

But if the NDP insists on pointing at our approach on Churchill, which has been consistently to work with the community, and consistently to make sure the community members were safe, to bring every department together in a co-operative and proactive way to address the issues and the challenges, to make sure that we're doing everything we can to get the federal government to step up to the plate. And look, I know, I know that OmniTRAX is not a fun partner for them to deal with. I have some sympathy for what they're trying to get done with OmniTRAX. But the fact of the matter is that you point at the wrong people, you're giving them a reason to not do the right thing.

And so I encourage—I do encourage the members of the opposition to consider the ramifications of what—of their approach on this issue. They have an opportunity to join with us, stand up for the people of Churchill and the people of northern Manitoba who would benefit tremendously from a focussed federal government commitment on this file and are not benefitting at the present time.

* (16:50)

Now they've appointed a very respected—federal government has appointed a very respected former, very senior, civil servant to focus on this issue. That's good news.

The negotiations that are, I understand, moving forward and our officials are periodically appraised of some of the information around those negotiations. Some progress—perhaps—is being made. But again, the—more has to be done and to suggest that the province of Manitoba should essentially become the federal government on these issues is not on.

We will do our part in our areas of constitutional responsibility and so the member asks about our package of commitments, it is a mix of existing

programs that we would like to see continue, expansion of some existing programs as well, and some additional measures that we would like to bring into place should the federal government step up. That would be conditional on it stepping up to make its commitment—as it should make—to a tremendously important community—not just for our province, but for the country—that has an asset well worth investing in, in my estimation.

And I need the—and I encourage the new leader of the NDP to take an approach which is different from what has been the approach of the NDP over the last number of months. This is a good opportunity for us to work together, hand-in-hand, for the people of the North. I would really invite him to do that. It would be my hope that effectively together we can do things to convince Churchill—to convince the federal government to make the necessary investments in Churchill to give that community a better, more secure future.

Mr. Kinew: Yes, definitely want to work for the well-being of the people of Churchill. I do believe the federal government has an important role to play. I know that the provincial government also has an important role to play, which is why I'm asking this question—this series of questions.

So the Premier (Mr. Pallister) has begun to answer—a bit at the end, there. So what is—which—where is the new money? Can the Premier tell us which programs are being expanded? And where are these other programs that he's alluding to, that he's looking for federal matching dollars? Which programs would that money be for?

Mr. Pallister: I—on this one, I think the member appreciates that if we are in a negotiation with the federal government that it is difficult for me to give him chapter and verse of every aspect of that negotiation, and I hope he'd appreciate that that would weaken our position in respect of getting the maximum benefits that we would like to derive from the discussion in terms of the partnerships and the partnering we need to do with the federal government.

So to lay out every aspect of how that negotiation will be undertaken would, I think, be a disservice to the outcomes that we both—I hope—want to get from this discussion.

Mr. Kinew: The Premier made reference to expanding some existing programs under, you know, provincial purview. So what are those programs

and what are the dollar amounts that are being invested or expanded—investment happening there?
[interjection]

Mr. Pallister: I'm sorry, Mr. Chair. Man, I'll tell you, just a slow learner.

I'll undertake to get more detail for the member. I can just generally, without too much specificity, I can tell him that we have significant ongoing commitments with Churchill. Clearly, I could outline some of the departments. We have—we own approximately 70 per cent of the housing in Churchill right now, and there are major commitments on ongoing programs there, but there is also—should the federal government step up to the plate, and this would be—this would serve, I think, as an illustration of why I don't want to get into too much detail, but I'll simply say the federal government's commitment to the community would obviously impact on the amount of housing and the needs for housing in the community.

These are not static things. They're—they interface with each other. In terms of—under Child and Family Services, we have very significant programs that are offered and there may be—subject to federal commitments being fulfilled—additional programming requirements in that respect. In terms of some of the conversion issues that have come up as a consequence of the problems with respect to heating that may ensue as a result of the lack of rail service.

As the member knows—and I can get him more detail on this if he likes, I think, probably in the next few minutes—if we need—if he wishes to have it on the propane issue as a stopgap measure. But conversion of the houses to hydro is—could be another advantage for the community even with the restoration of the rail over the longer term. And so there's significant opportunity there to upgrade the heating—quality of heating and cost—reduced costs for citizens over the mid and longer term as well in that respect.

On the town centre, the member has travelled to Churchill; he knows town centre is truly a town centre and has major services available and facilities within it, but has—also, like every building, has—needs capital, needs renovation, needs improvements that need to be made to it.

We've got about—oh, yes, and in terms of—obviously, in terms of health-care services and major—there's a hospital facility there. All of these—

virtually all of these areas of commitment that I'm alluding to are in a state of some confusion as a consequence of the lack of federal clarity around what their intentions are. If they're going to do what we would hope they would do—and I know I expect, I shouldn't say I know—but I expect the member would want them to make a commitment to get that port up and running again and to fix the rail line, then it's going to have an impact, obviously, on the future potential of the port.

I would mention that—on the future potential of the community to grow too. But it also has significant potential, Churchill, as a community that offers a great tourism experience. And so we've been promoting tourism. As the member knows, we've reduced government advertising budgets and increased advertising budgets for tourism and promotion in our province, and so we are promoting Churchill most of all in our initial advertising for tourism promotion and it's starting to pay. We're starting to see increases.

Interestingly, with respect to tourism, the—approximately 80 per cent of the people who travel to Churchill do not do by rail. So there has still been a considerable influx in tourists to the community which, obviously, has a tremendous advantage to the community's economic structure and its job growth potential.

So we believe in Churchill and we want to see the federal government partner with us that believes in Churchill too.

Mr. Kinew: So the Premier has listed Manitoba Housing, Child and Family Services, health expenditures as part of what is being spent on Churchill. So when the Premier made that five hundred dollar million—\$500-million commitment to Churchill, did that include what the Province spends on the hospital, on CFS, on housing?

Mr. Pallister: As I said earlier to the member, this is a global number which includes a number of things: initial—or existing commitments, the potential to expand our existing commitments and new commitments as well.

I'd add that there are significant investments in other areas that I did not mention, and I will mention a couple of them now. Infrastructure is a significant investment and is going to be an ongoing commitment, obviously, as are each of these other categories going to be ongoing commitments.

My—guess my point to the member is the degree to which we can expand these commitments is going to depend in part on our partners, and that's why we're trying to negotiate with the federal government the progress that I think the people of Churchill deserve to see.

Also, in terms of educational funding, there—it comes in many different levels. But I'm just trying to get a breakdown of some of them. There's maintenance, obviously, but there's also the Churchill Marine Observatory project which is very exciting. That's another opportunity for expansion. There are infrastructure investments that are going to be required on a—on an expansion basis as the federal government steps up and does its part.

*(17:00)

And so we're demonstrating a willingness as a government to do not only our part, but more than our part. And, in so doing, we are doing our best to try to encourage the federal government to do its part. Up to this point in time, sadly, that has not been evident.

Though I should say that the federal government was a good partner in terms of the food program, in respect of lower cost food being available on an emergency basis by cooperating with us on that, and I should mention that.

Mr. Chairperson: The hour being 5 p.m., committee rise.

CROWN SERVICES

*(15:10)

Madam Chairperson (Sarah Guillemard): Will the Committee of Supply please come to order.

This section of the Committee of Supply will now resume consideration of the Estimates of the Department of Finance, which was last considered on May 25th, 2017. As previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. James Allum (Fort Garry-Riverview): By a prearranged agreement we have decided today that we would take what time remains today—approximately an hour with the Crown Services Minister, and then we will proceed to move to Finance some time after 4 o'clock, if that meets with everyone's approval and I believe it does.

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

Mr. Tom Lindsey (Flin Flon): First off, let me congratulate the new Crown's minister on his new role.

Back in March, the former minister for Crown Services admitted that he didn't know how much the Efficiency Manitoba will cost to implement, how many workers would be affected or when it would happen. Can this minister provide those figures today?

Hon. Cliff Cullen (Minister of Crown Services): Thank you very much, and I do appreciate the questions relative to Crown corporations and certainly a new corporation that we envision working on behalf of Manitobans for Manitobans. And we don't know exactly what the numbers are going to look like at this point in time. We're just going through the process to establish a board of directors to put the plan together, and I will say a couple things in regard to Efficiency Manitoba if I may.

First of all, in regard to the existing Power Smart program, that particular program is actually—we have a licence agreement with BC Hydro which will be terminating in 2018 in September, so we were certainly forced to make some changes around the Power Smart program as it is.

And other jurisdictions are looking at how they can best provide options and potentially opportunities for their individuals and their companies to save money in terms of some of these types of programs, and we looked around the country at different options as well and we actually got some advice from some of the folks in the industry in terms of what would be the best way to roll out a program here in Manitoba and the concept of Efficiency Manitoba came forward; looks like the best option for us.

We do recognize that the existing program within Manitoba Hydro leaves room for efficiency. There's a lot of money being spent on overhead within the corporation to manage the Power Smart program. We envision Efficiency Manitoba being just that: being efficient in delivering programs for Manitobans and we expect that Efficiency Manitoba will deliver innovative energy savings and programs with less administrative costs than is what is currently being offered through Manitoba Hydro. So I think it will be a win-win situation for Manitobans.

Mr. Lindsey: Perhaps the minister could explain his math on how creating another whole bureaucracy to

deal with efficiency, assuming the role that Power Smart used to play which was a subset of Manitoba Hydro, while it may save Manitoba Hydro some money, how does it save the government money in total by creating this other bureaucracy?

Mr. Cullen: Well, currently, Power Smart spends approximately 44 per cent of its entire budget on overhead. I would suggest there's plenty of room for improvement in that regard, and we believe that Efficiency Manitoba will deliver on that.

Mr. Lindsey: I thank the minister.

So, presently, Power Smart spends 44 per cent of its budget on overhead. What percentage of budget will be spent by this new entity on overhead?

Mr. Cullen: Well, I would—won't give the member a specific amount at this point in time, but I would say it's certainly going to be less.

So the intent is not to duplicate what's going on within Power Smart. The intent would be to remove that altogether from Manitoba Hydro that program. We think it can be done with fewer bodies, as a result, less overhead. So there's not going to be a duplication of services and programs.

Mr. Lindsey: So, if what I'm hearing from the minister is that, really, the exercise in creating Efficiency Manitoba is about getting rid of workers. Is that correct?

Mr. Cullen: Well, we believe there's room for innovation in terms of programming. We believe that programs can be—should be delivered more efficiently, and we think there is certainly an opportunity for that.

And the other thing that Efficiency Manitoba will allow is other potential conservation programs to be developed, you know, whether it be on the water side or some other avenues as well. So we think that, you know, Manitoba Hydro is in the generating business and they are in the sales business. We think there's an opportunity to provide better programming for Manitobans in a separate area through Efficiency Manitoba.

Mr. Lindsey: So the Province proposed the same annual 1.5 per cent target for Efficiency Manitoba along with a 0.75 per cent reduction in natural gas consumption as the ones at—those are the same targets that were set for Power Smart.

Again, how will creating a new Crown corporation improve conservation if it has exactly the same goals?

Mr. Cullen: I appreciate the member's comment.

I guess it was the Public Utilities Board that pointed out that Manitoba Hydro are really in a conflict. You know, they're in the business of producing electricity. They're in the business of distributing electricity and the business of selling electricity. At the same time, under the Power Smart program, they were in-trying to reduce electricity use as well. So it's almost a built-in inherent conflict in terms of the mandate.

So, you know, we believe if we have some new faces at the table, there's an opportunity to provide some real innovative programs and, ultimately, cost savings for Manitobans who use electricity.

Mr. Lindsey: So does the minister have any facts on how much savings there were generated from initiatives that were put in place by Power Smart?

*(15:20)

Mr. Cullen: I appreciate the member's question. Obviously, there has been some progress with the Power Smart program. We believe, though, by streamlining the operations and the process, it will provide even better results for Manitobans. Certainly, with these legislative requirements in place and with new technology—some new innovation, we think it would greatly enhance the capacity to save Manitobans more money than what was currently under the Power Smart program.

Mr. Lindsey: I'm still confused, I guess. Going back to my earlier questions about creating a new entity to accomplish what was already being accomplished by Power Smart, to suggest that, okay, Power Smart was accomplishing the goals that were set out for, even though it was part of Manitoba Hydro. But it could do better or create newer, better targets—still doesn't explain why the government needs a separate entity to do that.

Mr. Cullen: Well, a few points I want to reiterate for the member. First of all, the Power Smart program was not going to exist past 2018 as it is.

I realize this—members opposite are the party of the status quo, and they like everything to stay the same. We firmly believe there's room for improvement. And, clearly, there's an inherent conflict at Manitoba Hydro with the Power Smart program. And we believe there's innovative opportunities out

there to reduce electricity costs to Manitobans. And, clearly, the Public Utilities Board recognized the conflict and advised on the establishment of a demand-side agency to promote energy efficiency and conservation even more effectively than currently done by Manitoba Hydro.

Mr. Lindsey: So could the minister tell us how much—or, what the total kind of reduction in greenhouse gas emissions would have been under the auspices of Power Smart and kind of how they looked over the years?

Mr. Cullen: Well, let me begin by saying we know that the targets that were set out by the previous government were never met, and our intention is to meet some of the targets that we have actually laid out legislatively. So when we look at the 0.75 per cent for natural gas, we believe that's doable. So when we legislate targets, our mandate is to make sure that that happens, and that's what we certainly intend to do.

This recommendation to set up a separate corporation was actually made by the PUB under the previous government, and we're simply moving forward on the recommendation that was provided by the Public Utilities Board. And I will point out to the member that a number of other provinces have gone with this model as well, and we think this is the way of the future and will provide some innovative solutions to Manitobans, and at the end of the day hopefully save Manitoba some money.

Now we do recognize the challenges that Manitoba Hydro has inherited, and we know they are seeking a increase in rates, but those rate increases are a result of risky decisions being made by the previous government. And I don't think anyone would argue about that. By putting a hydro line on the west side of the province, Manitoba Hydro will tell you it's an extra billion-dollar expense, an extra billion dollars that would have to be borrowed, and also going ahead with Keeyask without having a market for the electricity.

So now with a new government, a new board, we're going to have tremendous—we're sitting at \$17 billion of debt in Manitoba Hydro; when these capital investments are finalized, we're going to have close to \$25 billion of debt on Manitoba Hydro books. Clearly, Manitoba Hydro are seeking rate increases to pay not just the interest costs, but hopefully someday paying down some of the capital costs.

So we recognize there's going to be challenges at Hydro; there's going to be challenges for consumers of electricity in Manitoba, but we believe this new entity will be able to save Manitoba consumers energy costs down the road.

Mr. Lindsey: The member for Assiniboia (Mr. Fletcher) stated in an earlier hearing that creating a new Crown corporation was not in this government's election platform. Does the current minister of Crowns agree with that?

Mr. Cullen: No.

Mr. Lindsey: Well, thank you for that.

I want to know, can the minister tell us what steps this government is taking to increase power sales, particularly looking east and west?

Mr. Cullen: Well, I would say that we're working on a number of fronts in that regard. We recognize we're going to have a lot of capacity come online here in a few years, and previous government did not identify sales opportunities for that excess capacity. So we're doing whatever we can on all fronts through various levels to come up with sales for that capacity.

You know, clearly, we've got both myself as Minister of Crown Services and other ministers having discussions with governments in Saskatchewan, for instance. Clearly, we have potential, further potential for market development in the United States. We're certainly working with jurisdictions—entities in the United States for opportunities there. We're obviously—to get sales there we're also looking at transmission to those other jurisdictions, whether it be south or to the west as well. I will say we've also had discussions with the province of Ontario as well in terms of sales. So there's certainly, we believe, opportunity there, and to make Manitoba Hydro viable, we need all the sales that we can get.

* (15:30)

Mr. Lindsey: I thank the minister for that.

Perhaps the minister could explain why the PUB decided to reject the substantial rate increases that were requested by Hydro.

Mr. Cullen: Well, clearly, the Public Utilities Board have brought forward an interim rate increase. Obviously the full general rate application will be before the board. I guess that's a work-in-progress, you may say. So the hearings on that I understand

will be started in December. So we'll see where those discussions go with the Public Utilities Board.

And I think it's very clear the rising debt of Manitoba Hydro is driving the need for an increase in electricity rates and that's something that, certainly, the Manitoba Hydro board is cognizant of—and I think Manitobans all across the province would recognize that \$25 billion of debt will create extreme financial challenges, interest payments going forward. And, clearly, Manitoba Hydro has to have the capacity to pay off the interest payments and, hopefully, some day, the capital on that as well.

Mr. Lindsey: So the former minister for Crown Services publicly stated that Manitoba Hydro was bankrupt. But Byron Williams, the director of Public Interest Law Centre, said that PUB's decision demonstrates that that's not the case. It sends a message that Hydro could not back up with evidence its claims of an imminent financial emergency.

So, therefore, do you agree with the Public Utilities Board's decision?

Mr. Cullen: Well, certainly, everyone's entitled to their opinion and I'm not going to make a judgment call on somebody else's opinion. We recognize the damage that has been done to one—our Crown corporation, and I will say, at one time one of the jewels of our Crown corporations. But those risky decisions that were made in the past by previous governments have really challenged the financial situation of Manitoba Hydro, and those challenges are being dealt with at the board level and they recognize that things have to change and the status quo is just not acceptable.

So we're working with them doing everything we can to return Manitoba Hydro to a stable financial position, and we believe that we should be acting on behalf of all the owners of Manitoba Hydro, Manitobans themselves, to get Manitoba back to a sound financial status.

So we're doing everything in our power to save Manitoba Hydro from the previous government.

Mr. Lindsey: Let's talk for a minute about domestic markets for Hydro. Could the minister explain what their plan is for things like electric vehicles, rapid transit, community initiatives around electric modes of transportation as opposed to current systems?

Mr. Cullen: Well, a few things to that point.

I guess maybe start by saying just an announcement this week in terms of the east-west

pipeline being—I don't want to use the word cancelled, but certainly at least postponed. TransCanada made that decision. I know they'd invested a billion dollars already but just thought that they couldn't go forward with that. And that alone had—will have a significant bearing on potential sales of—for Manitoba Hydro. And some of that—and, in fact, a fairly significant portion of future domestic sales were a part of the what would have been increased demand for electricity within Manitoba. So that's a substantial decision that will impact future sales for Manitoba Hydro. And it's certainly quite unfortunate from Manitoba Hydro's perspective.

And, you know, those sort of activities really speak to economic development opportunities. And I'll point to—I know with the Minister of Agriculture (Mr. Eichler), the good work that he's been doing with Roquette over the last number of months. You know, there is a facility there that's up and—, going to be up and running in the near future. Development's under way right now; a \$400-million investment. And it really—Roquette speaks to the business climate in Manitoba, and it speaks to the relatively inexpensive electricity rates in Manitoba, as well.

So those are the sort of things that can happen and can hopefully enhance economic development opportunities. Certainly, as a government, we're looking to grow the economy, and I mean—I know the Minister of Agriculture's working diligently on a number of fronts, and certainly in the value-added chain, and we think there's tremendous opportunities there. And we, as a government, are working hard with—on economic development and trying to attract business to Manitoba, and certainly, I think Manitoba Hydro can play an important role in that, and we look forward to future discussions with Manitoba in terms of how that role can unfold into the future.

You know, clearly, there's a lot of work done on the research side with innovative technologies, and we look forward to that. And I think Manitoba Hydro has a role to play there, and we're not really sure what the future's going to hold in terms of, you know, electric cars, electric vehicles. We know our local bus manufacturer here is really keen on electric busses. We had a couple running in the city already. So we think there is certainly opportunity to develop those types of technologies, and that should provide a real opportunity for sales for Manitoba Hydro.

And, again, I think it's incumbent on all of us to make sure that we continue to sell the concept of our

clean, green Manitoba electricity. And I think it's something that we as Manitobans should be singing the praises of. And I think when the business community looks to increase business activity in certain locations, that's something they look forward to is the green opportunities that Manitoba Hydro product represents.

So I think it's something that we can reflect on and show the business community that, you know, we do have a very important clean, green product here that is still reasonably priced.

Mr. Lindsey: Just quickly, the executive director of the Mining Association of Manitoba said that it seems there was no consultation about the impact of large increases in hydro would have on some of their major customers, which would, of course, be the mining industry. I think there's—one of the mining companies is probably No. 1 hydro user in the province, and the other one may be No. 2.

So could the minister explain why there was no consultations with the mining industry on those potential job-killing rate increases?

*(15:40)

Mr. Cullen: Thanks for the question and certainly I appreciate the challenges within the mining sector. Obviously, increasing hydro rates will be one of those. Certainly, the marketplace and the commodity prices as they are now is probably the biggest detriment to the industry we have in front of us. Certainly that is a challenge.

I know we've had previous discussions with MIPUG, the, you know, the Industrial Power Users Group, of which the mining sector is certainly a part of, and Manitoba Hydro have ongoing discussions with MIPUG as well, so, you know, to say there was no consultation, you know, I would say would be a stretch. I think, you know, through the Public Utilities Board hearing, for instance, the whole concept there is to—some intervenors come forward and ask questions of Manitoba Hydro, and Manitoba Hydro, I know, has supplied thousands of pages of documentation through that process, through the Public Utilities Board, and clearly that information is available to the intervenors.

And I guess—I think Manitobans and certainly the mining sector recognize the challenges before Manitoba Hydro and the challenges that Manitoba Hydro are taking, have before them now in terms of the increased debt load and increased interest payments they're going to have to make, so clearly

those tough decisions have to be made in terms of where rates are going to end up.

Mr. Lindsey: Just one last thing before I turn the floor over to one of my colleagues.

I was at a Flin Flon Chamber of Commerce meeting where there were some executive people from the mining company at that meeting that commented that they had to come looking for this government to talk to them about the proposed rate increases for hydro. So I don't think it would be a stretch to say in light of those comments that were publicly reported that there was a lack of consultation by this government on the proposed rate increases and what effect that might have on mining opportunities and jobs in the North. Would that be a fair comment?

Mr. Cullen: Well, I'm going to put my previous hat on as the minister of Growth, Enterprise and Trade, which obviously dealt with the mining sector, and I can tell you with that hat on, I had a lot of conversations with the mining sector regarding a whole myriad of ideas, and certainly we talked about the impact the electricity rates and increase in electricity rates would have on the mining sector. So we had those discussions on more than one occasion with not just individual companies but also with the sector as a whole. So we certainly had those discussions. We're keenly aware of the stress the industry is under, and we're keenly aware of the implications the increased rates would have on their bottom line, and certainly those are the challenges going forward.

And, again, I go back to the decisions that were made by the previous government—ended up where we are with Manitoba Hydro. And clearly the board of directors have challenges to make; the Public Utilities Board has decisions to make. It's a process that we're working through and Manitoba Hydro is working through. The intervenors are certainly at the table making their views known, so there's challenges on a number of fronts, but I think we have to reflect back on how we got to the situation we're in.

Mr. Rob Altemeyer (Wolseley): How much additional revenue does Hydro stand to make, given the recent interim increase of a little over 3 per cent?

Mr. Cullen: That's certainly a specific question, and I don't have the answer at the tip of my fingers. I'm sure that information is probably publicly available, I would think, on—the Public Utilities Board might

even have that on their website—I'm not sure—but I know those issues would have been discussed. I don't have that specific number relative to the interim increase in rates.

Mr. Altemeyer: I've perused a number of those documents. It's not easy to pull out that type of figure, so I'm wondering if the minister might just be willing, later on this month, if he would be kind enough to ask staff or ask Hydro if they could just provide that number to me and, while we're at it, maybe projections on how much additional revenue they would be receiving for each of the subsequent rate increases of nearly 8 per cent that they are asking for, for a number of years coming up. That would be quite helpful, if the minister's willing to commit to provide that info at a later date.

Mr. Cullen: Yes, that's something we can certainly ascertain from Manitoba Hydro. I don't think that would be too difficult to get together. So we will look at both the interim rate and then also the potential increase in revenue vis-à-vis the 7.9 per cent, I believe it is.

Mr. Altemeyer: Thank you very much, Minister. I appreciate that. I look forward to getting that info when it's available.

And all this, sort of, looking at Efficiency Manitoba as the backdrop to it—been trying to also figure out, for a typical homeowner, what a \$50 per ton carbon tax will mean in terms of increased costs for them in Manitoba for their natural gas for home heating. If it helps, some of the articles I've seen—granted, they're not Manitoba specific—suggest it would be in the order—this is at \$50 a ton, so the high end of what the feds are talking about—this would be at about 230 extra dollars per year, is what some economists have been projecting. Is that in the range of what Manitobans would be looking at if a carbon tax at that level was applied here?

Mr. Cullen: Well, the member does raise an interesting question. And, clearly, the \$50 reference he made sounds a lot like the Trudeau carbon tax to me. And that's clearly where the federal government wants to end up at some point in the not-too-distant future.

We believe that Manitoba has some green characteristics that make it relatively unique to other jurisdictions. And, you know, we just had the release of a legal opinion in terms of a sort of a way forward for Manitoba, and we think there's an opportunity for our made-in-Manitoba solution here.

I guess, in theory, what will happen if we don't have a made-in-Manitoba solution, we are going to get the Trudeau tax. So I would just say to the member, stay tuned. In the very near future, there's going to be some documentation, some ideas come forward, and he will have an opportunity to have a look at that. And we will discuss with Manitobans how they see a plan going forward and how they look at what a climate plan might look like for Manitoba.

So, as part of our open government, we look forward to having those discussions and the consultation with all Manitobans.

*(15:50)

Mr. Altemeyer: Interesting response. The \$50 per ton is, of course, the federal limit. I'll remind the minister that it's his own Premier (Mr. Pallister) and government which has committed, on multiple occasions, that they will be putting a price on carbon.

If he doesn't like the \$50 per ton reference, let's go to the other end of the spectrum. How much would a typical Manitoba household be paying in carbon tax for natural gas space heating at \$10 a ton? He's got to have that number available. They've been talking about doing this, well, since before the election. I would assume they have a number available for Manitobans.

Mr. Cullen: Well, I will tell the member that we have done a lot of research on this because we have known for a while that the federal government were moving in this direction. We've got the legal opinion that provides us an opportunity to present to Manitobans a climate plan and they look forward to bringing forward the documentation in that regard. And I would expect there'll be some facts and some formulas in there that Manitobans can have a look at and try to determine what the impact of various levels of a carbon tax will look like.

So, you know, we certainly have a very qualified individual who's been leading those discussions, leading that research for us, and having those discussions with Manitobans and, in fact, people from all across Canada. So we certainly have done a lot of research on that. I don't have the specific numbers the member's looking for at the tips of my fingers, but it's safe to say there has been a lot of research done and those numbers have been quantified.

Mr. Greg Selinger (St. Boniface): I have one question for the minister: Can you give us a

projection of how much the capital tax will increase as the new assets come on the books—the Bipole and the Keeyask?

Mr. Cullen: I'm sorry, I don't have that specific number for the member. I'm not sure if that's something we can determine from Manitoba Hydro. Clearly capital taxes will increase for sure. There's no doubt about that. And then again it will have a bearing on potential rates down the road.

Mr. Selinger: I would ask the minister to undertake to get me that projection of how much it will increase as the assets come on stream.

Mr. Cullen: Yes, we'll endeavour to get that information for the member.

Mr. Ted Marcelino (Tyndall Park): Most corporations, whether private or public, have retained earnings. Does Hydro have some?

Mr. Cullen: I appreciate the member's question and there will be retained earnings, yes, at Manitoba Hydro. What I would have to—we could either have the member—they are publicly available. The member could look for them or we can endeavour, through Manitoba Hydro, to get you those numbers.

Mr. Marcelino: So you don't really know how much.

Mr. Cullen: Apologies. I don't have the financials for Manitoba Hydro at my fingertips.

Mr. Marcelino: Now, let's go to MPI [*interjection*]

An Honourable Member: Actually, I've got another Hydro one.

Mr. Marcelino: How much does MPI have in retained earnings?

Mr. Cullen: Well, I know Manitoba Public Insurance had a challenging year last year, and I know the retained earnings are certainly not what they were hoping to have. I think the easiest way to resolve the member's questions is for us to send him a copy of the annual reports of the corporations.

Mr. Marcelino: At the risk of getting unreliable data through an answer from the minister, do we even know where they are sitting right now? I mean, the retained earnings of MPI?

Mr. Cullen: Thank you very much. In fact Manitoba Public Insurance, I just—I released their second quarter statement. We will send that over in a package for the member as well, and then he can

look at last year's annual reports and he'll get the most accurate financial statement available.

Mr. Marcelino: Can you please include the rate of return on the investments, if any, from those retained earnings invested someplace?

Mr. Cullen: I would assume those would be included in those annual reports, and once the member receives those reports he should be able to ascertain the numbers he's looking for.

Mr. Marcelino: And would that go, also, for the retained earnings of Manitoba Hydro?

Madam Chairperson: The honourable member—minister.

Mr. Cullen: We will get the other—the member the documentation, the annual reports, and he can peruse those and if he has additional enquiries that isn't available he can contact my office.

Mr. Lindsey: I have a couple more quick questions for the minister before we get to 4 o'clock. Does the Minister of Crown Corporations or this government have any intention of privatizing any parts of Manitoba Hydro?

Mr. Cullen: No. That's not our intention.

Mr. Lindsey: Does the minister or this government have any intention of privatizing any parts of MPI?

Mr. Cullen: No. Again, that's not the intention. I know we do work with a lot of private companies to provide services, too, to Manitobans, but I don't think there's any plans in place to privatize Manitoba Public Insurance.

Mr. Lindsey: I'm not feeling real warm and fuzzy with that answer, that's for sure.

So you work with several private entities already. Do you plan to change any of the basic structure of MPI to see more private entities performing the functions that Manitoba Public Insurance does?

Mr. Cullen: I don't foresee that.

Mr. Lindsey: Last question for today.

Do you see selling off or privatizing any portion of any Crown corporations during your term of office, as short as they may be?

Mr. Cullen: I do not foresee that happening.

Mr. Altemeyer: Does the minister have a timeline for when Efficiency Manitoba will be operational?

* (16:00)

Mr. Cullen: Well, I can say we've been diligently working on this, Efficiency Manitoba. We've obviously had discussions with Manitoba Hydro in terms of how this may roll out. Probably the next step in this process would be an interim CEO. Once that individual gets in place, then a lot of the parts can be assembled to the structure of the corporation. So we've talked a bit about structure, as well.

So, clearly, we want to get this rolled out in the not-too-distant future. And it's our idea to work with Manitoba Hydro to make sure that that happens in the near future. So I would just ask the member to stay tuned, and it's certainly a work-in-progress.

Mr. Altemeyer: And from the public's point of view, the programs that are currently available under Manitoba Hydro will continue right up until Efficiency Manitoba starts. Will they continue after that or is it going to be like a complete programming sea change—like a light switch, if I may?

Mr. Cullen: Well, the intent is to keep those existing programs in place through Manitoba Hydro. So we don't want to lose any ground, certainly, in the transition. So those are—those sort of discussions will have to take place in terms of what the actual transition looks like. But there's no intent to eliminate any of the existing programs.

Mr. Altemeyer: Thank you for that, Minister. Just one last question and clarification.

So all of the current programs that are in Manitoba Hydro are going to stay in Manitoba Hydro, even after energy—Efficiency Manitoba starts up, and it's going to do something different and additional—is that what he meant?

Mr. Cullen: I think this would be a really good opportunity to review the existing programs that we have, determine what has been effective and what hasn't been effective. Some of those programs could be moved over to the new Efficiency Manitoba. We think, with some innovative ideas, there's probably room for opportunities for new programs through Efficiency Manitoba.

So we'll have a look at what works, what doesn't work, and try to keep the ones that do work and come up with some new, innovative solutions that will hopefully save Manitobans money.

Mr. Allum: The hour being just past 4 o'clock, and, as agreed, I think we'll move on to Finance. I want to thank the minister, of course, for appearing today,

and also to indicate that we're not quite done our questions with him and, when we return, we would appreciate it if he would be able to return, as well; maybe have a bit more information at his fingertips at that point, and—but for today we thank him.

Mr. Cullen: Certainly, I look forward to further discussions down the road.

Madam Chairperson: I'd like to thank the honourable Minister for Crown Services.

FINANCE

Madam Chairperson (Sarah Guillemard): And I'd like to invite the honourable Minister for Finance to the table now.

Okay, we will carry on with questions for the Finance Department.

Mr. James Allum (Fort Garry-Riverview): I want to give the minister the opportunity to introduce those who are with him if—just so the—on the record for today.

Hon. Cameron Friesen (Minister of Finance): I have with me the senior financial officer, Inga Rannard. Also I have Paul Beauregard, the Secretary to Treasury Board.

Mr. Allum: I thank the minister for that and welcome the others to the table, and I believe the others will be joining us, and the minister's certainly welcome to introduce them as they arrive. Giving the kind of schedule we have today, it's understandable that people would be a little bit behind and so we want to make sure that everybody gets acknowledged when they do get here.

A few weeks ago, the Finance Minister released the KPMG report. It took—I think I have this right—somewhere in the order of about 14 months for him to do so, but I stand to be corrected; it might have been longer, might have been a little bit shorter.

So I have a two-part question for him. He knows that a number of excuses were offered during that time for his failure to release that report in a timely fashion. None of those excuses proved to be accurate, so I want to, as one part of the question, wonder if he'll tender an apology to the people of Manitoba today for not only the tardy release of that report but for the inaccurate excuses that were offered. So I hope he'll do that.

And, secondly, could he just tell us: What took him so long to release that report?

* (16:10)

Mr. Friesen: I have with me, also joining this afternoon, Deputy Minister Jim Hrichishen and Sarah Thiele who is the acting deputy minister for analysis and fiscal management.

On the subject of the KPMG report, we made the fundamental commitment to Manitobans that we would be responsible for the advice we received as a new government, and we said, additionally, that we would be accountable, transparent about that. So make no mistake, this new government will not apologize for the fact that we have made virtually entirely the KPMG report available to Manitobans in respect both of phase 1 report and phase 2 report, both of which I have with me here in these proceedings this afternoon. This is considerable work. The member knows that this work starts, of course, with the full understanding that we inherited as a new government tremendous challenges left behind by the former government that did not take advice effectively, did not undertake to take this advice, and perhaps if they had done so, results would've been different.

In any case, what the record shows is that every year the NDP government would set a target in their budget and they would overspend it, and year over year that resulted in three credit downgrades. It resulted in a net debt to the Province that had doubled in the space of just six fiscal years and, of course, what it meant for Manitobans is that our debt service charge rose and rose. As a matter of fact, in the space of just two fiscal years, it's risen by almost \$150 million. That is a debt service charge, a cost that siphons money out of investment in areas like education, health care and social services, and back into debt service charge.

The report to which he refers is a comprehensive analysis. It is advice received by government in areas like rationalization from reorganization. It talks about direct support to business. It has advice in the area of procurement modernization, post-secondary funding, social housing, capital project management, and then it talks about a whole change management approach at the end of the document.

Now, contrast the approach of our government with the approach of the previous government. In 2012, government received a PricewaterhouseCoopers report on procurement modernization. It tendered for the report. It received the report. The report contained good advice. It gave an overview of the system. It described a need to

consolidate approaches to get better value, to achieve scale. None of that advice was taken by the previous government. In fact, in some cases government didn't actually disclose that they were in receipt of reports.

I recall one instance in which the—with the Minister for Aboriginal and Northern Affairs—denied any knowledge of a report that government had procured and received, didn't disclose it, and when asked questions by the media about it, claimed to have no knowledge. Now, he may've been correct; he may not have known. His department might have done this work. Maybe it was done at Executive Council. Maybe it was done somewhere where he wasn't in the room. But contrast that with the approach of this government that has said we will be responsible for the advice that we receive. We will use it in order to make steps to bring about that improvement in the province of Manitoba: making sure to get better value for money; looking for opportunities for effectiveness, efficiency and economy; using innovation to get a better result; using scale in areas like procurement, which is the third chapter of this report.

I hope that the member has had time right now to reflect on some of the advice received here. It won't be the total road map for a Manitoban. There will be advice in here that we will reflect on, weigh against experiences in other jurisdictions, look within our department for advice, look to the private sector for advice. We may not act on it, but this creates part of the plan that we will adopt going forward.

So the member asks if I will apologize. Of course we will not apologize. We did exactly what we said we would do for Manitobans, and that was to disclose this report so that Manitobans could see the advice that we had received.

Mr. Allum: Well, it's disappointing to hear a minister of Finance failing to apologize for frankly misleading the people of Manitoba about the report over the course of about a year. It was quickly turning into Excusegate, and we realize now that the only way to change Excusegate was for the Finance Minister to ultimately release the report.

Can you tell me on what page of the report we would find the recommendation around health premiums?

Mr. Friesen: So that seemed to be a more brief discussion on the KPMG report, the fiscal sustainability—or, review that I thought the member would invite. He seems to now have already gone on

to the second review, that KPMG report on health-care sustainability. As he's aware, because he will have seen on the day when we disclosed all of this information, we also made that commitment the same day to say that Manitobans will be in receipt of that full health-care sustainability review by this spring.

Now, the member is aware, of course, that right now, we are in the middle of a very extraordinary and comprehensive change in our health-care system in Manitoba. It is necessary. Manitobans are tired of waiting for care.

That member knows the record of the former government when it came to wait times being elongated, the gap between suspicion and diagnosis and treatment. I can recall a CIHI report from just a few months ago—or about a year ago or so, that said that it was a—there were two ERs in Manitoba—in 2015 I believe it was, could have been 2016—that were among the worst in the nation when it came to wait times in ER.

So the changes that are taking place now are considerable. They are based on evidence. They are based in part on a report that was actually entered into by the former NDP government. It was received by government, not acted on. We have acted in part on that advice by David Peachey, the Peachey report, by which it's referred to, and we're bringing about that change.

We understand that change is difficult, and we understand that right now, Manitobans need those assurances that they can get the right care in the right place at the right time, and those are exactly the kinds of assurances that we are attempting to bring.

I thought that it was stated well in an article in the Free Press going about three weeks ago, an article that interviewed the author of that health-care sustainability report, the—David Peachey, where he clearly said it was of little advantage to Manitobans to have more ERs in the overall WRHA system when an individual could arrive perhaps a few minutes faster at an ER and then wait three times the national average to receive care at the facility. He talked about the intensification of resources at facility in order to co-locate professionals there and to get that better scale, to get that collaborative and dynamic environment in which you had that consistency of care no matter where you went.

* (16:20)

So we're talking about an approach based on evidence, based on science, based on the opinions of Manitobans, and therefore the reason of getting better results. It won't be easy. I think if it was easy, the former government would have done it. It will be considerable, but we are monitoring that process very well.

On the subject, though, of that overall health-care expenditure, the member's question went to health-care premiums. I often say to people, we are not prescribing a solution, but we are inviting a conversation with Manitobans. And that's why we are just embarking now on what we say will be the most comprehensive prebudget consultative exercise in the history of Manitoba in respect of legalization of cannabis, health-care sustainability and financial sustainability: the need to eliminate the deficit.

On this issue, the member knows—he and I have had these conversations. He knows that previously, in the Canada Health Accord, there was a commitment over 10 years for a federal escalator of 6 per cent per year. So, every year, that amount that the federal government was providing to provinces was increasing by 6 per cent. Now, of course, at the sunset of that accord, there was a discussion both by the previous federal government and the current federal government looking to move away from the 6 per cent, looking at provinces exactly like Manitoba and saying it is a challenge to other provinces that Manitoba spends one of the highest per capita amounts, the second highest in Canada, on the delivery of health care.

And so, then, as an expression of that overall health-care expenditure, that federal portion was looking like less. It was a challenge that needed to be addressed. But let us be clear, all the evidence, the Fraser Institute; the Conference Board of Canada; I believe, the Parliamentary Budget Officer—other sources, all saying that 5.2 per cent federal escalator to health-care transfer was necessary—and I think, colloquially, they said—just to keep the lights on in the system.

The federal government had preferred a different approach, an approach that was based on a 3 per cent rolling average on a three-year basis of nominal federal GDP. And Manitoba was clear in standing up and saying that was inadequate. It would not be adequate to keep the lights on. The difference between what the federal government has most recently proposed and now is a difference of almost \$2 billion over the course of just 10 years. This is

why we are inviting the conversation with all Manitobans about how to deal with the challenges in health care.

Mr. Andrew Swan (Minto): Minister, I'd just like to change it up a little bit.

As I'm sure you experienced in opposition, there are often constituents who want to ask specific questions of the minister. This is about a constituent of mine who lives on Spruce Street in the West End. She bought a home several years ago and, due to her financial circumstance at the time—she was just in a new job, didn't have a long employment history—the bank insisted that her mother also be listed on the title to the property, and that's exactly what they did.

It's now several years later. Her finances are more solid; she has a more complete employment history, and she wants to have the property registered in her name alone. Now, when she inquired about doing that, she discovered that land-transfer tax—one half of the land-transfer tax would be payable for her mother to transfer the house into her name alone.

Now this is not political, because it was this way during the previous government. It was also this way during the government before that. So I just want to put on the record, this is not meant to be a political question. I just wonder if the minister has any comments and whether the minister would consider a limited exemption for family members in situations just like this one.

Mr. Friesen: I thank the member for the question, and he's right. We—you know, we all receive correspondence from constituents, and we also know the principle as legislators that, for every rule, there's an exception. And it's often those exceptions that we deal with at our offices, and trying to find that good balance to understand why a policy exists now and whether this is an unanticipated consequence of that original policy and whether there is a remedy that can be brought or whether there's a greater need to maintain the policy as it is. I don't have enough information.

And, finally, I can reflect to the member it's not an issue in specific that has been raised to me as a minister before. That by no means, though, is there to say that somehow it doesn't have merit. What I'd invite the member to do is to send the specifics of that case to my office. I'd be happy to look into it.

I have—I've looked into a number of provisions when it comes to land-transfer tax and, as the member says, that land-transfer tax has been in our

province for quite some time, and we have, you know, in the past described challenges around that particular tax as well. It has grown in size. Indexation was never applied to it originally and, as is often the case in government where that's the case, it becomes a challenge over time.

But in this case, send us the details. I'd be happy to look into it and we'll take that conversation from there and see if we can reflect more on what the challenge is in this specific case and whether there's a remedy that's possible.

Mr. Swan: I thank the minister for that response. My constituent was actually very upset I didn't ask the question in the spring. I'm glad that we had the opportunity now in Estimates in the fall to do that, and I expect that she will prepare a package of information that you will be very delighted to read in the near future. Thank you.

Mr. Allum: Yes, assuming the minister has no further commentary on that, I appreciate that.

I should also put on the record that we had invited the independent member from River Heights to come and ask questions at about 10 to five, so we wanted to cede the floor to him at that point as we're nothing if not ecumenical here in terms of being able to hold the minister to account.

He wasn't able to point to a page number where the trial balloon called health-care premiums—which the Premier (Mr. Pallister) himself has called a tax—he wasn't able to point to a page number for me, and what I understood from his answer is that it's in the secret KPMG health-care report. So we'll have to hold off for that.

But I'm wanting to ask him, as a financial measure, a health-care premium—health-care tax, however he wants to characterize it—as a financial measure, it seems to indicate that the government has a revenue problem, and it seems to be a concession that, in fact it is a revenue problem.

Does he agree with that analysis?

*(16:30)

Mr. Friesen: I thank the member for the question, I welcome the question on the fiscal responsibility report that was released to Manitobans. I think the member's premise is somehow that because this report provides areas for improvement in government, essentially it is a whole question about revenue generation and not expenditure management.

So seeing the question through that lens, the answer is no. It's been—it's clear in the past. It was the opinion of our party when we were in opposition. It was also the—clearly the opinion of bond rating agencies. As a matter of fact, it was the opinion expressed to me in one of the very first meetings that I was in as a new Finance minister with one of our bond rating agencies where they confronted me and said, we've always understood Manitoba to have adequate revenue streams in respect of federal transfers, own-source revenue, amounts from Crown corporations and other, but clearly the challenge for the previous government, they said, was always on the expenditure management side.

I also note with interest that Standard & Poor's, when they downgraded Manitoba's credit rating this year, reflected on the past government's inability to manage expenditures appropriately. They actually addressed that specifically, went to expenditure management. And we know, of course, that that clearly is the record, that each year the Province would say that they—they would set out a budgetary target and they would overspend it.

Loss of fiscal discipline was how Moody's had first referenced that failure to get results back in 2014. Weak fiscal discipline is what DBRS had said in that same year, and there were many other quotes that were similar.

The fact of the matter is that Manitoba—the Manitoba government under the NDP—showed year over year that they simply lost the confidence of both credit rating agencies and of Manitobans. When it went to being able to achieve what they said they would achieve, there was a fundamental failure to execute. Actually, that was another comment made by a credit rating agency: they used execution risk to describe the plan in 2014 that the government had then put forward when it had revised its projections in the path back to balance.

We saw that in the last few years, especially where even in the last year of the NDP, they brought a budgetary target of \$422-million loss, and in actuality the Public Accounts revealed that to be over \$800 million; I believe it was \$865-million loss. So, clearly, the issue throughout those years was about expenditure management.

I do reflect also that in these Public Accounts clearly shows that it was the first time in this province since 2002-2003 that a provincial government did not overspend its planned budget. It was also the first time to show a deficit reduction from

budget in over five years in this province. So this is what progress looks like.

And I won't get ahead of myself. We are not out of the woods. By no means does this indicate somehow that now we'll be able to coast to balance—or somehow that the budget will balance itself, as some have suggested. Nothing could be further than the truth and I know that, whether it's the Treasury Board deliberations, whether it is ministers within their departments, whether it is deputy ministers and their senior staff members, right on through.

One key area that we've been insisting on is simply that teamwork approach to get results and to hold everyone accountable for progress, and I think, at the end of the day, nothing can replace that final commitment. I would direct the member to page 10 of the KPMG report Phase 2, where it talks about the Setting the Change Management Context, and talking about that whole change leadership, change strategy, change networks, communications and engagement strategy that's designed to get results for Manitoba, and that's what we intend to do—get results for Manitobans.

Mr. Allum: You know, the Finance Minister could take a page from the previous Crown minister in answering in short, concise answers, rather than wasting the time of this committee with his long, loquacious answers that never actually answer any of the questions that we submit to him.

We asked him about whether or not the clear government direction to impose a health-care tax or a health-care premium—he can call it whatever he likes—whether it reflects, in fact, a revenue problem. And he went on at length about cost-cutting measures and expenditure management, and it goes to the heart of the Finance Minister's own credibility that he fulminates around taxation that's imposed in one area and then he, at the same time on the other side of his mouth, can actually face Manitobans and tell them that he is prepared to impose a health tax or a health premium that may cost families upwards of \$1,200 a year.

And it's that kind of thing that I think we find extraordinarily disappointing. I like the Finance Minister. I think he's a pretty sharp guy, but his distortion of the facts constantly puts his credibility in jeopardy, and, frankly, makes me like him a little bit less than I do most days, and I'm sorry to say that because I really feel that it would be better if he would be honest and straightforward with

Manitobans instead of engaging in a full-scale distortion of facts at every single opportunity.

I was at his—I had the dubious pleasure of attending his launch of his budget consultations last night, and the considerable distortion of facts that was provided to the few Manitobans—and I mean few Manitobans that showed up last night I think reflects poorly on him and I would like him to try to do better.

He talks incessantly about results, but he has never, ever articulated one result that he intends to get to, and it shows, I think, what we've been trying to say recently that, in fact, the minister, Premier (Mr. Pallister), only concerned about the money, have no sense of the consequences of their actions and, in fact, are imposing an undue financial burden on Manitobans that is reflected in the health-care premiums, that are reflected in increasing rates at Hydro, and the parsimonious increase of the minimum wage at the very time when Manitobans actually need more money to pay for the incredible costs that are being imposed by his government.

The KPMG report says the Province intends to reduce the growth of core government spending, not overall core government spending, but with the added pressure that baby boomers are going to create on the health-care system, can he tell us at all how is that possible?

* (16:40)

Mr. Friesen: Well, the member is conflicted because he's asking for brief answers, but I think there were at least six separate questions in that preamble of his. So we will try to chunk off these things and go at them in the time that's allotted for us.

First of all, he said that almost no one came to yesterday's launch of the prebudget consultation at the Legislature. Now I won't have the whole list in front of me, but I can indicate to him that Manitoba Child Care, Pat Wege, was there; International Institute for Sustainable Development made a presentation; Manitobans for the Arts were there; Manitoban's senior league was there; Manitoba Federation of Labour, the Manitoba Chambers of Commerce, the Grand Chief for Southern Chiefs Organization, the Canadian Federation of Independent Business was there.

There were other presentations in the first hour, and then, in the second hour, we heard presentations that took us another entire hour of just Manitobans who gave us their time and came into the room to

give us their opinion. So I'm not sure which of those groups the member was suggesting was insignificant. We think they're all significant, and we were very pleased to—oh, and I forgot—Manitobans for representing those with disabilities were there. And we actually were cited especially by that group, they said for hosting the first barrier-free prebudget consultation in the history of Manitoba. I wasn't aware of that.

But I can say this that last year during our prebudget meeting in Transcona, one advocate from the Barrier-Free community had said to me you could do this at the Legislature and do it in such a way to remove all barriers. We did it. We had someone there doing international sign language, and we had presenters who used sign language to make representations for the deaf community in Manitoba. These are all significant presentations. Like I said, this will be the most significant of its kind, and we will make no apologies for the openness and for the listening exercise that were embarked in. These are very significant challenges facing our province.

He mentioned one of them and yet that is that health-care sustainability gap. So in answer to his question he talked specifically about, well, what is this? Is it a revenue problem? Yes. It is a loss of federal escalator money for health-care provision. Now he understands that under the Constitution, the federal government and provinces share in the responsibility to fund health care in the provinces. He will also know that at one time that was a 50-50 split between the federal government and the provinces.

Now, of course, we're not there, but we do know that under the federal proposal, which is not in accord right now, it looks more like trying to pick off the provinces one by one instead of sign a comprehensive agreement that would actually be a legacy agreement looking forward. We know that now the federal government will give less and that does create, as the member described, that gap in funding whereby the province must backfill more of that amount for the provision of health care.

Now after 17 years of NDP in Manitoba, we pay the second highest amount per person for the provision of health care in the province of Manitoba, and yet we have some of the worst results. That is exactly the challenge we face.

So, in dealing with experts, they have said you must be committed to innovation; you must be committed to best practice. There is a strong need to

listen to experts, to listen to Manitobans, and that is why we have taken on a very significant change that we believe will provide for a better experience, better results for those Manitobans who use the system. So I would want to disabuse that member of any notion that this is about the bottom line in health care. It's about getting results for patients. It's about getting results for seniors. It's about getting results for those waiting for ER treatment. This is what it's about, better patient experience.

On his other question about sustainability in the economic system, that member knows the gap whereby over a 10-year period, revenue was growing by about 2.4 per cent in better economic times, and revenue—yes, and expenditure growing by a much higher amount on a summary basis. I believe more like a 3.6 on summary basis. That's unsustainable and must be addressed over time.

Mr. Allum: This is just an example of the considerable distortion of facts that the Finance Minister constantly engages in. And he's been called out in the media for his constant distortion of facts. I'm trying to urge him not to go there anymore. We can have a good conversation here or he can continue to distort the record, distort the racks—facts, and mislead Manitobans, and I don't think he wants to be in the position. The person I know him to be doesn't want to be in that position.

When he talks about federal health transfers, for example, he knows full well that it was Stephen Harper—his hero—who imposed that particular regime that the Trudeau Liberals then followed up with. And when that time came, when Stephen Harper imposed that particular health-care funding regime, not a word was said from the member of Morden-Winkler, who was the Finance critic of the time.

He didn't say a peep about it. Neither did the member for Fort Whyte (Mr. Pallister), who's now the Premier. Not a word. We'll go back to Hansard; he can go check it and he will know that, in fact, that he continued to criticize the NDP, as he always does. He never said a word about the real author of the cuts in federal transfers. And that's Stephen Harper, his hero—and he knows as much.

I would also say about last night that the minister did acknowledge the invited guests who were there—those are the eight groups that presented. They were invited guests, they were given all of three minutes to present—that's 36 minutes. In the time before I left just at quarter—a few minutes to nine, there had been six presenters—that's another 12 minutes. So that's a

total of 36 minutes in which the public had to speak. The remainder of that time was the Finance Minister talking incessantly with talking points aimed at each presenter. When the MFL objected to his decision to cut the public service by eight per cent, he actually argued with a presenter that was there. When the Manitobans for the Arts pleaded with him not to cut again, that last year's cuts were quote, devastating, he argued with that individual as well.

The minister presumes to listen but, in fact, he lectures. And he lectures incessantly. And I would invite him in future budget consultations to actually spend some time listening. You know, one of the presenters last night actually said to him, could he please stop talking so that the presenter could make his point, and the minister said, well, you see, I listened. He only spoke for one minute on that occasion.

So when it comes to the minister's ability to listen, I find it's in great, grave doubt. In fact, he's loquacious to a fault and I would invite him to stop lecturing Manitobans and stop—start listening to them.

So I want to turn to this commitment to cut the public service by 8 per cent. How in the world does he intend to maintain public services when there are few public—fewer public servants to be able to deliver those services that Manitobans rely on and that my constituents constantly ask me about protecting—and yet he's threatening them?

Mr. Friesen: Well the member is in fine form today. It takes him a little time to wind up his spring of inaccuracy and accusation, and that's what he likes to do.

I've said for a long time I feel that with our department officials around the table and the considerable knowledge here, the opportunity that is afforded to this member—what an opportunity that he has to go deep on these files. But of course he prefers a—he prefers the distortion and vernacular. And that's his style.

But on the subject of distortion, the member's wrong. There were 10 presenters, not the eight. The member's wrong.

Five-minute presentations because the—three minutes and then a Q & A session after that. So he's wrong about that.

And I believe that the first member to the microphone after the presenters themselves—the first

member the public came and said, you know what? I dislike the idea of a two-and-two, a two-minute question followed by a two-minute response. Would you agree to a three-minute followed by a one-minute?

I was in absolute agreement. I thought it was a better use of our time as a public meeting. Agreed immediately, and the rest of the evening followed on the same thing. So perhaps the member wasn't in the correct room. He might have been, perhaps, in the caucus room of his—the NDP party. Could have been in the bathroom—could have been in a different room. Had he been in that room, he would have heard what was a very good and frank exchange.

* (16:50)

Will we agree on all points? No. Would I be argumentative in that room? I think the member knows me better than that. He would know that I would never assert myself like that. We're there to listen. We're going to take this listening exercise around the province.

And I commit to that member he can attend the meeting with me in The Pas, in Dauphin, in Brandon, in St. Laurent, back in Winnipeg, in Ste. Anne, Manitoba. He can come to Winkler when I do my MLA consultation, and I will be listening. I'm not there to talk; I'm there to listen to Manitobans. I took notes for every single presenter. I took their name. We committed to them that we'd look into these issues. We know that they'll continue to connect with individual ministers and departments on these issues.

On the subject of the member's accusation that we're somehow distorting, I'd like to come right back to the facts. He claims that we distort. In 2012, the debt service cost for Manitoba was \$815 million. In 2016-17, the debt service cost in Manitoba was \$930 million. The debt service cost is now budgeted for \$991 million. This is not distortion, this is fact. We're talking about increases to debt service costs.

You will not hear the member ask questions about this. He does not want to talk about system sustainability. He does not want to talk about the implication of his government's failure to manage. He does not want to talk about what the effect of year-over-year deficit spending was. He does not want to talk about the fact that, as a result of his mismanagement, we have the largest borrowing requirement for the Province of Manitoba in the history of this province and he does not want to talk

about the fact that there are additional challenges now facing us as a province.

The challenge of rising interest rates—we've seen two rate increases in the space of a number of months; the threat of US protectionism; the threat of a significant weather event; the threat of trade issues arising; the threat of lower federal amounts for health-care sustainability, these are all challenges that this government now faces. And we will manage through these challenges.

Where that government failed to show progress, we have shown progress and we will continue to show progress in the future.

Mr. Allum: By agreement, I will defer to the member for River Heights (Mr. Gerrard).

We had hoped, actually, to wind up with the Finance Minister if not by end of today, early on our next occasion. But, you know, the more that he puts on the record, the more that we intend to actually keep him around. His failure to speak honestly and openly with the people of Manitoba is a colossal disappointment to me, and I would invite him to aim higher and do better.

Mr. Friesen: I have to respond to this. And I always tell the member, any time he goes down this path we just have to be clear. He should not impugn my honesty. He should know better. We're here to serve. As a new government, we're here to serve. We are honoured for the opportunity. Every day we show up for work, we roll up our sleeves; we get to work with some of the most competent people who love this work in our department. We take these responsibilities very seriously.

And while he may disagree with me on approaches, he should not impugn my character in the performance of his duties at this committee and I would caution against that course.

Hon. Jon Gerrard (River Heights): I have very limited time, so if the minister could keep his responses short.

The budget numbers that were put in the various books that we've got for the budget—we now have cuts being announced in health care. Are the cuts being done to achieve the budget numbers or are they actually cuts below the budget numbers?

Mr. Friesen: To the member's question, first of all, I challenge his language about cuts. He will know that health-care spending is up 2.7 per cent year over year, \$177 million more for health-care expenditure.

More is not less. We are making changes in health care. Overall spending is up. We've always said as a government we reject those harsh approaches. What we've always said was necessary is for a sustainable increase to spending, not the runaway train of the previous government.

On a specific question, he's referring to the restated Estimates of Expenditure and Revenue, which we have done appropriately because of changes made this summer to some assignments. He will note there is no restatement of the appropriations for Health.

Mr. Gerrard: Now, I note that the first quarter report shows a reduction in health spending of \$47 million below estimated. Is this a reduction in spending from what is budgeted initially, or is there some other reason for this?

Mr. Friesen: I thank the member for the question, and he's quite right. He will see, as we've seen in other years as well, that on release of the first quarter report, you see those natural fluctuations. He will, of course, understand it as well, that that first quarter report represents a snapshot in time; it's a moment in time. It's very early into the fiscal year, and that—the numbers are presented fully cognizant of the fact that this is about accounts receivable, accounts payable, and this is reported on a cash basis.

The member will also know that when we release the second quarter results after we have consolidated those reports, we will provide that forecast and show how we are performing. You get a far more accurate picture of the performance of departments by the mid-term point of the fiscal year.

Mr. Gerrard: The KPMG report, as the minister requested, focuses on eliminating waste and inefficiently—inefficiency. And I note that the minister has eliminated the tuition rebate. Did the minister consider that that was waste or inefficiency? Can he clarify?

Mr. Friesen: I thank the member for the question.

The member's referring, of course, to changes that we brought in respect of tax credits in the province of Manitoba. The member knows that I've said in the House—

Madam Chairperson: The hour being 5 p.m., committee rise.

INDIGENOUS AND NORTHERN RELATIONS

* (15:10)

Mr. Chairperson (Doyle Pivniuk): Will the Committee of Supply please come to order. This section of the Committee of Supply is now—resume consideration for the Estimates for the Department of Indigenous and Northern Relations.

At this time I invite the ministerial and no—opposition staff to enter the Chamber.

Could the minister please introduce their—her staff in attendance?

Hon. Eileen Clarke (Minister of Indigenous and Northern Relations): I'm really pleased this afternoon to have the following department staff here with me from our department of Indigenous and Northern Relations. To my left we have Angie Bruce, she's our deputy minister. Directly in front of me we have Scott DeJaegher. Scott is the director of policy and strategic initiatives. And on my right director agreements management and Crown consultations, Dave Hicks.

Mr. Chairperson: Thank you.

Could the critic please introduce her staff to the—

Ms. Amanda Lathlin (The Pas): It's my honour to introduce Mr. Christopher Sanderson, caucus staff.

Mr. Chairperson: As previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Ms. Lathlin: I would like to put a few words on record to start our conversation about the department of Indigenous relations. Firstly I want to wish the minister well in this role, and I do hope our time together will be beneficial. I am pleased to see that this department is now a stand-alone department. Our First Nations and Northern communities are not the same as a municipal, and governments need to do more to honour and respect their duty to government-to-government relationships with our First Nations. So I look forward to working with the minister as she fulfills this important role.

I am also very pleased to see the Province commitment of land to Canada to the Sayisi Dene First Nation reserve. The previous government also worked very hard to see this come to fruition. I'm pleased to see this important step forward as a

meaningful act in a process of reconciliation with Indigenous people.

While I'm pleased with these efforts, I am also concerned with the number of changes that have been made in this department. Staffing and service levels are on the decline. I'm concerned with what this means for important functions with this department such as public safety, healthy food and water and waste water treatment. I know how important these issues are to the people of the North, and I'm also concerned with the departments capacity to fulfill its obligations for Treaty Land Entitlement.

With that, I want to thank all those who have joined us today, and I look forward to this discussion.

Thank you.

Ms. Clarke: I'm also pleased to be able to make comments on the 2017-18 Estimates and discuss some of the important activities of the new Department of Indigenous and Northern Relations. But before I begin, I want to take this opportunity to acknowledge that we are on Treaty 1 territory and on the ancestral lands of the Anishinabe, Cree, Oji-Cree Cree, Dakota and Dene peoples, and in the homeland of the Metis nation.

I'd also like to acknowledge the hard work of my department staff and the work that they do with northern and indigenous peoples and communities.

As you know, in August 2017, the Premier (Mr. Pallister) created a stand-alone department of Indigenous and Northern Relations, emphasizing that our government has made major strides in these areas over the past year and that we have an ambitious agenda with respect to moving forward on a range of indigenous and northern issues, particularly with the respect to those connected to reconciliation, the development of a new duty-to-consult framework, aspects of the truth and reconciliation of Canada's call to action and resource development issues in the North.

My department remains committed to working positively and respectfully with indigenous and northern communities across Manitoba. In doing so, our efforts will focus on building effective partnerships involving indigenous and northern communities and all levels of government.

As part of this work, I'm pleased to note that the department has assembled a new engagement unit. This unit will work on a proactive basis to effectively

engage with indigenous peoples, communities and their partners, both in the North and in the south part of the province.

The government of Manitoba is committed to advancing reconciliation in our province, and we have undertaken a number of reconciliation initiatives, which we have publicly reported in The Path to Reconciliation Act annual progress report. Our government is committed to undertake the enormous and challenging task of working to heal the wrongs of the past, address the legacy that a century of racist and discriminatory policies against indigenous peoples left in Manitoba and move forward on a future path of equality, mutual interdependence and reconciliation.

It involves walking a path to reconciliation that is built on the principles of respect, 'understandment'—understanding, engagement and action. To develop a strategic path forward, my department is engaging with indigenous nations and people. This is a work that I'm proud of, and it's our intention to continue our efforts over the coming year and beyond.

The government of Manitoba continues work to establish a renewed duty-to-consult framework for respectful and productive consultations with indigenous communities. Meaningful consultation furthers reconciliation and assists government in becoming more familiar with the practices, histories and traditions of affected communities and the impact that proposed actions could have.

Manitoba's also embarked on a process to develop a mineral-development protocol in collaboration with First Nations in northern Manitoba. This work will open the doors for mineral companies wishing to do business in Manitoba and will help create jobs and promote economic opportunities for First Nations people and our communities in the North.

Through our collaborative efforts, we've also made strides in the area of economic development by supporting the development of urban indigenous economic development zones in partnership with First Nations to create jobs. Three new zones will be introduced this year to encourage economic independence for the communities of Nisichawayasihk Cree Nation in the city of Thompson, Peguis First Nation in the city of Winnipeg and Swan Lake First Nation in the RM of Headingley. One has already been created, and

Peguis and Swan Lake are currently awaiting their federal approval.

I'm also very pleased to report that we have begun returning evacuees impacted by the catastrophic flooding of 2011 home through our involvement of Operation Return Home. We've constructed new housing and related infrastructure on lands safe from future floods for the First Nations of Lake St. Martin, Little Saskatchewan, Pinaymootang and Dauphin River as part of our continued commitment to resolving the issues surrounding the 2011 flood.

Another example of our collaborative efforts with indigenous communities involves the Treaty Land Entitlement Information Toolkit, which was developed in conjunction with our federal counterparts, the Association of Manitoba Municipalities, the treaty relations committee of Manitoba and Treaty Land Entitlement Committee of Manitoba. This tool will foster relationships and partnerships with First Nations and promote economic opportunities for all stakeholders through the creation of urban reserves and other economic development opportunities.

My department does—also has a renewed commitment to improve the process of provisioning land and related interests to Canada for reserve creation under the treaty land entitlements and other agreements. To date, Manitoba has facilitated the transfer of 600,616 acres—

Mr. Chairperson: The honourable member—minister's time has expired.

Okay, well, thank you, Minister, for your opening statements, and we'll continue with the questions, and the honourable member for The Pas.

* (15:20)

Ms. Lathlin: In terms of HR, my first question is: Which management positions were cut for the department to reach the government's 15 per cent target?

Ms. Clarke: In response to your question, our department has undergone restructuring that led to the elimination of one executive director position within Indigenous Relations, and this reduction was made as part as government's commitment to reduce its senior management ranks in order to create efficiencies and realize cost savings for Manitobans.

Ms. Lathlin: How many vacant positions are in Indigenous Relations at current?

Ms. Clarke: We'll get that information and get it—make it available to you.

Ms. Lathlin: The KPMG report reveals that there were 27 positions that became vacant after January 1st, 2016, in the Department of Indigenous and Municipal Relations. That's nearly as many vacancies created in the Department of Health, at 34. Can the minister take under advisement how many positions are being held vacant?

Ms. Clarke: In regards to that question on vacancies, we are working diligently within our departments and with the staff that we have right now, and we feel that the work that we have completed with our staff has been exemplary. When we look at the past record of the previous government and the work that was completed, considering we, up until just a month or so ago, had a combined department and it was working efficiently, but the fact that we are now one department, we are looking very forward to continuing the work that we're doing moving forward on all aspects—all the files that we have.

We have provided a lot of good information here on the successes that we've had, and our staff has worked very hard to ensure that we have covered a lot of bases. And in my visit to Thompson last year, and also to Dauphin, to meet with our staff in regards to our northern affairs communities, it was very clear that the staff that are there are working diligently on behalf of the communities that they represent, even though they are in the far north.

I was really impressed by the level of professionalism and that it should never be taken for granted that the people in the northern part of our province don't work as efficiently as those who have all the availability of additional people here in our Winnipeg offices, because I was pretty overwhelmed. Each and every one of them—I believe there was 16 in Thompson—gave a review of the work that they do within their own department. And it was pretty exciting to listen to not only what they were doing, but the aspiration and the visions that they had going forward for the department. They weren't working for today or in the past, they were really excited about the work that they would help to do. And they came forward with a lot of suggestions and a lot of information that they thought—when we asked what they envisioned for the northern part of the province.

And it was also interesting to note that in their office they had never before had a Cabinet minister

visit them. And I think that speaks about relationships and working more closely with our employees so that they know who the minister is and they know who their deputy minister is. I know my deputy minister spent a lot of time this summer, too, travelling and meeting with employees in all our offices, as well as our First Nation communities.

I think this is something that we will continue. We are building partnerships not only with our First Nations and our northern affairs communities, but also the Metis Federation. And, again, it's been noted on more than one occasion that our interaction with our staff has been over and above anything that they've ever experienced before. And we look forward to that. There's an enthusiasm within all our—parts of our department that is exciting. It's really exciting for me to work with them as I'm learning about our indigenous communities, their customs, their ceremonies, and the staff has been more than helpful in addressing all the issues that come forward. So I can't speak highly enough about the staff within our department.

Ms. Lathlin: How many positions are being held vacant in the Northern Healthy Foods Initiative?

Ms. Clarke: There are no vacancies in the northern food initiative.

* (15:30)

Ms. Lathlin: According to the annual report, page 83, the government's actual spending on the Northern Healthy Foods Initiative has declined by a half while the program was under review.

What programs were not provided during this review?

Ms. Clarke: In regards to the Northern Healthy Foods Initiative, all regular programming has continued and there was no reduction in the budget for that portion.

Ms. Lathlin: How many positions are being held vacant in programs that support public safety?

Ms. Clarke: Could you please repeat your question? We didn't catch all of it.

Ms. Lathlin: How many positions are being held vacant in programs that support public safety?

Ms. Clarke: I'm pleased to let you know that all community safety positions are filled. And I'd like to also add to that that we actually hosted these persons in our office this summer and had a really good meeting with them. We had good discussions about

the work that they do and how the—how their position in—within the communities has changed somewhat, and it was good to hear their view on how they felt their needs within the community were being—I guess how they were being met in regard to when they were meeting with councils and so on and so forth and the expectations. And it was really good to have that dialogue with them. And once again, it was their first time to come into this government building and for somebody to listen to them. They actually felt that they were quite proud of their positions and the roles that they play on behalf of the people that they serve. And it was—even the dialogue between the different community officers, they seemed to have different expectations in different communities.

So it was really interesting for them to exchange ideas, and I think they went away kind of enlightened and with different ideas of what they could do in their respective communities after meeting in this way. So we look forward to having that type of meeting again and having them come in and meet all our staff and to have these types of discussions because we really felt that it enhanced their jobs as well as it gave them a feeling of pride for the work that they do within their communities. And I was pleased to have the opportunity just to speak to them and tell them how much they are appreciated and how valuable their work is within the community.

So it was a good experience.

Ms. Lathlin: And going back to the Northern Healthy Foods Initiative, northern food was underspent.

I realize the budget line is unchanged, but why was it underspent? And with that, why wasn't—what wasn't done?

Ms. Clarke: The Northern Healthy Foods Initiative is presently undergoing a review, and it's part of the department reorganization efforts.

The regular programming will continue this fiscal year, and food-related social enterprise development programming intended to support local food security and job creation has been placed on hold. The Indigenous and Northern Relations is currently developing a Cabinet submission, and that will re-envision Northern Healthy Foods Initiative based on the outcomes of a program review, including an evaluation and a stakeholder consultation.

Ms. Lathlin: How many positions are being held vacant in programs that support northern communities with water and waste water?

* (15:40)

Ms. Clarke: I'm told that we have three tech public works staff, as well as one manager, engineering, that are vacant as of right now today. However, they are not being held vacant, it's just they are at this—they could have been just very currently not, so it's not that they are being held in any way. But we are undergoing a reorganization and evaluation of how we provide services and where, so these positions are expected to be filled so that we just have to re-evaluate how it's going to be done and what positions they're going to be.

Ms. Lathlin: Many northern communities struggle to provide adequate waste-water treatment. I see from previous reports that the Province has made significant investment in addressing this issue, but there's more to do.

Can the minister speak to her commitment to this effort?

Ms. Clarke: I think it goes without saying that our government's very concerned about fresh water for all residents of Manitoba and specifically in northern Manitoba. We've heard a great deal from all the communities there, when we attend the northern affairs communities, also when I've been to MKO and listened to the chiefs-in-councils and their concerns for fresh, clean, safe drinking water for everyone. It's a very significant—and even meeting with all our counterparts from across Canada at our federal meetings, this is an issue that comes forward always.

But I think—I think what's important to realize here is the new relationships and partnerships that we're building with municipalities, with our First Nations or our northern affairs communities, so that we can do, like, attain fresh water and it will serve, perhaps, a municipality, it will serve a First Nation or the northern affairs communities and working regionally. This will—we've already seen where it provides a more economical way, and that way we're also able to serve more communities, more people, with one function, one process.

It's been really successful in some communities already. For instance, I'm going to use Erickson, Onanole and rolling—no—Rolling River First Nation where they're doing a project of solid waste, and the process has been excellent and they are really

making great strides. And I've been working a lot with the municipalities this past year and a half and encourage them to work with their First Nations or to work with northern affairs communities in these partnerships to ensure that everybody soon will have availability of safe water for their communities and their families.

Ms. Lathlin: On page 56 of the annual report it says there is \$7.6 million committed in 2017-2018 for water treatment and other capital projects in several northern communities.

Do these commitments still stand, and will they be completed in 2017 and 2018 as proposed?

Ms. Clarke: We are definitely committed to the \$7.6 million for northern Manitoba, and the list is extensive. We're talking water and sewer lines, water treatment plant backup, water treatment plants, sewer treatment plants, water treatment plants in many, many locations throughout the North, as well as—again I talked briefly about waste-disposal sites. So we're talking about two different waste-disposal sites, and some of that money is allocated to firetrucks as well, as we know that we've seen some significant fires and more specifically even in the home community of my critic and the fact that we are looking to keep our communities safe is—you know, there has been a significant commitment made to that.

Ms. Lathlin: I had the honour to attend the Northern Association of Community Councils and sat with a lot of communities that I represent, Norway House, Cross Lake, Moose Lake and Cormorant.

And I sat in discussions and some of the questions that were asked there was how does The Northern Affairs Act impact our community, what areas should—of the act should be reviewed and what modifications to the act you suggest be made. And the conversation around our tables was that—is The Northern Affairs Act, is it going to be changed to—or, implemented into the municipalities act. That was the conversation that people had concerns with. Is that the direction where the department's going?

*(15:50)

Ms. Clarke: Having attended the Northern Affairs community conference last year, it was probably one of the most emotional parts of my new learning about northern Manitoba. They were overwhelmed that there was a minister there to speak to—with them at their opening ceremonies. This is something they had—they'd never experienced that before. They'd

never had a minister. They thought it was outstanding.

And I can remember thinking to myself: Why would they even think that? Like, why would I not be there? That was part of my responsibility. If I go to AMM or I go to MKO or SCO or any other AGAs—or, and the AGMs, why would I not be at the Northern Affairs communities? We've got 52 Northern Affairs communities, and they're a roomful of committed and dedicated councils.

It was very moving experience, and one that I will not forget and I will not take lightly. And I had a lot of discussion. And because it was held in July—or, July or August—it was in the summer months, anyways, when we were recessed. And I—rather than making opening comments and leaving, I offered to the whole group that was there that if any of them wished to meet with me or have conversation that I'd be more than willing to do so. And during the break, I had many different council groups come up to me, asking to meet.

We took the time to meet with as many as we could. We allotted them at least an hour for each group, and the conversations were overwhelming, to say the least. They had never had the opportunity to do that. They never had a voice. I took that very seriously, and since that point we have stayed in close contact in regards to funding. And when we went to—as I had indicated, we went to Thompson, we went to Dauphin. We met with the staff that worked with them. And what came forward out of that was the fact that they had no say, they had no voice and they felt that they were totally forgotten. And that's the message I've got from the First Nations this past year, too.

And what we're facing within our department is there are old acts—they're very, very old. They don't pertain to our way of doing business now, whether we're in the North or southern part of the province. And it's actually impeding our ability to move forward. And they're in agreement with that. Like, there's a lot of frustration.

So we've had a lot of dialogue with the communities and we've asked them what they want to see, going forward, where they have a vision of where they'd like to be. They also spent a lot of discussion in talking about the communities the way they used to be and the way they are now, and so we have continued that dialogue. And I think that's what's really important. And I think that, in the long run, that's what's going to make a difference. And

we've also been engaging stakeholders in the process to ensure that we are listening to everybody that's involved, because it is important. We take it very, very seriously.

So right now, we're at the stage of absolutely everything in regards to our Northern Affairs communities being reviewed. And we are basing it on the fiscal position of this government, which we have to do. But we're also looking at ways of reducing red tape. With our northern 'affacos' communities, our First Nations, our Manitoba Metis Federation, our municipalities—there's a huge frustration because of the red tape that's involved in absolutely everything, and I'm very proud that our government is—got a task force in place to reduce red tape, moving forward. And we know that once we get to a place where we have done that and we continue these dialogues with our communities, that we are going to be able to provide them much more efficient services. And, like I said previously, these services may include joint projects. And everything we've seen so far with our municipalities and our First Nations or our 'nuthen' affairs communities working together has brought nothing but success. And they are finding ways to work together and sharing services. And that's a win-win for everybody, so we're actually very proud of the steps that are being taken in this direction.

Ms. Lathlin: In going back to the Northern Healthy Foods Initiative, could you please repeat which aspects of the program that are on hold and the reasons for placing it on hold?

Ms. Clarke: Our Northern Healthy Foods Initiative is something, actually, that our department's very proud of, and I was pleased to travel to Iqaluit for our—that's where our federal conference was held—and Paul Doolan, who is one of our staff members, had worked extensively on the Northern Healthy Food Initiative for our province. And he had been working with other provinces, as well, that were interested in what Manitoba had done. Paul did a presentation in Iqaluit, and it was very well received, and they were certainly very interested in the programming that was in our northern part of the province.

And I'll just list this few of them that are within that program, and they include: the Bayline Regional Round Table, the Four Arrows regional healthy authority, Food Matters Manitoba, Northern Association of Community Councils, the Frontier School Division. And there were a couple of special

projects that we were proud of, and it was the Tides Canada foundation, as well as the Child Nutrition Council.

Now, our Northern Healthy Food Initiative partners are the primary service project delivery vehicles to 64 out of the 101 Northern Healthy Food Initiative eligible communities. Partner activities focus primarily on community-based food self-sufficiency projects with communities known as Grow North. Grow North targets food self-sufficiency efforts to communities, schools and community groups to revitalize local fruit, vegetable production and traditional hunting, fishing and gathering. They support small greenhouse and livestock operations, classroom curriculum implementation, the provision of equipment and materials, community economic development and other capacity-building efforts such as nutrition awareness and education, healthy cooking classes, food preparation, safety and storage.

Now, I spoke briefly about the two special projects and that one of being the Tides Canada foundation. Community economic development is supported through a partnership with Tides Canada foundation who hosts the Northern Manitoba Food, Culture and Community Collaborative. This is a collaboration of funders and northern people that collectively seek to improve food security and community economic development opportunities for the purpose of community health.

The benefit of Northern Healthy Food Initiative participation is twofold as a result of access to these additional funds. The increases in the Northern Healthy Food Initiative geographical reach as the collaborative targets the same eligible communities that are seeking to support improved community health and local opportunity. And the Province can include results from additional projects in the Northern Healthy Food—accomplish—Initiative's accomplishments.

In 2015-16, \$320,000 was contributed from various funders, and over 70 projects have been funded to date. And in regards to the Child Nutrition Council of Manitoba, school nutrition programming and nutritional awareness is supported annually in partnerships with health, seniors and healthy living and Education and Training to the Child Nutrition Council of Manitoba. Funds are targeted at northern schools, including First Nations, which are not eligible for the healthy seniors, active living funding.

* (16:00)

Ms. Lathlin: Again, relating to Northern Healthy Foods Initiative—again, I'm asking again, the program—what programs are under review, which is especially important to me as somebody who lives in northern Manitoba where produce and healthy food is actually much more expensive. For example, I seen on social media somebody took a picture of a package of pork chops was \$67, and here if you go to Safeway in Osborne Village it'll probably be about \$25.

So, with that importance, which programs were under review and strategies to help our northerners at least be provided with affordable healthy food to fight against diabetes, which runs in my family. And I just wanted to learn a little bit more about the Province's strategies to address that as well, and which programs were under review.

Ms. Clarke: The funding for the—in regards to Affordable Food in Remote Manitoba, which is referred to as AFFIRM, was launched in October 2015 by Health, Seniors, Active Living. Now, AFFIRM is a retail-subsidy program that lowers the cost of fresh milk, fruit, vegetables and infant formula in remote communities that are road inaccessible. They're either rail or fly-in only and do not receive the federal Nutrition North retail subsidy.

The AFFIRM program was originally announced in 10 northern communities and at this date, due to the expansion of the NNC eligibility list, the only five communities that are AFFIRM-eligible now are Pukatawagan, Churchill, Thicket Portage, Pikwitonei and Ilford War Lake. Three of these communities—Thicket Portage, Pikwitonei and Ilford War Lake—along with the Bay Line rail do not have stores that sell milk, infant formula, fresh fruits and vegetables. And, to date, there's signed agreements between healthy seniors and active living and the retailers to take priority over 'spocial'—social enterprise programming. Subsequently funds are transferred from our Northern Healthy Foods Initiative to a firm to meet financial requirements.

And I think it goes to show that our government takes this very seriously in the fact that now under the issues that Churchill is facing without their rail line that there was a lot of concern in regards to food and the cost of food. Not only for businesses, you know, that are trying to run a retail business, but also for their families. And I know that our government stepped up to the plate and has helped out in that respect, as well.

Ms. Lathlin: The community's pronounce of that name is Pikwitonei.

Bill 24 provides opportunity to owners of water treatment systems to extend how frequently their water treatment systems are certified. Currently, its five years, and the proposed law extends that to 10 years. Does Indigenous and municipal relations itself—or, Northern Relations itself intend on applying for extensions or advocating for communities it services to apply for an extension?

Ms. Clarke: As I indicated earlier, our department, as well as working with other departments in government—more specifically, municipalities et cetera and Sustainable Development—in regards to safe drinking water for our communities. It's a very high priority.

We want to ensure that they not only have access to water but that it is safe, and not safe for today but also down the road. And I know that there's a lot of effort put into training people that are running the water treatment plants. And the partnerships that go on regionally I think are very, very important.

I don't think there would be a government anywhere that isn't concerned about the safety. The safety, whether it's our drinking water or any other safety features within our communities. It's a priority, we want to ensure that our people are taken care of and that they can be confident in the services they have, as well as when it comes to water availability and the safety of it.

It goes without saying that we are committed to ensuring that they will not have to fear and they will be able to trust the systems in the future.

Ms. Lathlin: Can the minister take under advisement a list of water and waste water capital investments made by the government over the last 20 years in communities under her control?

Ms. Clarke: Interesting that you would ask for 20 years when the past 17 years have been under a different government.

*(16:10)

And I think that's probably one of the biggest frustrations I've faced as a new minister in a new government is what hasn't been done in the past 17 years. And now we're playing catch-up. Without a doubt, having a background as a—in leadership within a community and also throughout province. It was quite unbelievable to meet with the different leadership throughout Manitoba not—as well as

northern Manitoba. Northern Manitoba has definitely been a high priority because, by all respects, they have not had the same level of service and the same level of input as what, perhaps, southern communities have had, but we're changing that. We're listening. We're listening to our northern community leadership. We're listening to our grand chiefs.

We've had recent meetings where all the grand chiefs and my department, as well as other departments, are at one table and ensuring that we're having these conversations and that we're ensuring that, going forward, we are doing better for the communities in the North.

It's also been of great value to meet with our colleagues from across Canada that face some of the same challenges in regards to northern parts of their provinces. And we all agree that we need to collaborate even with our federal partners and do extensive discussions with our communities and their leadership so that we can—we know what's lacking and where the voids have been.

And when you're talking about the projects that have gone on in the past 17 years, I would have to agree it's not adequate. And we now are facing a huge deficit within this government because there's been millions and billions of dollars spent, but the work hasn't been done, and there hasn't been commitments to the people in the North. And when there has been, it doesn't happen. And there's been a high level of frustration.

But I was very pleased when I attended the MKO AGA in Norway House just a couple of months ago, and some of the comments from the chiefs indicating that they have a renewed hope—they have—they are feeling a level of trust because we are not making promises that we can't keep. If something is not possible, we don't indicate that it is. And we're also not giving false hope for the future, and we are delivering on what we say we're delivering on.

And through Infrastructure dollars that are going into northern Manitoba, they're certainly getting their portion of that, and we are seeing the projects through. We're making sure that when we make a commitment to them that they're happening, and we take it very, very seriously.

Ms. Lathlin: In all due respect, I just want to protect and continue to honour my father's legacy, the late Oscar Lathlin, former MLA for The Pas and former minister of Aboriginal and affairs. His heart and—was

set in that position. He was also described as a gentle giant. He did a lot for the North, so when I hear comments like that, I just want to politely correct that there was true dedication from our part to northern Manitoban First Nations communities.

And I wanted to ask again about Bill 24. Does Indigenous and Municipal Relations itself intend on applying for extensions or advocating for communities it services to apply for extension?

Ms. Clarke: Yes, we will work with our communities, as we've indicated to them all along. Regardless, if they've got an issue, we will work with them.

Ms. Lathlin: What additional resources are committed this year to boil water advisories?

Ms. Clarke: Well, boil-water advisories is something we definitely do not want to see our communities facing. It's not only an inconvenience, but I mean we have to be concerned about the health of our communities without a doubt. And we know that communities are placed on boil-water advisories from time to time for various reasons, and that can be broken water-main lines or power outages or—there's a vast number of reasons that this can happen and it definitely, without a doubt, we would certainly work with the community or any other stakeholders that are involved to ensure that this was rectified as quickly as possible.

Mr. Blair Yakimoski, Acting Chairperson, in the Chair

Our department is working closely with the Office of Drinking Water to ensure that these issues are dealt with promptly as they arise, and we know it does happen, so that the life and the safety of the residents are never put at risk. That's one thing that we would avoid at any cost.

Ms. Lathlin: Going back to the previous question again about water-treatment systems from five to 10 years, can the minister clarify what she said previously, that she will work with our communities to encourage them to apply for extensions on—and how frequently they—regarding how frequently they certify their water systems, so can she please share with us the strategy to encourage our communities to apply for those extensions?

* (16:20)

Ms. Clarke: Our department works very closely with Sustainable Development in regards to water treatment plants and anything in regards to clean

drinking water, for sure. And currently, we have 26 community water treatment plants. Upgrades and replacements are conducted to ensure that they do meet the Canada drinking water standards provincial legislation, as well as the environmental regulations that are important.

Our department also works with the Manitoba Water Services Board, who provides engineering, management and advice on these projects. And that's another meeting I took it upon myself to attend this year. I actually went to Brandon when they were—for one of the Water Services Board's meetings to just see how the process works and, you know, how they make their decisions—whether it's in the southern—but, more specifically, for the northern part of the province and how they're included. And it was a really beneficial meeting because I got to see how they evaluated everything. And it was really encouraging to hear the way they talked about the North and, you know, provisions that would like to be seen in the North and how they could and should develop them. And, you know, it's taking time, but it's—the consideration is there as funds are available, and I think that's what's really encouraging.

And in our meetings with some of the chiefs and councils—regional meetings with chiefs and councils when we're talking about water and connecting and treatment plants and so on and so forth, there's a genuine commitment to work together—that we need to work in partnerships going forward. And Water Services Board is really—has been really great, in my opinion, in those discussions. And they are also very committed.

And also having met with the municipalities, when we were a—one department, there's also a genuine commitment there to ensure that we do work regionally so that we can get as many more communities as is required to move forward and not to stall, to keep working towards that. And I think having those confirmed partnerships and a genuine commitment to work together, I think that is what is going to be our success going forward.

So I indicated that we have 26 community water treatment plants now in the North. Eighteen of those are completed, four are under way. And we have four right now that are requiring some maintenance that's being attended to. So the work continues. And we'll also continue, as I indicated earlier, to—working with other departments in this government, where the teamwork, I think, is also making a difference.

Projects are not being drawn out as long because we are working together. When decisions are being made, there's different departments at the table, and I think that's a good strategy going forward.

Ms. Lathlin: Couple more questions. Can the minister share with us how many communities are under the boil water advisory currently?

Ms. Clarke: In regards to your question, there are eight communities in the North right now under boiled water advisement, and I'd just like to put on record at this time that it's the first time in many years in this province that our northern communities have a strong representation within the Manitoba government that's committed to improving northern Manitoba, and that we—not only are we advancing major initiatives like the Look North strategy, but we've also invested significantly in infrastructure projects in our northern communities. And I'd like to put on record some of these different projects, because they are quite diverse and they certainly speak to the questions that you have been asking.

*(16:30)

The town of Snow Lake, water and sewer line renewal, and this is the second phase with a provincial input of \$687,500; city of Thompson water main, \$750,000. The Northern Affairs community of Seymourville waste water treatment plant, \$625,000; Northern Affairs community of Nelson House, \$600,000. As well as other infrastructure in the city of Flin Flon, the community centre renovations; Lynn Lake, main street revitalization; Flin Flon, a new bus garage; city of Thompson, signage; city of Thompson, transit bus shelters; as well as bus purchases and handivan purchases in different communities. And there are 12 different communities in the Northern Affairs communities that have received significant funding for road projects, and we know that's always something that's needed up in the North.

Within that, we've also had various road programs, the Northern Affairs communities had significant input, as I indicated, to northern roads. As well as there's been rehabilitation projects and several other road renewals. This is the information we've been getting from our northern communities this past year was certainly focused on roads and the deplorable state that many of their roads were in. So there has been significant amount of money that has been designated to roads.

And, as I indicated before, the projects that are going to be focused on clean drinking water, as well as waste water and solid waste. Solid waste is actually one of the issues that's brought forward consistently from our northern communities is the concern for solid waste disposal, and that's something that we've had a lot of discussion with them about as well.

So we'll continue working, not only just with our northern affairs communities and our First Nations and that, but we'll continue working with our other government departments so that we are in the know and we share the information in regards to all the concerns that we're getting, but also in regards to the positive projects. There's a lot of positive projects going on that have been completed and we look forward to those relationships with our people from northern Manitoba.

Ms. Lathlin: The KPMG report calls for Crown lands to be sold off given outstanding treaty land entitlements. Will these processes be given priority before any lands are sold?

Ms. Clarke: As indicated earlier in our session today, I had indicated that we are addressing our treaty land obligations and definitely looking to create new opportunities for our First Nation communities' development and their economic growth.

I also indicated in one year, we have transferred provincial interests in 42 parcels of land selected by our First Nations under the TLE process, and that totals 53,000 acres. And I think that's very significant given in the past three years previous, there was absolutely none transferred. And this is probably—TLE is probably one of the issues that our First Nations are the most frustrated about and we have taken that very seriously, and we have worked diligently.

And I have to thank not only the staff that is with me here today but those that aren't, that have worked tirelessly to make these happen. And the interesting part is there was really nothing, not a lot standing in the way other than getting the job done. And I'd also like to add to that that we have also—I have met with Minister Bennett on a couple of occasions, and we have sent her a letter indicating that we expect our federal partners to also move more expediently in getting these transfers done.

It's holding back our First Nations communities, we're very aware of that. We've had extensive

discussions about this and that they need to—this needs to be done, it is an obligation not only on our provincial government, but as well as our federal. We have taken it seriously and I think what has happened in one year speaks very much to the fact that we are committed to doing that and that we will continue doing that.

We're absolutely committed to prioritizing the TLE process and working 'colabrity' with our indigenous partners. And we also have a better working relationships in regards to this with the municipalities because that was one thing that was holding them up in the past was the lack of communication and the lack of partnership because there was—everyone just worked within their own silos, each different government and the—it was our First Nations that were losing out because the work wasn't being completed. And we are making meaningful progress; I think we've made that very clear.

This—and as we continue to prioritize the transfer and development of Urban Indigenous Economic Development Zones, which our First Nations are very committed to and very enthusiastic about, because we know that that's going to cost—create lasting economic benefits for our First Nations. And as I indicated, three have already been created in Winnipeg, Headingley and Thompson, and there are many more that are nearing completion. And we're really excited about working with our First Nations with that.

Mr. Chairperson in the Chair

Our participation in TLE results from provincial constitutional obligations under the Manitoba Natural Resource Transfers Agreement and that requires that Manitoba set aside sufficient, unoccupied Crown lands out of lands transferred to Manitoba to enable Canada to satisfy its obligations.

There are nine agreements in Manitoba at present—present, covering 29 entitlement First Nations, for a total of approximately 1.423 million acres of land. And under the 1997 Manitoba Framework Agreement, 21 are to receive 985,949 acres of Crown land, and, to date, First Nations with signed treaty entitlement agreements have selected only 721,133 of unencumbered acres of Crown land and have purchased 9,144.

We have four communities: Garden Hill First Nations, Red Sucker Lake First Nation, St. Theresa Point, and Wasagamack First Nation, they're entitled

to a total of 103,344 acres of Crown land under the Island Lake Tribal Council agreement, and to date only 101,471 acres have been converted to reserve for St. Theresa Point and Wasagamack is complete.

Three communities including Long Plain First Nation, Roseau River First Nation, and Swan Lake First Nation are entitled to additional lands as well. And it's interesting, we met with Long Plain yesterday and they have also outstanding issues, and that they have been working on for 10-15 years, and we will be working directly with them to ensure that these move forward expediently because there's no reason that they haven't been.

Mr. Chairperson: The honourable minister's time is up.

Mr. Tom Lindsey (Flin Flon): I just have a couple of questions for the minister. In regards to Churchill, there's been some announcements made about \$500 million investments over the next number of years. Could the minister give me a breakdown of what investments, what funding is new money, what is existing commitments, and what each of those commitments is whether it's a new commitment or an existing commitment?

* (16:40)

Ms. Clarke: Thank you for your question regarding Churchill. And I actually have been involved since the beginning, meeting with Mayor Spence. I've had many, many phone calls with him and certainly is an unfortunate situation and we are fully aware of the economic effects as well as the—all of the hardship that this rail line has caused.

The residents of Churchill, the businesses of Churchill, as well as their council, has worked diligently, I must comment, that they have been doing their best to keep things going and, from what I understand, our government has been very engaged in ensuring that they have the fuel that they need for this winter and that is—that is happening or may have happened already. I indicated earlier in my comments here that in regards to northern food and the cost of northern food for the families, but again also for the businesses. Being a business owner, I certainly understand the seriousness of increased costs when you're trying to provide goods and services to the public and the effect that it has on the bottom line for our businesses.

We've been very clear that the rail line, as well as the port of itself, and OmniTRAX, that's an issue for the federal government; they are responsible for

that. Our government has been very clear to Churchill, that we support initiatives that will build on their economic development. We see great potential not only in Churchill itself but the northern part of our communities for the northern communities as a whole and we look forward to being in Thompson next week to work with our Look North group that is looking to promote our northern communities and in way of economic development, in the way of tourism. I've never—I think Churchill is the only place in Manitoba I haven't been, so I certainly look forward to getting there. But I think with, in all due respect, our government has been working diligently with all the partners in Churchill to ensure that anything that we are responsible for we have taken responsibility for and we will continue to do that. We see the value in Churchill, as well as the northern communities and we will continue supporting them as the months and the years go forward. We are committed to that and we will work with our stakeholders in the North to do so.

Mr. Lindsey: Well, that's a very nice answer that didn't really answer the question.

The question, very specifically, was about a supposed commitment that your government made about \$500 million over the next number of years. I would like to know what of that 500 is new money, what it's earmarked for, what is existing money that's already been committed. Or is it all just smoke and mirrors and there is no actual commitment to that money?

Ms. Clarke: Well, when you're talking smoke and mirrors, that's kind of the—I think the topic that many of our northern stakeholders, as well as other stakeholders in Manitoba would have used for the previous government because there was a lot of commitment and there was nothing came forward, there's nothing happened on many aspects and most specifically in the North and with our indigenous communities and we intend on doing better than that. When the Premier makes a commitment, we know that we can stand by it. He doesn't make—he doesn't bring forward false hope and he doesn't make commitments that we can't keep, even regardless of the huge deficit that we've been left with. Everything in this province has declined dramatically in the last 17 years. We have been left with a debt that is—was out of control without a doubt. Looking at it as a businessperson, which is what I was for most of my working years, I would have been bankrupt and out of business without a doubt if money had been spent the way it's been spent by the previous government.

And I think when you look at what we're paying in debt recovery and what we are losing the funding from federal government for our health-care system, if we were in a different world where we didn't have this debt, I'm sure that we could certainly do a lot for all our communities, including Churchill, and that would be a really great day, but we are not in that position, but we look forward to working with all our northern partners in ensuring that they have a bright future ahead.

Mr. Lindsey: I'll try one more time.

Your government made an announcement about money to be spent in Churchill. I would like you to give me a breakdown of what that commitment is, where it's going to be spent, what projects that's going to be undertaken. Is it existing money that's already been committed? Is it new money? If it's new money, where's it going to be spent?

If you don't have that information at your fingertips, I'd be more than happy to have you take it as an undertaking and agree to supply that information as required under the legislation.

So, please try and answer the question that's asked.

Ms. Clarke: We have definitely made significant commitments to the North in regards to the capital investment in the North, and I spoke to that previously already today, and perhaps you weren't here, but along with our federal partners and with our provincial funding, we are certainly doing a lot of projects in northern Manitoba, and we look forward to additional projects that—that haven't been announced yet, and going into a new budget year we'll certainly look forward to—I'm sure we will have applications and other ways that we can support northern Manitoba and the people of northern Manitoba.

They specifically talk about economic development and jobs in the North, and my colleagues in Growth, Enterprise and Trade, as well as my colleagues in Manitoba Infrastructure, we look forward to supporting the North in a very positive way going forward, and I know that our Premier (Mr. Pallister) and our government as a whole is very committed to making good decisions for the people in the North, decisions that are made with them, not on their behalf, but where they have input and they can speak clearly to us and share their vision for what they feel is going to enhance their lives there.

And one thing about the people in the North, they love where they live. They want to be there, and they have asked that our government work with them and that's the commitment we have made and we will keep that commitment.

Ms. Judy Klassen (Kewatinook): The community of Little Grand Rapids has a serious sewage leak. Raw sewage is still pouring into their lake, yet there was a firm recently in the area. There is no evidence to support that they actually did any work. The lift station still emits a horrendous smell. I'm looking into this matter.

What will your office do in the way of helping the First Nation address the leak and to help First Nations or—go through INAC to vet these companies to help protect my people?

Ms. Clarke: I thank you for that information. Interesting enough, I was in those communities probably three or four years ago. That was a huge issue when I was there. We actually went around with the leadership then and looked at their system and it was prehistoric, to say the least.

I'm disappointed to hear that this is ongoing, so that means this isn't something that happened within our jurisdiction in this past year. It's an ongoing issue and, unfortunately, that is not just in Little Grand Rapids. It exists elsewhere and that concerns us, and that's why, as I've indicated, we are committed to working with Water Services Board; we're committed to working with the communities; we are committed to working with other departments, sustainable development, of course, in making sure these things have to change. We are absolutely committed to that.

* (16:50)

Unfortunately, these projects all cost millions and millions and billions of dollars and it's a matter of choosing what's the priority of the day and that's why we are working diligently with them and trying to correct it. But, will it happen all right now? Impossible. But in the meantime, there has to be a solution to address these issues.

Ms. Klassen: I'm also taking this matter up with my federal cousins because we need to protect these people. They're getting very ill from the water. Well, you know, it's an ongoing issue, as you say, and so the repercussions of those are now surfacing in newborns and in the adults that are trying to have newborns.

Has this minister made any requests to Ottawa regarding Manitoba's First Nations reserves, particularly the current lack of teachers? If so, for what and when?

Ms. Clarke: I just want to go back to your comments in regards to working with INAC, and that's also a relationship that has to be strengthened. I—we have reached out. I've met with Minister Bennett several times and we have discussed many of these issues. The last time I met with her, school wasn't in. It was just prior to that, and it is serious when there are not teachers within the communities. These kids need to be in school, they need to be learning and that's really serious.

And, you know, it saddens me, in a way, because I've talked to many teachers that, you know, come from southern Manitoba—southern part of the province or even other provinces and they have had such good experiences in northern Manitoba. They speak very highly of their experience in northern Manitoba. So I have not got the current information as to whether this is just a current issue, what happened, why all of a sudden are we short 37 teachers and—but, you know, this is a conversation we can have with INAC.

And just going back in regards to the water and the sewage and that, that is on reserve, it is the jurisdiction of the federal government, so that's where this needs to be taken up, but, as minister for the people in this province, it does concern me.

Ms. Klassen: Has the department had any conversations with First Nations regarding emergency management on First Nation reserves, in particular the forest fire?

There was a mistake in the Manitoba news bulletin saying that 77,000 hectares was on fire and it was post-updated the next day, unfortunately. So we actually had like eight hours of intense worry wondering why our people weren't being moved out of the communities due to that erroneous error in that news bulletin. And, you know, to carry that, knowing your family—because they're not on the priority one list, are largely back home. You know, that was really terrorizing. Why aren't we evacuating everybody, then if the fire is so—that big?

So, I'm just wondering, have you had any conversations yet with the communities, particularly the Island Lake communities?

Ms. Clarke: I thank you for your concern and we've had a lot of interaction. I was in direct contact right

from the very beginning with all the chiefs, I—personal phone calls, and throughout. We kept in contact throughout the whole time.

And I think what needs to be mentioned here that our government led the fire suppression efforts. That's our responsibility. Fighting fires is the provincial responsibility. However, INAC has contracted the Red Cross to look after their emergency-management services. That is not our responsibility. Through our government and through our Department of Manitoba Infrastructure, we have EMO, and they are responsible for the rest of the province. However, First Nations—INAC have contracted Red Cross to do that same job.

Now, in this particular case, it—emergencies like this happen, and, I mean, I've been involved in them in the past in my municipal years with floods and that. You cannot determine how, when or the velocity of any of these, whether it's flooding, whether it's fires, and it is scary and it is stressful for the residents. And I know you've indicated to me, you know, we've got elders, we've got children and we've got all ages, and it happens and there is sheer panic and there's so much stress.

But I was really pleased on your private member's statement this week when you stated how well the communities had worked together. And, you know, I think we find that overall as a province, regardless of colour, religion, whatever, when there is something serious going on, Manitobans work for each other. And I think there's real pride in that, I think, as a province.

And once the evacuees got to the city, from our understanding, Red Cross did the best job possible. But I'd also like to add to that that we had as many as 20 provincial staff from our department went and assisted Red Cross, just volunteered to help them and kept in direct contact. I know my deputy minister was in contact 24-7 with all different partners that were involved but specifically with the Red Cross and they went—where there was a void, they went and they helped them out so that there would be as little discomfort and, you know, hardship to the people from those communities that were displaced.

And once again I was overwhelmed. I came in and I met with many of the families, as did the Premier, we went. We did not go for a photo op; we went out of concern for the people. I was not in Winnipeg at the time but I came back into the city to go and meet with these people. We needed to be sure that they were okay. We wanted to see the facilities

ourselves to know that they were adequate. Were they five-star rating? No, they weren't, absolutely not. But you'll very seldom find in a crisis situation where this can be accommodated. It is almost impossible.

I'm just really thrilled that their time in here was short. Yes. It didn't seem short. I'm not sure for anybody that would it would seem short. But when we see other disasters in other provinces, in other countries, where people are displaced for months and years, and we've got our Lake St. Martin people who are going back now after six years.

So this ended well. There was no loss of homes, which is great, really good. The people were co-operative. I have to say, you say these are good people, they are definitely good people. They were appreciative of what was being done for them. The people of Winnipeg and the province came with clothing, they came with toys for the kids, and when I was in there, there was kids on iPads and phones and playing games and they were happy. And I was really thrilled when I saw that, I believe it was in the Brandon area, where they provided traditional food for them, and I thought, wow, that's Manitoba.

And it was a serious situation, and I have indicated also to the chiefs I did that right from the get-go, I indicated that when it was over and they were settled and feeling safe again that we would all meet together and we would have a discussion in regards to what could be done differently, and maybe Red Cross has to be included, that and INAC, and maybe we all have to sit down at one table and discuss that what could be done to make them feel safer, to make them feel better. And I think, as

a government, our department stepped up to the plate really well and worked really well with Red Cross. And I think, as usual, Red Cross did an outstanding job.

Mr. Chairperson: The honourable minister's time is up.

Ms. Klassen: In the 2016-2017 annual report, indigenous relations underspent by almost 10 per cent. In the department estimates there's only a 1.1 per cent reduction. But based on the actions of the department in the past I'm hoping we don't see a further reduction.

But is the department being advised to underspend because of the possible reduction in the minister's pay if some spending goes over budget?

Ms. Clarke: Just before I go to your question, I want to read into the proceedings today that there is a 13 per cent department vacancy rate as of September 15th, '17 in the Department of Indigenous and Northern Relations.

And in regards to your questions where you feel that money has been underspent within our department, we have no reason to underspend. Sometimes things don't proceed as quickly as we had planned our programs.

Mr. Chairperson: The hour being 5 p.m., committee rise. Call in the Speaker.

IN SESSION

Mr. Deputy Speaker (Doyle Pivniuk): The hour being 5 p.m., the House is now adjourned and stands adjourned until 1:30 p.m. on Monday, October 23rd, 2017.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 12, 2017

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