

**First Session – Forty-First Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**Standing Committee**  
**on**  
**Legislative Affairs**

*Chairperson*  
*Mrs. Sarah Guillemard*  
*Constituency of Fort Richmond*

**Vol. LXIX No. 7 - 6 p.m., Monday, November 7, 2016**

ISSN 1708-668X

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

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ALLUM, James	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
BINDLE, Kelly	Thompson	PC
CHIEF, Kevin	Point Douglas	NDP
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	PC
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, Hon.	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	NDP
SCHULER, Ron, Hon.	St. Paul	PC
SELINGER, Greg	St. Boniface	NDP
SMITH, Andrew	Southdale	PC
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	Gimli	PC
WIEBE, Matt	Concordia	NDP
WISHART, Ian, Hon.	Portage la Prairie	PC
WOWCHUK, Rick	Swan River	PC
YAKIMOSKI, Blair	Transcona	PC

**LEGISLATIVE ASSEMBLY OF MANITOBA  
THE STANDING COMMITTEE ON LEGISLATIVE AFFAIRS**

**Monday, November 7, 2016**

**TIME – 6 p.m.**

**LOCATION – Winnipeg, Manitoba**

**CHAIRPERSON – Mrs. Sarah Guillemard (Fort Richmond)**

**VICE-CHAIRPERSON – Mr. Jeff Wharton (Gimli)**

**ATTENDANCE – 11 QUORUM – 6**

*Members of the Committee present:*

*Hon. Mrs. Cox, Hon. Messrs. Friesen, Pedersen,  
Hon. Ms. Squires*

*Messrs. Allum, Bindle, Mrs. Guillemard, Mses.  
Lamoureux, Marcelino, Messrs. Marcelino,  
Wharton*

**PUBLIC PRESENTERS:**

*Mr. Scott Gillingham, private citizen*

**MATTERS UNDER CONSIDERATION:**

*Bill 14–The Public Sector Compensation  
Disclosure Amendment Act*

\* \* \*

**Madam Chairperson:** Good evening. Will the Standing Committee on Legislative Affairs please come to order.

Our first item of business is the election of a Vice-Chairperson.

Are there any nominations?

**Hon. Blaine Pedersen (Minister of Infrastructure):** I would suggest Mr. Wharton.

**Madam Chairperson:** Mr. Wharton has been nominated.

Are there any other nominations?

Hearing no other nominations, Mr. Wharton is elected Vice-Chairperson.

This meeting has been called to consider Bill 14, The Public Sector Compensation Disclosure Amendment Act.

How long does the committee wish to sit this evening?

**Mr. Pedersen:** Til we finish our work.

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

Please note that we have one presenter registered to speak tonight, as noted on the list of presenters before you.

Before we proceed with presentations, we do have a number of other items and points of information to consider. First of all, if there is anyone else in the audience who would like to make a presentation this evening, please register with staff at the entrance of the room. Also, for the information of all those wishing to present, while written versions of presentations are not required, if you are going to accompany your presentation with written materials, we ask that you provide 20 copies. If you need help with photocopying, please speak with our staff.

As well, in accordance with our rules, a time limit of 10 minutes has been allotted for presentations with another five minutes allowed for questions from committee members.

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

Thank you for your patience.

We will now proceed with public presentations.

**Bill 14–The Public Sector Compensation  
Disclosure Amendment Act**

**Madam Chairperson:** I will now call upon Scott Gillingham, private citizen.

Mr. Gillingham do you have any written materials for distribution to the committee?

**Mr. Scott Gillingham (Private Citizen):** I have nothing to distribute, Madam Chair.

**Madam Chairperson:** Okay, please proceed with your presentation.

**Mr. Gillingham:** Well, thank you, Madam Chair. Good evening, and good evening to the members of the committee. It's good to be before you today.

I'm here to express my support for Bill 14, the amendment the bill proposes to The Public Sector Compensation Disclosure Act.

I first want to commend the provincial government for introducing the concept of requiring severance amounts related to technical officers as per section 3.1(1) to be publicly disclosed within 30 days of payment or 30 days after the employment contract is signed.

As you well know, committee members, disclosure is critical to the public having confidence in government. The level of public confidence in government is proportional to the level of transparency within government.

You may be aware that earlier this year in my role at the City of Winnipeg as a councillor I brought forward a motion to City Council. The motion, which was passed by mayor—the mayor and council in September of this year with unanimous support, calls for increased details in compensation disclosure of employees of the City earning \$50,000 or more.

That resolution—I'll just share with you the outcomes that the resolution seeks because it speaks very much I think to what this bill, Bill 14, is also trying to accomplish. The resolution sought to—first, it called for an expansion of the compensation disclosure breakdowns for all City of Winnipeg employees earning \$50,000 a year or more, which would change the practice of disclosing total compensation only to disclosing regular pay overtime, special duty pay, vacation pay, sick leave, cash-outs, bonuses, severance, allowances, benefits, vacation and any other compensation as defined under the Province's Public Sector Compensation Disclosure Act.

Second of all, the motion at the City of Winnipeg, which passed, called for employment contract details to be disclosed at the time of signing for those employees under written contract with the City of Winnipeg.

And third, ironically, as I'm here, the motion called for the Province of Manitoba to amend as necessary the public compensation disclosure act to enable the changes at the City to take place.

In the lead-up to that council motion, I received much support. Supporters included the Canadian

Federation of Independent Business, who wrote, and I'll quote because I believe it's applicable to Bill 14. I quote: We believe the disclosure is critical for small businesses to have confidence in government. End quote.

That letter is from September the 14th from the Canadian Federation of Independent Business written to me.

Governments must work to promote democratic values, democratic values of open, transparent and accountable government. Bill 14 upholds and promotes those very values.

We know that accountability of government is directly tied to transparency of government, and that the citizens of our great province have the right to know how public funds are being spent, including how employees are being compensated. The public deserves a transparent government, as government is ultimately accountable to the taxpayer.

In late September, many communities in our province, including the City of Winnipeg, acknowledged and celebrated Right to Know Week. Each September, 40 countries celebrate Right to Know Week, and the purpose of Right to Know Week is to raise awareness of an individual's right to access to government information while promoting freedom of information as essential to both democracy and good governance.

\*(18:10)

I believe that Bill 14 seeks to provide freedom of information. Access to information promotes those democratic values of open, transparent and accountable government. Access to information, and I quote, helps to ensure first that citizens have the information required to participate meaningfully in the democratic process and, secondly, that politicians and bureaucrats are made accountable to the citizenry, end quote. And that's taken from a Supreme Court ruling and Supreme Court documents of Canada Justice La Forest in *Dagg v. Canada*, 1997.

Citizen engagement is on the rise, and therefore the Province should always aim to be more accountable and provide better access to information for the citizens of our province. Direct access to information and openness and transparency at all levels of government is being demanded in order to empower citizens. Elected officials and public employees are obligated to be accountable to tax, rate and fee payers for not only the collection

and the use and the investment, but also for the expenditure of public funds.

When elected officials are upfront about the details of compensation, it's much easier for the public to understand how their tax dollars are being spent.

And so, simply, in closing, I just want to restate that I applaud Premier Pallister, Minister Friesen, the provincial government for introducing Bill 14. And it would be my desire, certainly, and encouragement to ask all MLAs to support this bill for the sake of our province.

Thank you.

**Madam Chairperson:** Thank you, Mr. Gillingham.

Do members of the committee have questions for the presenter?

**Hon. Cameron Friesen (Minister of Finance):** Thank you, Councillor Gillingham, for being here this evening. I also congratulate you on your new role at the City of Winnipeg Council. We wish you every success in that new assignment that you are taking on.

You and I have spoken about the motion at the City of Winnipeg, and I thank you for sponsoring that. And I've heard you say a number of things tonight that certainly resonate with us, and we understand as well that need for accountability. And we understand as well that members who take their compensation from the public can reasonably expect less privacy around that. It serves a public interest to disclose. So that has certainly been the intent of this bill itself.

I wondered—in the legislation brought by the government here, there is a mechanism whereby we could choose to exercise measures that would protect an employee's identity where it can be proven that safety is at risk—and I wonder, have you contemplated something like this as well from the City's perspective, identifying circumstances in which it would be appropriate to not disclose an individual's identity?

**Mr. Gillingham:** Thank you, Madam Chair, and through you to the minister, thank you for that question.

I do know that currently under the compensation disclosure requirements that the City complies with every year, for example, police officers are not identified by name but rather by a number, and, as I

understand it, that number changes each year. So no one could ever pick up on, you know, correlating a number with an individual. And that is done, as I understand it, in the spirit of and in the effort of maintaining the anonymity of officers.

And I'm—you know, I was asked that question specific to officers. I'm fine, in my view, with maintaining that. It was more about the details that I was interested in.

So all that to say that for—there may be other examples that you would, you know, this committee and the government would see at a provincial level, where there was a concern for safety. And I think that would be certainly fair to mitigate any risk to an individual—any individual by coming up with a system by which there can be transparency on one hand as far as what the compensation is and the details of the compensation, on the other hand, while protecting the safety of the individual because, certainly, an individual's safety has to be paramount.

**Mr. James Allum (Fort Garry-Riverview):** Welcome, Councillor. So pleased that you're here today as a proud public servant with the City of Winnipeg for about 16 years, 11 of which was spent in the CAO's office. I'm pleased that you're here today.

The resolution that was passed by council is substantively different than the bill that's being presented by the minister today. Would you agree with that? *[interjection]*

**Madam Chairperson:** Mr. Gillingham.

**Mr. Gillingham:** Sorry. Yes, Madam Chair, thank you, through you.

Yes, I do see that it's substantially different. Trying to—I was applauding the—I think the spirit behind the bill, which is, I believe, akin to the spirit of transparency that the city's motion brings forward.

**Mr. Allum:** I appreciate that answer because, of course, your resolution deals with public servants, as I was a former one, and the minister's bill here today talks about technical officers, or otherwise known as political staff, so, in a sense, we're talking about apples and oranges here.

I heard the minister say that you had spoken about this bill. Were you consulted prior to the tabling of this bill in the Legislature?

**Mr. Gillingham:** Madam Speaker, was I consulted prior to tabling the bill? No.

**Mr. Allum:** Okay, but I understand you and the minister had had a conversation about it. Could you elaborate on that?

**Mr. Gillingham:** The conversation that we had was post-tabling the bill, if I recall accordingly, because there was interest, obviously, as I said in the resolution of the city, the third point of the resolution, basically, and I'll paraphrase, calls upon the province to make any amendments, if necessary, to the Public Compensation Disclosure Act to accommodate the city's motion.

**Mr. Allum:** Having said that, City of Winnipeg is not included in this particular legislation, nor is any other municipality across the province. I worked with many political staffers. I was a public servant myself for the city, but worked with many political staffers at the City of Winnipeg.

Would it be your desire to have been included in this bill?

**Mr. Gillingham:** I'll be honest with you, according to—I guess in line with the motion that I brought forward we passed at council, I would be open to it being included in this—the city being included in this bill, but I'm more concerned, frankly, with perhaps future bills or maybe future changes to—the act, if necessary, that would allow for the fullness of the city's motion to be realized where there's detailed breakdowns.

So—and just one comment, Madam Chair, if I may, in regards to this being technical officers. I think, you know, my viewpoint and the point is that any time an individual, regardless of elected official, a public servant, a technical officer, a part-time employee, anytime an individual is paid by tax dollars, there should be disclosure.

**Madam Chairperson:** The time for questions has expired.

That concludes the list of presenters I have before—oh, sorry.

Thank you, Mr. Gillingham, for your presentation.

That concludes the list of presenters I have before me.

Are there any other persons in attendance who wish to make a presentation?

Seeing none, that concludes public presentations.

\*\*\*

**Madam Chairperson:** We will now proceed with clause-by-clause consideration of this bill.

During the consideration of a bill, the preamble, the enacting clause, and the title are postponed until all other clauses have been considered in their proper order.

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

Is that agreed? [*Agreed*]

We will now proceed to clause-by-clause consideration of Bill 4—oh, 14, sorry.

We will now proceed to the clause-by-clause consideration of Bill 14.

Does the minister responsible for Bill 14 have an opening statement?

**Mr. Friesen:** I do, Madam Chair.

It's my pleasure as the Minister responsible for the Civil Service to sponsor and speak to Bill 14, The Public Sector Compensation Disclosure Amendment Act to committee today.

During Election 2016, our government committed to an open government agenda, including specific steps to improve transparency and accountability. I am pleased to say that Bill 14 will enable Manitobans to benefit from the clear disclosure of all technical officer employment and secondment contracts, as well as severance payments.

\*(18:20)

Technical officers, of course, are a category of employee appointed by Cabinet under The Civil Service Act. They are not classified as civil servants; rather, they usually work directly for ministers and Cabinet in assisting and fulfilling their legislative and policy work. For instance, chief of staff, ministerial special assistants, issues management, communications, and stakeholder relations, Priorities and Planning Secretariat and other special appointments are typically technical officers. Disclosure of how governments spend the hard-earned tax dollars of all Manitobans is clearly

in the public interest. Manitobans have the right to expect integrity and full disclosure from its government. Manitobans have a right to expect access to information in a timely manner and in a convenient manner and in a way that they can hold government to account.

The Office of the Manitoba Ombudsman has indicated its view that senior civil servants should have a limited expectation of privacy when it comes to their salary. Public money should be subject to public scrutiny. The Province is charged with stewardship of public funds and we must ensure that we not only manage these funds well but we do so in a transparent fashion. While the annual salary is subject to the same rules as civil servants, we have seen that it is important that technical officers be accounted for in the most transparent and honest way possible.

There were many concerns with how the previous government delayed the release of severance payments when it came to technical officers. We all understand what the backdrop of this bill was. A glaring example of the absence of that accountability occurred under the previous government, where the salaries of individuals who were seconded to government in contracts and who were released from the employment of government, those amounts were not available to Manitobans in a timely manner. As a matter of fact, government took advantage of order-in-council procedures and end-of-contract dates to be able to decline to disclose amounts paid in salary, other compensation, including severance.

Even now, where, with the release of the Public Accounts in 2016, only in September were members of the public made aware of compensation by certain individuals who were technical officers released in 2015 in the early months of the year, and having that compensation appear a year and three, four months later on. It's not a small amount of compensation; over \$500,000 was disclosed in this manner a year and some months later. We understand that it would have been far better in the interests of Manitobans to have had that information in a timely manner.

This act is only one piece of a larger set of changes that our government has committed to undertake, and I would stress that point. And I would signal very clearly that there is a difference when we're talking about the overall compensation in matters of the civil service and matters pertaining

specifically to technical officers, where we saw some really irregular procedures recently.

We are moving directly to address this in legislation. It does not convey a message that we do not share an additional desire to take further steps. Consider, if you will, this as a phase 1 of a multi-faceted project that is designed to do exactly this, to ensure accountability and transparency in the manner in which government pays its employees.

Over time, we will clarify the concept of severance into the act and require that severance payments to technical officers be reported publicly within 30 days of payment—sorry, I shouldn't say over time—but at this time we will get those things done in reporting within 30 days of payment.

The act will make clear that employment contracts and secondment agreements of technical officers are subject to disclosure within 30 days of signing. This includes all contracts entered into after May the 2nd. The bill will also allow for regulations to be set out and for those to indicate acceptable ways for the disclosure to be made public. We want to ensure the how-to-make-this-public is included in regulation in order to accommodate technological changes that will occur in coming years. However, this bill ensures that the requirement to do this work and make it public within 30 days will be enshrined in the legislation.

Our government is committed to providing more transparency around technical officer appointments. We are undertaking this in response to the Ombudsman's report on how the past government conducted itself with the disclosure of severance payments.

Finally, the act will be backdated to the day our Cabinet was sworn in and ensures that our government will be accountable more so than any Cabinet before us. I look forward to the committee's further discussion on Bill 14 this evening. Thank you.

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

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

**Mr. Allum:** The official opposition in Manitoba, our NDP team, believes in a transparent government that is held accountable to its citizens. We take our responsibility to be open and accountable to Manitobans seriously, while being respectful of the privacy of our public servants and HR best practices.

Our record when in government was almost second to none in Canada. We strengthened the 'elections' act, beefed up FIPPA legislation and made more government data and information available online, including ministerial travel and expense reports.

We made sure that the public was free to access information—put information online, because most Manitobans don't file FIPPA's; they search online. We posted all government contracts online where they can be reviewed by the public. That's the most transparent system of any Canadian province.

We released key department statistics online like EMS response times; number of doctors, nurses and nurse practitioners; graduation rates and funding to First Nations' CFS authorities for front-line workers.

We disclosed ministers' expenses annually, and ministers' out-of-province travel expenses are disclosed quarterly.

We made The Elections Act more powerful. We banned corporate and union donations to keep big business and powerful lobbyists from influencing elections, and we also restricted third-party advertising during election campaigns.

We were the first government in Canada to introduce legislation protecting whistleblowers, and we created the Lobbyists Registry to keep lobbying in Manitoba open and transparent.

We extended freedom of information legislation to public bodies that the Conservatives had specifically excluded. FIPPA now covers municipal governments, school divisions, universities and health regions, and we shortened how long Cabinet documents are sealed.

We also believe that having a professional and fairly compensated political staff is an equal part of delivering quality services to Manitobans. Political staff should not be subject to partisan attacks or treated as political pawns. The minister knows that during the 1990s, the Filmon government operated under the very same rules that the NDP operated under during our time in government. As he witnessed during debate on the bill, he understood that there was significant severance paid to any number of Conservative political staff over the years, and disclosure time was longer than what was given by our own government.

So we are disappointed that he should take an act of which both parties support, a bill that both parties support, and try to make it into a great political show when, in fact, we would expect him simply to be delivering on transparency and accountability mechanisms without descending into political attacks simply to score points for no apparent reason.

We support transparency and would like to see the scope of this bill expanded. Its limited scope is indeed unfortunate. That we should have a councillor from the City of Winnipeg here to support the bill and yet at the same time not be included in the bill strikes us as unfortunate. And we are disappointed that the Finance Minister didn't see fit to do broader and more extensive consultations with not only the City of Winnipeg but other municipalities across the province to see whether they were interested in being included in a bill which has as its central purpose transparency and accountability.

Finally, Madam Chair, we would also like—we should also like the government to find time to address issues important to Manitoba. This is yet another bill put forward by the Finance Minister that has drawn very little in by way of public interest or public participation. And, at the same time, he's the Finance Minister where we know 12,000—over 12,500 full-time jobs have been lost since he has been appointed to Cabinet in—six months ago.

We'd like to see a plan for job creation, a plan for young people, a plan for investing in infrastructure, a plan for investing in schools and a plan for creating new opportunities for newcomers to Manitoba.

In all of this, we support this bill, but we'd like the government to get on with the real business central to the people of Manitoba.

Thank you.

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

Clauses 1 and 2—pass; clause 3—pass; clauses 4 and 5—pass; enacting clause—pass; title—pass. Bill be reported.

The time being 6:31 p.m., what is the will of the committee?

**Some Honourable Members:** Committee rise.

**Madam Chairperson:** Committee rise.

**COMMITTEE ROSE AT:** 6:31 p.m.



The Legislative Assembly of Manitoba Debates and Proceedings  
are also available on the Internet at the following address:

**<http://www.gov.mb.ca/legislature/hansard/hansard.html>**