

Third 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 |
| SMITH, Andrew | Southdale | PC |
| SMITH, Bernadette | Point Douglas | NDP |
| SMOOK, Dennis | La Verendrye | PC |
| SQUIRES, Rochelle, Hon. | Riel | PC |
| STEFANSON, Heather, Hon. | Tuxedo | PC |
| SWAN, Andrew | Minto | NDP |
| TEITSMA, James | Radisson | PC |
| WHARTON, Jeff, Hon. | Gimli | PC |
| WIEBE, Matt | Concordia | NDP |
| WISHART, Ian, Hon. | Portage la Prairie | PC |
| WOWCHUK, Rick | Swan River | PC |
| YAKIMOSKI, Blair | Transcona | PC |
| <i>Vacant</i> | St. Boniface | |

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 9, 2018

The House met at 1:30 p.m.

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

Please be seated. Good afternoon, everybody.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 223—The Child and Family Services Amendment Act

Mrs. Bernadette Smith (Point Douglas): I move, seconded by the member of St. Johns, that Bill 223, The Child and Family Services Amendment Act, now be read for the first time.

Motion presented.

Mrs. Smith: I am pleased to rise in the House today to introduce for first reading Bill 223, The Child and Family Services Amendment Act. This bill amends The Child and Family Services Act to ensure that no child is found to be in need of protection solely as a result of the economic or social situations of the child's parent or guardian.

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

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

COMMITTEE REPORTS

Standing Committee on Justice First Report

Mr. Doyle Piwniuk (Chairperson): Madam Speaker, I wish to present the First Report on the Standing Committee of—on Justice.

Clerk (Ms. Patricia Chaychuk): Your Standing Committee on Justice presents the following as its first report—

Some Honourable Members: Dispense.

Madam Speaker: Dispense.

Your Standing Committee on JUSTICE presents the following as its First Report.

Meetings

Your Committee met on May 8, 2018 at 6:00 p.m. in Room 255 of the Legislative Building.

Matters under Consideration

- **Bill (No. 4)** – *The Legislative Assembly Amendment Act (Member Changing Parties)/Loi modifiant la Loi sur l'Assemblée législative (adhésion à un autre parti)*
- **Bill (No. 11)** – *The Safe and Responsible Retailing of Cannabis Act (Liquor and Gaming Control Act and Manitoba Liquor and Lotteries Corporation Act Amended)/Loi sur la vente au détail responsable et sécuritaire du cannabis (modification de la Loi sur la réglementation des alcools et des jeux et de la Loi sur la Société manitobaine des alcools et des loteries)*
- **Bill (No. 25)** – *The Non-Smokers Health Protection and Vapour Products Amendment Act (Prohibiting Cannabis Consumption in Outdoor Public Places)/Loi modifiant la Loi sur la protection de la santé des non-fumeurs et les produits servant à vapoter (interdiction de consommer du cannabis dans les endroits publics extérieurs)*
- **Bill (No. 26)** – *The Impaired Driving Offences Act (Various Acts Amended)/Loi modifiant diverses lois en matière de conduite avec facultés affaiblies*

Committee Membership

- Mr. CURRY
- Ms. FONTAINE
- Mr. GRAYDON
- Hon. Mr. GOERTZEN
- Mr. HELWER
- Mr. ISLEIFSON
- Ms. LAMOUREUX
- Mr. MARCELINO (Tyndall Park)
- Mr. PIWNIUK (Chairperson)

- Hon. Mrs. STEFANSON
- Mr. SWAN

Your Committee elected Mr. ISLEIFSON as the Vice-Chairperson.

Public Presentations

Your Committee heard the following ten presentations on **Bill (No. 11) – The Safe and Responsible Retailing of Cannabis Act (Liquor and Gaming Control Act and Manitoba Liquor and Lotteries Corporation Act Amended)/Loi sur la vente au détail responsable et sécuritaire du cannabis (modification de la Loi sur la réglementation des alcools et des jeux et de la Loi sur la Société manitobaine des alcools et des loteries):**

Sylvie Sabourin Grindle, Private Citizen

Daphne Penrose, Advocate for Children and Youth

Ralph Groening, Association of Manitoba Municipalities

Alan Campbell, Manitoba School Boards Association

Michael Mailman, Private Citizen

Will Stewart, Hiku Brands, Corporate Communications and Public Affairs

Lorne Weiss, Manitoba Real Estate Association

Steven Stairs, Private Citizen

Ariel Gliner, The Joint Head Shop Inc.

Denise Elias, MADD Canada

Your Committee heard the following six presentations on **Bill (No. 25) – The Non-Smokers Health Protection and Vapour Products Amendment Act (Prohibiting Cannabis Consumption in Outdoor Public Places)/Loi modifiant la Loi sur la protection de la santé des non-fumeurs et les produits servant à vapoter (interdiction de consommer du cannabis dans les endroits publics extérieurs):**

Sylvie Sabourin Grindle, Private Citizen

Alan Campbell, Manitoba School Boards Association

Sarah Hawkins, Canadian Cancer Society

Neil Johnston, Lung Association of Manitoba

Ariel Gliner, Private Citizen

Steven Stairs, 420 Organizing Committee

Your Committee heard the following two presentations on **Bill (No. 26) – The Impaired Driving Offences Act (Various Acts Amended)/Loi modifiant diverses lois en matière de conduite avec facultés affaiblies:**

Alan Campbell, Manitoba School Boards Association

Denise Elias, MADD Canada

Written Submissions

Your Committee received the following written submission on **Bill (No. 25) – The Non-Smokers Health Protection and Vapour Products Amendment Act (Prohibiting Cannabis Consumption in Outdoor Public Places)/Loi modifiant la Loi sur la protection de la santé des non-fumeurs et les produits servant à vapoter (interdiction de consommer du cannabis dans les endroits publics extérieurs):**

John McDonald, MANTRA - Manitoba Tobacco Reduction Alliance

Your Committee received the following written submission on **Bill (No. 26) – The Impaired Driving Offences Act (Various Acts Amended)/Loi modifiant diverses lois en matière de conduite avec facultés affaiblies:**

Joe Masi, Association of Manitoba Municipalities

Bills Considered and Reported

- **Bill (No. 4) – The Legislative Assembly Amendment Act (Member Changing Parties)/Loi modifiant la Loi sur l'Assemblée législative (adhésion à un autre parti)**

Your Committee agreed to report this Bill without amendment.

- **Bill (No. 11) – The Safe and Responsible Retailing of Cannabis Act (Liquor and Gaming Control Act and Manitoba Liquor and Lotteries Corporation Act Amended)/Loi sur la vente au détail responsable et sécuritaire du cannabis (modification de la Loi sur la réglementation des alcools et des jeux et de la Loi sur la Société manitobaine des alcools et des loteries)**

Your Committee agreed to report this Bill without amendment.

- **Bill (No. 25) – The Non-Smokers Health Protection and Vapour Products Amendment Act (Prohibiting Cannabis Consumption in Outdoor Public Places)/Loi modifiant la Loi sur**

la protection de la santé des non-fumeurs et les produits servant à vapoter (interdiction de consommer du cannabis dans les endroits publics extérieurs)

Your Committee agreed to report this Bill without amendment.

- **Bill (No. 26)** – *The Impaired Driving Offences Act (Various Acts Amended)/Loi modifiant diverses lois en matière de conduite avec facultés affaiblies*

Your Committee agreed to report this Bill without amendment.

Mr. Piwniuk: Madam Speaker, I move, seconded by the honourable member for Brandon East (Mr. Isleifson), that the report on the committee be received.

Motion agreed to.

Standing Committee on Human Resources First Report

Mr. James Teitsma (Chairperson): Madam Speaker, I wish to present the First Report of the Standing Committee on Human Resources.

Clerk: Your Standing Committee on—

An Honourable Member: Dispense.

Madam Speaker: Dispense.

Your Standing Committee on HUMAN RESOURCES presents the following as its First Report.

Meetings

Your Committee met on May 8, 2018 at 6:00 p.m. in Room 254 of the Legislative Building.

Matters under Consideration

- **Bill (No. 5)** – *The Public Interest Disclosure (Whistleblower Protection) Amendment Act/Loi modifiant la Loi sur les divulgations faites dans l'intérêt public (protection des divulgateurs d'actes répréhensibles)*
- **Bill (No. 6)** – *The Public Sector Compensation Disclosure Amendment Act/Loi modifiant la Loi sur la divulgation de la rémunération dans le secteur public*
- **Bill (No. 20)** – *The Employment Standards Code Amendment Act (2)/Loi n° 2 modifiant le Code des normes d'emploi*

- **Bill (No. 23)** – *The Commodity Futures Amendment and Securities Amendment Act/Loi modifiant la Loi sur les contrats à terme de marchandises et la Loi sur les valeurs mobilières*

Committee Membership

- Hon. Mr. CULLEN
- Hon. Mr. FRIESEN
- Mr. LAGIMODIERE
- Mr. LINDSEY
- Hon. Mr. GERRARD
- Hon. Mr. PEDERSEN
- Mr. REYES
- Mrs. SMITH (Point Douglas)
- Mr. TEITSMA (Chairperson)
- Mr. WIEBE
- Mr. WOWCHUK

Your Committee elected Mr. REYES as the Vice-Chairperson.

Public Presentations

Your Committee heard the following presentation on **Bill (No. 5)** – *The Public Interest Disclosure (Whistleblower Protection) Amendment Act/Loi modifiant la Loi sur les divulgations faites dans l'intérêt public (protection des divulgateurs d'actes répréhensibles):*

Ken Cameron, The Manitoba School Boards Association

Your Committee heard the following six presentations on **Bill (No. 20)** – *The Employment Standards Code Amendment Act (2)/Loi n° 2 modifiant le Code des normes d'emploi:*

Sarah Hawkins, Canadian Cancer Society
Kevin Rebeck, Manitoba Federation of Labour
Jonathan Alward, Canadian Federation of Independent Business
Michelle Gawronsky, Manitoba Government and General Employees Union
Geoff Bergen, Private Citizen
Paul Moist, Canadian Centre for Policy Alternative - Manitoba

Your Committee heard the following two presentations on **Bill (No. 23)** – *The Commodity Futures Amendment and Securities Amendment Act/Loi modifiant la Loi sur les contrats à terme de marchandises et la Loi sur les valeurs mobilières:*

Elsa Renzella, Investment Industry Regulatory Organization of Canada
Lucy Becker, Private Citizen

Written Submissions

Your Committee received the following written submission on **Bill (No. 5) – The Public Interest Disclosure (Whistleblower Protection) Amendment Act/Loi modifiant la Loi sur les divulgations faites dans l'intérêt public (protection des divulgateurs d'actes répréhensibles)**:

Joe Masi, Association of Manitoba Municipalities

Your Committee received the following written submission on **Bill (No. 6) – The Public Sector Compensation Disclosure Amendment Act/Loi modifiant la Loi sur la divulgation de la rémunération dans le secteur public**:

Joe Masi, Association of Manitoba Municipalities

Your Committee received the following written submission on **Bill (No. 23) – The Commodity Futures Amendment and Securities Amendment Act/Loi modifiant la Loi sur les contrats à terme de marchandises et la Loi sur les valeurs mobilières**:

Johns Silver, Carinna Rosales, Louise Simbandumwe – Community Financial Counselling Services, SEED Winnipeg Inc.

Bills Considered and Reported

- **Bill (No. 5) – The Public Interest Disclosure (Whistleblower Protection) Amendment Act/Loi modifiant la Loi sur les divulgations faites dans l'intérêt public (protection des divulgateurs d'actes répréhensibles)**

Your Committee agreed to report this Bill, without amendment.

- **Bill (No. 6) – The Public Sector Compensation Disclosure Amendment Act/Loi modifiant la Loi sur la divulgation de la rémunération dans le secteur public**

Your Committee agreed to report this Bill, without amendment.

- **Bill (No. 20) – The Employment Standards Code Amendment Act (2)/Loi n° 2 modifiant le Code des normes d'emploi**

Your Committee agreed to report this Bill, without amendment.

- **Bill (No. 23) – The Commodity Futures Amendment and Securities Amendment Act/Loi modifiant la Loi sur les contrats à terme de marchandises et la Loi sur les valeurs mobilières**

Your Committee agreed to report this Bill, with the following amendments:

THAT Clause 9 of the Bill be replaced with the following:

9 Subsection 69(2) is amended

(a) in the French version, by striking out "directeurs" and substituting "administrateurs"; and

(b) by striking out "under assigned to the exchange or organization under section 20" and substituting "in accordance with a recognition under section 14 (recognition of self-regulatory organization) or assigned under section 20 (assignment of powers and duties to commodity futures exchange or self-regulatory organizations),".

*THAT Clause 15 of the Bill be amended in the proposed section 31.5.3 of **The Securities Act** by striking out everything after "in good faith of" and substituting the following:*

a power, duty or function

(a) in accordance with the terms of a recognition under section 31.1; or

(b) assigned to the self-regulatory organization under section 31.5.

Mr. Teitsma: Madam Speaker, I move, seconded by the honourable member for St. Norbert (Mr. Reyes), that the report of the committee be received.

Motion agreed to.

Madam Speaker: Tabling of reports?

MINISTERIAL STATEMENTS**Recognizing Indigenous Leaders**

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

Would the honourable minister please proceed with her statement.

Hon. Eileen Clarke (Minister of Indigenous and Northern Relations): Today I want to stand up and recognize the work of Manitoba's indigenous leaders. We have a proud mix of persons in our province that represents the communities that they originate from.

Reflecting on my previous ministerial statement, I will again state that our diversity is one of our greatest resources as we work towards a better future for all Manitobans.

Gifts of knowledge brought forward through teachings from our indigenous communities form

part of our core values as a province and also as a nation.

Manitoba has a proud history of indigenous leaders shining brightly on the provincial, national and international stages. Of course, this list would be too long for today, but I will name a few for the record that come to my mind: Louis Riel, Sergeant Tommy Prince, Elijah Harper, Murray Sinclair, Phil Fontaine, Ovide Mercredi and of course my friends, David Chartrand and Ron Evans.

These leaders have forged pathways forward not only for Manitobans, but for many others across the country as well as the world. Each one and many, many others link together to form a tapestry that weaves our indigenous communities with Canada's future. With prosperity in all communities we will be successful.

I'm truly pleased with the progressive nature of Manitoba's indigenous communities and seeing more and more women taking the leading role in their perspective communities. War Lake has been served by Chief Betsy Kennedy for more than a decade, and she has been a strong voice for those involved in Canada's 'murding' and missing indigenous women and girls.

We now have 10 chiefs that are female in Manitoba and also Grand Chief Sheila North as—with MKO. Each one is bringing forward hope to their respective communities and provide inspiration to the next generation of female leaders, empowering them to believe that they can be whoever they choose to be.

In closing, I'm looking forward to what future generations of indigenous leaders will bring to Manitoba.

Thank you, Madam Speaker.

Ms. Nahanni Fontaine (St. Johns): I've had the great fortune to work in many indigenous communities and have been so blessed to work with some pretty amazing chief and councils over the last 20 years.

Individuals who choose the journey of leadership within our communities do so out of a deep desire for change for our peoples and are dedicated to the future of our nations, culture and traditions. I would suggest, Madam Speaker, most leadership understand their roles and responsibilities as sacred and founded in our indigenous ancestry who came before us, giving us life and allowing our peoples to thrive and survive.

I would suggest that none exhibit the understanding of leadership as sacred more than indigenous women chief and councils.

Indigenous women have always been on the forefront of transformative change within our communities. Beginning from the first moments of contact with explorers and settlers and the colonial exercise of assimilation, indigenous women fought to keep our languages, traditions and cultures, more often at great personal expense.

*(13:40)

Indigenous women like Mary Two-Axe Earley, Sandra Lovelace and Jeannette Corbiere Lavell fought the gender discrimination in the Indian Act beginning in the 1960s, often without the support of male leadership. Sandra Lovelace took her case all the way to the United Nations, embarrassing Canada, leading to bill C-31 into legislative changes to band membership.

Indigenous women have been fighting and drawing attention to the epidemic levels of physical and sexual violence and the issue of missing and murdered indigenous women and girls both within and outside our communities for over 40 years. So Madam Speaker, it comes no surprise that more and more indigenous women are taking up their rightful place as chiefs in this province and across the country.

Indigenous women have always occupied space and place within the political sphere. I am proud to offer acknowledgement, praise and honour today of all indigenous women, including leadership in Cathy Merrick, Betsy Kennedy, Francine Meeches, Marilyn Courchene and Annette Spence, to name just a few.

As I have repeatedly said—

Madam Speaker: The member's time has expired.

Some Honourable Members: Leave.

Madam Speaker: Is there leave to allow the member to complete her statement? *[Agreed]*

Ms. Fontaine: I appreciate that.

As I have repeatedly said in this House, we, as indigenous women, are our own liberators and saviours, and these—today's women cohorts of chief and councils best exhibit that, as we move toward self-determination and empowerment.

Miigwech.

Ms. Judy Klassen (Kewatinook): *Ojibwe-Cree spoken [Translation unavailable]*

Madam Speaker: Is the member asking for leave?

Ms. Klassen: 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: To get it on record.

Ojibwe-Cree spoken [Translation unavailable]—the member for St. Johns (Ms. Fontaine).

I really appreciate this ministerial statement.

Just recently we have also seen a rise in the number of female indigenous leaders and role models that our young people can look up to. I was so honoured to hear that ten out of the 63 chiefs in our province are female. We—in our Island Lake communities as well, there was two, our brand-new first two ever female chiefs when I first got in. Their elections have happened, and so we now are back to four male chiefs, but we're still going to keep going and working with that.

Our indigenous women often represent the voices of our grassroots people, providing leadership within our communities in unofficial capacities. We would not be where we are today without our women.

I'd like to quote Chief Deborah Smith, who was recently elected as the chief of Brokenhead Ojibway Nation: I think that there's—that it's also a sign of hope. The people are recognizing that there needs to be a balance of women within leadership in directing and guiding communities.

I have—and I have had the pleasure of hearing many voices of our indigenous leaders throughout the province at both SCO and MKO forums alike. Leaders past and present have accomplished many great things. They continuously amaze me in their tolerance and great, great patience.

Madam Speaker, our indigenous leaders care deeply for our people and our communities. We all know that there is much work to be done to rebuild from unjust and horrific policies of the past.

Today, I wish all my leaders the best moving forward, and I look forward to working with each and every one of them.

Kitchi miigwech.

MEMBERS' STATEMENTS

Bonivital Angels

Mr. Blair Yakimoski (Transcona): Last month our city hosted the 2018 national ringette championship. From the packed house at the opening ceremonies where all provincial colours were on display, to the Saturday championship games at the Bell MTS centre, it was a brilliant, well-organized event in the manner that Winnipeg is famous for, showcasing the fastest game on ice with over 1,000 players and coaches.

The Bonivital Angels ringette team, which was selected a year ago from St. Vital and Transcona, began their dryland training over the summer, and once the season began, that ramped up to include several on-ice and off-ice workouts a week, including games to prepare for their season, which included trips in tournaments to New Brunswick, Edmonton and Guelph.

And it was in that last tournament, as well as the signature Transcona Ringette Tournament, where they went undefeated and captured the gold in spite of even playing at a higher age level. Their victory at the provincial championships earned them the right to don the bison as Team Toba, and after a successful round robin they were ready for the gold medal game versus Calgary Surge. I was fortunate to be there, and the hometown crowd helped lift the girls to bring their A game and secure a 3-1 victory. They can now refer to themselves as national champions.

This team has trained together, played hard and even delivered Christmas hampers together, but the real measure of this team is being there when one of their own needs support. When one of the players was diagnosed with a potentially life-threatening illness and had to take time off for her recovery, her team did all they could to support her and let her know that they were with—in this together. This included wearing her jersey number, 90, on their helmets, visiting her in the hospital, and she was able to join her teammates in the final push for success.

This truly is a great group of girls who have had—who have come together and under the direction of their coaches, who are essential to any great team, have become great role models and leaders of tomorrow.

Please join me in congratulating the players, coaches and management of the 2018 Canadian U16 ringette champions.

Madam Speaker, I ask for leave to include the names of the players, coaches and management in Hansard.

Madam Speaker: Is there leave to include those names in Hansard? *[Agreed]*

Team Manitoba U16 2018 Canadian ringette champions. Players: Kiana Adolphe, Mackenna Anderson, Sophie Beaudry, Jayde Boyechko, Gracy Coreau, Stephanie DiQuinzio Jayme Dorsett, Leah Haklar, Alexsi Kavvadas, Reese Lange, Kayla Little, Juliana McIntyre, Sarah Rach, Brooke Rempel, Mia Rogerson, Alexa Sawyer. Head coaches: Lynn Girardin and Spiros Kavvadas. Assistant coaches: Caroline Girardin, Meagan Haluk, Carmen Tardiff. Trainer: Pierre Bose. Manager: Michelle Lange.

Asian Heritage Month

Mr. Ted Marcelino (Tyndall Park): Madam Speaker, the month of May marks Asian Heritage Month, which is an incredible opportunity to celebrate our province's wonderful cultural diversity by highlighting the incredible stories and contributions made by Manitoba's Asian community to our province. During this month, we can all learn and recognize the impact of Asian-Canadians in Canada's culture through the generations.

With representations from nations all over Asia, including India, China, Philippines, Korea, Vietnam, Pakistan, just to name a few, their combined presence is a key part of Manitoba's rich cultural fabric. Today, our province's Asian community is thriving, growing and continues to have an incredibly valuable impact.

Throughout the month there are several exciting activities that Manitobans have the opportunity to take part in, and I encourage all people to attend events to learn more about part of Canada's incredible mosaic. The events began with a wonderful opening ceremony here at the Legislature on May the 4th, and I look forward to what the closing ceremony at Buhler Hall in the Canadian Museum for Human Rights will hold.

I would like to thank all of the individuals involved in these events, especially Jennifer Chen, for their time, dedication and commitment to sharing their culture with all Manitobans. Thank you.

Madam Speaker: The honourable member for—*[interjection]*—Kildonan. Sorry—for Kildonan.

Steps for Life

Mr. Nic Curry (Kildonan): I rise today to recognize the 10th annual Steps for Life walk in Kildonan Park.

On Sunday, May 6th, I had the pleasure to join hundreds of people at the north shelters in Kildonan Park for the annual Steps for Life 5K walk held under beautiful blue skies in Winnipeg's North End.

Steps for Life provide an opportunity for families to meet with other families of people who have had a loved one suffer an injury or death in the workplace and fundraise for a worthy cause. People from across Manitoba joined together in Kildonan Park to raise money for Threads of Life organization and promote awareness of workplace injuries or death.

* (13:50)

Threads of Life was created in 2003 and is committed to promoting a cultural shift to make work-related injuries, illness and deaths unacceptable. This organization provides families with one-on-one peer support, links to community agencies and the opportunity to promote public awareness and accountability for workplace health and safety, especially with events like Steps for Life, organized in cities across Canada.

This year the Winnipeg Steps for Life in Kildonan Park raised over \$15,000 for Threads of Life. It is no coincidence that Steps for Life happened as we begin to observe both the North American occupational safety and health week and mental health awareness week. Too often workplace injury and mental illness are linked together, and we must strive to end stigmas that surround these matters.

Thank you to this year's community sponsors, SAFE Work Manitoba, represented today by Jamie Hall, and Safety Services Manitoba, who are committed to improving workplace safety and helping to make sure that everyone's loved ones come home safe.

We are all grateful for the fine work and advocacy that Threads of Life provide families, and we hope that workplaces promote safety in the future and will improve so that we depend less and less on these kinds of organizations.

I ask the Legislature to join me in congratulating the Winnipeg Steps for Life volunteers and organizers on a successful 10 years of

5K walks in Kildonan Park and many, many more to come.

Thank you, Madam Speaker.

Louisiana-Pacific, Swan Valley

Mr. Rick Wowchuk (Swan River): Today I rise in the House to recognize and congratulate Louisiana-Pacific, Swan Valley. LP is one of the world's largest producers of oriented strand board, siding and other specialty building products.

In the early '90s LP was looking to expand its Canadian operation, and with lobbying from some motivated and visionary local businessmen seeking to bolster economic value, the Swan Valley was chosen.

In 1994 construction of the \$80-million project began, and on January 21st, 1995, the first OSB panel was produced. For the next 20 years the Swan Valley operation became one of the most reliable and best overall operations within the LP fleet and, in 2015, Swan Valley operation was selected to be converted to SmartSide siding.

The conversion resulted in a capital investment of \$117 million, and in 2017 LP invested in a further \$7 million to enable the plant to have flexibility to run OSB if required. This investment created market stability, and in 18 hours downtime this changeover for product diversity can occur.

This conversion to siding has resulted in 30 per cent less wood consumption and a reduced footprint for natural resource requirements. The conversion added another 75 jobs, bringing the total to 225. Logging contracts provided another 240.

The \$16-million payroll and \$21-million log purchase contracts annually speaks to the economic boost for the valley and the province.

Over the past 25 years there's been incremental capital investments and LP is looking to spend another \$35 million in the next three years to solidify its position in the industry.

LP was recognized with a 20-year environmental excellence award; in 2017 had the lowest WCB rates and has been recognized for exemplary—

Madam Speaker: The member's time has expired.

Some Honourable Members: Leave.

Madam Speaker: Is there leave to allow the member to finish his statement? *[Agreed]*

Mr. Wowchuk: LP's commitment to Manitoba and their local and provincial economic impact is most welcome.

Thank you, LP Swan Valley.

National Physiotherapy Month

Ms. Flor Marcelino (Logan): National Physiotherapy Month is an opportunity for us to recognize the hard work that physiotherapists do to keep Manitobans healthy.

Physiotherapy is important. It helps people when they are hurt, it helps prevent injury and it helps individuals better manage existing conditions. The work of physiotherapists allow patients to retain function and live active lifestyles. They help people recover from surgery and get back to living their lives. For many people, physiotherapy is a lifetime commitment to ensuring that they can remain healthy and active.

That's why we were deeply disappointed by the cancellation of outpatient physiotherapy at seven different facilities across Winnipeg. This was a vital service. After surgery, outpatient physiotherapy helped patients recover and regain their mobility. It allowed thousands of Manitobans to remain in their homes and reduce the likelihood that they will need more surgery.

No other province has removed funding for its outpatient physiotherapy. Access to this service is critical for patients preparing for and recovering from surgery.

Preventative health care like physiotherapy saves money by reducing re-injury, re-hospitalization and complications from surgery by improving the quality of life for patients and families. Physiotherapists provide essential primary prevention for Manitobans. Their work in diagnosing and treating patients earlier prevents the onset of injury.

To celebrate National Physiotherapy Month we have in the gallery with us today Jim Hayes, the executive director of the Manitoba Physiotherapy Association, as well as Bob Moroz, president of the Manitoba Association of Health Care Professionals. We thank you and all—

Madam Speaker: The member's time has expired.

The member was asking for leave whether or not she could finish her statement. Is there leave? *[Agreed]*

Ms. Marcelino: Requesting—we thank you and all physiotherapists for your important role in keeping Manitobans healthy.

Introduction of Guests

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

Seated in the public gallery from Grant Park High School we have 34 grade 9 students under the direction of Heather Forgie, and this group is located in the constituency of the honourable member for River Heights (Mr. Gerrard).

Also seated in the public gallery from Oak Bluff Community School we have 34 grade 3 and 4 students under the direction of Donna Slobodzian, and this group is located in the constituency of the honourable member for Morris (Mr. Martin).

And we have seated in the public gallery from God's Creation Home Education 12 home-school students under the direction of Mary Wiebe, and this group is located in the constituency of the honourable member for Emerson (Mr. Graydon).

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

ORAL QUESTIONS

Healthy Child Committee of Cabinet Request to Convene Meeting

Mr. Andrew Swan (Minto): Madam Speaker, whenever—

Some Honourable Members: Oh, oh.

Madam Speaker: Order. Order. Order.

We are not off to a good start, here. Order.

Mr. Swan: Whenever a baby is born we send our best wishes, and I expect we'll be able to have some good wishes coming very shortly. We also express our hope that every baby born in Manitoba, wherever they live, whatever their family may look like, whatever their situation may be, will thrive, and as a great Manitoban once said, what we desire for ourselves, we wish for all.

And I'm going to ask the Premier an easy question today: Can he also agree that he wants to see Manitoba children thrive?

Hon. Brian Pallister (Premier): I thank the member for the question and, of course, that's why after a decade of debt—actually, Madam Speaker, over the

last five years of NDP government Manitoba babies were handed \$10 million a day of additional debt.

And so that's why we're fixing the finances of this province, Madam Speaker, because we care very much about Manitoba children and about a safer future for them.

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

Mr. Swan: Well, Madam Speaker, the Healthy Child Committee of Cabinet is tasked to find ways to improve outcomes for Manitoba's children and youth and give direction to Healthy Child Manitoba, which has instituted great programs which are making a difference.

* (14:00)

But yesterday in Estimates the Minister of Education revealed that the Healthy Child Committee of Cabinet, which he chairs, has not met since May 2017. It means the minister and the other committee members, the ministers for Families, Health, Justice, Indigenous and municipal relations, and Sustainable Development have failed to meet in almost a year.

Will the Premier today direct the Minister of Education to call a meeting of the committee and make sure that it meets regularly from now on?

Mr. Pallister: Madam Speaker, the previous administration may have met regularly or in various factions at various times, but meetings don't correspond, in that example, to better safety for our children or for—a better future for Manitobans.

I'm also concerned and we are concerned on this side of the House about the safety of Manitoba Hydro and its future, yet after the Public Utilities Board released a report which harshly condemned the previous government for its mismanagement and interference with Manitoba Hydro, the member opposite, the member from Minto, went out and said that Hydro was tickety-boo healthy, and that is most certainly not the case.

As a consequence of the massive growing debts at Manitoba Hydro, there is great rate pressure and there are reasons for the Public Utilities Board to express its concerns. We respect those reasons and we will be paying close attention to its recommendations in spite of the blissful ignorance of the member opposite when it comes to Manitoba Hydro's current state of affairs.

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

Mr. Swan: Well, Madam Speaker, we know the Premier has trouble with meetings, at least that's what his resigned Hydro board members have told us, but I hoped this would be a situation where this time the leader wouldn't set the tone.

Since the last time this committee met, as we now know, there's been more than enough time for Manitobans to conceive a baby and carry it to full term. The Healthy Child Committee of Cabinet is mandated by legislation to meet five times a year, but more importantly it's supposed to work on improving conditions and outcomes for Manitoba's children. It's a cross-department committee bringing together ministers, deputy ministers and experts to do the kind of work this government claims it supports.

Will the Premier direct the minister to follow the law and call a committee meeting as soon as possible?

Mr. Pallister: Well, when we speak about the health of Manitoba Hydro we're speaking about an important issue, Madam Speaker, and the member chose to go out last week and try to cast aspersions at the work of the Public Utilities Board by claiming that the reason the bipole waste line—or west line was constructed at billions of dollars of extra cost was because indigenous people didn't want it on any side of the lake.

Madam Speaker, there's an article here from the CBC, and I can table it for the member, which says that east-side First Nations want their own hydro transmission line and says that 15 of 16 bands on the east side of Lake Winnipeg want Manitoba Hydro's proposed bipole line. *[interjection]*

So the member has knowingly put false information on the record concerning the previous government's ill-informed, misguided and extremely wasteful decision, and he should correct the record right now.

Madam Speaker: Just a caution on language for members in the House that we need to be respectful of what we're saying to everybody and making any allusion to knowingly putting false information on the record is not something that is acceptable in the House, so a reminder to all members.

Shared Health Services Cost to Establish

Ms. Nahanni Fontaine (St. Johns): Last year the Minister of Health announced the creation of Shared Health Services. It is a provincial organization responsible for health across the entire province on many matters, Madam Speaker, including co-ordinating women's health.

We filed a freedom of information request for the cost of the creation of Shared Health. The total cost is \$6,583.50. I table that for the minister today.

Why is the minister trying to create a provincial organization on the cheap? *[interjection]*

Madam Speaker: Order.

Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living): Well, Madam Speaker, I can tell why the member is confused. If we review the record of the NDP, under their government, of course, the Winnipeg Regional Health Authority was over budget every year; tens of millions of dollars it was over budget while the results got worse and worse and worse. When it comes to the Department of Health, it would be over budget tens of millions of dollars, be worse and worse and worse.

This year the Winnipeg Regional Health Authority is tracking to be on budget, Madam Speaker, a balanced budget. The department last year ran a balanced budget last year, the Department of Health.

And, yes, I will never apologize—never apologize—for any entity of Health that is not only on budget, but continues to be sustainable. That's what we were elected to do. That's what we'll continue to do, Madam Speaker.

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

Order.

Women's Health Plan

Ms. Fontaine: We know that this isn't the true cost of the creation of a Shared Health Services. This is actually another instance of the minister refusing to be transparent with Manitobans. But I don't expect the minister to tell us the true cost because he seems to kind of divert from the—those numbers every way.

More importantly, we need to know what Shared Health is actually doing, Madam Speaker. Apparently, they will co-ordinate women's health.

So what is the provincial plan that this minister is executing for women's health here in Manitoba?

Mr. Goertzen: Well, Madam Speaker, let me try to explain this. So, we took an existing entity, Diagnostic Services Manitoba—it existed already—and we repurposed that organization as Shared Health Manitoba. So we didn't create a new entity. We didn't grow the system. We took an existing corporate entity and turned it into Shared Health Manitoba. That is why it is being done efficiently.

Compare that to what the NDP would've done. Had they ever done the same thing and created Shared Health, oh, they would've first gone and bought a building that was 40 storeys high and filled it up with bureaucrats—over budget, of course, and over time. Then they would've hired 17 vice-presidents to run the thing and then, after they had the 17 vice-presidents and 30 storeys, results would've got worse in health care. That's what they did; we'll never do that.

Madam Speaker: The honourable member—*[interjection]* Order.

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

Ms. Fontaine: Unfortunately, we know that this minister doesn't have a plan. He put out an RFP to hire a new consultant to come up with a plan in March. The minister should've awarded that contract by now.

But will he tell us who is designing the provincial-wide plan for women's health and will he tell us how much they are being paid?

And, also, if the minister so desires, will he give any information to, actually, Manitoba families that are depending on women's health here in Manitoba?

Hon. Brian Pallister (Premier): The member asserts the absence of a plan, but fails to recognize the record of the previous administration at creating the worst wait times in Canada, Madam Speaker, the worst—the highest ambulance fees in Canada, bar none.

Now, this minister deserves to get some credit. He deserves to get some credit for reducing those emergency wait times by approximately 18 per cent year over year, and facing the challenges of change

isn't something the previous administration knew how to do.

We do not accept, Madam Speaker, that the system that was broken so badly as to put us, in Manitoba, at the bottom of the barrel doesn't deserve to be healed, and I thank the minister for his efforts in that respect.

Northern Health Care Health Professional Shortage

Mr. Tom Lindsey (Flin Flon): Probably comes as a big surprise to many across the way that northern health care is still in a state of crisis. The government demanded \$6 million, or was it \$7 million, from the Northern Health Region. The minister may say that there was no cut, but northerners know better. Now many health-care positions are vacant across the North.

Can the minister tell us just exactly how many health-care positions are vacant in the northern regional health authority area and, more importantly, what's his plan to fill them?

* (14:10)

Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living): Madam Speaker, the member will know that we continue to invest in the North. He'll know that because there is the new and expanded ER that's happening in Flin Flon and he wouldn't have to go far to look at that. Go to a junket to his own community; he could see that.

He would also, of course, know that we're investing in terms of different technology that's happening within the North. We'd see that in Dauphin from the great work from the MLA for Dauphin, Madam Speaker, who is a tireless advocate for things that are happening in the North and, of course, we just announced a couple of days ago that we'll be dealing and putting in a RAAM clinic for rapid access to addictions medication that'll be going in the North as well.

All those investments are happening to help residents in the North and we'll have more to come.

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

Mr. Lindsey: Madam Speaker, front-line workers are speaking out; so did the CEO of the Northern Health Region. She told the public meeting recently that there are delays all across the North, in The Pas, in Thompson, in Flin Flon, in Snow Lake, and

she explains the government's funding is simply inadequate. There's no money for staffing, she says. We have no budget, I quote, and she goes on to say, and we have clear directives around our financial monitoring.

Madam Speaker, why is this government only focused on the bottom line and not the needs of health care and people in the North?

Mr. Goertzen: Madam Speaker, there is record level of funding not just in the northern regional health authority, but in every regional health authority across Manitoba. More funding in—going into the regional health authorities than ever before, but that investment, while it's important, that is not the ultimate measurement of success.

We were pleased as a government to announce the five RAAM clinics to help those who are dealing with addictions, yesterday, Madam Speaker. One is going to go into the North. Never it happened in province of Manitoba where you actually had a walk-in clinic where an individual who decides that they need to get help for their addiction could go to a place and say, I'm ready to get that help, can you connect me into primary care. Never happened under the NDP; it was never a priority for them.

One of those clinics will be in the North. There'll be four others in Manitoba. We're proud to have those investments.

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

Mr. Lindsey: I don't know what these walk-in clinics the minister talks about are because we certainly don't have one in Flin Flon. In fact, it takes you months to get in to see a doctor in the regular clinic.

So, Madam Speaker, health-care positions across the North are vacant. Front-line workers, CEO are telling this government the same thing: that their approach isn't working. We don't have enough health-care professionals to meet the needs of the people in the North.

Unfortunately, this minister was unable to attend the meeting that we held in Flin Flon to talk about these very issues—*[interjection]*

Madam Speaker: Order.

Mr. Lindsey: —to hear people's concerns and ideas.

So now I ask: Will the minister meet with myself—here in Winnipeg so he doesn't have to take a

junket—and possibly residents of Flin Flon to hear their voices, to hear their concerns and hopefully provide some—

Madam Speaker: The member's time has expired.

Mr. Goertzen: Madam Speaker, my friend from Flin Flon says that he's never heard of a RAAM clinic before; he doesn't know what they are. Well, of course he doesn't know what they are because the NDP never did them. They never decided to see that as an important investment. So I can explain that to him.

A RAAM clinic is where somebody who's dealing with addictions can go to the clinic, can say that they're looking for help. They can see a doctor who specialized in addictions treatment. They can then be provided with medication if they need to be and they can be connected into the primary health-care system so they can get that help more quickly. It reduces the wait time between when somebody who is dealing with addictions says that they need help and when they can get help.

So I have sympathy for the member opposite. I don't blame him why he's never heard of these clinics before, because it's never anything that his former government ever would have cared about.

Bursary Funding Provincial Contribution

Mr. Matt Wiebe (Concordia): Yesterday, in Estimates, the minister revealed that his government's contribution to the student bursaries has declined by millions of dollars in the last two years and, in fact, they are committing no new funds to student bursaries this year. He's admitted that he's simply moving money around between different programs, and he's doing this after cutting \$65 million in the tuition tax rebates for students and hiking tuition by nearly 7 per cent every year for years to come.

Students have been clear, and even the minister's own KPMG report concurred that the minister needs to put more government dollars into bursaries to improve access to post-secondary.

Why isn't the minister listening not only to his own KPMG report, but to students in this province?

Hon. Ian Wishart (Minister of Education and Training): I thank the member for the question. He certainly likes to ignore when something has not gone according to his very narrow definition of what increase is. I mean, we have put \$20 million into

Manitoba Scholarship and Bursary Initiative as compared to their four.

This was the fund that the member predicted many, many times would never be filled and never be subscribed. I would like to thank Manitobans that have stepped up to make sure that this program is fully subscribed and moving forward.

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

Mr. Wiebe: Well, again, Madam Speaker, the minister is playing a shell game with Manitobans. He's moving money between funds but without the supports that students have come to count on. The Manitoba Bursary Fund, the very program that the minister is now promoting was under budget by over \$4 million in '16-17. So the minister needs to get his story straight.

The reality is the Province's own financial commitment to bursaries has declined over the last two years, and the minister confirmed this in Estimates yesterday.

So I ask again: Why is the minister playing a shell game with Manitoba students?

Mr. Wishart: I appreciate the member's question because we announced, actually, last week that we were putting in place programs to make the system work better when it comes to scholarships and bursaries for Manitoba students so that it was easier for them to track and find these scholarships that were available. That was driven in part by the fact that there was undersubscription by some—the previous year.

And I understand why the member has a problem for this. When they had a problem, something not working, they put it under the carpet. We fix it.

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

Mr. Wiebe: Well, Madam Speaker, the effects of this minister's cuts are clearly laid out, and all we have to do is look at the ACCESS bursary. This particular program, which we've heard from students directly, it's a bursary that is significant, but—and it's targeted, and it's targeted assistance that supports important goals like increasing the number of indigenous and under-represented teachers in Manitoba classrooms.

The minister said yesterday that, actually, he had no data to support his decision to cut this very important program for Manitoba students.

So I ask him: Why is he cutting Manitoba bursaries and, most importantly, why is he cutting the ACCESS bursary if he hasn't even properly evaluated it?

Mr. Wishart: Certainly, it was difficult to find data because the previous government would never record any results with any program. But we have been very happy to work together to make sure that—
[interjection]

Madam Speaker: Order.

Mr. Wishart: —now there is a total of \$80 million available to Manitoba students through Manitoba scholarship and bursaries, through the Graduate Scholarship Program and through Manitoba Student Aid, far more than the previous government ever had in place.

Handi-Transit Services Funding Concerns

Mrs. Bernadette Smith (Point Douglas): This government's cuts to public transit hurt all Manitobans, but it may hit Manitobans with disabilities the hardest.

Handi-Transit budget has been frozen for nearly two years, and it is putting more and more pressure on the service and it's impacting access. We've heard reports of reduced services and rides being declined because Handi-Transit has been squeezed by the funding cuts.

When will this minister realize that funding for Handi-Transit is needed to make Manitobans—Manitoba truly accessible?

Hon. Jeff Wharton (Minister of Municipal Relations): I'm very proud of the investments this government has made and continues to make in transit, Madam Speaker.

* (14:20)

As a matter of fact, the City of Winnipeg alone, not—also including the city of Selkirk and Brandon, they are—operate on a basket funding model, Madam Speaker, and they can direct the money where they see fit for transit and transit riders within their cities.

So thank you, Madam Speaker.

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

Mrs. Smith: True investments in services like Handi-Transit are needed, but this government is failing.

When budgets are frozen for years on end there is a cost. The number of persons with mobility issues who can access these services are impacted. Rides can be reduced and the range of services offered can be scaled back. That means persons with disabilities and mobility issues may not be able to get their—to get to their appointments, volunteer at charities or fully participate in their life in the community. That means for a small investment it makes—oh—for a small investment it makes an enormous difference.

Will the minister reverse his de facto cut to Handi-Transit?

Mr. Wharton: Again, I thank the member for the question, but to be clear and to make sure that the member opposite understands the true facts of where we are as a government in supporting transit, Madam Speaker, Winnipeg has never enjoyed greater flexibility in transit funding. Those relationships will continue. The funding will continue. We will focus on what's important to Winnipeggers and Manitobans.

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

Mrs. Smith: Well, Handi-Transit is important to people with disabilities, so I urge this government to enact that funding.

We know that this government needs to do more. In March 2018 Barrier-Free Manitoba gave the Province a failing grade on the test to provide for the prevention and systemic removal of barriers at the earliest possible date. One real way to remove barriers and make Manitoba more accessible would be to invest in services like Handi-Transit.

The choice is simple for this government.

The minister needs to be open and honest with this House: Will it choose to invest provincial dollars in Handi-Transit or not?

Mr. Wharton: Again, I'll remind the member and members opposite that this government has been focused on issues with mobility in surrounding—and Handi-Transit, Madam Speaker. As a matter of fact, we've made more investment in Handi-Transit buses throughout Manitoba than the previous government ever did.

Madam Speaker, where they got it wrong, we'll get it right.

Provincial Cannabis Legislation Legal Penalties for Youth

Ms. Judy Klassen (Kewatinook): It is our job as legislatures—legislators to protect our youth. This government's proposed marijuana legislation could threaten that. The current legislation creates a glaring legal age gap for 18-year-olds in our province. The current legislation sets the legal age at 19, so if a 17-year-old is caught with—using marijuana they are covered under the youth act. But those roles—rules don't apply to 18-year-olds caught. Under the government's current plan, if an 18-year-old is caught they would—it would be considered a criminal offence with the possibility of a \$100,000 fine and one year in jail.

Why is this government singling out 18-year-olds for such a 'harse' punishment for something that is perfectly legal for 19-year-olds and older?

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

Of course, she will know that matters to deal with the Criminal Code are under federal jurisdiction, so I would suggest that if he—she has some issues with respect to those questions that she's asking today that she talks to her Liberal cousins in Ottawa.

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

Ms. Klassen: Justin.

Every family in Manitoba has been touched by addiction and we are all equally concerned about it being too easy for our youth to get access to drugs. However, this government is proposing a law—this government is proposing a law—that will put 18-year-olds in jail or fine them \$100,000.

These are harsher than any laws relating to alcohol, which is so backwards. Legal alcohol has always had serious social costs on families and communities.

In addition to reducing the legal age to 18, will the Province commit to using cannabis tax revenue to create youth addictions treatment centres in communities right across our province?

Mrs. Stefanson: I already mentioned to the member opposite that matters to deal with the Criminal Code are under federal jurisdiction, and so we have no purview over that, Madam Speaker, but what I will say is that we have always taken the side of public health and safety when it comes to the federal government's decision to legalize marijuana in our country.

This is a significant public policy change and we've been very proactive when it comes to public health and safety. It's why we introduced The Cannabis Harm Prevention Act. It's why we've introduced these bills before the Legislature today, to always put the public health and safety of Manitobans first, and I will remind members opposite that when we introduced The Cannabis Harm Prevention Act in this Chamber which protects children, all children in this province, members opposite voted against it.

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

Ms. Klassen: Ironically, protecting our youth is the objective of Manitoba's Bill 11. Our caucus agrees wholeheartedly that we should be protecting our children from accessing intoxicating substances.

In Manitoba, an 18-year-old is an adult. They can legally buy alcohol, property, or join the military, all of which can be viewed as dangerous and all have life-long implications. But we also believe that this is an extremely disproportionate punishment that could have long-lasting consequences for people that are just starting out on their lives. Part of protecting our children means ensuring we are not throwing them in jail. Let's address it today.

Will the minister consider an amendment to close that gap?

Hon. Brian Pallister (Premier): The time frame the federal government has forced on provinces to comply with the Prime Minister's wish to legalize cannabis in this country is a ridiculous timeline, Madam Speaker. We have one shot to get it right, and given the time frames, it's extremely unlikely that any province will get it right, given their areas of responsibility.

That's tragic, Madam Speaker, because we do not want Colorado's stats to be our stats in this province, and so we are acting—*[interjection]*

Madam Speaker: Order.

Mr. Pallister: —and we are asking the support of other members in this House to do the same, to support us in protecting Manitoba's young people, those who choose to use cannabis, those who choose not to, and should not be made victims or—by getting in the way of those who think they can drive, for example, better while they're impaired with cannabis.

So we have asked—we have led the way in asking the federal government to consider delaying the introduction of this legalization in order to save lives, and I'd encourage the members opposite to take that thoughtful and reasonable position to heart and to join with us, and for all of us in this House to support a delay in the too-rapid introduction of this dangerous practice.

Provincial Finances Credit Rating Improvements

Mr. Jon Reyes (St. Norbert): After a decade of NDP debt and decline Manitoba's credit ratings dropped—our credit rating agencies dropped our credit ratings. This forced Manitobans to pay more and get less. Due to the NDP, also known as the never-ending debt party, we have seen mismanagement and excessive debt financing.

We know the Finance Minister has met with credit rating agencies and investors, communicating that our PC government is improving Manitoba's fiscal situation and that our province is indeed open for business. More business investing in Manitoba means more job creation.

Could the Finance Minister please provide an update to this Chamber on what he has heard from credit rating agencies and investors, and what this means for Manitoba?

Hon. Cameron Friesen (Minister of Finance): Our PC government is making progress and that progress is getting noticed by credit rating agencies. Now, to be fair, the NDP also got noticed by credit rating agencies, but for all the wrong reasons: continues to disappoint, adjustment fatigue, lack of fiscal discipline and three credit-rating downgrades to show for it was the record of the NDP party.

Imagine the difference then, when now rating agencies say that Budget 2018 is credit positive, making good investments, exceeding expectations. Madam Speaker, we inherited a mess. We are fixing the finances. We are getting progress for all Manitobans and we're just getting started.

* (14:30)

**Gimli High School
Music Room Expansion**

Ms. Flor Marcelino (Logan): It's Music Month here in the province of Manitoba. It's an opportunity to celebrate our great local artists and to encourage young people to pick up an instrument and learn to love music. That's why it comes as a shock that the Pallister government has reneged on its promise to fund a music room expansion in the Gimli High School.

I ask the minister: What does he have against music and why has he broken his promise to the people of Gimli? *[interjection]*

Madam Speaker: Order.

Hon. Ian Wishart (Minister of Education and Training): I thank the member for the question.

We certainly were very pleased to give flexibility to the school divisions and to the schools to work with the class numbers that they have so that they could actually return many music rooms. I don't know how many times I've run into teachers that have come up to me to say, thank you, we now have access to rooms that were taken away from us by previous policies of the previous government.

So I think Manitoba teachers and students are getting much better access to music than they ever did with an NDP government.

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

Ms. Marcelino: Sadly, that flexibility didn't apply to Gimli High School.

School trustees Dianna Auer and Robert Arnason say the band room is bursting at the seams. The school has amazing band teachers, but the space just isn't there. As a result, trustee Arnason says they're going to lose—*[interjection]*

Madam Speaker: Order.

Ms. Marcelino: —programming and good teachers.

Last year the school division was given the green light for the project, but now the Pallister government has reneged on their commitment.

I ask the minister—it's Music Month, after all: Will he reconsider his decision? *[interjection]*

Madam Speaker: Order.

Mr. Wishart: Certainly, the member reminds us all that as a government coming into place, we inherited

\$450-million maintenance deficit in the Department of Education alone.

So I—certainly, she must understand that there is a need—*[interjection]*

Madam Speaker: Order.

Mr. Wishart: —to do—put safety and security and access for students and parents and teachers as a higher priority than getting access to an enlarged music room, because it sounds like they already have one.

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

Ms. Marcelino: When contacted about this broken promise, the MLA for Gimli said that lower priority vocational programs across the province have been placed on hold.

We all know what that means.

Madam Speaker, the project has been cancelled. That's why the superintendent of the school division said at a—*[interjection]*

Madam Speaker: Order.

Ms. Marcelino: —recent public meeting, saying that if you wait for the provincial government, you might as well call the project cancelled.

I ask the minister one last time: What does he have against music and why has he broken his promise to the people of Gimli? *[interjection]*

Madam Speaker: Order.

Hon. Brian Pallister (Premier): Well, Madam Speaker, there are real projects and there are imaginary ones.

The previous government imagined they were going to do projects on dozens and dozens of occasions. *[interjection]*

Madam Speaker: Order.

Mr. Pallister: They announced projects and then re-announced them and then re-re-announced them and then re-re-re-announced them to the point where nobody believed any of their announcements at all.

Madam Speaker, they averaged one school per year in terms of construction. In our first two years we've already committed to building seven, and we will continue to invest in education in this province.

**Access to Rail Services
Support for Federal Legislation**

Mr. Ted Marcelino (Tyndall Park): Ensuring adequate access to rail service is of the greatest importance to our producers. We know there is a bill before the House of Commons that would help ensure our grain producers are able to get their product to market, but there have been many delays.

What has the honourable minister done to make sure our producers' voices are being heard by the federal minister and to get the bill passed?

Hon. Ralph Eichler (Minister of Agriculture): Quite seriously, we have been in constant communications with both CP and CN and also the federal government minister of agriculture and the federal minister of transportation. I've also had conversations with the Senate members, and we understand how important this piece of legislation is not only to Manitoba but all of Canada.

And I would ask members opposite to join with us in asking for bill 49 to be passed sooner than later.

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

**Canadian Transport Agency
Changes to Mandate**

Mr. Ted Marcelino (Tyndall Park): We know one important change to the federal bill is to expand the powers of the Canadian transport agency to reduce timelines and waits for decisions and to award compensation when decisions are made late. We think these are good changes.

Does the minister support these changes to the CTA's mandate?

Hon. Ralph Eichler (Minister of Agriculture): Yes, this is a very serious matter for our farm families. Of course, we want to get our grain out in a timely manner. In fact, this morning, I got a letter from CN, and they're actually looking for orders to be processed and take on out to Vancouver or to Thunder Bay. And we understand that that progress has been made as a result of consultation, making sure that they get the grain out in a very timely madam-matter, miss-Madam Speaker.

So we on this side of the House are very clear on our position in 'mitter' to make sure that our farm families do have actually time 'siling'-timelines to rail, whether it be through CN or CP.

And also why I have the floor, I'd ask to ask the Liberals if they would get onside with us as well. They've been very quiet on this and I think it's time that they do their part and call their friends in Ottawa.

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

Order.

The honourable Government House Leader?

Hon. Cliff Cullen (Government House Leader): On a matter of privilege, Madam Speaker.

MATTER OF PRIVILEGE

Madam Speaker: The honourable Government House Leader, on a matter of privilege.

Hon. Cliff Cullen (Government House Leader): There are two conditions that must be satisfied in order for the matter raised to be ruled in order as a prima facie case of privilege. First, was the issue raised at the earliest opportunity; and second, has sufficient evidence been provided to demonstrate that the privileges of the House or the member have been breached in order to warrant putting the matter to the House?

Madam Speaker, on the first condition in considering this matter of privilege, now is the first opportunity for me to raise the matter before you after receiving and reviewing Bill 223, The Child and Family Services Amendment Act.

Madam Speaker, this afternoon marks the second bill introduction in two weeks where there has been a systemic disrespect of the practices and proceedings of the Manitoba Legislature and its MLAs. Just two weeks ago the Leader of the Official Opposition (Mr. Kinew) introduced Bill 226 as well.

* (14:40)

The contents of legislation being shared with both the public and the media before members of this Assembly have had a chance to review and receive shows that the official opposition now has a history of disrespecting your traditions and practices of this Assembly and the rights of MLAs receiving information first before we are asked to offer comment or debate. This has been a long-standing parliamentary tradition and one that is observed by this Chamber and its members.

Madam Speaker, on the second condition of establishing a case of prima facie of privilege, past

rulings from yourself, as well as from former Speakers such as Speaker Rocan in 1988 and 1991, Speaker Hickes in 2003 and 2008, as well as Speaker Reid in 2013, have all concluded that in order for a breach of privileges to have occurred, and as Joseph Maingot advises on page 222 of the second edition of *Parliamentary Privilege in Canada*, that the activity in question must involve a proceeding of parliament.

We further advise, by the House of Commons Procedures and Practice, Second Edition, on pages 14 and 61, respectfully, that, and I quote: To constitute privilege generally there must be some improper obstruction to the member in performing his parliamentary work in either a direct or constructive way. Additionally, and I quote: The privileges of the members of this House of Commons provide the absolute immunity they require to perform their parliamentary work while the collective and corporate rights of the House are the necessary means by which the House effectively discharges its functions.

An additional definition by privilege of Beauchesne's is, and I quote: The sum of the particular rights enjoyed by each House collectively as a constituent in part of the high court of parliament and by members of each House individually, without which they could not discharge their functions and would exceed those possessed by other bodies or individuals. End quote.

Beauchesne's elaborates further to say, and I quote: The privileges of parliament are rights which are absolutely necessary for the due execution of its powers. They are enjoyed by individual members because the House cannot perform its functions without 'unimpeded' use of the services of its members. End quote.

As we can see, Madam Speaker, there exists a prima facie case of this Assembly and its members when it comes to the functioning of parliamentary procedures. We are, in fact, the rights of members and, as such, any breach in proceedings in this direction is a direct correlation to a breach of privilege.

Proceedings in parliament are also a substitute for a member's right to freedom of speech, which is stated on page 89 of *House of Commons Procedure and Practice, Second Edition*, is, and I quote: a fundamental right without which they would be hampered in this performance of their duties. It permits them to speak in the House without inhibition to refer to any matter or express any

opinion as they see fit, to say what they feel needs to be said in the furtherance of the national interest and the aspirations of their constituents. End quote.

For these reasons, Madam Speaker, I think you will find that this is indeed a matter of privilege and I propose the following motion:

Madam Speaker, I move, seconded by the member for Steinbach (Mr. Goertzen), that the Speaker rule that the practices of the official opposition and, in particular, the member for Point Douglas (Mrs. Smith), are breaching the parliamentary privilege of all MLAs and are breaking the rules of the Legislative Assembly of Manitoba.

The official opposition should respect the rules, proceedings and practices of the Manitoba Legislative Assembly, and the privilege of all its members.

Madam Speaker: Before recognizing any other members to speak, I would remind the House that remarks at this time by honourable members are limited to strictly relevant comments about whether the alleged matter of privilege has been raised at the earliest opportunity and whether a prima facie case has been established.

Ms. Nahanni Fontaine (Official Opposition House Leader): I just want to put on a couple of words in respect of the point of privilege here.

Certainly, Madam Speaker, I think that I would submit to you and I think that you would agree there has been a long tradition in this House to discuss generally with stakeholders, in particular when we're consulting on the construction or the establishment of a bill; so that is a long-standing tradition. And certainly the discussion is on the general provisions of the legislation and no—and not the actual text of the bill, and certainly in the case of the member for Point Douglas (Mrs. Smith), at no time was Bill 223 disseminated to anyone. It wasn't disseminated to the media. It has not been disseminated to the public. It was discussed, the general provisions of the bill.

The language, as well, that the member for Point Douglas would utilize in disseminating any information on the bill is fundamentally different than the language and the text that is embedded in Bill 223. So it is not the same, I would submit to you, Madam Speaker.

And, certainly, my colleague opposite hasn't actually provided you, Madam Speaker, any

evidence that there actually has been a breach. All we know is that the member for Point Douglas talked about the general provision of the bill that she was introducing today and not the exact text and narrative that is in the bill.

So I would suggest to you, Madam Speaker, that there isn't a prima facie case here in respect of our privilege, and the member opposite hasn't put—brought forth any evidence to do such.

And I would also suggest that in—on this side of the House—also in respect to two weeks ago with the bill that was, again, discussed, just in respect of those general provisions, we have not breached any longstanding traditions.

Miigwech.

Hon. Steven Fletcher (Assiniboia): On the matter of privilege, a prima facie case—or facie case, I think, has—worthy of debate. This is the first opportunity that the government has had to raise the issue. However, the second part of the motion depends on—very much—on what the public comments are, and having not seen what those public comments are, it's very difficult to come to a conclusion.

But if I could offer this, as I've seen this happen in another place many, many times: if the bill was given to the media—tech—word by word and published, then there's a serious problem. If there are generalities about the bill, it would be unfortunate but within the practices of what actually happens in—not only all the time in this place, but also in Ottawa. We've seen this tradition now where even the budget details are released sometimes weeks ahead of time without actually printing—or before being tabled. And that is far more serious, and the rule seems to be changing.

But we don't have to sink to Ottawa's standards here. We can rise up and have a higher standard, which would be great, and set a new tradition of this place where everyone respects everyone else and especially including the tabling of legislation. But, perhaps, Madam Speaker, that will not happen, realistically. So it all—this whole thing—pivots on if the text was made public before the bill was tabled. But as far as raising the issue as soon as possible, I think the government has made—has met that test.

Thank you, Madam Speaker.

Madam Speaker: A matter of privilege is a serious concern. I am going to take this matter under

advisement to consult the authorities and will return to the House with a ruling.

PETITIONS

Tina Fontaine—Public Inquiry

Mrs. Bernadette Smith (Point Douglas): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition.

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

* (14:50)

(2) Tina Fontaine was robbed of her loving family and Anishinabe community of Sagkeeng First—[*interjection*]

Madam Speaker: Order.

Mrs. Smith: Nation.

(3) Tina Fontaine was failed by multiple systems—[*interjection*]

Madam Speaker: Order.

Mrs. Smith: —which did not protect her as they intervened in her life.

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

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

(6) Manitoba has failed to fully implement the recommendations of numerous reports and recommendations meant to improve and protect the lives of indigenous peoples and children, including the Manitoba Aboriginal Justice Inquiry, Royal Commission on Aboriginal Peoples and the Phoenix Sinclair inquiry.

We petition the Legislative Assembly of Manitoba as follows:

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

(2) To urge the terms of reference—that the terms of reference of a public inquiry be developed jointly

with the caregivers of Tina Fontaine and/or the agent appointed by them.

Signed by Brenda Boughton, Ashley Hoepfner, Germaine Merasty [*phonetic*] and several other Manitobans.

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

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

These are the reasons for this petition:

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

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

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

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

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

(6) Manitoba has failed to fully implement the recommendations of numerous reports and recommendations meant to improve and protect the lives of indigenous peoples and children, including the Manitoba Aboriginal Justice Inquiry, Royal Commission on Aboriginal Peoples and the Phoenix Sinclair inquiry.

We petition the Legislative Assembly of Manitoba as follows:

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

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

Signed by many Manitobans.

Vimy Arena

Hon. Steven Fletcher (Assiniboia): I'd like to present the following petition to the Legislative Assembly.

The background of this petition is as follows:

(1) The residents of St. James and other areas of Manitoba are concerned with the intention expressed by the provincial government to use the Vimy Arena site as a Manitoba Housing project.

(2) The Vimy Arena site is in the middle of a residential area near many schools, churches, community clubs and senior homes, and neither the provincial government nor the City have considered better suited locations in rural, semi-rural or industrial locations such as the St. Boniface industrial park, the 20,000 acres at CentrePort, or existing properties such as the Shriners Hospital, sometimes known as the old Children's Hospital, on Wellington Crescent.

(3) The provincial government is exempt from any zoning requirements that would have existed if the land was owned by the City of Winnipeg. This exemption bypasses community input and due diligence and ignores better uses for the land which would be consistent with a residential area.

(4) There are no standards that one would expect for a treatment centre. The Minister of Health, Seniors and Active Living has stated that the department of Health has no role to play in the land acquisition for this Manitoba Housing project for the use of a drug addiction facility.

(5) The Manitoba Housing project initiated by the government-provincial government changes the fundamental nature of the community. Including park and recreational uses, the concerns of the residents of St. James and others, public safety, property values and their way of life all have not been addressed.

(6) The concerns of the residents of St. James are being ignored while obvious other locations in wealthier neighbourhoods, such as Tuxedo and River Heights, have not been considered for this Manitoba Housing project, even though there are hundreds of acres of land available for development at Kapyong Barracks or parks such as Heubach Park that share the same zoning as the Vimy Arena site.

(7) The Manitoba Housing project and the operation of a drug treatment centre fall outside the

statutory mandate of the Manitoba Housing renewal corporation.

(8) The provincial government does not have a co-ordinated plan for addiction treatment in Manitoba as it currently underfunds treatment centres which are running far under capacity and potential.

(9) The community has been misled regarding the true intention of the Manitoba Housing and the land has been transferred for a 50-bed facility even though the project is clearly outside of Manitoba Housing responsibility.

We petition the Legislative Assembly of Manitoba as follows:

(1) To urge the provincial government to take necessary steps to ensure that the Vimy Arena site is not used for an addiction treatment facility, and

(2) To urge the provincial government to take the necessary steps to ensure the preservation of public land along Sturgeon Creek for the purposes of park land and recreational activities for the public, including being an important part of the Sturgeon Creek Greenway Trail and Sturgeon Creek ecosystem under its current designation of PR2 for the two—for the 255 Hamilton Ave. location at the Vimy Arena site, and to maintain the land to continue as a designated parks and recreational active neighbourhood/community zone.

Thank you, Madam Speaker.

Madam Speaker: The petition was not read as printed. Is there leave to accept the petition as printed? [*Agreed*]

TO THE LEGISLATIVE ASSEMBLY OF MANITOBA:

The background to this petition is as follows:

1. The residents of St. James and other areas of Manitoba are concerned with the intention expressed by the the Provincial Government to use the Vimy Arena site as a Manitoba Housing project.

2. The Vimy Arena site is in the middle of a residential area near many schools, churches, community clubs and senior homes and neither the Provincial Government nor the City of Winnipeg considered better suited locations in rural, semi-rural or industrial locations such as: the St. Boniface industrial park, the 20,000 acres at Centre Port or existing properties such as the

Shriner's Hospital or the old Children's Hospital on Wellington Crescent.

3. The Provincial Government is exempt from any zoning requirements that would have existed if the land was owned by the City of Winnipeg. This exemption bypasses community input and due diligence and ignores better uses for the land which would be consistent with a residential area.

4. There are no standards that one would expect for a treatment centre. The Minister of Health, Seniors and Active Living has stated that the department of Health had no role to play in the land acquisition for this Manitoba Housing project for use as a drug addiction facility.

5. The Manitoba Housing project initiated by the Provincial Government changes the fundamental nature of the community. Including park and recreation uses, concerns of the residents of St. James and others regarding public safety, property values, and their way of life are not being properly addressed.

6. The concerns of the residents of St. James are being ignored while obvious other locations in wealthier other neighbourhoods, such as Tuxedo and River Heights, have not been considered for this Manitoba Housing project even though there are hundreds of acres of land available for development at Kapyong Barracks or parks like Heubach Park that share the same zoning as the Vimy Arena site.

7. The Manitoba Housing project and the operation of a drug treatment centre fall outside the statutory mandate of the Manitoba Housing Renewal Corporation.

8. The Provincial Government does not have a coordinated plan for addiction treatment in Manitoba, as it currently underfunds treatment centres which are running far under capacity and potential.

9. The community has been misled regarding the true intention of Manitoba Housing, as land is being transferred for a 50 bed facility even though the project is clearly outside of Manitoba Housing's responsibility.

We petition the Legislative Assembly of Manitoba as follows:

1. To urge the Provincial Government to take the necessary steps to ensure that the Vimy Arena site is not used for an addiction treatment facility.

2. To urge the Provincial Government to take the necessary steps to ensure the preservation of public land along Sturgeon Creek for the purposes of park land and recreational activities for public use (including being an important component of the Sturgeon Creek Greenway Trail and the Sturgeon Creek ecosystem) under the current designation of PR2 for the 255 Hamilton Avenue location at the Vimy Arena site, and to maintain the land to continue to be designated for Parks and Recreation Active Neighbourhood/Community.

Twinning Leila Avenue

Mr. Mohinder Saran (The Maples): I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

(1) The residents of The Maples community have diverse needs, such as the issue of twinning Leila Avenue, which was raised with the previous minister responsible for Municipal Relations.

(2) The residents of The Maples appreciate that Leila Avenue is a City of Winnipeg, city, responsibility, but the new Minister of Municipal Relations has not complied with requests to ask the City to make twinning this road a priority, even though the provincial government provides the City with its share for funding such projects.

(3) Leila Avenue is the main road to approach the Seven Oaks hospital and one extra lane would ease the traffic that has been created by a corresponding increase in population in the area.

* (15:00)

(4) The Maples residents are frustrated because both the City and the provincial government do not treat infrastructure developments in the north Winnipeg equally with those in the south.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to request that the City twin Leila Avenue to reduce traffic and commute time for the residents of The Maples and surrounding areas, enabling the accessing of timely health services, which will contribute to both the economy and society.

Signed by many Manitobans.

Medical Laboratory Services

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

The background to this petition is as follows:

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

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

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

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

These closures have created a situation where a great number of patients are less well served, having to travel significant distances in some cases, waiting considerable periods of time and sometimes being denied or having to leave without obtaining lab services. This situation is particularly critical for patients requiring fasting blood draws as they may experience complications that could be life-threatening based on their individual health situations.

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

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

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

Signed by Brian Thompson, Gloria Thompson, Tracy McKay and many others.

Madam Speaker: Grievances?

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Cliff Cullen (Government House Leader): Seeking leave of the House for today only to move the Department of Families into room 255 to replace Executive Council in Committee of Supply.

Madam Speaker: Is there leave of the House for today only to switch Executive Council with Families in Committee of Supply? Agreed?

Some Honourable Members: Agreed.

Madam Speaker: Pardon me? Did I hear a no, or—

Some Honourable Members: Agreed.

Madam Speaker: Oh, it's agreed? Agreed and so—for clarity, then, is there leave to exchange Executive Council with Families in Committee of Supply for today only? Agreed? *[Agreed]*

Mr. Cullen: Would you call Committee of Supply?

Madam Speaker: It has been announced that the House will consider Estimates this afternoon. The House will now resolve itself into Committee of Supply.

Mr. Deputy Speaker, please take the Chair.

COMMITTEE OF SUPPLY (Concurrent Sections)

FINANCE

* (15:20)

Madam Chairperson (Sarah Guillemard): Will the Committee of Supply please come to order. This section of Committee of Supply will now resume consideration of the Estimates for the Department of Finance, including Crown Services. As previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. Tom Lindsey (Flin Flon): Just before we leave Hydro, I have a couple questions.

So we know that earlier this year a worker died on a Manitoba Hydro work site. Although it—the gentleman in question may have worked for a contractor, can the minister who's responsible for Manitoba Hydro explain to us what he believes Manitoba's hydro role would be in ensuring that that worker had received training?

Hon. Cliff Cullen (Minister of Crown Services): I appreciate the member raising that question. And certainly I think all of our hearts go out to the friends and family of the individual that was killed in that tragic accident earlier this year, and it's certainly a sad situation any time anyone is injured or killed at work.

And the member is right. The individual was working for Forbes, who is a contractor for Manitoba Hydro in the transmission side of things, and the fellow in question was an employee of Forbes Brothers contracting. And, obviously, Forbes Brothers had a contract with Manitoba Hydro to do some of the work vis-à-vis the transmission lines on the—in this case it was a bipole and, I believe in this case, was maybe in particular a feeder line into the bipole.

So I don't know all of the details regarding the contract between Manitoba Hydro and Forbes Brothers, but I'm sure there's—within that contract there would be compliance issues, training issues, all

those sorts of things that would be involved in a contract like that.

Clearly, workplace health and safety are investigating that particular accident. I know there was a preliminary report, a very preliminary report put out some time ago shortly after the accident. The final report has not been put forward at this particular point in time, so clearly the investigation is still under way, and I would expect that that review by workplace health and safety would be very thorough and I'm sure the agreement, the contract between Forbes Bros. and Manitoba Hydro, would be part of that review as well.

So I'm sure it's—it will be a very comprehensive review, and I think we are certainly looking forward to seeing the results of that review, and I know the family are certainly interested in terms of seeing what that particular review has to say as well.

Mr. Lindsey: So I would certainly not ask or expect the minister to do anything that would prejudice the outcome of the investigation, but perhaps the minister can give us a brief—has he had any discussion since the accident with the board for Manitoba Hydro or, for that matter, any of the other Crown corps that the minister is responsible for to really explore what their roles are when they're contracting out services to third parties? Has he ensured that the proper safety procedures, if you will, are not just requested in a contract but actually there, that workers actually receive that training that they should? So I would ask if the minister's had any of those discussions with any of the Crowns that he's responsible for.

Mr. Cullen: Let me begin by saying, first of all, in respect of this particular situation, my office have had a number of discussions with the CEO and the executive team at Manitoba Hydro in terms of, you know, how the—how that situation was handled, some of the discussions with the family, and sort of where the investigation's at and more of a process type of discussion.

We certainly, as a minister—ministry, even the secretariat don't—we don't get involved in the day-to-day operations of Crowns. You know, clearly, they are going to be entering into a number of different contracts with various companies for various services, and we don't get involved in those discussions.

You know, clearly, there are provincial rules around workplace health and safety, the training

aspect, and we certainly would expect that Crown corporations would be complying with all of the rules around those particular provincial regulations. It is unfortunate that, from time to time, things do go wrong in the workplace. It's unfortunate. But, clearly, under Growth, Enterprise and Trade, workplace health and safety officials do investigate those situations. And, certainly, they will be aware of any situations that have gone wrong and would obviously make recommendations to fix any situations that did go wrong, as well.

So I think it almost goes without saying that we have an expectation that our Crown agencies will be complying with all provincial regulations.

Mr. Lindsey: So it's all well and good for the minister to say he has an expectation.

Is there anything in any of the roles and responsibilities that talks about a member of the board, chairman of the board, CEO actually doing something to ensure that those expectations are actually met?

Mr. Cullen: I'll speak specifically here in terms of Manitoba Hydro.

I know when Manitoba Hydro go to tender projects, looking at a contractor or subcontractor, certainly all of those contractors and subcontractors have to be COR certified.

So, you know, having said that, they—those companies have gone through the respective training and whatnot and safety courses, so they should, you know, should certainly have that basic knowledge and, like I say, gone through the COR certified process. So that certainly is Manitoba Hydro.

All Crown corporations are still subject to provincial regulation. So, as such, they are still subject to inspections by workplace health and safety, as well. So workplace health and safety have the opportunity to come in and visit any of the operations or any of the, I guess, remote projects that might be going on in respect of Hydro and have a look at the sites and make recommendations if they see conditions that aren't favourable to safety. So certainly they—we, as Crown corps, are subject to the same rules as everybody else.

* (15:30)

And as we talked about yesterday, we're still working through the roles and responsibilities with the various Crown corporations. And something that we have flagged that's really come to light over

the last few months are the respectful workplace situations. We recognize that that's a new reality here that we have to be mindful of, so that's something that we certainly are contemplating within the rules and responsibilities for Crown corporations, is that they—we make sure that Crown corporations provide a respectful workplace.

Now, talking about the whole safety side of things too, that's something that we could probably have a further discussion with the Crown corporations in terms of making sure they are cognizant of trying to provide a safe workplace for their employees. And that's a point well taken, and I'll certainly take that under advisement.

Mr. Lindsey: I thank the minister for that and certainly appreciate what he's just committed to doing just, certainly, because it's been identified at Manitoba Hydro. But I'd encourage the minister to have that conversation with all the Crowns that he's responsible for to make sure that they are aware that they just can't contract out their responsibility, that while they contract out services and some of the day-to-day oversight for workplace health and safety, of harassment or any number of those other things, that any of the prime contractors in this case, any of the Crowns that the minister's responsible for, still have some oversight to make sure that those systems are working. So I appreciate that the minister is willing to undertake that, and I encourage him to do that with all of the Crowns that he's responsible for.

So, with that, unless the minister has something else he would like to add in that regard.

Mr. Cullen: Yes, I would. And I certainly appreciate the members point about contracts and hiring people to do various projects. It does happen from time to time, clearly, with Manitoba Hydro with some of the large-scale projects they're currently working on. That's the essence. But, you know, outside of that, Manitoba Hydro itself still has, you know, in the area of 5,500 employees directly working for Manitoba Hydro. So certainly, the corporation views safety as paramount, and I know they do a lot of work and spend a lot of time in terms of making sure their employees have the proper equipment and they're properly trained. And I think the track record over at Manitoba Hydro has improved the last few years. So we're certainly encouraged by that.

I know even we—when we look at Manitoba Liquor & Lotteries too, we have over about 2,000 employees over there too. And certainly I've toured some of their facilities too, and people there

have to be trained as well because a lot of the people there are doing some heavy lifting as well. So there's all kinds of those situations going on. I know, having had discussions with folks in their distribution centre, the workplace health and safety people spend some time there making sure they are working with the corporation to see what can be done to make sure they try to mitigate as many injuries as possible.

So they're very cognizant of their safe workplace there, and you can tell by—just by the signage and by the atmosphere around there that they're very cognizant of that.

You know, Manitoba Public Insurance—we've had close to 2,000 employees over at Manitoba Public Insurance as well. And, obviously, if you're involved in the insurance business, you know, safety's going to be top of mind, and anticipate it's the same thing for their 2,000 staff over at Manitoba Public Insurance that safety is top of mind.

Mr. Lindsey: Thank the minister for that. And certainly, just on a closing note, I would encourage the minister to review the roles and responsibilities and all those letters that he will have for his Crowns to make sure that those particular things are captured and clearly communicated to everybody from the CEO on down, that they all have roles to play in workplace safety, health and all the rest of that. So I appreciate what the minister said and look forward to seeing those changes that he's talked about.

And so let's move sort of off Hydro. Let's talk about this brand new Crown corporation, which is rumoured to be devoted to energy efficient measures. So far there's no board, no budget. Does the minister, the Premier (Mr. Pallister), the government have any kind of timeline as to when Efficiency Manitoba will be a functional organization?

Mr. Cullen: Thank you. Seems to be cold and allergy season.

An Honourable Member: I was hoping I didn't make you cry.

Mr. Cullen: No, not yet. So anyway, we'll try and persevere through the afternoon, here.

Certainly, Efficiency Manitoba, that's—it was a commitment by our—well, even prior to forming government, it was a commitment that we had made during the election campaign to bring in Efficiency Manitoba. As the member will know, the existing Power Smart program here in Manitoba will be

coming to an end. It's actually a brand that's owned by BC Hydro. So that particular brand will be coming to an end here in Manitoba by the end of the year. So, obviously, that precipitated some changes.

We listened to experts from around North America—energy experts from around North America, and we listened to a recommendation from the Public Utilities Board, as well, in terms of maybe creating a new path forward in terms of demand-side management here in Manitoba. And we certainly look at what other provinces are doing. We know Nova Scotia has created an efficiency corporation within Nova Scotia. We know the province of Alberta is going to an efficiency program, as well. And we've made the conscious effort to go to Efficiency Manitoba to manage the demand-side product here in Manitoba.

So it's certainly a work in 'progress'. It's an evolution as we go forward. There obviously—there's a number of people over at Manitoba Hydro that are carrying out the demand-side management program, some full time, some part time. There will be some transition from people from Manitoba Hydro over to Efficiency Manitoba, so we look forward to that.

*(15:40)

There's obviously been a lot of legwork done and sort of the back room stuff has—being carried out right now in terms of assessing which programs have been effective, which programs probably aren't effective and also, just recently, we're actually getting some input from the PUB in—the Public Utilities Board—in terms of their ruling as well. So they clearly identified some deficiencies in the existing Power Smart program and made some recommendations in terms of the new corporation going forward and how it might be better.

At the end of the day, the theory is—and conceptually, Efficiency Manitoba will be just that. It will be more efficient than the existing Power Smart program. When I say more efficient, it will be better for Manitobans. It will provide better services, a better value for money than the existing program, and that's really what it's about. And I will go back to Nova Scotia and the success they had in their program. They noticed a fairly dramatic uptake in efficiency, in fact, getting—reducing their overhead and actually providing more and better products and services to the people of Nova Scotia with a new corporation in place.

So it's our goal to have Efficiency Manitoba up and running in the near future, and we'll be more efficient and, in fact, we'll be, quite frankly, power smarter than the existing Power Smart program.

Mr. Lindsey: That was a nice answer.

The question, however, was: Does the minister or the Premier (Mr. Pallister) or the government have a timeline as to when Efficiency Manitoba will be an actual functional organization?

Mr. Cullen: Yes, we're quite optimistic. The agency will be certainly up and running, you know, this fall, for sure. We have the Deputy Minister of Crown Services right now is the acting CEO for Efficiency Manitoba, so through him and his office there's a lot of work being done, so creating the framework for when the board will be appointed, and the board—I'm optimistic—will be appointed in the very near future. The—there's a process for appointment of agency boards and commissions that we follow, and obviously each one of those appointments go through the Cabinet approval process as well. So we're working through that particular process as we speak and hope to have some good news for the member in the very near future on that front.

You know, clearly, we've got what—I guess I would call it maybe a transition team that the CEO is in charge of. So obviously there's a lot of discussions with the existing Power Smart program, Manitoba Hydro and management over there. We certainly have assurances from Manitoba Hydro and the board of directors at Manitoba Hydro that they want to see this transition happen in a timely and in a positive manner, so we look forward to that continued co-operation as we go forward.

Once the board gets established, the CEO—a permanent CEO will be hired. Certainly, in the interim, we have the interim CEO working to create that framework for the new board when they're appointed, and obviously there's a whole lot of other work that's going on, you know, behind the scenes in terms of communication. There's obviously going to be a rebranding issue. There's programming that will have to be reviewed, analyzed and put forward to the board to see what works and how that's going to go forward, obviously some preliminary work on budget.

And, again, we've had some input from the Public Utilities Board in terms of what they think a budget may look like, not in detail, but at least sort of a framework in terms of what the new Efficiency

Manitoba could look like relative to what the old Power Smart program looked like. So there's certainly—we're still getting input from the Public Utilities Board. I'm sure we'll continue to get input from Manitoba Hydro as well.

The other thing that I should say where I'm excited about Efficiency Manitoba is if the member has a chance to go and look at the legislation that creates Efficiency Manitoba, there's some very positive what I view as oversight mechanism in that legislation, and one is, is first of all, is consultation with stakeholders. So the board of directors will have to consult with stakeholders in terms of the programming going forward. So I think that's a very key positive engagement tool that we can use to engage Manitobans, in terms of moving Efficiency Manitoba forward and what side of those demand-side projects are actually successful.

The other thing that's in there is an oversight mechanism. There's an independent—I don't know if you want to use the word auditor, but there's a mechanism for an independent oversight of Efficiency Manitoba. So, at the end of the year, an independent body can come in there and have a look at how Efficiency Manitoba is operating and if they're actually fulfilling the mandate, if they're doing what they said would do. And I think that's pretty key, that we actually have an independent oversight. That's really nothing that was in-prescribed under the old Power Smart program—there was no legal framework to get stakeholder involvement in there. There was no other oversight outside of, you know, Manitoba Hydro itself.

So I think there's a couple of key components in this new legislation that I think Manitobans will like, and I think it adds a real element of consultation and also the accountability piece to it as well.

Mr. Lindsey: So right now the minister has indicated that his deputy minister is acting as CEO for this entity that doesn't really exist yet. So I'm assuming, then, that the deputy minister's being paid differently than he was when he was a deputy minister.

Is he getting paid the same as he was? Is he getting more pay, and where is his pay now accounted for from?

Mr. Cullen: Yes, so the acting CEO, now the—currently, the Deputy Minister of Crown Services, is not getting any additional pay for this additional role that he's undertaken. In fact, he's also—at the current

time he's also helping out at the Civil Service Commission as well, when we have a vacancy over there. So he's actually wearing three hats right now with the same pay. So I'm sure he would love to hear that maybe he should be having some more pay, but, unfortunately, that's not going to be the case.

And I think I should add, as well, the Efficiency Manitoba will fall under the same governance as The Crown Corporations Governance and Accountability Act. So the roles and responsibilities, I know that's a key component that the CEO and his team will be working on, as well. So we'll get the framework together so we can have those discussions with the new board of directors, once they're appointed. Certainly, the mandate letters, they'll be working on those mandate letters for the boards as well. And, of course, at some point in time, if the government so desires, they can provide directives to that respective entity as well.

So the Efficiency Manitoba will fall under the same parameters, the same legal oversight, as the other Crown corporations, and we think that's a step in the right direction as well.

Mr. Lindsey: I guess I start to see part of the problem here when you've got one person trying to do three different jobs in three different departments that the minister's responsible for. Guess it doesn't surprise me, then, that the minister isn't necessarily up on the decisions and things that are going on in some of those boards that maybe, if he had people actually in these positions focused on the task at hand, then the minister would be, perhaps, more informed so that things like the MMF-Manitoba Hydro deal didn't come as a big surprise to the ministry when it came upon them, so.

Is there a timeline, then, for—you've said that you hope to have Efficiency Manitoba up and running some time this fall. So one would assume, then, that there has to be a timeline for when the board will be selected by. So, could the minister tell me when his plan is to have the board selected by, and who is selecting this board?

* (15:50)

Mr. Cullen: Sure, I'd be happy to fill in the member in terms of our position here.

As I'd indicated, we are currently going through that particular process for board appointments. I'm not sure how it was under the previous government. Under our government, we have an agency, boards, commission—Agencies, Boards and Commissions.

Basically, a commission that over—has oversight over to the—over agency, boards and commissions. So the—this particular group would review potential board members—obviously, vetted through that agency, and then they would be put forward to Cabinet for final approval.

So final approval is provided through the Cabinet process.

Mr. Lindsey: So this vetting process for this new board would be the same or very similar to the vetting process that took place to the past board of Manitoba Hydro and potentially for the existing board of Manitoba Hydro?

Mr. Cullen: Yes, that's true. The—obviously, the Agencies, Boards and Commissions—that group obviously looks after it—all the appointments to our 200-plus agencies, boards and commissions.

So we have a—what we think is a fairly robust process that people are vetted and reviewed. We obviously try to find—match people, strengths and weaknesses with specific requirements at the board level. So if we can get the right people with the right history, bringing the right assets to the boards, that's a benefit. And that's what we're trying to do is get the right people with the right knowledge to the right place at the right time.

Mr. Lindsey: So, when the previous board of Manitoba Hydro quit en masse—with the exception of the one MLA that sits on the board—didn't take very long for the Premier (Mr. Pallister) to appoint at least a partial new board. He still has never produced the full requirement of board members.

So did those members go through the same extensive vetting process or were they just cobbled together kind of at the last minute?

Mr. Cullen: No, they would have went through the same process.

We have, you know, lots of individuals on our lists that are willing to let their name stand for the various agencies, boards and commissions that we have. So, clearly, there's a lot of individuals that are competent to take on some of these roles, and we appreciate that.

So we would have resumés on file. Certainly, we did see when we do have some changes at boards, it sometimes piques people's interests to come and maybe put their name and let their name stand for other boards. Or, if there's changes on boards, they show an interest in letting their name stand. And I

know when we had the—some changes at Manitoba Hydro board, there was a new, rejuvenated interest from the public about coming to serve on boards. So we're encouraged by that.

Mr. Lindsey: So this new, rejuvenated interest in serving on boards, it's worked well for appointing the full board of Manitoba Hydro or what's happened there that we still don't have a full board for Manitoba Hydro?

Mr. Blair Yakimoski, Acting Chairperson, in the Chair

Mr. Cullen: Welcome. So what we did, we appointed a number of people to that new board of Manitoba Hydro, as the member quotes it. And what—basically what we said to them was, you know, here you go, here's your place, and you let us know what skill set may be missing there.

So we intentionally put in—not a full board— and we said, you go and take your time and see what you need in terms of a skill set, so then we can come back and we can go back to our pool of resources and see if we can match up a individual that would fill that skill set that's required at the board, you know, whether that be human resources or whether that be in accounting or a legal background, or something to that effect.

So we thought that was, you know, an opportune way to get the board replaced, certainly in the short-term, and then provide, you know, some more continuity down the road, once the board had a chance to get into place to feel their way around to their new positions. So that's the approach we took on that—in that regard.

Mr. Lindsey: So, on the one hand, the minister says he's got this pool of people sitting out there just chomping at the bit, waiting to get on boards. Then, on the other hand he says, well, we've got to really—the minister says, we have to really study what skill sets people have to sit on this Manitoba Hydro board. And we have this new entity, this Efficiency Manitoba that needs a board, that they have to go through an extensive vetting process to get on that board.

So I'm getting somewhat confused, that either you have this whole big pool of people out there just chomping at the bit to sit on your boards, or you don't. And the vetting process takes some time or doesn't, because you've got all these people that are pre-vetted to sit on a board, but you're not sure what

their skill sets are, and you're not sure how they'd fit into a board.

So perhaps the minister could attempt to clarify the information that he's provided that seems to be at odds with other statements he's made.

Mr. Cullen: Well, I'd be more than happy to try and clarify, if the member opposite is confused over this. It seems pretty straightforward to me, but I will try to cover the same ground again.

Obviously, we have a pool of people that have agreed to let their name stand. Each of those will bring a different skill set to the table and really, it's up to the group, I will call it, at the agencies and boards and commissions table to try to make sure they get plugged into where they are required.

And the member will know that each and every board will require some of the basic same skills, but some boards will be unique and require other different skill sets. So what we've done is try to make sure that we've got the right skill sets across the board at the various boards. And obviously we were faced with a situation where we wanted to get some folks into Manitoba Hydro to replace the outgoing board.

We did that and got those people up and running, allowed them the opportunity to get in, get their feet wet, if you will, and figure out what the challenges were at the board of Manitoba Hydro, allowed them the opportunity to get comfortable with each other and understand what they brought to the table. And then we said to them, you let us know what else you would need in terms of assistance and board members going forward into the future. So we're having that discussion with the new board and looking forward to making some additional appointments there.

* (16:00)

Mr. Lindsey: So you had a board that you just, for the most part, recently appointed since you came to government for Manitoba Hydro. So they went through this vetting process, and you knew at that point in time what skill sets were required for people to be on the board of Manitoba Hydro. So they all quit, save one.

What changed in the skill sets that were required to be on the board that now, with this vast pool of people that you supposedly have chomping at the bit to get on the boards, that you can't slot them into those empty positions? When you've said that, well,

you've got to study what skill sets are required, well, clearly, the board must have met those requirements previously to fulfill those skill sets. So what's changed?

Mr. Cullen: Well, contrary to the way the previous government appointed people to boards, we don't take the approach that we're just going to go out and appoint our political friends to those particular boards.

In fact, we're—we have ongoing discussions with our board chairs with the major Crowns and, you know, we have people coming and going, I wouldn't say regular, but people come and go and we ask the chairs of the boards, what are you missing on your board? What is it you need? And they'll come to us and say, well, you know, we've got this issue with technology, quite frankly, was one of the most recent asks. So we said, well, that's good. So we can probably find someone in our pool of people, or we can maybe find somebody out in—that hasn't actually wanted to be on a board that may be a good fit on that side of it.

So these are, you know, they're—it's like a work-in-progress, quite frankly, because board members do come and go, and, clearly, when you get new board people in place you have different personalities at the table. You have different skill sets, different abilities. And I think it's just showing respect to the chairs of the boards and the boards themselves if we allow them some time to feel their way around to make sure they understand where they're going and what the issues are in respect of the board. So that's really what we've done and we've allowed them to get their feet wet and then come back to us and ask for a certain skill set to be met and we're actually going through that process right now.

Mr. Lindsey: So the board that resigned en masse from Manitoba Hydro, save one, they went through this extensive vetting process and had the skill sets that the government believed were best suited for those roles at that time. Is that correct?

Mr. Cullen: Well, you know, obviously, we learn as we go through this process. I would say board members learn as they go through the process as well. It's certainly an evolution. Boards are facing various challenges, different challenges. You know, we, obviously, as government, want to make sure we get qualified people in the right places and that's—at the end of the day, that's what we're attempting to do.

Mr. Lindsey: You're not suggesting that the previous board wasn't qualified, are you? *[interjection]*

The Acting Chairperson (Blair Yakimoski): The honourable minister. I didn't acknowledge.

Mr. Cullen: Oh, I'm sorry, oh. No, and as—no way am I suggesting the previous board was not qualified.

Mr. Lindsey: Thank you for that.

So we've got a partial board for Manitoba Hydro. We've got a new entity, Efficiency Manitoba, that has no board, no CEO. Do they have any budget yet? Is there anything in these budget documents that talks about Efficiency Manitoba and things for salaries, office set-up, any of the rest of the stuff that the new board would require or the new entity would require?

Mr. Cullen: Pardon me.

I'll say that the acting CEO is certainly working on all of those in the budget. Material, information and technology, programming—all of those sort of things that the new board will need once they hit the ground. So there's certainly a lot of background work being done at this particular time.

So there's publicly no budget set, and, certainly, that's a discussion, I think, that will happen when the board of directors meet, as well. Obviously, they will have the advantage of knowing what the previous budget was with the Power Smart program. They were 'ofta' have to take into consideration what the Public Utilities Board has said as of last week. So there'll be a lot of different angles to look at.

Mr. Lindsey: So, when your department did up these budgets and prepared for Budget 2018, Efficiency Manitoba was already declared to be in place. The bill had passed. But there's nothing anywhere in these budget documents that talk about potential funding. So where does the minister plan to get the funds to start off with a CEO, with an acting CEO that's in place now, with an initial board?

How—where does that funding come from?

Mr. Cullen: I will begin by saying that Efficiency Manitoba's mandate will be based on results. And it's a company that will be designed to provide results to Manitobans. If the member would take a look at the legislation around Efficiency Manitoba, he will recognize the funding mechanism in there.

Now, we're not exactly sure—I mean, we're not as government necessarily going to be prescribing what program falls under that Efficiency Manitoba. Clearly, we're reviewing the existing Power Smart program now, what works and what doesn't work. The Public Utilities Board has made a recommendation that some of those programs are not effective, so we will take that into consideration.

* (16:10)

Ultimately, at the end of the day, the board of directors and the CEO will decide what the programming looks like. And if the member goes back and reads the legislation, there are targets prescribed in the legislation, and Efficiency Manitoba has to meet those targets. So the board of directors will determine what the program looks like to meet those targets, and then funding will be determined out of that; the budget will be—determined that. So it's about outcomes first and work back to the budget.

I know previous NDP liked to spend money, and there would be money they'd find somewhere and they'd spend the money first, not worry about outcomes. This is the opposite of—this is the opposite approach. This is about finding outcomes and then figuring out how we're going to pay for it. And when I say that too, I'll go back to my earlier comments about the board of directing—board of directors will be consulting with stakeholders across Manitoba. So these will be industry experts who have history in energy efficiency. They will be making recommendations to the board of directors. Once the board of directors has all that information, they can determine what programs are going to work, which programs won't work, which programs will come into play and how those programs will be funded. And they can establish a budget from there.

So that's the process. If the member takes the time to read the legislation, I think that it'll become apparent that that's probably a better approach than just throwing money at the wall and hoping it—something works.

Mr. Lindsey: So, then, am I to assume that the CEO, the board of directors, will be working for free?

Mr. Cullen: I'd be surprised, but maybe the member's optimistic that they would work for free. No, clearly, clearly, they won't. I mean—and if the member does go back and read the legislation that creates the Efficiency Manitoba, he will recognize the funding will flow from Manitoba Hydro. So the

focus on results, figure out what the programming's going to be, in consultation with our stakeholders, and design the budget from there, and the budget will be funded by Manitoba Hydro.

Mr. Lindsey: So, okay, if I begin to buy into the minister's theory that there is no budget for Efficiency Manitoba—there's nothing, certainly, in these budget documents that talk about a budget for Efficiency Manitoba. So this board and the CEO, they're going to develop a game plan; they're going to travel around and talk to people; they're going to have a budget developed after the fact. Where are they getting paid from now?

Mr. Cullen: Well, I better clarify for the member here that there's no board in place at this particular point in time, so there's no payroll at Efficiency Manitoba.

Mr. Lindsey: I'm well aware of that, but what the minister has just explained to us is that the board and the CEO are going to develop a game plan for Efficiency Manitoba, and from this game plan that they're going to develop—that will determine what the overall budget for the programs and one thing and the other are, but somewhere, until such time as those programs are all developed, and I recognize that the minister hasn't appointed a board or CEO at this point, but at some point in time, I'm assuming that if the board and the CEO are going to develop the program, they're going to need an office, they're going to need staff, they're going to need a computer, they're going to need a phone line, they're going to need all the things that they need to do their job, so from where in the budget is that money coming from for the initial start-up of Power Smart?

Mr. Cullen: Right. So let's clarify. I think we have to go back a step. The existing Power Smart program is still in place. So Manitoba Hydro are still funding the existing Power Smart program. Whether it be the staff there where people are engaged full time with Power Smart or whether they're part-time with Power Smart, Manitoba Hydro are covering their costs.

Manitoba Hydro are also covering the program costs as well, as well as office space costs. So this is a transition to a new entity. So, the legislation says Manitoba Hydro will cover the costs of Efficiency Manitoba. So it will be a transition, and that's part of the work that the current—the acting CEO is doing right now with Manitoba Hydro, is what does that transition look like, and how will those funds flow to cover the period in that transition, whether it be

office space, staff or expenses to the board of directors.

Mr. Lindsey: So, all of this wondrous stuff that's going to happen is funded by Manitoba Hydro. At the same time, Manitoba Hydro currently has the Power Smart program that's had results that have increased efficiency and stuff throughout the years that it's been in business. But now the government has cut the advertising budget for Power Smart. No hard-and-fast deadline as to when, I guess, the initial program—sometime this fall, kind of a loose suggestion of when something called Efficiency Manitoba will be functional. And then Manitoba Hydro will continue to fund Efficiency Manitoba going forward, the same as what they've funded Power Smart. Is that correct?

Mr. Cullen: Yes, a few things there. Let me begin by saying we did stop the advertising expenses that are going out to promote a brand which is on its way out. So why would we continue to fund Power Smart when the Power Smart brand is actually going to come to an end? That didn't seem to be much of value in doing that. It's money that can't go back to individual Manitobans.

Clearly, there will be some advertising required around Efficiency Manitoba. Efficiency Manitoba board will determine what that particular advertising campaign looks like. There still is advertising that's going on that actually doesn't cost money, you know, whether it be bill inserts, there's some door-to-door canvassing, social media costs, those types of things, e-newsletters. There's editorials and articles and papers and whatnot which don't cost Power Smart money. So we think that's a positive thing.

And we've seen some positive results in other provinces when we've taken a different approach to the efficiency programs. So we're quite optimistic, and this is the whole premise behind Efficiency Manitoba, that Efficiency Manitoba would be more efficient than the current Power Smart program. And I think that's very important. And I think we're using the term power smarter, quite frankly. And we want to make sure that we get the best value we can for individual Manitobans who are trying to save money on their power bills. And that's really what it's about at the end of the day, is how do we get best value for individual Manitobans and save them money at their kitchen table.

So the funding in the budget will be set by the board of directors. And I—well, I won't say it's going to be the same as Power Smart, because, quite

frankly, we get people like the Public Utilities Board saying some of these programs just don't work. So clearly we have to go back and revisit which programs are successful and which programs aren't. And we're going to do that in consultation with the Public Utilities Board, and we're going to do that in consultation with our stakeholders across the province. Many of these stakeholders have expertise in these energy-saving projects, so we're really looking forward to continuing that dialogue, quite frankly, with our stakeholders. And that'll be very important for the board of directors as they move forward on this very important corporation.

*(16:20)

Mr. Lindsey: I thank the minister for that. So who's actually going to be responsible for hiring the CEO of Efficiency Manitoba? Will it be the board? Will it be Manitoba Hydro? Will it be the government?

Mr. Cullen: Yes, the board of directors will be responsible for hiring a CEO.

Mr. Lindsey: Thank you for that. So the board is going to look after hiring a CEO if and when there's ever a board appointed. The government will issue to the board and to the CEO roles and responsibility letters and—what was that other letter? I forget the name of it again—mandate letter. All of that will be issued to the board of directors and to the CEO by the government. Is that correct?

Mr. Cullen: Yes, this will be a phased-in approach as well. You know, we're currently going through that with our existing Crowns. So, in my view, I'd like to have a board of directors in place—you know, we can talk about, in general terms, about the mandate. We can talk in general terms at that time about roles and responsibilities, but I think that's an ongoing discussion that we have to have with the board of directors in terms of exactly what those roles and responsibilities will look like.

We certainly have the framework in terms of the relationships that, say, the minister would have with the chair of the board, the deputy minister would have with the CEO. We have those basic frameworks and we get into specific roles and responsibilities with each corporation. So, clearly, once we get the board in place, there'll be more discussions required so we can get into the fine tuning of what the complete roles and responsibilities will look like.

As far as the mandate goes, you know, we can go back to the legislation and pull out what the mandate looks like from the legislation and provide

that, you know, upfront to the board of directors. Obviously, the whole mandate discussion will be an evolution as we go forward. Any time you establish a new corporation with, in essence, a new mandate, it will take some trials and tribulations as we go forward. So we look forward to working with the new board of directors at a new corporation and see how we can do good things for Manitobans. Because, really, at the end of the day, that's what it's about, is providing a hand up to Manitobans.

Mr. Lindsey: Will the government be appointing one of their MLAs to sit on the board of Efficiency Manitoba?

Mr. Cullen: No.

Mr. Lindsey: Could the minister tell me what all boards they do have MLAs sitting on?

Mr. Cullen: So it's the current legislation that allows MLAs to sit on the Manitoba Hydro board, Manitoba Public Insurance and the Manitoba Centennial Centre Corporation; those three Crown corporations. So, currently, there's no MLA on MCCC and there is no MLA on the Manitoba Public Insurance board. We just have the one MLA on the Manitoba Hydro board.

Mr. Lindsey: I guess that begs the question: Why is there one MLA on the Manitoba Hydro board but not on any of the other boards?

Mr. Cullen: Well, as I indicated, that's what the legislation allows, so I thought I would lay that framework out for the member opposite. As far as the Manitoba Centennial Centre Corporation, to my knowledge, there hasn't been an MLA on that particular board for quite a number of years.

Manitoba Public Insurance, we did have the member for Gimli (Mr. Wharton) sitting on that particular board until his appointment to Executive Council, and we have not replaced that particular position.

Mr. Lindsey: So, clearly, the government doesn't see it as a priority, then, to have an MLA on the MPI board if you haven't replaced the last one that was there.

So, if the current MLA that sits on the board of Manitoba Hydro was to decide to become something that wouldn't allow him to sit on the board, or he just decided he didn't want to be on the board, would the government look at appointing another MLA to that board, or would the government get out of putting MLAs on boards altogether at that point in time?

Mr. Cullen: Well, clearly, that would be a discussion the government would have, that would be a discussion that Cabinet would have, and a bit of a hypothetical question that I'm not able to answer.

Mr. Lindsey: Okay. So if the government decided to appoint another MLA to one of these boards, would they make sure that they clearly laid out what the roles, responsibilities, expectations were of that MLA before they appointed them to a board?

Mr. Cullen: Right. The individual MLA that sits on a board is, you know, has the same fiduciary responsibility as any member of the board, would be, in my view, obviously subject to the same roles and responsibilities as any member of the board. And I think, you know, we try to appoint people with the background that they can bring some expertise to that respective Crown corporation, you know.

And I think in this particular case of Manitoba Hydro, we've got an individual has a—certainly a business background. He brings that to the table. Obviously, we're representing an area in rural Manitoba as well, which brings a different element to the discussion, which, I think, is important. Certainly has a background in the boilermaker industry, and certainly appreciates that; appreciates the union sector that we're working in within Manitoba Hydro; and you know, seem to appreciate the good work that he does there. And I'm sure he will voice his opinion, as other members of the board have the responsibility to voice their opinion at the board. So we certainly respect the work that he does at the Manitoba Hydro board.

Mr. Lindsey: I'm certainly not questioning the current MLA that sits on the board. I'm not questioning his capabilities. But I think we kind of established yesterday that, really, when he got appointed there, there was no clear role and responsibility that went along with that, as far as his role as an MLA, as his role as government.

So will there be any attempt to clarify that for this existing position or any future appointments to boards from government MLAs?

Mr. Cullen: You know, we as a Province have had a history of allowing MLAs to sit on various Crown corporation boards, and the legislation has never really prescribed what that relationship should be or what that responsibility should be or the reporting mechanism should be.

* (16:30)

And, you know, now that we have our new legislation with The Crown Corporations Governance and Accountability Act, you know, we're trying to fully understand what the relationships are between government and Crown corporations and, you know, I think we've made some pretty good strides in that regard. It's certainly something that, you know, may be considered down the road in terms of these individuals being unique on boards, being MLAs. So that's something that maybe could be considered and it may be a discussion that Cabinet wants to have.

Mr. Lindsey: I appreciate the minister's answer on that. I just—I'm not opposed to government MLAs sitting on some of these boards. I just would have assumed that they were there for a purpose and, apparently, that's not as clear as what I assumed it would have been. So I'm just hoping that the minister's aware that, perhaps, maybe some of the heartache that's been caused with the Manitoba Hydro board might not have happened if there would have been some sort of relationship, communication, clear line of communication that didn't violate any confidence.

But, if that government appoints an MLA to sit on a board of the Crown, one would assume, again—and perhaps rightfully or wrongfully—that that person is there for a reason. So I guess it would be really beneficial, I'm sure, to the minister to really understand what that reason is going forward. So I appreciate what the minister said about potentially looking at incorporating something in that regard. So can we expect to see anything in that regard any time soon?

Mr. Cullen: You know, it may be an oversight from previous governments that they—there was nothing prescribed in legislation outlining roles and responsibilities. You know, I'm certainly willing to take that under consideration. It's obviously something that—you know, a Cabinet discussion would be the right approach in this regard, and I think we'll leave it at that.

Mr. Lindsey: I appreciate that. I guess, maybe, previous governments understood what the role was. I don't know; I wasn't a member of any previous government, so I'm not aware of it. It just does still seem odd to me that the government put an MLA there for a reason without really knowing what the reason was. So I look forward to the minister exploring that for his own edification to understand

what that position is on a board for, and I look forward to seeing the results of that.

So where shall we go now? I'm sure the minister would love to spend more time talking about Manitoba Hydro and we can do that, but, certainly, the minister's responsible for a few other Crowns as well that we should at very least spend a little bit of time talking about.

We may come back to Hydro again, but can the minister update this committee on the Liquor and Gaming Authority or MBLL's activities in preparation for the legalization of cannabis?

Mr. Cullen: Thank you very much. And I appreciate that question.

Talk a little bit about Manitoba Liquor & Lotteries' role in the cannabis distribution process. It's turning out to be a very complicated process, this whole cannabis. It's—there's a lot of things that have to happen in a hurry. And we've—as government, have spent quite a bit of time working through the process and working through the regulatory process as well.

So the main role for Manitoba Liquor & Lotteries will be in the acquisition and distribution of cannabis. You may want to frame it as a wholesaler, I guess, as much as anything. So Manitoba Liquor & Lotteries are working with the producers of cannabis because they will have to be—and they're in the process of finding product that they can bring in to Manitoba or source in Manitoba and then provide to the retail operations. So Manitoba Liquor & Lotteries will not be in the retail business, but they will be making sure that they have supply for the retail sector.

So, clearly, they're working with the retail folks as well in terms of making sure that they are securing contracts and have the regulatory framework in place to do that.

Madam Chairperson in the Chair

And through that process, Manitoba Liquor & Lotteries will—is working with Liquor and Gaming Authority, possibly soon to become the liquor, gaming and cannabis authority here in Manitoba. So the liquor and gaming and cannabis authority are—will be the regulator of cannabis as well as lotteries and gaming. So they will be the regulator.

So, clearly, Manitoba Liquor & Lotteries will have to work hand in hand with the regulator as well to make sure that the process is established, the retail

markets are established, they're playing by all the rules, and that's really their role in there.

* (16:40)

So it will be a acquisition, potential storage and distribution for Manitoba Liquor & Lotteries. And I think they're in the process of asking for a call for listing, so potential suppliers of the product will be—they'll be working with the potential suppliers of the product in the very near future.

Mr. Lindsey: So, if I understand correctly, the minister said that Liquor & Lotteries is looking for suppliers at the moment. So just to be clear, the minister chose four proponents as part of the issuance of an RFP to distribute cannabis in Manitoba; that's something different than what the minister's just talked about looking for suppliers?

Mr. Cullen: Yes, I'll try to clarify. Manitoba Liquor & Lotteries is charged with ascertaining product and then getting it to the retail—the actual retail stores. So they're in discussions now with the various producers trying to make sure that we have product available in Manitoba. Obviously, we have some operations in Manitoba; we're hoping to source that locally, but we'll see how that process unfolds. It may be a little premature to say exactly where they—product is going to come from that will actually, eventually be retailed here in Manitoba.

I guess through the RFP process, and this goes to the retail side of it, there was an—quite a few applications, submissions. I think it was over 100. *[interjection]* Oh, sorry, 60 submissions for a retail—called a retail structure, I would say. It's not necessarily an individual retail store, but a retail structure. So it would allow more than one front as per that submission.

So there is that—over 60 RFPs came to government. Government vetted those submissions. Four companies were selected for retail and, again, I'm not sure the number of storefronts that will be involved in those four retail operations, but, in essence, we've got four retail operations established for phase 1, if you will, on the retail side for cannabis.

Mr. Lindsey: So Liquor & Lotteries has—or the government has—which has picked the four? Is it Liquor & Lotteries itself or is it the government that has selected?

Mr. Cullen: Yes, the RFP process for the retail operations was through Growth, Enterprise and

Trade. So it was through the Department of Growth, Enterprise and Trade and I believe there was a committee established within Growth, Enterprise and Trade that vetted and reviewed those RFPs, over 60 RFPs. So it was actually a government decision in terms of who the retail is—operations are going to be.

Mr. Lindsey: Thanks for that. So the government has picked four retail, not stores but retail entities. Any of those Manitoba entities?

Mr. Cullen: Yes, there is Manitoba components to the successful retail entities. I think some of these successful bidders were various consortiums, not necessarily just one business entity. So, some of the consortiums—there is Manitoba people and companies involved in these consortiums. So I can't give you a level of detail in respect of your question other than to say, yes, there is a—Manitoba components involved in this—the retail side.

Mr. Lindsey: And there's a reason you can't give me the level of detail that you know full well that I want?

Mr. Cullen: Yes, I don't have that information on my fingertips, but we can endeavour to find out the Manitoba involvement in the first four successful retail operations in Manitoba, bearing in mind that we're optimistic things will go well and we will be entering into phase 2, hopefully, somewhere in the near future as well.

Mr. Lindsey: And what exactly is phase 2?

Mr. Cullen: Let me begin by saying that we haven't actually established all the regulatory framework around cannabis retail yet and we're obviously waiting on some of it by—from the federal government. The federal government hasn't established all the rules around the sale and distribution and all the other regulatory framework that's involved in cannabis.

So I'm not sure if we're going to meet that early July date that the federal government wants us to implement. I'm doubtful that will happen. Obviously, we have legislation that's pending as well, awaiting the results of federal legislation. So I'm afraid that initial July date will probably be pushed back, but hopefully, that will buy us some more time to make sure that we are ready, and not just us as government, but, obviously, the retail sector, it has to be ready, and the regulatory framework has to be in place and, clearly, the legal authorities and law enforcement people have to be ready and I—quite frankly, I don't think they're ready to go as well.

So, hopefully, it does give us a little bit of time to make sure that we get the framework in place. Certainly, from Liquor & Lotteries' perspective, we want to make sure we have that product available for the retail operations, which I think is important.

The way we see sort of the phase 2 rollout, it'll probably be a subsequent request for proposal at some point in time. We, as government, do have an internal committee, which is—represents a number of departments; and, actually, we have Manitoba Liquor & Lotteries involved on that committee, as well. So they're currently, you know, keeping an eye on terms of how things are progressing here in phase 1. There's other implications; obviously, we go—as we go forward around the retail component, so they will be monitoring the retail component from phase 1, to see how the evolution or the transition to phase 2 may go.

* (16:50)

So we certainly—we will be learning as we go through the process, so we're not in a hurry to get things done, but we want to make sure things get done right. And that's really, sort of, the oversight behind this internal department committee, is to make sure that we get things done right.

Mr. Lindsey: Okay. So just to back up a little bit, or switch gears a little bit, I guess, has Liquor and Gaming Authority or Manitoba Liquor & Lotteries conducted any public opinion research on the legalization and sale of cannabis?

Mr. Cullen: Yes, both Manitoba Liquor & Lotteries and the Liquor and Gaming Authority have done some research in terms of social acceptance, individual acceptance, and marketing of cannabis.

Mr. Lindsey: So can the minister advise us what the cost associated with this research would have been and which companies were contracted to do this work?

Mr. Cullen: Manitoba Liquor & Lotteries did their own internal review, in terms of the question the member asked, so I don't have the, you know, what that particular cost would be. I would assume it was part of their ongoing operations and surveys that they would carry out. So probably an add-on to some of the existing surveys that they do, clearly their ongoing review of their social responsibility.

As you would know, there's—2 per cent of net revenue is allocated back to social responsibility under Manitoba Liquor & Lotteries. Right now that's

about \$12 million a year. So we want to make sure that Manitoba Liquor & Lotteries are investing that money wisely, in terms of the social responsibility side of things.

As far as the Liquor and Gaming Authority, that falls under Department of Justice. So I don't know if they did their own internal surveys, or whether they would've hired someone to do those respective surveys.

Mr. Lindsey: So will the minister undertake to get back to us on those costs and any information that he can get from the Department of Justice on surveys or research that they've done?

Mr. Cullen: Yes. As I indicated, in respect of Manitoba Liquor & Lotteries, this would have been a part of their ongoing social responsibility surveys, so it may be very difficult to break down the cannabis component from their ongoing operations.

Certainly, I will endeavour to check and see if there is a separate line item for that, but my gut feeling is they may not have kept a separate line item and broke that particular component down. If it was in conjunction with the regular surveys, they may have just added a survey line regarding cannabis to it. But I will endeavour to check and see if there's a separate line item there.

As far as Liquor and Gaming Authority, I think that might be a question that better—subject to the Department of Justice to find that information.

I will also mention that Manitoba Public Insurance have also done some voluntary road-side surveys conducted as well. And, actually, some of that information—I remember reading the MPI information was quite disturbing in terms of what they found in terms of people taking alcohol and cannabis at the same time, as well as other medicine, too. So a combination of, you know, your regular medicine plus alcohol and it—sometimes throwing in some cannabis. So, some real disturbing numbers in that regard in terms of what Manitoba Public Insurance found about drivers under the influence and under the influence of various narcotics.

Mr. Lindsey: I would appreciate, then, the minister's agreed to undertake to provide as much of that information as possible.

Now, talked a little bit about the 2 per cent set aside that Manitoba Liquor & Lotteries—or whatever their future name may be—and that some of these surveys would have come out of that cost. Now, my

understanding from some stuff that was reported earlier on is that Manitoba Liquor & Lotteries has substantially underspent that 2 per cent—certainly in the last year, and possibly longer than that.

Is that correct?

Mr. Cullen: Yes.

To clarify, the legislation says that the—Manitoba Liquor & Lotteries has to set aside 2 per cent of net income. And last year, that was about \$12 million. So the legislation does not prescribe that it has to be spent within a given year, but that that money has to be allocated for social responsibility. And that's been in place for quite some time now. And very rarely does every dollar of that 2 per cent gets spent within that given year, but it is accounted for separately. So that money has to be allocated to be spent on social responsibility. So, this year, there was a—I'll call it a carry-over, in that account that was not fully spent.

And I will say we're trying to make sure that we're getting a value in where that money is spent. We don't want to spend money just for the sake of saying we spent money. And, quite frankly, these are some of the most vulnerable people in our society that need our help. So we want to make sure that we're investing that \$12 million wisely.

Now, having said that, we recognize the Minister of Health has a report on his desk dealing with mental health and addictions. And we're hoping there'll be some positive guidance for government in terms of how to make sure we're getting best value for our resources. So I'm looking forward to the results of that particular report. Then we can take that particular report and we can go back to Manitoba Liquor & Lotteries and make sure that we're investing our \$12 million as well as whatever other resources that the Manitoba Government is spending.

And we do know there is some money being spent over in the Liquor and Gaming Authority, as well, in terms of the social responsibility piece. And Manitoba Public Insurance are obviously advertising, as well. So we've got a lot of players within government that are investing money on the social side of it. We—it's incumbent upon us to make sure that we're getting value for that money.

So I'm not concerned about that particular budget not being spent. We—I just want to make sure that it's being spent properly. And that's really our goal at the end of the day is to make sure that that money is being invested wisely, because, as

I said, these are about individual Manitobans and Manitobans' lives, so we want to make sure that's done properly.

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

FAMILIES

* (15:20)

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 Families, which last met on April 13 in another section of Committee of Supply.

As previously agreed, questions for this department will proceed in a global manner.

The floor is now open for questions.

Mrs. Bernadette Smith (Point Douglas): So we last left off on housing. We were talking about Rent Assist. We heard that—we talked about how many housing units—how many were being repaired. I'm wondering if the minister can talk about what the average rent—because we've heard that rent is increasing from 28 per cent to now 30 per cent, what that—the average rent in Manitoba Housing tenants is going to be for 2018-19.

Hon. Scott Fielding (Minister of Families): Well, we made some changes, going from 28 to 30 per cent, which is kind of—the CMHC, they set kind of a guideline of what rent should be compared to incomes on a national basis. So I guess the long and short answer is it really depends on what your income is, and then we base that on 30 per cent—the 30 per cent marker that's that national average in terms of what you—right now if you are on EIA that, of course, isn't changed. So that's probably the best way to take a look at it.

Mrs. Smith: So do you have an average rent for 2018-19? Because we know there's people on EIA, but we also know that there's people who are working that are on subsidy and then there's also people who are on fixed incomes. So, if you could provide those, that would be great.

Mr. Fielding: All right, we don't have the exact dollars, but we can, I think, probably give you a good ballpark figure that may suit us. And the way we came up with this, we looked at the revenue that's brought in through Manitoba Housing, through rents compared versus the amount of—would be the

renters, the amount of people that are renting in it versus the revenue that comes in. So it averages out to about \$450.

But, again, it's hard to kind of pinpoint one because it's really based on income. So if someone's—has a higher income level per se, they're obviously going to pay 30 per cent of that. If you get a lower, you're going to pay low. So the number that I'm quoting you right now is a simple math equation, just the amount of people that are renting from us versus the revenue, that's a part of it. So that's the ballpark figure number. If you really want, we could probably have our department go back and have the exact numbers, but based on general—our revenues that we're bringing in versus the renters, that's the ballpark figure.

So, again, if you would like further details, I'm sure we could provide that, but that is generally the ballpark figure.

Mrs. Smith: Yes, that would be great if you could provide that.

So the minister just said that some people pay 30 per cent based on their income, and then some that are lower income pay less. Can you elaborate on that?

Mr. Fielding: No. So what I meant by that is it's based on your income, right? So if you're making more money, then they base it off that 30 per cent marker, right? And so we've gone to kind of a mixed level. Same thing with the Rent Assist program and the housing rental. So I guess my point is, if you're making more money, then, you know, they calculate it based on 30 per cent. So if you're making less money, you're paying less. You know, it's rent geared to income, right, so it's based on a 30 per cent marker.

* (15:30)

Mrs. Smith: I had a recent constituent get in touch with me that signed her lease that comes into effect November 1st, and it stated in that lease that if she is to gain employment that was above the 30 per cent, that her rent would go—flip over to market rent, is what I heard you say if—the more money you make, the more rent you pay. But there is no real timeline on how long she would be able to receive that subsidy in rent. So she's—currently is getting 30 per cent. She just got employment. She's paying—she'd probably be paying more for her rent. So she's worried in November that that'll flip over or she'll get

kicked out of housing because she's making more money.

Can you speak to if there's some kind of threshold that families can live in homes when making the higher amount?

Mr. Fielding: Sorry about that. I just wanted to make sure I got the right information here from our officials.

So there's three categories. There's social, affordable and market rents. And so I think you had said your constituent, they were at a certain level and then they got into the work world and then they were concerned that they were going to be kicked out, let's say, if they went through from, you know, from social to affordable. That wouldn't be the case. And I can guide you to—on the website it talks about some of the levels. So, for instance, for some social housing, if you're in a bachelor suite, for instance, that income level is around \$25,500. If you're in a one bedroom, it's \$37,000. If you're in a two bedroom, the income level is \$46,000. Then it goes to 48 for three bedroom and, you know, upwards upon that.

So that is the income level that's there. Then you would move into the second category, which is affordable housing. And so it—kind of the staggered system. So to that constituent, I mean, we'd probably have to get her or his, you know, correct information to provide, you know, their scenario. I don't have all, but I'm just—in generalities, there's different categories of support that is through the housing.

Mrs. Smith: So they came in—this constituent, they came into her house, and she signed her lease and looked around her house and told her that if she was to make a higher income, her place or her suite, essentially, would be market rent, which would be \$1,475, somewhere around there. She has a three bedroom. She's living in a townhouse. She's just getting into the workforce. And we don't want to put people in poverty right off the bat.

So what I'm asking, is there a threshold before people have to pay that market rent?

*(15:40)

Mr. Fielding: Yes, just a clarification on that.

So the way they base it is they look at your, essentially, your—what you made the previous year, right, or I'm assuming it's through your T4, right, through your taxes in some way or another. They—

you know, they evaluate what you made over the last year's period.

So let's say that lady, or man, constituent of yours, you know, got into the work world kind of later on down the line, depends on what they were based on the year prior, I guess, until they hit that income cap levels that are identified in our websites that should impact them, and that shouldn't really impact them any which way, even if they do move into a market level. There's not an ongoing campaign to, you know, scurry people out of our buildings at that level too, right, so it's just different categories.

And to be fair, I mean, it is fair, right, that's—the margins are set from social, affordable and market rents. And that's based on so everyone has, you know, the same—you know, it's an equitable type of system, right. If you make a certain amount of money, then you get a certain amount of subsidy, and it moves up to the affordable, and the market caps are, you know, there's some in places like Churchill and other items like that where you may have people that, you know, are coming in for work or whatever—there isn't a lot of affordable housing. And so that's where some of the market centres are based on, so.

Mrs. Smith: So, just to be clear, if she started working this month, her rent wouldn't go up 'til next year, until she gets her new tax, and then it's re-evaluated. Correct?

Mr. Fielding: Okay, so it's based on the—okay, there's two parameters. It's based on the lease renewal, so it really depends on where she is, or she or he or whomever is, is in that lease mold. So if they're in their first month, assuming we sign them on a yearly basis for the most part, so if they're in month—in the first month, they get a new job or they—it may or may not push them over that cap, the income cap. Number 1, it would take that time period to the lease renewal, which would be 11 months. And then it's also based on your income from the previous year. So, again, then, I believe they use the T4s from, you know, what you claim essentially for the government.

So that person, I guess where you're going with this, if all of a sudden they get in the work world, which is a very good thing, that isn't—they're not looking to change things right off the bat. It's done on a yearly basis when they renew the leases. And it's also based on your previous year's income that's there. So that person really has some time to make some decisions whether they stay or not, you know,

in their facilities. And so there's a time period for the most part.

I mean, it really depends on the circumstance of that person. So, again, just to kind of give you information to give back to your constituent, we'd really need to know all the details of that and we can probably advise a little bit better, but I'm just giving you kind of a general sense of how they evaluate these things and what the protocols are that are in place.

Mrs. Smith: Perfect, thank you. I just wanted to clarify to make sure that those parameters weren't changing. Because I know with EIA sometimes they'll ask for your income monthly to see how much you're going to get if you're going back to work, and she's in that kind of state right now.

So, going back to Rent Assist, we saw the Rent Assist increase last year. Can you provide the numbers of how many people that impacted?

Mr. Fielding: Okay, so there's two—as I'm sure the member is well aware, there's two sides of the program for the Rent Assist. So there is about 25,000 EIA—people that are on EIA that are essentially on the Rent Assist program, so since taking office and included any deductible changes. They actually saw every one, a part of that category, the 25,000. There's—I think there's around 33,000, 32,000 people that are on both programs together. Again, it's made up of around 25,000 EIA and about 7,700, depending on the month, that are on the non-EAs. So that's the working poor, if you will.

So the changes that we made—I think that's where you're going—with the deductibility going from the 28 to 30, which is in the national standard for the CMHC. They say what the standard should be in terms of what you should be paying in your rent. We also didn't make any changes to the mean market rent rate. So what they do is they do the evaluation and they say, what are rents like in the city—not just the city but the province overall?

So my point with this is the vast majority of the people that are on EIA that aren't really on the fixed income because they're either not working or on EIA for a variety of reasons saw an increase in their amounts they would get because we increased the mixed—the MM—mixed market rent. The changes that you saw were on non-EIA. So it's about 7,700. So since taking office there's about 2,800 more people that are supported under the Rent Assist program than first taking office.

I can probably add—because you'll probably add a few more comments to this bill. I'll just kind of pre-empt you a little bit here, but hopefully it gives you some good information. So for most people it—they would see about a \$4 per month—that's on average—increase in their monthly rent. And there would be a maximum. At the very maximum it would see a \$26 increase. So that's the very max. But the medium, the average person out there, on the non-EIA, the 7,700 on the non-EIA would see about a \$4 increase in their monthly amount they have to pay in for rents. Or the subsidy would go down by \$4. And that's something, you know, a decision when we came into office—I think it's fairly discussed that we did review the program over the last year and a half, and there was decisions made what we were going to do.

You know, from a government point of view, you know, we could have gone down the road the Saskatchewan government recently did where they actually decided not to take any new applicants. That was something that obviously was discussed. There was everything was on the table. And really what we decided to do—we thought that if we're able to maintain the amount of people—or better yet, I'll say it this way. If we look at the program the way it was going, we knew that it wasn't sustainable. So we did make the tough choice to change a bit of the deductibility, and what we did is we wanted to guide that towards what the national standards are saying is that you—what you should be paying on your rent, essentially, which is at the 30 per cent marker.

And Manitoba is a little bit different because we've got kind of a unique program. It's more universal, I would say, than other programs that are there. But what that allowed us to do is to really broaden it out and have more people supported under the Rent Assist program. So, again, I've kind of said this, but by the end of this budgetary year, what we've budgeted for could be upwards of 3,300 more people supported under the program than when taking office.

*(15:50)

Mr. Chairperson: I would like to inform the committee that, as part of ongoing efforts to update the Legislative Assembly's educational video series, the proceedings of Committee of Supply will be filmed this afternoon.

So just to inform everybody here that we will probably be on camera. Thank you.

Mrs. Smith: So, as the minister continues to reduce supports for families by increasing rent, we have no poverty-reduction strategy in Manitoba. But, yet, we're trying to get people—move them out of poverty. But, by raising rents for the working poor—doesn't make sense.

Can the minister tell us what's the highest and the lowest amount in reduction in support for these families, these individuals—families in Manitoba?

Mr. Fielding: I'll refer you back to my previous question. I did answer that.

I will inform you again that, on average, it's \$4. The vast majority—if you look at the program in its entirety, over 25,000 are non-EIA, and they will see actually—and did last year—saw an increase because we didn't make any changes at all to someone who is on EIA in the program. There is the mean market rent that goes up by 75 per cent—or, based on—I'm saying it poorly, but essentially they have seen an increase in their rents—the 25,000 people that are on EIA. The people that are non-EIA, that are working, you know, we went more towards the middle, right? The median amount, like, from what CMHC is suggesting is, should be the amount that you're—that we're putting—you know, people should be paying on rent towards it.

So I guess my point is there's a vast majority—25,000 people have seen an increase in it. And, on average, the person that would see a decrease—which is people in the non-EIA, the 77-and-some odd amount of people—on average, they would see about a \$4 decrease on a monthly basis. That's not a decision we took lightly, but that's the number as dictated.

I think you did ask, as well, what is the highest amount. And I believe that number—I just want to verify this because I do have it in my notes—is I believe \$26. That is the max that anyone would see on increase. The very max that anyone'd see in an increase.

Mrs. Smith: Sorry, just checking.

So the reason I re-asked that question is because you're saying \$4 per month, but then you said the average renter is paying around \$450 a month. So that would mean about \$11 in increases in rent. So can you elaborate—when you're saying \$4 per month, if we're paying \$450—even someone who's paying \$375 would be paying about \$8 more in rent.

So I'm confused here with these numbers that we're receiving because, I mean, \$11 to someone is, you know, perhaps a meal for the day. And that does make a huge difference. So does \$4 a month.

Mr. Fielding: Right, so I just want to make sure there's—like, we're talking about two different programs, right? There's the Rent Assist program—again, that's the 25,000 and 7,000, the non-EI Rent Assist—and there's also the rent-g geared-to-income programs, the social housing rental program, which is essentially rents that pay within our facilities.

So the math, just in terms of that—in terms of what the average rent—and it really—again, it really depends. Some people may be higher; some people may be lower. The 2 per cent difference going from 28 to 30 is based on your income, not based on the actual rent costs that are there, so I just want to make sure you're clear on the two programs.

What I can tell you, you know, through our officials, when we have done the analysis on this, the average person, you know, will see a \$4, I guess, decrease in the amount that we provide to them under the Rent Assist program. So that is the average amount for the individual, and the max is \$26. That's the most that anyone—I guess, a reduction in the amount that the government is giving to—or so.

And I don't want to—emphasize the fact more that these are tough decisions that we do make, but there is some rational thought behind why we made the decision, and the decision—and again, it was a tough decision when we made it almost a year and a half ago now. The program was under review, and we knew that it was an important program. We really pushed hard in opposition for it. It's something prior to me being elected. Although I was elected at the City Council level at that point. But the opposition at the point, which now is the government, really pushed hard to do the program.

And we are a bit critical of the government at that point because we had felt that the program, which we had called for for three years, was kind of done at the very last days of, you know, the administration. So we had some concerns on the timing. We thought that probably should happen a few years earlier.

And what we thought, we did this analysis—again, you know, Saskatchewan took a path where they weren't going to take any new applicants. We decided that we want to provide support to more people. And you know, I guess looking at this two

years later, we have been able to support, you know, by the end of this budgetary year, close to 3,300 more people than coming to office.

And I'm not suggesting that is the—you raised the poverty piece, and we obviously saw some of the stats that have come out. They're very positive trends, and we're happy to see those trends happening. Is that one of the factors? I would say yes; it is one of the factors. The CCB, of course, is another factor why people's incomes have gone up. But it can't explain just the Manitoba portion of things because the CCB, the changes to the Canadian child tax benefit—I'm saying the word wrong, but you know what I'm saying—the old baby bonus changes that happened in Ottawa went across the country. So everyone got that.

One variable that we really see from a provincial basis that potentially made a impact on the poverty numbers going from the worst in the country to the 5th best, having the most improvement of any province, is the Rent Assist program. And potentially, when you look at it, if you're able to provide the supports to more people on a broader basis, yes, the deductibility changed a little bit, but you're able to help more people. And if you're able to have more of a focus on, you know, getting people back to the work—we take great pride in some of the programs that we have through our EIA, jobs on market, jobs on—that really connect people with workplace.

So we've got a very low unemployment rate. That's a very good thing here, and we've been able to successfully get people into the work area. So we think a combination of a number of these factors has played into it, so we're happy about that, and we're happy that we're able to support a lot more people than when first coming to office.

Mrs. Smith: So, I just want to clarify: Is the average rent for EI Rent Assist renters \$450, or is this the average for rent geared to social housing income—rent geared to income social housing?

*(16:00)

Mr. Fielding: Well, I think the original question you asked was about the people in our facilities, right, so that is the rent geared to income—for the most part, rent geared to income individuals, not always, but for the most part. There's upwards of I think 18,000 units of Manitoba Housing, somewhere around that area, people that are supported in one way or the other. That 18—we own 18,000 units, so there's that

element, but the Rent Assist, which we're talking about now, the changes that we've made, you know, have an impact by about \$4, but again, you're able to support so many more people under the program that we've supplied the budget to for the last three years.

Mrs. Smith: So you referenced \$4. That's the low bracket. The highest amount that the—that people are receiving from the government is \$26, so the highest bracket. So \$4 the lowest—okay, let me rephrase this. So you referenced two numbers. So you said the lowest amount that people are receiving less from their Rent Assist is \$4. The highest amount is a reduction of \$26. Is this correct?

Mr. Fielding: No. No. What I'm saying is that on average, when you average it out, the mean or, you know, the average amount would be \$4 less, essentially, support that you're getting from the government. The very max amount that someone could, you know, have less money from the government because of deductibility changes that allowed us to have potentially 3,300 more people supported this year is \$26. So that's the max amount, but I want to be clear about that to the Rent Assist.

There's two elements of the program, right. So if you're on EIA, you're on fixed income, you've seen an increase, and substantial increases last year and this year. That—there's no change at all to 25,000 people that are the EIA Rent Assist portion of things. Where there has been changes is the non-EIA, so the 7,700 people that we support. It's around—will be 3,300 more people than when coming to office. So that's where there has been a change.

And so what we did is we decided to look at what the national average was. What the experts at CMHC had said is the amount that should be paid in terms of rent compared to your circumstances, and that's kind of—they look at this across the country and the average was around 30—was at 30 per cent. So we did make the tough choice to move to the national average. I can tell you that the vast majority of provinces have a very—in fact, had the 30 per cent rate. So now we're at the same level that I think places like BC and Alberta and I believe Saskatchewan—I'll have to verify Saskatchewan for you. So those provinces were already using that national standard, the 30 per cent, and so we moved towards that, but you know, again, these are tough decisions that you make, but we also think that the fact that we're able to support that many more people is one of the factors of why we've gone from the child poverty capital, really, of the country to a better

position, about halfway through the pack, most improved. So, yes.

Mrs. Smith: Those are last year's statistics. It'll be interesting to see what next year brings, especially with all of the cuts and the increases to, you know, transit, to housing, to tuition, and I hope that we get better. I mean we don't want to see any kids in poverty in this province, obviously. You know, kids are non-partisan issues and, you know, even debating about children in poverty, you know, makes me nauseous because I mean that should be our top priority. Kids in this province are our future.

So I'm going to ask this question again. I asked it earlier and I'm still not clear on it. Is—what is the average rent for non-EIA renters that are receiving Rent Assist?

Mr. Fielding: Well, just in the essence of, you know, clarifying, making sure all the right information is on the table, and so you know, you mentioned transit, so I just want to clarify that, and I—you know, I was on City Council for eight years and I chaired their finance. I can tell you two things about that. Number 1, before we get into your second topic, it is clearly the City of Winnipeg that decides transit rates. So, if they decide to increase their rates, that is something that is clearly a City Hall decision, but to clarify our funding source, we haven't decreased any funding towards transit to the City of Winnipeg.

And what we tried to do—and I think makes some logical sense, knowing there's different levels of government, giving the City autonomy, in terms of their own decision-making processes—we decided in a variety of ways to bundle up the money and say, you know, you have a fair say, in terms of how you are doing it. So we've given you the money, and they're able to fill the voids with it.

When you also talk about transit, I think it is relevant to suggest that they do need to be a bit more efficient with the running their operations. I was participating in one of the debates that was on the floor of council in regards to this.

So to be clear, we didn't cut any funding. The funding is exactly what it was last year. In fact, I would argue that the commitment that we made through bus rapid transit, I'm hopeful that that will essentially show, if you're travelling from downtown to the university, a net reduction in the amount of time you have, but I haven't see the numbers to verify that.

But my point is we are investing what I'll say is millions more, tens and hundreds of million dollars more in transit because that investment in rapid transit, as well as our commitment to, you know, a transit system that's in place, the one thing—and I'll just go off, stop my tangent on the transit piece with it but what does need to happen is to look at ridership. Because I did have a chance to look at the city's financials, the year-end financials.

And what it did show was that there was actually a reduction of ridership for transit users. Yet—so the ridership was down, yet the expenditures were up, which is not a good trend. So I do support the City's call to have an efficiency review of transit, to make sure expenditures are there.

So I think that answers the question in terms of that. The poverty—I think we can agree poverty is a major issue in the province, and we need to address it. And whether there's good trends or not, we think that's—it's a good step in the right direction, to answer your question on the rent-geared income.

And the Rent Assist, again, the most—the average amount would be a \$4 decrease of the changes we made, but you're getting a lot more people that are supported. And the rent-geared income, based on \$450, has been changed from the 20 per cent of your income.

It's rent-geared income, right, so it really depends on what you make, and that's gone from a 20 per cent to 30 per cent, which is based on the national trends, a national average that CMHC dictates. So I hope that answers your question.

Mrs. Smith: No, it doesn't. I'm asking what is the average rent for non-EIA renters using Rent Assist?

Mr. Andrew Smith, Acting Chairperson, in the Chair

Mr. Fielding: Well, okay, so, you know, I'll start by saying this, and I'm going to get into some context of this. So really, the Rent Assist program is income supplement, right. So it's—so what happens is you look at the—of what money someone is making, and you provide a supplement for that. The advantages to the Rent Assist program is it's in the private marketplace.

So we provide you with a certain amount of money, no matter where you rent. You could rent somewhere down Wellington Crescent, where it's very expensive. You could rent somewhere else in the province that's very cheap in rent, but it's—but the Rent Assist program is based on the income that you

bring in. It's really a choice to an individual where they want to rent.

* (16:10)

And so let me just get into a little bit of the portable shelter benefit. And the feds have talked a lot about this, but the reasons why I really like a portable shelter benefit are this—and sometimes advocates will come and they'll say, well, you should build 300 new units of, whether it be Manitoba Housing stock—from my point of view, I think a rent 'sup'—a portable shelter benefit is a better process and I can tell you why. Number 1, it takes a long time to build an affordable housing unit or a social housing unit, I would say. And I used to be involved in some of the zoning processes and all that sorts of stuff, but probably from the time you do the design work, you do the zoning, you do the building of it, it's going to take you two, three years. So let's say you build that unit, maybe it's 300 suites that you could have, it's going to take you about two, three years for that to happen.

With a portable shelter benefit, you get the money right now and you get choice. If you want to live in the North End or if you want to live in Lindenwoods, if you want to live in St. James or in Kirkfield Park, wherever you want to live, you can live. So it gives an individual choice, which I think is really important.

It also gives immediacy, right, where you can, instead of waiting long times for someone, the government or whomever to build, you know, a housing unit, you can go in the private market to rent a facility. And I don't think that's an issue because if you look at the vacancy rates, the vacancy rates probably about four, five, six years ago, were very low, but in the province they've actually been at more of an acceptable level. So my point is that there is supply. People do have supply that's there.

The other thing that I really like about a portable shelter benefit like the Rent Assist program, is the fact that if governments down the line—for instance, like we're left with about a \$500-million deferred maintenance cost on all our housing stock. So if you have a rent supplement, that's something where the government isn't always reinvesting and fixing up housing stock that's there, maybe you make decisions to provide rent-geared to income on things like non-profits or anything else. But the deferred maintenance cost that we are left with isn't there, so what we could do is spend that money, the \$500 million that it would cost to fix up the rent sups

on things like education or things like other housing means.

And probably another important stat is the fact that once you build an affordable housing unit you factor in all the money it takes to run it as well as the operations of it, the costs are somewhere upwards in the neighbourhood of about \$23,000 on a yearly basis to operate. So what I can do as a minister, as the government, we can provide a rent sup for around \$3,600.

So my point with this is I can support affordable and social housing more and more for—so like, six-to-one with a portable shelter benefit than—you know, for the government to take on debt financing to build a new facility. I think that there's a balance between the two, and we need to do a little bit of both.

But I'm really excited about a portable shelter benefit and I've been a big proponent of what the federal government's been talking about the rent shelter with a portable shelter benefit, which I think is really the way to go as a province, so.

Mrs. Smith: I'm not sure why the minister doesn't want to answer this question. I've asked it—you know, we've spent probably 20 minutes talking about what is the average rent for non-EIA renters. You can give us what the decrease will be—\$4 a month, but you don't want to give us what the average renter is. You said \$450 for EIA. We know that EIA is baseline, that it doesn't go up or down. It's based on what they get from EIA, but I'm not—I don't understand why the minister doesn't want to answer this question.

Mr. Chairperson in the Chair

Mr. Fielding: Well, the answer is because we're not providing the rent, we're providing—it's an income supplement; it's not a rent supplement, so if you're asking me what is the average income supplement that we're giving to individuals, I can tell you that, but I'm—to be fair, you're asking me what someone is paying in the marketplace for a non-EI rent person, right? They go across the city, wherever they want to reside they reside, and we provide an income supplement.

So I guess my point is you are asking a question that we don't provide a subsidy for, so if you want I can tell you on average in February for a senior, for an income supplement, the amount of money that we provide on an income supplement—I don't know what they're paying, what their actual apartment costs, to be fair—is \$192.92 for a senior. For a family,

it's \$439.44. For a disabled person, it's \$288.69, and for the general category, it's \$332.36 on average.

So I was answering the question. You're asking me something that the program isn't. It's an income supplement program. It's not a rent supplement program.

Mrs. Smith: But as I referenced earlier, a \$4 decrease per month would mean that those renters are paying less than \$200 per month, so your numbers don't add up. That's where I'm confused, because we're increasing rent for the most vulnerable people in our province that are asking for subsidies, and here we are yet again, within two years of you being in government, increasing rent by 5 per cent to people in Manitoba that are actually in need of this program.

We have a housing crisis in Manitoba. There's not enough housing, and we talked about this in our last session, that there's places that just need a paint job, that, you know, people can be living in there, but there's not enough people to do the work.

And, I mean, I have people coming in my office weekly asking for help for housing, to get into Manitoba Housing. They'll get a letter. You know, they're following up to make sure that they're still on the list. They're not even getting an interview. And some will get a letter to say that they're approved, but then no interview's set up. And, you know, meanwhile, we have people living on the street, and we have housing sitting empty. And we continue to increase Rent Assist, and yet we're talking about moving people out of poverty? That doesn't make sense. Like, if we're going to move people out of poverty, then we need to have safe, affordable housing at a rate that people can afford.

And seniors are on a fixed income. If we can continue to increase that—and people that are coming out of poverty, you know, they expect to have somewhere to live. And if we're not providing those services at an affordable rate that, you know, families can access, then we're doing a disservice to Manitobans. We can't—and you reference other provinces. You know, when we look at Manitoba and we look at the poverty rates here, we don't have a poverty strategy, No. 1; we have a housing crisis, No. 2; we have children that, you know, are going to school hungry, and we have people on the street that are homeless that, you know, require our support. And we're failing in all of these areas. And we continue to raise, you know, Rent Assist to 30 per cent.

Can the minister tell us if this rent increase is going to happen again next year?

Mr. Fielding: Well, first of all, I—the premise of your question is inaccurate, okay? And, again—and I explain why: because, you know, there's two sides of the Rent Assist program, right? So there is the EIA. So, that's people that are on a fixed income. Those are people—I would argue—you mentioned vulnerable people. I would argue, of the thirty-three-some-odd thousand people that are in the Rent Assist program, probably the people that are on a fixed income are unemployed—would probably be one of the most vulnerable sectors. I'm assuming you would agree with that statement. There's nothing controversial about that.

So that has not been touched at all in the two years since we took office. In fact, it's been increased because there's absolutely no changes, so 25,000 people that were in the program over the last two years have seen an increase in the amount that the government gives to them in one form or another in terms of the subsidies.

So the most vulnerable people, to be fair, has been supported. And, you know, we could have made a whole bunch of decisions, but we talked about the mean-market-rent component of this being at 75 per cent. That has not been changed. So to talk about the most vulnerable people, the vast majority of these people that are vulnerable in this sector have actually seen an increase. Like, that is a fact. It's—there's nothing—that's not a disputable point. I respect your opinion on it, but that's not a disputable point; that is a fact. Like, there has not been any changes to that side of the program.

The other side of the program, you're absolutely right. We made—we reviewed that program, the non-EIA Rent Assist. We reviewed it, and what we determined was that we thought what we could do is provide more supports to individuals. And so I'm proud of the fact that by year end, with the budgets that we've allocated for the last three years—and it has—in three budgets, not three years, three budgets—we've been able to support more people than when we came to office. Right now it's around 2,800, but by year end, it'll be around 3,300.

* (16:20)

So we made the determination that maybe we had to change the deductibility of that to match what the federal government is doing. That hasn't been a—you know, it was a tough decision, I can tell you, as a

government. But we have been able to support close to 3,300 more people. Like, 3,300 more—you could fill the 'comention' centre up, literally, three times over in one of the big rooms by the amount of people that are now supported on the Rent Assist program than when we took office.

So, to somehow suggest that we're not doing—providing supports to individuals, you know, I just say is not factual. It's just not factual. And, you know, you did mention poverty and, you know, to be fair, there's been some pretty positive trends in terms of the poverty, right? We were the child poverty capital for a long period of time and we have moved from 10th to fifth. There's a variety of reasons and, you know, I could go back into the details of why I think, you know, that has moved, but that is a fact, as well. Like, it's not disputable. It's something that Statistics Canada comes up with—their income index. And what they showed is that Manitoba is—been the most improved province out of any province in the country, going from 10th to fifth.

So, you know, are we done yet? Is there a lot of problems out there? Absolutely, there's a lot of problems that we need to deal with. In terms of the poverty—I'm sure we'll get into this later on—you know, we are doing, we think, a service to get Manitobans' opinions on these things. In all total, we've had close to contact from 1,500 people in terms of surveys, in terms of live presentations. They've gone to all areas of the province to get a plan. And, you know, whether that makes sense—we think it makes a lot of sense. Number 1, because it wasn't done before when the last poverty-reduction strategy was going.

And, to be fair, when you look at the indicators—and one of the indicators that was—in the last poverty-reduction strategy was people using ACCESS centres. Like, I just—I don't find that as a good indicator of how many people go through the door. Like, how do you measure that? Is that, like—if I go through the door four times because I'm going back and forth to my car, does that mean that more people have access to it and somehow there's less poverty? I just find that's the—irrelevant point.

So we want to get it done right and we are going to get it done right. There's some good indications. We think we're making some good progress on these areas. And, you know, we'll continue on with, we think, an important strategy, going forward, with poverty.

Mrs. Smith: Just want to say, 25,000 people on EIA accessing, you know, Rent Assist and the incentive to move off of EIA to go into employment with the thought of a 30 per cent, you know, rent geared to income is daunting for some people. And, you know, we need to do better to move people from EIA into the job market.

But I'm going to move on from there. So I'm going to talk a little bit about social housing and how many units—ask the minister how many units were built last year.

Mr. Fielding: Well, I think we made some good progress on this file. So, I want to let you know that since taking office, we have—in terms of what has opened up and what we have supported through the three budgets that we have introduced through things like operating dollars, as well as rent-geared income, there's over 467 new units that are opened up and supported—and/or supported through things like rent—or, rent-geared income and/or operating budgets—one and the same. Forty-two per cent of these units are social housing.

And we're continuing to build. We have, right now, about 149 units that are being built right now. Thirty per cent of those are social housing. So those are, we think, an important step forward. It's certainly not—it's not going to provide all the needs for Manitobans, but when you measure in the fact that you have close to 3,000—let's say—I'll just say 3,300, depending on year end—more people supported through a Rent Assist program that weren't supported when first taking office, plus the fact that you have over 467 units that have been opened up and supported through operations and rent-geared—and/or rent-geared income, and you're building another 148 units—again, 42 and 30 per cent social housing. It's not hitting all the needs of Manitobans, but it certainly is a step in the right direction.

Mrs. Smith: Can the minister tell us how many of those units were built by the prior—by the previous government?

Mr. Fielding: Well, we have introduced three budgets for the Province of Manitoba since being elected, and I can tell you that we have supported that. We have supported that through operating and rent-geared income budgets. We supported that. That is something that we supported. We've done—I think it's been fairly well versed in a whole bunch of different areas. We did a—I know the member from St. James had to wait a very long time to get some important projects in his area, one being the

Assiniboine child care centre, one being the St. James 50-plus. I think he's still working very hard on to make sure projects are there.

My point is there is a whole bunch of reviews that had—that went on. In fact, we were just at Merchants Corner and did an announcement for this, and one of the key members of Merchants Corner came to me before the meeting and said thank you very much for not cancelling the project. And so, you know, when you do come in to government and you find yourself in a situation and you're almost a billion dollars in the hole and credit ratings had been dropped three times over the last, let's say a year and a half, we know what the bond raters been saying. We know the fact that now there's over a billion—close to a billion dollars in debt servicing, that's money that's not being spent on education or social services or health or anything else.

You've got to make some tough decisions, and so we could have made some of those tough decisions and decided that we're not going to support some of these projects that were—some of them promised in a pre-election spending spree. But we decided to go ahead with the ones that made sense, and so proud of the fact that we are able to open up these amount of housing units. Forty-two per cent of them are social and we're still building a lot more since coming to office.

Mrs. Smith: So I just want to let the minister know that the NDP government were building 600 social housing units per year which, you know, is a lot larger than 467 units.

You spoke a lot about operating costs. I want to know how much this government actually paid into capital cost to building those six—467 new units.

Mr. Fielding: So just to answer the—I know the member is gone now, but I will answer the question. So of that 467 units, the capital costs are around seventy-eight million dollars, three hundred and sixty-one and seventy-one cents. The ones that are approved that are in—under construction right now, 149 of them are 25,103. And just to correct the record, so what the member had said was that how much of the operating dollars that are there. And so just to be clear with the financing, if you announce projects prior to that, the way—it's paid for, essentially.

So when did it come on line? So these projects come on line, we don't pay—like, you don't pay for them until they actually come on line. So, whether

it's things like loan act, which a lot of these things are done, the financing portions where you actually pay for the dollars comes in these budgets.

* (16:30)

So the three budgets that we've introduced over the last two years have paid, whether it be debt-servicing costs, whether it be—because there is a number of ways you pay for housing types of projects. There's loan act. There's monies from—that you get from—like the Waverley West through see—I forget the name of the fund, but you get cash from the lot sales essentially that you have, because the Province owns half of Waverley West. You also have money from the federal government. So there's a variety of sources. There's also revenue that you bring in from your rentals and stuff like that that make this up.

So my point is—doesn't really matter when they're announced; when they actually come online—and 467 of them have come online—is when the government starts paying for these things. So to be fair, you know, the government—this government, whether—you know, has started to pay for these units over the last three budgets that we've incurred, and so that's, again, the capital costs are here. We can give you a global number on the operating dollars globally that you may or may not have. We can probably get back to you with that information.

Mr. Rob Altemeyer (Wolseley): I appreciate the dialogue under way here. I think where my honourable colleague was headed with her line of questioning is just a little bit of a contrast. As she pointed out, our government was—after having successfully met its first target to build more affordable and social housing units—1,500, in fact—we had set ourselves a new target of building 300 new social housing units and 300 new affordable housing units every single year.

So that work was well under way, and I think what she's concerned about is that the government so far is citing 467 new units in total in the now two-plus years since they came to office. A good number of those housing units were attached to projects that our government had initiated, and there isn't a whole lot of activity going on now compared to what used to be the case.

So maybe let me try and rephrase her question, if I could: Can the minister give us a breakdown—maybe a total number of units today and then maybe a breakdown of the—by project—of the projects that

his government has initiated from start to finish since coming to office?

Mr. Fielding: Well, I'll kind of reiterate some of the—my points, but I also do want to talk about the Rent Assist program, because clearly the—maybe I'll go there first.

So, clearly, the government has—so clearly the government, and I don't think this is just this provincial government, the federal government has identified that a portable shelter benefit is important. I'm not sure—you know, I think that you probably agree that a portable shelter benefit is good. So our argument, and again it becomes back and forth, but you know, the fact of the matter is that there is 27–2,800 more people supported right now. There will be 3,300 more people supported through the Rent Assist program now than when we first came to office, okay?

So my point with that is I think it's an important vestment to make with this. Now, you want kind of a good mix, I would say, between building our buildings. We have done 467 where we have actually paid, right? So we paid the debt-financing costs, we paid for seventy-eight million, three hundred and sixty one. So there was some—you're right, there was some projects that were started under your ministration and I credit you for that, that's a good thing when you're building affordable housing.

My point is you can't just take a portfolio where you're just building—where just Manitoba Housing is the ones that are building it and so a lot of times there's this notion that we need to build 300 affordable units. My point, and I'm trying to get around to my point, but I think it's a valid point, was that when you have limited amount of resources that are there, and there is with housing, and we seem to be getting it a little bit better in—you know, in terms of the finances.

But if—you know, it takes—you weren't in the room so I'll go through this again, but when you build a housing unit, and I can tell you from zoning point of view when I was in City Council, the zoning, the design, the construction—I don't know how far along the old Grace is, but I'm sure it's probably still another six, eight months away from being—my point is, sometimes it's going to take you upwards to two, three, potentially even longer depending on if the government's building it or non-profits are building it, to get those 300 units up and running. Okay? So it takes a long time.

What I really like about the portable shelter benefit is we can give the money through an income supplement to someone. So you could say, okay, instead of waiting here while this building is being built, right, two, three years, I can take my money, I can live anywhere in the city. I can live on Wellington Crescent, I could live in River Heights, I could live in the North End. Anywhere you want, anywhere in the province, quick and easy. So you get immediacy. I guess, so that's the—one of the benefits I see with a portable shelter benefit.

Okay. Another thing is choice, right? So, if I'm a person looking for housing, and I talk to Manitoba Housing, I'm in line waiting for Manitoba Housing, you know, I've got to go, you know, they work with you to try and get your best choices, but for the most part, there's a limited amount of choice that's in place.

So, with the Rent Supplement program, or portable shelter benefit, that gives me choice. I could live wherever I want. If I've got uncles or aunts or—in North Kildonan, I want to be near them, I can do that, because I've got the money from the government. It's a portable shelter benefit that I can take with me; I can live wherever I want. It provides better choice than just the Manitoba Housing stock that's there.

And, from a third point of view, which I really like, is the finance piece of it, because, right now, we have over \$500 million of deferred maintenance on some of the housing stock that's right now. So, if you build a unit—I'm not suggesting we're not going to build some units, but if you build a unit or apartment, let's say it's a 300-person apartment—20 years from now you need to fix that apartment up. It could cost you a whole—millions of dollars to re-fix this up.

So, our government, clearly, has made the determination that we want a balanced approach to this, but we clearly have said that we think it's more important—and one other point, before we go on. And you weren't in the room when they—we said this, but it's an important piece.

To build, own, operate and provide the subsidy for one unit of Manitoba Housing costs somewhere in the neighbourhood of \$23,000 a year. So I—if we provide a \$3,600 subsidy, I can provide six times more housing solutions for individuals under a program like a Rent Assist, a portable shelter benefit, than just building it.

So we've tried to take kind of a balanced approach in terms of how we're delivering some of the services, what government builds, what should be handled through the private sector, and a good mix between both.

Mr. Altemeyer: I thank the minister. A few thoughts following that answer; maybe we can agree to compromise.

I'll just come back to my earlier request. How about this: if he would be willing to provide, at a later date—it could come to me or to our Housing critic—just a list of the new housing projects, the new construction of housing projects that are either affordable or social, either one. Both would be great. Just provide us a list of which ones his government has initiated, from start to finish. I'll give him a chance—in the same document, he can list all the advantages of the portable housing benefit that he'd like as well.

And I agree with him. You need to be addressing all of these different elements of the housing challenge. I mean, goodness, I've lost track of the number of media interviews I've just done in the last 24 hours about the tent city right across the street from our building. I mean, that is the result of a lot of different factors, but housing availability is a big, big one of them, right?

So we all, I think, are on the same page there, and it's a matter of trying to get as many resources effectively to people who need it, because your budget line, your government's budget line will be better off when we manage to address these issues. So I'd invite the minister to agree to provide that info at a later date. I don't need it right now, but just at a later date would be fine.

Mr. Fielding: Well, I can answer that, and you're right, that's a big issue. I know it's been in the media and I know you were there helping out your—well, not your residents, but people in the area and the church, and so I commend you for that.

What I will say is, really, it depends on your definition—it's not even depending on your definition. You know, at the end of the day, the government comes in, you know, there's a whole bunch of financial decisions could be made. And you know, I won't go into the whole back-and-forth of why we got there or reasons and all that sort of stuff.

But I will say—and I think you can appreciate the fact that there's a whole bunch of projects, not just in housing but all over government, that we had

to make a decision on. Do we go ahead with this? Do we don't—are we not going to? You know, chronicled a couple, just in the member for St. James (Mr. Johnston) area—important areas for him.

So my point is, at some point, the government has to pay for it, right? So whether announcing in the, you know, when the NDP were in power, or when the Conservatives were in power, we could have come in and said, we're not doing it. We're not going to live up to this announcement, whether we thought it was a pre-election thing or not or what—at the end of the day, these are financed, they're opened up under our administration and we're paying for it, right?

* (16:40)

So we could have easily said forget it, we're not going to go ahead with these. The debt-financing piece, the dollars and cents don't get paid until the budget. So we have been in power for three years, right—or, we've been in power for two years, but three budgets that we have passed money, right, to pay for these things.

Not just on the capital—like, there's \$78 million since the ones we built, that I've had to go to Treasury Board and defend, and say, you know, this is important investment to go forward with. I had to—the government had to agree to this capital investments. It also had to agree to the operating dollars, right?

So, when you enter into these things, a lot of these have operating agreements through rent-gear income, a variety of things. So if we just said forget it, we're not paying for the rent-gear income portions of things—so my point is whether it was announced under your administration, now it's under our administration.

We went ahead with this and we're paying for this, and we could have made the decision not to go ahead with it. But we thought that making investments since—467 units across the city, across the province—as well as continuing to build 149 million, you know, dollars and interest from the capital cost alone, \$78 million and the ones that are completed and the ones that were committed to over 25 million. So there's seventy—there's over \$103 million of just the capital costs that I'm talking about right now, not to mention the rent-gear income piece.

And we have been in power for two years and three budgets. So to be fair, you know, doesn't really

matter when the thing was announced. We could have easily said no to it and walked away from it, and we decided not to.

So, at some point, you know, whether you announced them prior to you guys not being government anymore, you're not paying for the operating dollars and the rent-geared income unless your party's paying for it, the government of the day is paying for it, right? So I had to get the money appropriated through our treasury and it's not an easy task, I'll tell you that. I'm a member of Treasury Board. I can tell you that.

So what I'm saying is we made these investments, and we could have walked away from them, and we didn't. And so I'm just saying that there's been some progress made over the last two years with these houses.

Mr. Altemeyer: I understand there's an arrangement so the honourable member from Assiniboia can carry out the rest of the day.

I'll just close off by thanking the minister for our dialogue today, and maybe some more follow-up to happen. And I understand people have moved in to the first wing of the Old Grace Housing Co-op already, and I'm sure there'll be a celebration of that at some point in time. Hopefully, I'll find out about it in advance, but look forward to sharing that special day with the minister.

Hon. Steven Fletcher (Assiniboia): I hope the answers will be proportionate to the questions.

The minister committed to providing the letter that he signed that initiated the transfer of the Vimy Arena, site 255 Hamilton, to the Province. Is the minister able to provide us with that letter and the date that the minister signed the letter?

Mr. Fielding: Well, first of all, I am supporter of the project, as we've had this discussion. I'm sure we'll have it probably for maybe the rest of the time period here, and I'm welcome to have that. You know, I spent eight years of my first part of my career, political career on City Council. So I do understand land-use planning. So we can have that discussion.

The document that you are mentioned is a public document because it was on the council agenda that was made public to all individuals. The report had that attachment of letter. But I do want to clarify, so this is the city's land, right? So this was—the Vimy Arena was not owned by the provincial government; that is owned by the municipal

government, by the City of Winnipeg. But that document, again, is a public document and I encourage you to go to the City of Winnipeg's agenda system. I know you were at the committee meetings. So that is a public document, if you'd like a copy of that we can make that available. But it is already available on the City Council's decision-making system that's there. That is a public document that you're welcome to review at any point.

Mr. Fletcher: In fact, the minister is already compelled to provide that document to the committee, so all that preamble was unnecessary. I'm glad the minister mentioned that he was on City Council beforehand, because that opens up the door to talk about Winnipeg City Council while that member was a member.

And when City Council made the transfer or made the original recommendation on Vimy Ridge—or Vimy Arena site, there was a bunch of conditions associated with that, and none of which have been followed through on. And the minister has already admitted that he knew what those conditions are. But I, for convenience, I do happen to have them right here, which I'd like to ask the page to come up and present them to the minister. But he already knows that none of the conditions that occurred or that were mentioned have been followed through with.

Now, I'd like to ask the minister, we also know now that Manitoba Health is not involved in any way with this addiction facility, financially or setting standards or licensing. With this—and now Manitoba Housing is responsible one hundred per cent for this Manitoba Housing project which will be used for an addictions facility, which is, again, contrary to the original City Council decision which this minister was on, and presumably voted for, and now is going exactly against what he did in a previous level of office while at the same time initiating the process. This land was owned by the City, but the City was compelled to give the land to the Province for one dollar because of the letter this minister signed—one dollar.

Will the minister tell us how much money Manitoba Housing is going to put into addiction treatment, and why are they even getting involved in this? It's not part of the mandate. You can claim it is, but it's not. The minister has exposed the Province to now criticism for not having an addictions plan, not only for opioids, but for every type of addiction. Beds are empty in current places. There's chronic

underfunding for addiction. And I see the minister is smiling and making gestures with his hands and so on. But it doesn't change the fact that Manitoba doesn't have a plan for any addiction and is off-loading some sort of Manitoba Housing project onto the corporation for housing renewal, claiming that they are doing something on addiction, which is ridiculous because Manitoba Health has nothing to do with anything to do with addiction.

So will the minister explain how Manitoba Housing is going to cover all the expenses associated to ensure licensing, regulatory, and duty of care, due diligence and proper health-care monitoring of this facility? Because Manitoba Health isn't doing it, so how's Manitoba Housing going to do it?

Mr. Chairperson: For clarification purposes, was the member for Assiniboia (Mr. Fletcher) tabling those documents?

Mr. Fletcher: I said—no, I was not tabling them. I was providing them directly to the minister for information.

* (16:50)

Mr. Fielding: You know, a pleasure to address this. Was I in City Council for eight years? Absolutely. Did I vote for this report? I believe I did. But that—but that's like the member saying—and the member from Assiniboine was a member of the federal government, right, was a member of the federal government—so that is like saying the decisions that are made now by the Liberal federal government, that somehow that you're in contravening of some of the decisions. At some point, new governments take over, they make decisions, sometimes it's counter to the decisions that you made in the past. And so to be fair, I made a decision. I'm not on City Council now. This is a decision that was made by City Council. There was a large amount of public meetings that were involved in this.

So, I support reports that come forward at the time when I was on City Council. I certainly wasn't on city council, and I certainly didn't have a vote on this project going forward. And just to further state that—and again, like, say the member was a federal Member of Parliament. That's exactly like saying that we—I should somehow hold you account to the fact that the Liberal government has made some changes in certain areas. I mean, I couldn't do that. I couldn't go to you and say, you're accountable, Mr. Fletcher—or for the member from Assiniboine, for some of the decisions the federal government

made. That just—that's—it doesn't make any sense because I am not there making the decisions.

So I'm not—you asked my opinion on the project. I clearly have said that I support the project. You have also made the case that somehow the city criterias were not met. Again, these were the criterias that were met on. I did not vote on that. But as I understand it through the meetings that were brought forward, there were two issues that you talked about with the land use planning, and you really couched your opposition to this around two things, as I understand it.

Number 1 was the park setting. You said that you didn't want to ruin the park setting. So, as I understand it, City Council, whether it be their wisdom or not, decided a point to exclude portions of that land, and I believe the Bruce Oake Foundation has agreed to have people utilize the greenspace that was there. And I understand that portion of land—now, I'm not on City Council, so I don't know all the exact rulings. You probably know better than I in terms of what the rulings was, but my point was, I believe that issue, which you raise as a No. 1 issue, was addressed by City Council if the greenspace is the big issue.

The second issue that was in this report that you may be referring to, is the sale of the land. And so, when the sale of the land—what normally happens—and I can tell you because I was on City Council for eight years. What happens is, when there's a—surplus land sales, that goes into something call land operating reserve. That's—the city sells the money. They use that fund for a whole bunch of purposes. But the local community committee, which is made up of three councillors that make that decision—one of them is Councillor Scott Gillingham; one is Councillor Shawn Dobson; the other is Councillor Marty Morantz—get to make a decision of where that money would be spent.

I understand just through the media—I wasn't involved that decision, but I understand that was somewhere in the neighbourhood of \$1 million. Through the communication that I had with one of the city councillors, I understand that one of the motions that was passed was to make that community committee whole with that money so that the money could stay in that local community committee level.

So my point with this is, how can you hold me accountable for something that is in the report when I'm not on City Council? It's a land-use planning, and

the two items that you brought up, is the reasons that you—you know, had your arguments of why you don't support it, are land-use plannings that—it sounds to me—was resolved at the City Council level.

So I don't exactly know what you want me to comment on in regards to that, but it's the same thing. I mean, I could say I don't like the federal Liberals. I don't like what's going on at City Hall or one way or the other or what's going on in Alberta, Ontario or any other province. The reality is, I'm not a member of that council. I don't make those decisions for them. I trust the fact that they make good decisions and the consult with the public.

And, you know—I mean, as a voter, that's what I expect out of the members of City Council, the federal government, and the provincial government: make decisions in that appropriate way. And so I hope that's happened.

One final point: the—this is not the end of the line with this. It's a land-use planning. This is going to come back for the zoning to happen. The zoning and all the residents—which I think is important, that all the residents get their voices heard—will be able to come back, make the arguments one way or the other whether they support the land-use planning. And if you are opposed to this, which I know you are, then I encourage you to go to that process and have your say on a land-use planning.

Mr. Fletcher: I'd like to thank the minister for his comments.

He was on City Council for eight years and claims to take responsibility for those decisions, so I look forward to his reply when the issues around fire stations being built on land the city doesn't own or the rehabilitation of the new police \$800-million overrun comes into an inquiry, hopefully, as the mayor said yesterday, and the litany of shady land deals that were done during the previous administration while this minister was a member making those decisions.

But we'll look beyond the shady land deal of selling—forcing the Province to sell—or the City to sell the land that's worth millions for \$1, and we'll point out that there was no attempt to look at other existing facilities, like the Shriners' hospital on Wellington—

Mr. Chairperson: Could the member get to the point of Estimates, please?

Mr. Fletcher: The member—thank you. The point is that government has a responsibility to maximize taxpayer dollars. There are huge resources, like the Shriners Hospital, that are unutilized or empty in a prime location for this, and they have not even considered maximizing those resources, like the shrine's—maybe it's because it's on Wellington. I don't know, but either, perhaps, does the minister because it was never looked into.

The other thing about Estimates that's important is how much is the cost to remediate the land. I will table for the minister's review the—an environmental assessment report done on just a small Saskatchewan Avenue addition. This report is probably 130 pages. Nothing like that has been done so far.

I also will draw to the minister's attention to social impact bonds, which has been cited as a funding source. This is something that the government brought in, in 2007, federally, and they haven't worked out the way we would like. I'd also like to give—provide the minister that material. I would ask the minister to take a look at this scatterplot of where these facilities have gone before in other places, and that this is from residency.

Now, if he was at any of these community meetings, he would know that community—the community is outraged about this, that—how much time do I have, Mr. Speaker?

Mr. Chairperson: Two minutes.

Mr. Fletcher: That—two? Two minutes? Or one minute?

Mr. Chairperson: One and a half minutes. Two when I said two minutes.

Mr. Fletcher: The minister did not show up to the councillor public meeting, my public meeting or even the Bruce Oake public meeting.

Mr. Chairperson: Just to interrupt the member from Assiniboia for a minute, if you are tabling that, you need to provide the proper amount of copies.

Mr. Fletcher: If I said tabling, I'm sorry, Mr. Chair. I am providing a copy to the minister for his reference.

Mr. Chairperson: Okay, we thank you for that. You may continue now. You have about a half a minute left.

Mr. Fletcher: Okay. Will the minister then explain, for the Manitoba Housing project, why the Bruce Oake Foundation found it necessary not only to

register as a non-profit association, but also register as the Bruce Oake Memorial Foundation Realty Holdings, a for-profit business corporation? What explanation possibly could the minister have for this to—

Mr. Chairperson: The member's time has expired.

Mr. Fielding: Well, you raise the issue of location. It's not our location. It's—the City is the one that dedicated the surplus land. It's not the Province's facility. It's their decision, right? They decided to create the land surplus. They decided to make decisions. They decided to look at the—and they'll have to look at the land use planning, right?

I don't know if you've taken a tour of the children's—the old facility on Wellington. I have in the last two months, and I can tell you that the facility is run—

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

EDUCATION AND TRAINING

*(15:10)

Mr. Chairperson (Doyle Piwniuk): Will the Committee of the Supply please come to order. This section of the Committee of Supply will now resume consideration for the Estimates for the Department of Education and Training.

At this time, I invite the ministerial and opposition staff to enter the Chamber.

I guess was—as the ministerial staff is being—taking their seats, can the minister introduce the staff in attendance?

Hon. Ian Wishart (Minister of Education and Training): I am joined today by Deputy Minister Jamie Wilson, Director Konrad Erickson and ADM Rob Santos and ADM Matias—Carlos Matias.

Mr. Chairperson: Thank you, Minister.

As previously agreed, questions for the department will proceed in a global manner.

The floor is now open for questions.

The honourable member—does the minister have any questions—answers from questions from yesterday? No?

Mr. Matt Wiebe (Concordia): I was getting used to a thorough response every single day from the minister and correcting numbers from previous days and giving us more information, and it was very

much appreciated. So, if I can put in a plug to continue that tradition, that was very much appreciated.

I did want to spend some time this afternoon talking about capital. And maybe I'll just pause and I see that my staff is joining me here at the table. I'd introduce him; it's Chris Sanderson, and I think every day I give a different title for him, but he's a caucus researcher in the opposition caucus team.

So I did want to—thank you, Mr. Chair. I did want to speak to—a little bit about capital spending with regards to K-to-12, and I understand that we did have a chance to talk a little bit about this. I think I asked the minister last about the 10-year capital plan and what that exactly entailed and what that was and, you know, didn't get too much more information there, but I hope as we dig through this that we will get a little bit more information from the minister.

Mr. Chairperson: The honourable member for Concordia.

Mr. Wiebe: Apologies, Mr. Chair.

So, in July 2017 the minister had said in a press release that the province's capital budget for K-to-12 capital in '17-18 was \$92.4 million.

Mr. Scott Johnston, Acting Chairperson, in the Chair

Can the minister confirm that that was the amount that was actually budgeted for, and can the minister tell me how much he is projecting that will be spent in '17-18?

Mr. Wishart: I thank the member for the question. So the total was \$92.4 million, of which \$54 million was in the area of maintenance, which is often things like roofs and boilers. And the access issues are the biggest pieces of that always. And the remaining 38 is what we call major capital, which would include some additions, which is the biggest chunk of that, plus any other major work that's done—gymnasiums, things like that.

Mr. Wiebe: We had a breakout in the minister's transition binder from '15-16 with regards to the amounts for infrastructure renewal, instructional renewal and major capital projects, and that was helpful for us to sort of understand kind of where this capital K-to-12 spending was happening.

I'm wondering if, for '18-19, whether the minister could provide that information, the same information, in that same sort of breakout, and

maybe if we could get it for '15-16, '16-17, kind of throughout the years since then.

Mr. Wishart: I want—I'm looking for a little clarity on the question, here, if I might. Of course, '18-19 is still active and going through Treasury Board process, so that's not something we can share at this point and can bring up to date. It's in the Estimates book to what we intend to spend.

How far back did you want to go on this and how detailed a breakdown? It is—what you're asking is a lot of work and is going to take a fair bit of time to put together.

Mr. Wiebe: Well, and I certainly want—wouldn't want to overburden our hard-working civil service staff, but what I was looking for is, as I said, in the minister's transition binder for '15-16. So what I'd be looking for is the breakout for '16-17, '17-18, or for this current year. I mean, that's the—probably the most 'pertint'—pertinent number.

But what it does is it breaks it out by category, by infrastructure renewal—in this case, the number is forty-seven million, six hundred and thirty-four; the instructional renewal, which is \$24.355 million, I believe. Right, these are millions? And then major capital projects, 44 and change.

So I'm just—and so I don't know if—and I know this is difficult to sort of track where we're—if we're both on the same page, but I'm just trying to get that same breakout, but going forward from '15-16.

Mr. Wishart: I thank the member for the question. We can work together to put together some numbers for you.

They're not absolute. And I should warn you that because one of the features of Public Schools Finance Board is the rollover from one year to the other. And some of that is actually driven a lot by the response time on school divisions. Some of them are geared up and they—when they have a major capital project, they respond very quickly. Others, because they don't do this on a regular basis, there is some slippage from year to year. So sometimes the actual numbers don't come right to the projected numbers because of that.

So as long as the member is aware that—of the potential for there to be some differences on occasion. But you can look over the longer term, which I gather is what you're looking to see here.

Mr. Wiebe: Yes, well, that'd be helpful. And the numbers that the minister can provide will, I'm sure,

add some context. But, I mean, he is correct that it's—I mean, we are trying to track and to try and dig into these numbers, but it—you know, it's a learning experience for me, so I appreciate that.

*(15:20)

Just further to that, the minister mentioned maintenance and talked about a \$54-million line on that. So if the minister—so—within the context of these three lines—infrastructure renewal, instructional renewal and major capital projects, would the maintenance budget be—fall within those, would that maintenance budget be a capture of some of those numbers? Like, what is that number—what is that maintenance budget? Where is that number for us in this context?

Mr. Wishart: Well, thank you very much for the question, and I can give you some of the parameters and the definition, and I think that will probably help you realize what's in each of these categories.

In terms of infrastructure renewal, which was the \$54 million that we were looking at—and termed maintenance, and that's what you're looking for—that includes things like new mechanical systems within the school, which is often the new boilers in particular because they have a very specific life expectancy, and we work very hard to make sure that we don't get beyond that because they can be kind of dangerous when they get beyond that. Things like roofing and also structural and access projects, as I mentioned earlier. Those were a big chunk of that.

In terms of major capital, that is usually new additions to existing schools or major renovation projects with existing schools. I know that the one in Flin Flon recently got—three schools, sorry, in Flin Flon—all got new roofs not too long ago, and all in one particular go-round, which was a significant upgrade for them there. And things like new modulars are also part of that.

We also have a category called instructional renewal, which includes things like science labs, gymnasiums, and vocational shops. I know I had a question from one of the member's colleagues today about vocational and industrial arts facilities—and also life-skills suites, by the way, are in that category. And that's an area that we've certainly been looking at, ways to improve not only to the number of those but the access issues to those for other jurisdictions. And one of the things we've been working with is some post-secondaries that had

vocational capacity in rural areas, and making sure that our schools could get access to that as well.

So we will certainly endeavour to put these numbers together and try and align it a bit because I know from year to year, which—you know, this has been a problem in the past as well when I was critic, that things moved from one category to the other. And it was often very difficult to sort out which was what.

Mr. Wiebe: So in the first budget that this government brought forward, it was—there was a commitment to \$241 million in education capital. Education spending was though—in fact—slashed in that year. In fact, the third quarter forecast for capital expenditure for this upcoming year is just \$95 million. So education capital has actually been cut by nearly two thirds. Can the minister explain that reduction?

Mr. Wishart: And I'd remind the member that the number he quoted is actually his—their own party's number just before the election, so I would think that that included a significant number of wishful thinking announcements that had been made on the part of the NDP in that runoff to the election.

But we certainly want to, and we are working very hard to make sure that we are getting not only a good level of maintenance in place in the schools but what often throws the numbers off here is when a new school or a major project like new schools—and we're doing, certainly, lots of them right now and I can cover them again if the member wants, but we did that the other day and I'm not sure that there'd be a lot of value reading them back into the record—but there's the process of building the schools. Actually, in the first almost 12 months as we start in the construction of a new school, we don't actually spend very many dollars in that period of time because, certainly, until they get into the construction phase, no money is advanced to them and we do that through the school divisions, as the member probably knows.

So—and after that in the construction process, it comes to roughly one twelfth of the process all the way through and during the building period. So you have to look from when the numbers are in and when the announcement is. You have to look larger scale, often multiple years. That is one of the reasons that we have a structure like Public Schools Finance Board where money is put in place to do these new construction projects, and it's—kind of rolls from year to year because that's the nature of the construction

industry and, in particular, when it comes to schools, because we have such limited periods to do major construction around schools especially when it's additions, you don't want to be doing that when—or very little of that when you have a number of students around, so it becomes a bit of a challenge.

So that, certainly, I think, will be covered to a significant degree in what the member has already asked for in terms of the multi-year nature and I know that it will be probably a challenge for him to keep even that sorted out because it does bleed from year to year, especially in the construction side of things.

Mr. Wiebe: Well, no; in fact, Mr. Chair, I am reading from the government's strategic infrastructure line item in the budget. So this is strategic infrastructure '16-17 in millions of dollars: Core government infrastructure, the total there is \$599, including capital grants, maintenance and preservation; the Building Manitoba Fund, et cetera, et cetera, is \$1.37 billion.

And then, under Other Provincial Infrastructure, there's a line item that says Education—\$241 million for total strategic infrastructure for education. And yet this year it's just \$95 million, so this is not wishful thinking; this is the budget of this government.

So what happened?

Mr. Wishart: Well, thank you for the question. Can I get some clarification as to what you're reading from, because we're immediately beginning to wonder if you're including post-secondary.

* (15:30)

Mr. Wiebe: Yes, and I guess I maybe should have been clear about that, that we're talking about total education capital spending now—just to switch gears on you and keep everybody on their toes.

Mr. Wishart: Well, thank you very much, and I appreciate the question and we're certainly going to have to work with Finance to make sure that we're talking the same language here, as almost certainly a portion of that is post-secondary work and there may be even more included in that. So we'll have to attempt to get back to the member with some clarification on that. As the member no doubt remembers, we had just come into government. We had some review of existing financial commitments that had been made by the previous government. So we'll have to make sure that we're speaking the same

language when it comes to which capital projects are included in that, and as it's a Finance document we don't actually have that here with us today.

Mr. Wiebe: Well, that's a good idea, and that's exactly the question I asked my staff just to make sure we were talking about the same numbers. I think we are. I think we are on the same page with regards to that, so I'll allow the minister to get that number.

But maybe I can simplify the question and get to the same—or to part of the answer anyway, and that is around the K-to-12 capital budget. So what was it? What was the K-to-12 capital budget in '16-17 and what is the capital budget this year?

Mr. Wishart: And in the manner of efficiency, I think we can move on to a different question. We're trying to get those numbers for you.

Mr. Wiebe: And I guess that gives me a little bit of time to ask about something on a slightly different track with regards to capital, but just sort of comparing what the information that the minister has chosen to share versus the information that is available.

So, the minister said in—on multiple occasions in Estimates, he's referenced it in question period. He's talked to the media about it, and what he said is that capital spending for K-to-12 schools declined in the 2000s and early 2010s, so he continues to make that assertion, as I said, even now in question period. But the problem is, is that his source for that accusation isn't the department; it isn't the Public Schools Finance Board; it's, in fact, a Fraser Institute report that was written in 2015.

And so here are a couple of problems with that report. The report uses Stats Canada data and lumps together both the payment of new capital as well as debt-servicing charges and calls that line capital spending. Lumping all of that together doesn't actually tell us how much new construction is going on in any one year because it's dependent on a whole lot of factors, including previous projects and interest rates.

If we go back to the Stats Canada information relied on in that report, it's broken out in the actual capital expenditures. In 2003, the capital expenditure was \$68.3 million. In 2014, which is the last year that information was available, it was \$208.4 million, and that's triple that amount.

I'm just wondering if the minister could comment on that.

Mr. Wishart: And I appreciate the member's concern. I know he always doesn't like the Fraser Institute when it comes to analysis, but those are Stats Canada data which is a reliable 'comparable' source from province to province, and across a period of time; doesn't change from year to year. I know, as having been critic during the previous government, it was always a real challenge to follow their financial statements because they change dramatically from year to year as well. I know it is one of the challenges that we, as legislators, always face, but I am fairly comfortable that the Fraser Institute study does a fairly good job of analyzing not only what the Province of Manitoba has been spending, but in the long term.

*(15:40)

I also know that during that period of time, we looked at how many schools were constructed in the average year and found it was a little over one school per year. We certainly are at a different place in terms of the construction. In two years we've made an announcement around seven schools and I know, also, that when we came into government, we had very nearly—well, it was—I think it was 493 portables in place at that point in time, which was, by far, a record number. So, even though we are enjoying a growth in enrollment, which is a very positive sign for Manitoba now and in the future, we know that we were stressed in terms of capacity in our education system, K-to-12. We also know that a number of schools and school divisions had shared with us that they had had to move their early years or child-care facilities out of the school, that music rooms had been lost, that science labs had been turned into classrooms. These were all standard practices across the entire system. Those are not positive things. You lose capacity in terms of—and I know we had a question today that was—that I appreciate on music. I am a big fan of—even though I am not the music teacher and the Finance Minister is, I certainly appreciate the fact that having music education available in the schools is valuable to students, and we certainly want to make sure that we can maximize that across the system.

So, you know, I know the member's probably not happy with that particular study, but I think it's a fair comparison and I'm not uncomfortable referring to it.

Mr. Wiebe: Well, I can appreciate that when the minister was in opposition and, you know, was trying to make as much noise as he could, certainly a

report from the Fraser Institute that was heavily skewed in his favour would have been something—would have been a piece of information he would have happily used. I'm not questioning that.

What I'm questioning is—and maybe I phrased it incorrectly, because I'm not really asking what the minister thinks of this flawed report. What I'm asking is his officials, because he's not the opposition critic for Education anymore, although if he wants to resume that role I'm sure he'd be great at that job. I'd be happy to oblige him in that in the future, but, in fact, he is the Minister of Education.

So he doesn't need to guess if the Fraser Institute report was right or wrong. In fact, he can just lean over the table right now and ask these very intelligent, hard-working officials that are sitting with him in the Chamber and can ask them if they would agree that that report is using the correct data, because, you know, we look at it and it's not the right kind of comparison. It's relying on information that wouldn't have come from the department, and, again, he didn't have access to that. I understand that.

I mean, I guess he could have asked in the Estimates process. He could have gotten clarification. He could have asked, in fact, this exact same question. He could have said, look, I've got the Fraser report and it looks like it says this—maybe he did. I'll go back, I'll check Hansard—I have this Fraser report, it says this. Is that true? I'm sure the minister would have corrected him at the time, and now his own officials that are sitting at the table should be able to correct him.

So I'll just give him an opportunity to lean over the table and ask those officials and say, look, this is relying on incorrect information. It's lumping together new construction along with the debt-servicing charges, and it's doing so because, well, I mean because, you know, the Fraser Institute had its conclusion already established before it wrote the report, and maybe it's—his officials could correct the record. That's what I would ask the minister: Would he allow his officials to correct the record?

Mr. Wishart: Well, I thank the member for the question. I know he's always uncomfortable when he finds a piece of data that doesn't agree with his conclusions, and certainly, if he wants to question the Fraser Institute, I suggest he writes them a very nice letter and asks them whether they were using a standard practice. But that certainly appeared to me when I read the document, which became available about the time our government came into place, so it

was not something that I would have used as a critic, whether I was critic for Education or not.

But I got to remind the member he's going backwards here and trying to cherry-pick some numbers from previous years and compare apples to something different. And, you know, you can take a piece of the particular analysis, and we will end up having to do a lot of analysis around that. And, if he has specific questions, I'm going to suggest to him that maybe he should make use of the FIPPA process in terms of asking the specifics, because then someone else will rule on whether or not those are general questions, whether they're accurate on that.

We're here today to do the Estimates process for Manitoba Education and Training, and, frankly, we don't seem to be talking very much about the '18-19 Estimates. That's the prerogative of the member whether he focuses on that or wants to focus on something that happened back in previous years.

You know, I guess we have certain amount of information available to us here today. If you want to talk about some other specifics, we will endeavour to dig it up for the member. But I certainly can't make any kind of specific promises on how long it will take us to find something that is not relevant to the discussion that we're here to do today.

Mr. Wiebe: Well, I do think it's relevant, and I think it's relevant, because the minister continues to use that data. Even though he is, as I said, the Minister of Education, he doesn't need to use an out-of-date, incorrect report from the Fraser Institute; he can just use the information that's 'available' to him at the table.

So I hope that he will do that. I hope that he will endeavour to ask his officials. And they probably sit—I don't know if government staff watch question period; I hope they spare themselves the torture, quite frankly. Maybe they just read it in Hansard afterwards. But I'm sure every time they read that—every time they read that—information they probably cringe, and they probably, you know, they bite down on something, because they want to say, no, actually, this is the real information.

So, hopefully, the minister will get that information current.

He is right, though, that—going back to our fruit analogy, I do want to stick to apples and not compare apples to oranges or apples to bananas or any other fruit. We'll try and stay on apples, and—which is

fitting, I guess, in Education, right. I'm not getting any laughs here.

An Honourable Member: Pun intended.

Mr. Wiebe: Pun intended, as the member for Lac du Bonnet (Mr. Ewasko) would say.

But, no, but—and so I'm just waiting for that number, and maybe the minister has that still. So this is K-to-12: What was the capital spending in—well, I think we have the number for '16-17. If he could just confirm that the number that we had from the transition binder would be the accurate number, and then what is it in the current year? And, if I could just expand that question, if the minister is not able to get that number now, but I'm trying to get to also capital for colleges and universities, as well, and just kind of piece all of those numbers together.

* (15:50)

The Acting Chairperson (Scott Johnston): Honourable member for—honourable Minister of Education.

Mr. Wishart: Well, I would certainly refer to the member to page 131 where he'll get a snapshot of some of the capital funding, but that does not include the fairly substantial capital programs that we worked with the federal government on. Those are separate and, in fact, probably are going to be in a different year than we're talking about here in terms of financial commitments. So this is a piece of that puzzle, but the whole puzzle would have to be put together in terms of that.

And as I mentioned earlier, it's not uncommon to have things go—bleed from one year to the other in terms of funding and funding commitments. So we'll endeavour to put that together. But I know a substantial portion of that, it was around some of the capital commitments that were made regarding post-secondary, so that we're not showing in that other number that the member had from the Estimates book.

Mr. Wiebe: Just on that same page, on page 131, I just wanted to ask the minister about the additional funding that's available through the loan act. *[interjection]* Well, I—

The Acting Chairperson (Scott Johnston): Honourable member from Concordia.

Mr. Wiebe: I think I'm back here, thank you, Mr. Chair.

So what additional funding is available through the loan act?

Mr. Wishart: I'm sure the member knows that The Loan Act is administered out of the Department of Finance regarding capital dollars on—as related to Education and Training. That is still in the Treasury Board process. So we don't have a specific number as to what that is. That's why it's noted as additional funding that may be provided through the loan act and depending on what capital requirements are for that year. Some of the requirements to work with the federal government may well fall into that category, and, in fact, that would be expected. But as those are still under development, it's, you know, no specific number available in that area.

Mr. Wiebe: Likewise, I wanted to ask about note 2 at the bottom of the page on page 131: Increase reflects year-over-year increases in debt servicing requirements. If the minister could explain that note?

Mr. Wishart: I thank the member for the question. It certainly—if he looks at the school divisions column in there, which would be A, you will see that that is the amount that we pay back on an ongoing basis against the capital. That has been done for particular projects. So, 'fectily,' the amount owing goes through the school division. And as the member can see year over year, that has actually increased.

Mr. Wiebe: Right, so—but I guess that's—my question is—or maybe I just didn't quite understand the minister.

So it would—I guess what I'm reading this note to say is that this increase reflects the increases in debt-servicing requirements. So is that—but that also includes the capital. So which—what's the portion of each?

Mr. Wishart: That would all be capital commitments.

And it—I know it's—can be very difficult to read to a specific project because each year some drop off as they get paid off and new ones are put on at the other end. But, as you can see, it reflects our increased commitment to capital projects for the school divisions.

Mr. Chairperson in the Chair

Mr. Wiebe: So am I understanding, then, that this amount is all amortization and interest lumped together? And, if so, would this number then reflect changes in interest rates or—I mean, what I'm trying

to get to here is how much of this is capital spending and how much of it is debt servicing?

Mr. Wishart: So that would be all capital.

The debt-servicing portion is in the operating grants, and we would have to break that out, so.

Mr. Wiebe: Okay, so back to my original question: What does note 2 mean, then, when it says increase reflects year-over-year increases in debt-servicing requirements? In this line, in line A of appropriation 16.8(8), Capital Funding to school divisions.

Mr. Wishart: That would reflect the fact that we had made additional commitments and additional capital expenditures during that period of time. So it's the capital portion there.

The debt-servicing portion is in the ongoing—what's the title of that line? In the capital grants. No, not capital grants. *[interjection]* So the interest portion of that would be covered in—on page 79 on School Grants, in that portioning. And as the member can see, that too has increased year over year.

* (16:00)

Mr. Wiebe: Okay. Well, I—I'll take the minister at his word on this, but I still—it still, to me, doesn't—it doesn't explain why the note says increase reflects year-over-year increases in debt servicing requirements. It sounds to me, by that note, that there is some element where the debt servicing requirements impact this number.

And so what I'm trying to find out is: How do they impact them, and to how—to what extent? How do the debt servicing requirements impact line A and to what extent? How much of this number is debt servicing, and in what way is that debt servicing?

The minister says it's not, but the note says that this increase reflects year-over-year increases in debt-servicing requirements. And I appreciate I may not be asking the right question, or I may not be understanding what the minister is saying, but if we could just try it one more time, see if we can get this figured out. Okay.

Mr. Wishart: Okay. Thank you, and certainly the capital expenditures are in at the number that you're looking at. And the note is perhaps a little misleading, because the interest portion is contained in the column over on page 79, (c), Schools Grants, which we note has increased. So we're spending

more; our interest costs are more. Those—if you were to work that out, you would find that they're roughly proportional based on the interest rate we would expect to pay. But it's confused by the fact you drop some off the end that are now paid out, add new ones at the beginning. They may not be comparable—and often aren't—because the cost of anything actually goes up over time. Some of these have been in the system for quite a period of time before they drop off the end in terms of expenditures that are paid for that way.

This is part of the whole process that we frankly had to go through when we looked at our P3s. One of the options for schools in Manitoba, are they optioned for any of our infrastructure costs because some of the interest costs are transferred and deferred for different periods of time when you look at that option. One of the attractive things about looking at the P3s, which as the member knows, we analyzed very carefully and then decided not to use, because given the marketplace at this point in time, there were certain advantages to doing a design-bid-build approach as compared to a P3 approach.

You would have to look at the long-term—not only the maintenance costs which are also included in the P3s, but the capital costs, the interest costs. And one of the real attractive advantages of P3s is you really don't pay for them until you pretty much have kids in the room. And so that is always an attractive feature for government that is—has a need for a lot of additional capacity. And we covered earlier the number of schools that we have built and the amount of spaces that we have added because of that. And the—frankly, in some of the jurisdictions, we desperately needed those schools and very quickly. And that's—was also a factor in that whole discussion around P3s, because one of the disadvantages to the P3 approach to building infrastructure is it takes a little longer to put in place. And we have to factor that all in. I'm comfortable with the decision that our government has made in regards to this, and I think, certainly, the feedback that we've been getting from a lot of Manitobans around this is very much in that category as well. And I think the member may—though I doubt he's going to want to endorse our approach to how we are building schools, he may certainly be happy with the approach we have taken as well.

Mr. Wiebe: Well, there's a lot there to comment on, but I'll restrain myself and maybe explore some of those ideas later.

What I did want to say, though, is that I'm not sure that I accept the minister's explanation that this is actually just a typo or a mistake in the budget or that the line is misleading or doesn't paint the right picture. I mean, I read it in one way. Again, I could be reading it incorrectly, but to me, it talks about debt servicing very specifically in this line.

So what I might say or what I might request, and this—the minister doesn't have to answer me right now or put anything on the record with regards to this—but I know just recently the Minister of Finance (Mr. Friesen) offered some time with his officials in a non-partisan way just to get some briefing on the information, and specifically with capital. As the minister has pointed out, it can be fairly complex, and I know we're only just scraping the very top surface of this, so there's certainly a lot of information here.

So, again, the minister doesn't have to put it on the record, if he wants to, you know, make sure everything's, you know, figure out some details and get back to us. But, if we could request that that might be something that we can undertake, it might be a helpful exercise for me and for any other members that would be interested.

What I did want to come back to, though, and just to ask again—I think I asked this question, anyway—I had asked about K-to-12, but capital for colleges and universities. So, if the minister could give me that number, what is the capital for colleges and universities for '17-18?

Mr. Wishart: Thank you for the question, and thank you, Mr. Chair.

And, certainly, we're prepared to have a briefing with the critic, if he wants to do that, on the issue capital expenditures in particular. I know it's very confusing. The post-secondary portions that are included in here are on page 131, come to a total of 11 and a half million dollars in terms of capital. And I know the member's immediate response will be, well, that's clearly not enough. Member must really think of the fact that these universities and colleges have the control of their own assets, so they manage these particular capital programs themselves.

Certainly, the member is very much aware of the fundraising programs that have been put in place at many universities and colleges across the province. And, in fact we—because we have continued in the process of turning over some of the assets to the colleges in particular, they've now begun their

own capital fundraising programs, which is new to Manitoba. We think this is a really good step forward, and, in fact, I'm sure it's—though we're still in the process of working with Red River on the whole innovations project and the federal government related to that, I think it's going to be a deciding factor in that, as time moves forward. We certainly keep very close track with them on that.

And, on top of this, of course, is this whole loans program we referenced earlier, access to that through the Department of Finance. And I think the terminology of loan—*[interjection]* loan act—sorry, thank you—initiative that is part of that. And that is yet, as is laid out here, is an unknown number at this point in time, depending on the nature and types of these projects as we move forward.

* (16:10)

So, when it comes to capital in the whole post-secondary system, because it is an independent process and we respect that right but we work in conjunction with them, their capital expenditures and their capital requirements are difficult to put a number around, we would have to contact each and every one of them. We do get annual reports. I could refer the member to the annual reports that I tabled something like a month ago, a whole slug of them in one day, which will contain a fair amount of their capital expenditures.

Those are backward-looking, so they will not show everything that is coming up in the coming year, but certainly, always happy to work with that. I think the member knows that Red River is just now completing a very major renovation in terms of their capacity which will lead them to have probably some of the most up-to-date classroom and workshop facilities of any college in the country. Certainly we've been told that it'll be one of the best in terms of state-of-the-art, and we're pleased to do that.

And, you know, that actually leads us where we want to go in that we want to make sure that we have the facilities, by working with the post-secondary institutions, to train the best trained students for the workforce and give us that—as a province—that edge that gives us a very attractive workforce for industry that comes to look at what we have here in Manitoba.

That's one of the differences that companies are always looking for. I certainly can share with the member that talking about the training level and the workforce that we have, though we certainly need to

expand it, is a factor when we talk about new capital investment by private companies here in Manitoba.

Mr. Wiebe: I appreciate the minister offering that and it is helpful. I think probably each department could probably undertake this training or information sharing and briefing with all members of the Chamber and we'd all be better off for it, but that's appreciated and I look forward to learning more about that.

So just to switch gears again back to the original numbers that we were working with from the minister's transition binder of '15-16, and some of the numbers there, and I think we've got some clarity and I appreciate the minister talking about what would fall under each category: under major capital projects, under infrastructure renewal, and under instructional renewal.

But could the minister just tell us what the budget for—and I think he's told us for infrastructure renewal—what is the instructional renewal budget for this current year?

Mr. Wishart: And as the member probably appreciates with the very aggressive school building program that we have put forward, that that's actually more or less contained in the construction of the new schools. A number of these schools actually have additional facilities—like to have—well, they all have gyms, of course, which would be part of the program.

One of the things that we are learning over time, is that what was sort of standard for a period of time, which was computer labs, probably not in specific need any longer. With hand-held devices becoming the norm teachers are telling us, and school division officials are cheering that point, that this is really not where we need to go, but things like music rooms and things like that are still very much desired and needed.

So a fair bit of that specific to particular types of projects, whether they're gymnasiums or science labs or a vocational, is included in the building of schools. We're building seven schools and almost all of them have some elements of that and it's certainly—we're very pleased to be able to catch up a lot on the needs of the schools in Manitoba and meet the needs of the students. We've seen a lot of growth in some areas, and I know—and we talked a little bit the other day about the 10-year plan. Though we can't share specifics on that, I know that we are not

done with our need to build schools and that there'll be more announcements that follow around that.

Mr. Wiebe: Okay, so I think what we've gotten from the minister is—on these three items so far, we've gotten '17-18 data. Is that what we're working with?

So—and I—is—was it the '18-19 breakout that the minister was going to bring back to us, that he doesn't have in front of him?

Mr. Wishart: Yes, that would be the '18-19 loan act information that you're looking for. Some of that, of course, is still in the Treasury Board process.

Is that what you're looking for?

Mr. Wiebe: Well, again, and just to keep it apples and apples, this is—the information according to the minister's transition binder '15-16, we asked about infrastructure renewal, instructional renewal and major capital projects. Those lines were identified in that transition binder.

Now the minister has giving—given us, I think, '17-18 numbers, which is appreciated: for maintenance, \$54 million; instructional renewal would be zero; and major capital projects, \$38 million. Do I have—and this is '17. I think he was giving me '17-18? *[interjection]* Eighteen? Those are all '18-19 numbers? Can I just get, maybe, the minister to confirm that on the record?

Mr. Wishart: I thank the member for the question. I know that he's trying to deal—drill down for details, here, but sometimes you have to back up and look at the bigger picture, especially as some of these specific projects go from year to year, as we've talked about quite a lot.

You know, part of the instructional renewal for '17-18 will be, of course, included in loan act issues. And those will include things like science labs and the gymnasiums and the vocational in particular that we're looking at. And some of the classroom additions will be part of that.

And that total, in terms of renewal, would be in that \$20.8-million price range.

Mr. Wiebe: Okay. So this is where my understanding of the structure of the way that capital is financed definitely hits a wall. So this—I fully admit that.

But I guess what I'm hoping I can get, just for my own information to make it easier for me to understand is, as I said, in the minister's transition binder, this—these were the categories as they were

broken out. So what I'd like is I'd like to have those categories again broken out.

Now, whether they actually fall under the loan act or under the—you know, where they come from, I guess, isn't the issue. That's what, I think what the minister's referring to. What I'd like to know is if he was to take his information that he's trying to give me now but to break it out in these categories so that we can compare the two numbers, because we're just trying to—we're trying to be able to say this was '15-16, what's '16-17, '17-18, and what's '18-19?

And so—and if I can further to that, if I can add to that, what would be not only what was budgeted for but what was spent? And I think that's—would help us kind of get a sense of where we were, where we are, you know, how far along we are.

So that's what I'm trying to get to.

Mr. Wishart: Well, and I think we can probably help him, and we've been prepared to offer that member a briefing. And perhaps there are other members that might be interested in doing that as well. So we'll make that available to some of the others.

But, as I've said in terms of year to year, because capital projects tend to bleed from year to year, in terms of absolute numbers from year to year you pretty much got to go to Public Accounts to get that portion of that from Finance. And that—and then you have to wind that back, so it—in terms of breaking out that particular portion of capital.

* (16:20)

I know that that's very hard to do. So, as long as the member's prepared to accept these were estimates, this is roughly where we came to in the end; the rest of it is over in Public Schools Finance Board. Moving from year to year, I think we can get to a point where we can all kind of come together on the numbers that we have budgeted in and what we can expended as to—related to that. But they will not absolutely align, just so the member knows that at this point in time, and that's always been the nature of some of the capital construction projects. They are running from year to year almost without exception. There's a few that—especially classroom additions and things like that that may be completed in one single year, but, generally over the summer months, which is a very tight construction window and, even then, there may be some of it started in one year and completed in the other fiscal year in particular.

So, as long as the member appreciates that, I think we can certainly attempt to explain this to him.

Mr. Wiebe: Okay. I appreciate that. I will, though, put on the record that I hope the minister isn't trying to say here that the information that I've requested in the Estimates process will be provided to me in a briefing, because actually what I'm hoping from the briefing is an understanding of the—of how the system works. But it is important, because we're—are here in the Chamber, we're on record, that the information that I've requested be provided.

And, in this case, what I've heard the minister say, and I'm still not clear whether this is '17-18 or '18-19, but he has said that the instructional—can't get this word right. Instructional renewal—and I see my—the friendly Clerk looking very sternly at me, wondering why I'm having so much trouble pronouncing words lately, and I appreciate her help in correcting me at every opportunity. But what I've heard the minister say is that line is actually—is zero or doesn't exist under the new categorization and instead that money has been put into new capital or into the new schools' capital.

I see the minister shaking his head, so I might be wrong. I'll stop there. That's what I understand. Maybe the minister could help clarify that and then we can move on.

Mr. Wishart: Well, and I understand why this is a confusing thing. I certainly will admit to having to go through this a few times to get it right myself, but there is a separate budget in '17-18 for instructional renewal, as was mentioned, 20.8.

We will attempt to give you some written responses to your questions so that that ends up being on record, and then we will follow up as well with a briefing that would be available to you. And I'm wondering, I guess, if the other group of independents would be interested as well. I can't call them a party, so I have to call them the other group of independents.

Mr. Wiebe: Okay, I appreciate the minister will get that information back to us. So, okay, I think we have what we need on the capital questions for this afternoon. I can't promise that I won't come back to those questions, but I just wanted to jump around a little bit for the minister, again, keep everybody on their toes.

So last year, the minister provided information to the committee with regards to operating grants for post-secondary institutions and he signalled how

much of a reduction there was for each institution, so I'm wondering if he can lay this out again for us.

So last year operating grant to each university for the University of Manitoba, for the University of Winnipeg, for BU—for Brandon University—for St. Boniface university, for ACC, for University College of the North, Red River, CMU, Providence, Booth and Steinbach. The minister laid out and gave us that information by institution; I'm wondering if the minister could do that again.

Mr. Wishart: I would introduce our ADM, Colleen Kawulchak [*phonetic*]. Yes, it's a good Ukrainian name—and I can give the member a fair chunk of the information so some of it is a little bit amalgamated and they may have to do a little bit of mathematics to break it up.

The University of Manitoba in '17-18 was \$351,164,000. This year, for '18-19 budgeted is \$348,057,000, so that is a decrease of \$3.107 million. That's a 0.9 per cent decrease.

University of Winnipeg in '17-18 was \$63,948,000. This year the—sorry—the '18-19 budget year is \$63,382,000. That's a decrease of \$566,000, 0.9 per cent.

Brandon University, \$38,357,000 in '17-18; and, in '18-19, it's \$13,403,000—a decrease of \$119,000; again, 0.9 per cent.

St. Boniface—University of St. Boniface was \$13,522,000 in '17-18; in '18-19, it is \$13,403,000—a decrease of \$119,000, a 0.9 per cent.

Now, we have the private religious institutions in one number, so would the member prefer it broken out or what would he like?

Mr. Wiebe: Well, you know, I have the numbers broken. I think the minister had provided them broken out last year, so if it—I guess, it's probably easier for us to track if it is broken out if he does have the information that way.

* (16:30)

Mr. Wishart: We have broken them out for him. So Canadian Mennonite University, and this is for the '17-18 year, \$4,408,000; and, in the '18-19 year, it's \$4,369,000. And Providence, for the '17-18 year, is \$1,242,000 and the same for the year. And Booth had the same for the year. So those numbers have not changed from '17-18 to '18-19.

And for the colleges, if you're ready for that, Red River College, for '17-18—and these are operating

grants only. Just remember that. Red River College is \$107,739,000. And, for '18-19, it's \$106,783,000, so that's a decrease of \$953,000. That's 0.9 per cent.

Assiniboine college—and these are operating grants only, again—'17-18 is \$30,279,000, and, for '18-19, it's \$29,985,000. That's a decrease of \$290,000, and that's 0.9.

You want University College of the North too, I believe you asked for. And in '17-18, that is \$4,797,000, and in '18-19, that is \$4,755,000, a decrease of \$42,000; that's 0.9 per cent.

That's the colleges and universities and private—

Mr. Wiebe: Okay, so, some of the numbers that we had for '17—or—yes, for '17-18, which we took from Hansard last year, don't seem to match up. But we're—I'm going to wait 'til Hansard comes out for today, and we'll just double-check those numbers and just make sure that we're on the same page with regards to what was spent last year.

So what I'm understanding is that it looks like a 0.9 per cent decrease across the board. I guess 0.9 was a popular number for the minister. Maybe he can explain that. Why 0.9, and where did that direction come from? Was this—he just woke up one day and liked the number 9 and thought that would be the target that he'd like to meet? Maybe he sat down with the Premier (Mr. Pallister), and the Premier, as he does with—as I understand, with many of his Cabinet and caucus colleagues, told the minister what to do and said 0.9 is the number that he came up with.

It's obviously not based on performance of the institution, on enrolment, on any kind of a success with the programs that they're offering or a direction in terms of where the economy is going and the need will be in terms of education and training going forward. It looks like 0.9 across the board except for—I think I heard the minister say Providence and Booth. And I also have Steinbach; is that—would that also be included? And I don't think the minister gave us information on that.

So I guess I'll just give the minister just an opportunity to explain where the 9's come from and why there's no change to those additional—to Providence and Booth.

Mr. Wishart: Well, and thank the member for the question, and I'm informed that the institutions like Providence and Booth and Steinbach have been on the same funding formula since about the year 2000,

and those have, frankly, never changed. So, certainly, that was—we continued with that at this point in time.

I think the member must appreciate that some of these capital grants are how we deal with universities. We're not—he suggested that we can, you know, base it on performance and things like that. And that would be lovely, if we could, in fact, base some of what we're doing on the performance of particular—we might drill down from just the institution itself to different faculties and say if you're meeting the labour market requirements in that particular sector, that would be something that we could look at. But I think the member must appreciate, of course, that academic independence of all of these institutions, particularly the universities, gives them a lot more control over that. So our control, if you want to put it that, over universities, is just the overall granting, and, after that, they themselves make decisions through their senate process and their process of administration that works with the different faculties and the deans of different faculties as to how they manage their money internally.

And, in terms of as a government, our challenge has been to try and get the finances back in order for this province. We were looking very, very carefully at what we did with education. We value education highly.

I think the member will appreciate that all of the institutions that we talking about here has had some change in the tuition, and tuition generally comes to about 40 per cent of the total cost of operation in a post-secondary institution, and the remaining 60 per cent falls to the Province of Manitoba. So we certainly wanted to develop a long-term strategy that we thought would give us some level of sustainability. We're trying to maintain what we have in terms of funding for the post-secondary institutions from a government perspective.

But we're also very aware, and it applies in Manitoba all the way across the board, that all levels of government are trying to, and by our—we're leading by example in trying to reduce our administrative costs in many ways—being very creative in that—to make sure that we get—they preserve the front line, get the best value to the front line, but, in the long term, we are able to put our government in a position where we have long-term

sustainability, which includes, of course, trying to reduce the deficit.

So the 0.9 per cent that was used was an estimate of what—how much administrative growth had taken place, and we were looking for the universities and the colleges to participate in reducing the upper management costs and also to protect their front-line services. And we have worked very closely with them in terms of putting this in place. I can tell you that most of them were very, very co-operative in this process, and, in fact, one or two of them have said it provided them with some opportunities to make some changes that they had been contemplating.

I know it's a challenge for everybody to try and do this, because as a government it's never easy to manage the fiscal sustainability of a province without just going back to taxpayers repeatedly and saying, well, we need more money, because there's an inflationary factor in everything that we do. Cost of last year's inputs are always, you know, raised—rise from year to year. It's very seldom that you'd say, well, this year it's cheaper than last year.

*(16:40)

So we certainly appreciate the great work that post-secondary institutions have done with us on this and we're very happy that they have co-operated very willingly in this area. I know it's been a challenge for them. Same kind of thing was actually applied to the school districts as—and school boards, as the member might remember. And the same number was applied in that process.

Mr. Wiebe: I thank the minister for that. That's actually the first time or the most clear link, I think, the minister has made between reducing the funding for universities and colleges and shifting that cost onto the backs of students.

And I think he made that very clear in his answer, that they felt—the government, that is, felt that they could reduce the operating grant that they offer to each university and college because the students are going to be able to pick up the tab. And that's what the minister is saying.

I think that's what we've been saying, you know. But now it's nice to at least have the minister sort of confirm that, tell us that that is in fact the case.

He calls it sustainability, I call it a shift onto the backs of students.

So—but it is nice to have that clarity. I am going to offer some time here to my friend from—

An Honourable Member: River Heights.

Mr. Wiebe: River Heights, thank you.

But I did have one question, and I—before I end, and I was hoping the minister could just clarify.

In his last answer, he—or it might have been the answer before that—he had stated that for Providence, for Booth, and I guess this doesn't include CMU, but for Steinbach as well, he had said that there's no—there was no change in the formula since the early 2000s. And I'm wondering if he meant that there's been no change in the formula, or if there's been no change in the funding. And I just was hoping he could maybe clarify that for us.

Mr. Wishart: Well, thank you very much for the question.

And I'm not making the connections that the member has said in that we were trying to off-load this on the students. In fact, we are very clear with the post-secondary institutions that we expect them to shrink their administration. We expected them to—as we are asking every level of government that is involved across the province—to make an effort to shrink their administrative costs, which have grown. And there's lots of evidence to support this and it varies in different sectors, in fact, varies in different institutions. There has been a substantial growth in administration at post-secondary institutions has there—as there has been in a number of school divisions as well. And we're looking for them to do that without changing the front-line delivery impact.

And it was a modest request that we gave to them, and as I said, many of them co-operated in this whole process in terms of doing that. We're not looking to put additional burden from that side of things on students. Certainly, the money that students pay in tuition, I would very much like to see putting into better performance by the post-secondary institutions, and I hope that they're getting that very clear message moving forward.

As to the member's question around the Steinbach, and Booth, and Providence—the amount of dollars, it's not the funding formula; they haven't changed since 2000. CMU, however, is on a similar type of funding formula with the other universities, so—does follow and change on an ongoing basis. But those other three, I guess it is, have not changed since back in year 2000.

Hon. Jon Gerrard (River Heights): Yes, my first question deals with what I'm told is a shortage of teachers for French immersion. This is a growing area, and there are, if you include French, French milieu, core French, and French immersion, there's a very large number of students who are requiring and wanting French or French immersion programs.

What is the minister doing with regard to this shortage of teachers for French immersion?

Mr. Wishart: I appreciate the question. Certainly, there has been an ongoing problem with shortages in French teachers and French immersion teachers. It's also—the problem also relates to vocational teachers is another one that we have an ongoing shortage situation across the province in and also English an additional language is—those are the areas where we're challenged in terms of teachers. We are—the—a number of the school divisions are working together to try and recruit, in other provinces, in terms of finding French and French immersion teachers, with some success.

You know, our ultimate goal is to train them here in Manitoba—train teachers to meet those needs, and one of the things that I did actually very early on as a minister was bring in the deans from the various faculties of education in Manitoba and say, what can you do to help me in regards to that. And I wasn't—didn't get a really great response, in all honesty, and the member was probably here when we had that brief discussion of—around the earlier question on academic independence.

The education faculties don't send a very clear signal to their students as to what the teaching needs are, and, in fact, for most of them, until the students are actually out in their practicum, they don't get very good direction as to where the best opportunities and the best—from their point of view—and the highest needs are. Now, to their credit, I would say that Université de Saint-Boniface actually went away and figured out what I was saying and what our needs were, and they've increased their capacity. And those additional teachers will be coming on the market, or will be available for hiring next year, I believe, is when they will be coming out, and that will increase the supply of French and French immersion teachers that are trained here in Manitoba. We're, certainly, encouraging the other faculties to participate in that, and we'll be looking at ways that we can encourage them to do even more.

It's a short-term solution to go to other provinces and hire. There are some cultural differences. Often

the case when you bring—especially with French and French immersion teachers in from other provinces, often that is a bit of a challenge, as well, and retention is also a factor, because when you encourage people to displace, they don't always adjust to the new environment in the best way possible, and so retention is a challenge for those teachers.

Now, we continue to look at that. In fact, I recently had a discussion with one of the diplomatic groups that was in on trade from France, as to see what they might have in terms of teachers that would come here and help us with our issue of shortage of French and French immersion teachers. And there was some interest there, and we're certainly following up on that, as well, but these are ongoing problems. They've been in place for a long time.

We did touch on enrollment numbers in French and French immersion, and I believe, if I remember the—correctly, the growth in French was about 0.5 per cent per year, and the French immersion was about 4.6, which is quite a substantial growth year over year, and it has been that way for some time. So we know that not only do we have a shortage now, but we're likely to have an even greater shortage of teachers moving forward.

So we're certainly working constructively with the school divisions. As the member probably appreciates, the teachers actually work for the school division; they don't work for the Province of Manitoba. So we just have to work in a constructive manner with the school divisions to try and make this happen.

Mr. Gerrard: Yes, I thank the minister. I'm certainly in support of efforts to increase the training of students in the areas where we have shortages. I think the minister has a potential for a significant leadership role should he choose to take that and to make sure that students are better aware of where there are opportunities.

My next question has to do with the minister's view on the use of the Internet, tele-education, distance learning, where we are and what the minister is doing in this area. *[interjection]* Specifically with regard to post-secondary education, but if you can talk about earlier areas as well.

* (16:50)

Mr. Wishart: Well, and thank you very much for the question, to the member from River Heights, because it is a very good one.

There's great potential in this area, and one of the things we're certainly looking forward to is better Internet access, especially in northern Manitoba and, in fact, rural Manitoba. Very—a number of the school divisions are already working to get better Internet access to their schools, ongoing basis. It comes at a cost. It's one of the more expensive items. A number of school divisions look at if they were bringing in, you know, high-speed Internet service, so often they try and spread that cost over the whole community. And in some of the rural settings that's actually worked out reasonably well.

I know that over the—since the 1990s, the Hutterite schools have in—had in place a TV system, which is not interactive, but it does provide them with the opportunity to teach different courses from one site. And it's—though it's aging because of technology moving forward, it has actually proven to provide them with a very good system in terms of offering a full range of courses through their high school system which they were not able to do before because they only have—in a lot of the colonies, they only would have a handful of teachers there, and certainly having that level or range of expertise was never possible. And I know I've been on site a number of times when they were demonstrating that, and it seems to work particularly well. They're very proud of it. It's something that they pretty much put together on their own, frankly, and has offered their students a wider range of education.

Though that is older technology, I think it's not a bad example of what can be done in some of the northern and remote communities. So we certainly look for opportunities to do that as Internet becomes available. We've had this discussion with Frontier as to what—and they're certainly open, who run most of those more remote schools, looking at opportunities in that area as well. So we're keen to work with them on that.

It ties a bit, actually, into some of our post-secondary plans, too, to offer more at least introductory level. One of the things we hear all the time from post-secondary institutions is that there's quite a substantial difference from children that come from rural and remote communities and whether they're ready for the post-secondary institution. And by offering some of these transitional programs or programs to make sure that they have the basics in place, we would get better results.

It's a challenge for a student to come in from a rural and remote area and make that transition to

schools. We certainly would like to offer as much as we can in many of these areas. We—in terms of post-secondary, there's some opportunity to move further down that road, but full diplomas or degree courses in rural communities are still a number of years away, I'm afraid. But we're working as quickly as we can in that area. It's certainly a good idea; leaving a student in the community, their success rate's much better.

Mr. Gerrard: It's interesting that the minister references the education in the Hutterite colonies. I was fortunate and privileged to have the opportunity to provide the—some of the initial funding for the—in the early 1990s or mid-1990s for the set-up in Elie, which started the distance education unit in which the Hutterite colonies played a major role in developing from that point on. And, as you mentioned—as the minister's mentioned, it's actually been remarkably successful in a whole lot of ways, and with students graduating in colonies where they have not had graduates before.

The post-secondary situation, seems to me that at one point, with Campus Manitoba being—sort of funnelling courses from all post-secondary education institutions to rural areas, that there was an opportunity to build that in a much more effective way into a one-window access for students in rural areas, and, you know, people who are, for a variety of reasons, working part-time, only able to go part-time to take courses, that there's major advantages in being able to have Internet access to courses.

So we'll be looking forward to more comments from the minister with regard to the potential in post-secondary education, but I think we—compared with other jurisdictions, we've not really come to the table adequately, and that's probably particularly true. There was a dream at one point that the University College of the North might provide that window of opportunity for northern communities, but it doesn't seem to have happened the way that it could have done.

I wonder if the minister would comment.

Mr. Wishart: I appreciate the questions and certainly, we know that there are some challenges at University College of the North in terms of—their enrolment numbers haven't shown the growth that I think we all hoped would take place.

And we have a new board in place and a new president in place who has very strong connections

with some of the industries in the North, and so we're looking for opportunities to build that, particularly on the college's side. That was actually—and the college's review—perhaps the member's had a chance to have a look at that—has demonstrated that there is some real challenges in the numbers, particularly in the North when it comes to number of students that we're getting into the college's program.

That was one of the things, I think, that we learned from the whole college's review—is that, as a province, we haven't been gaining ground as quickly as many other provinces on the percentage of our population that have a college education. So that points out areas that we would like to work with.

Much of the shortfall was very regional in nature, in particular with rural and remote being the challenged areas. So we know that we need to look at that and try and make sure that services or college opportunities are more widely distributed in the—in rural communities, whether they be southern or whether they be northern, because, frankly, there were some gaps in the southern ones too, which is not—not for the same reasons. I suspect it's not a remoteness issue as much as it's a service-delivery issue there.

So we're looking for opportunities to do that, and I am certainly committed to doing that.

We want to growth—grow our preparedness in terms of a well-trained workforce. It's what we need in the province of Manitoba. It's one of the things that we need not only for our own success ongoing, because if we have the baby boom aging out, we've got to replace an awful lot of people just on that, but we know that we want to be able to attract good private industry to invest in Manitoba.

So, I know the member would like to ask some more.

Mr. Gerrard: It is—seemed to me that there is an opportunity to have courses which are partly over the Internet and partly bring students into centres like Thompson or, you know, Flin Flon for the mining academy or what have you and that we're not blending or integrating the opportunities very well.

And I think that the minister could do a significant benefit to people in the North by looking at more flexible opportunities in which you blend Internet base for part of the course and hands-on learning for the other parts of the course.

I think that we really have an opportunity to do a much better job than we are doing at the moment, and I hope the minister takes that opportunity because, you know, so far, you know, we haven't done nearly as well as I think we might be able to do.

Mr. Wishart: Well, I appreciate the member's question. Certainly, we're prepared to look at that. And sort of the mixed delivery model is—

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 adjourned and stands adjourned until 10 a.m. tomorrow.

LEGISLATIVE ASSEMBLY OF MANITOBA

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