

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

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**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
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	Ind.
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
<i>Vacant</i>	Point Douglas	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 10, 2017

*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.

### ROUTINE PROCEEDINGS

**Madam Speaker:** Introduction of bills? Committee reports?

### TABLING OF REPORTS

**Madam Speaker:** Are there any tabling of reports?

**Hon. Cameron Friesen (Minister of Finance):** Madam Speaker, I rise today to table the Report of the Advisory Panel on Fiscal Performance.

### MINISTERIAL STATEMENTS

**Madam Speaker:** The honourable Minister for Infrastructure. The required 90 minutes' notice prior to routine proceedings was provided in accordance with rule 26(2).

Would the honourable minister please proceed with his statement.

### Spring Flooding Update

**Hon. Blaine Pedersen (Minister of Infrastructure):** Good afternoon.

Manitoba Infrastructure's Hydrologic Forecast Centre reports overland flooding and tributary flows continue to subside across parts of southern Manitoba.

However, flows on the Assiniboine River are continuing to rise, as well as the Souris and other tributaries are running at high spring levels.

The revised Assiniboine River forecast suggests the Assiniboine and Souris rivers may peak at the same time at the Portage Reservoir.

Preparations for temporary flood protection measures are being put in place along the lower Assiniboine River.

A flood warning remains in effect for the Oak Lake area, as well as the upper Assiniboine River from the Shellmouth Dam to Holland, which is at crest, and the Souris River.

Ice is still in place on northern rivers and tributaries. A high water advisory is in place for the Carrot River near The Pas. Most rivers in southern Manitoba are ice free.

With the operation of the Floodway, the Red River in Winnipeg will be held at between 17 to 18 feet James Street.

Homeowners affected by this spring's flooding are reminded to review their home insurance. Overland flood insurance was introduced by some insurers in Manitoba in 2016.

High water advisories, flood watches and flood warnings also remain in place on several creeks and rivers across the province. High water levels have led to a number of road closures across the province. Avoid driving through moving water as the water depth can be unpredictable and the current can push vehicles off the road.

We will continue to respond to issues as they arise, and work with our partners across the province to ensure the safety of all Manitobans.

Thank you, Madam Speaker.

**Mr. Jim Maloway (Elmwood):** Madam Speaker, last week, the Red River crested at 19.4 feet and water levels are beginning to recede. Without the Red River Floodway, water levels at James Avenue would have been as high as 24.9 feet, which is 0.4 feet higher than water levels during the flood of the century, when it crested at 24.5 in 1997.

The Assiniboine River is expected to reach its crest within the next few days. As of yesterday morning, Assiniboine River water levels sat at 1,175 feet above sea level. Crews and volunteers along the lower Assiniboine River are staying vigilant and preparing for still-rising water levels by putting flood protection measures, like sandbags and water pumps, in place.

Brandon is on high alert as flood levels are expected to reach their fourth highest level in 100 years. Just yesterday, over 50 volunteers in Brandon responded to the call for help with sandbagging efforts, and city crews building a dike along 18th Street North.

The municipality of St. François Xavier is on high alert and just declared a state of emergency. With 35 homes needing protection, they recently put out a call for volunteers to help fill sandbags.

I would like to thank all of the volunteers who helped with yesterday's sandbagging efforts in Brandon, and encourage Manitobans to lend a hand with sandbagging where and when they can.

**Hon. Jon Gerrard (River Heights):** Madam Speaker, I ask leave to speak to the minister's statement.

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

**Mr. Gerrard:** Madam Speaker, I thank the minister for the statement, and I want to bring up some issues which I've been hearing from people in the field.

First of all, with the Assiniboine and Souris river crests coming together, that means that there will be a lot of extra water coming between Portage and Winnipeg, and I think it would help people both along that stretch of the river and people in Lake Manitoba if it was clear exactly how much water the government is going to allow to go down the Assiniboine River and, also, what are the minimum and maximum expected levels, depending on the circumstances, for people around Lake Manitoba so that we can plan ahead of time, rather than getting into this at the very last minute without being clear. And we want to know, you know, what's the—you know, what's going to happen if there were a big rainfall, for example, just so that people can be alert and ready for not only what's optimistically the best but what is also potentially the worst.

I think the other thing is you mentioned the insurance—the flood insurance, and it's very important that you're letting people know—and this needs to be known more widely—that flood insurance is now available.

But what is less clear is what the government will do in terms of compensation for people who are flooded. If a neighbour has—able to get flood insurance but you didn't because you weren't aware of this problem, is the person who didn't going to be

penalized if in fact they're caught in the flood? So this needs to be clarified ahead of time instead of people finding out after the fact, you know, what could happen.

Thank you, Madam Speaker.

**Madam Speaker:** The honourable First Minister. The required 90 minutes' notice prior to routine proceedings was provided in accordance with rule 26(2).

Would the honourable minister—First Minister please proceed with his statement.

### 100th Anniversary of Vimy Ridge

**Hon. Brian Pallister (Premier):** Madam Speaker, colleagues, today is the 100th anniversary of a battle that occurred during one of the bloodiest wars in the history of humankind, a battle that turned the world's attention to Canada.

It occurred on the blood-soaked escarpment of Vimy Ridge in France, where soldiers from every corner of our nation and many from our province accomplished what other nations could not. They defeated the enemy, they turned the tide in the war, they paved the way for ultimate victory.

\* (13:40)

Canadians did that. Manitobans did that.

Les Canadiens ont fait cela. Les Manitobains ont fait cela.

### *Translation*

*Canadians did that. Manitobans did that.*

### *English*

And that is why our victory at Vimy Ridge is regarded by many as the moment when Canada stood on its own, the moment when Canada became a nation.

But it came, Madam Speaker, at such a high cost. More than 10,000 Canadian soldiers were killed or wounded in that battle alone, soldiers from all over our country, from all across our great province.

On a per capita basis, no other province suffered a greater loss in the Great War than Manitoba. And that is no doubt related to the fact that a higher proportion of Manitobans volunteered for service than from any other province. When the call came, they answered.

And we still do. When Manitobans see a problem, we are the first to lend a hand. When we see a challenge, we face it together. And we never turn our back on those in need.

Par ce que nous sommes confrontés à des défis ensemble.

**Translation**

*Because we face challenges together.*

**English**

Because we face the challenges together. That's why we consistently lead the nation in volunteerism in the support of charitable causes.

It should not be lost on anyone that while this magnificent temple of democracy was being constructed, at that same time thousands of young men from Manitoba, many in their teens, were fighting for their lives at Vimy Ridge.

Their sacrifice is brilliantly depicted just above the north doors to this Chamber on the Brangwyn mural, which depicts Canadian army life in France in World War I. It portrays tragedy and loss, but it also features flowers to show the optimism of the coming of peace.

It is impossible for any of us in this room to fully grasp the terror that these young men experienced at Vimy Ridge. The horror, inhumanity, the sacrifice of war are beyond the ability of any of us to fully comprehend.

That may explain why very few veterans who return from the battles of World War I and World War II ever spoke of these wars again. Their memories were too painful to share.

On November 11th of each year, we hear the phrase lest we forget. And I can say without hesitation that here in Manitoba we have never, nor will we ever, forget the sacrifices made by our brave men and women in uniform. We will never forget.

Les Manitobains n'ont jamais oublié les sacrifices faits par nos braves hommes et femmes en uniforme. Nous n'oublierons jamais.

**Translation**

*Manitobans have never forgotten the sacrifices made by our brave men and women in uniform. We will never forget.*

**English**

The sacrifices they made were, are and will always be for us, for all of us, who too often take for

granted the freedoms we enjoy today. And that is why our province is in the process of naming over 8,000 geographic features in honour of every Manitoban who was a casualty of World War I.

Earlier today, I was honoured to participate in a ceremony where we named geographic features after 13 young men who died in battle in the Great War. Eleven of those brave souls died at Vimy Ridge.

It is also important, Madam Speaker, to note that not all of these courageous young men were born in Canada. One was born in England, one born in Sweden, one born in Iceland and another born in the United States. But they all fought and died for Canada.

Madam Speaker, every day should be a day of remembrance. And as we commemorate the enormous sacrifices that were made on our behalf on the desolate, blood-soaked battlefield of Vimy Ridge, I would ask that all members in this Chamber rise now and join together in a moment of silence.

Merci, Madame.

**Translation**

*Thank you, Madam.*

**Madam Speaker:** Is there leave for a moment of silence? *[Agreed]*

*A moment of silence was observed.*

**Mr. Andrew Swan (Minto):** Madam Speaker, it was a sight to see yesterday at Vimy Ridge Memorial Park as hundreds and hundreds of cadets who train at armories and hangars and halls across Winnipeg and across Manitoba gathered to parade over to the cenotaph. One could not help but think that many of the Canadians who served in World War I, and fought and died at Vimy Ridge, were little older than the youth we saw marching in uniform just yesterday.

It was 100 years ago that Canadian soldiers fought the Battle of Vimy Ridge. It was the first time all four divisions of the Canadian Expeditionary Force, from sea to sea, fought together. Nearly 100,000 Canadian soldiers took part in the battle from April 9 to April 12, 1917, against three opposing divisions.

Canadian soldiers faced unrelenting resistance as they climbed the ridge. Canadians captured most of

the ridge by the end of the first day and managed to hold it, attaining the rest of their objectives over the next three days. But they suffered terrible losses. Canada alone suffered nearly 3,600 dead, with another 7,000 wounded.

The soldiers who took Vimy Ridge were heroes and for the most part came from humble backgrounds. They came from farming families, they were the children of tradespeople and labourers, they came from First Nation communities and many were immigrants to Canada.

If you attend an established inner-city church, as my family does, or an older small-town church, as I know other members of this Legislature do, you can see on the wall just how many answered the call.

These young men on the front lines, far away from their families and their communities, who signed up for what they thought would be a short war, the war to end all war, were ordered over the top to make the greatest sacrifice.

Many who survived Vimy Ridge and the other battles of World War I returned home to face poverty, unemployment, mental illness and ongoing physical suffering.

Today, 100 years later, we remember the Battle of Vimy Ridge and we will never forget the sacrifices that were made. We remember also the toughest work that benefits us all is often carried on by those who have the least.

Thank you, Madam Speaker.

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

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

**Ms. Lamoureux:** Yesterday, we saw hundreds of people from the French city of Vimy Ridge come out to honour the thousands of Canadian soldiers who fought exactly a century ago.

Canada lost 3,600 soldiers and more than 7,000 were injured during the three-day battle. This battle holds an important place in the history of Canada's military. At 5:30 a.m. on Easter Monday, Canadian forces, who were fighting for the first time together, captured most of the German positions by the very same afternoon.

Madam Speaker, it gives us great pride to stand and honour those who paid the ultimate price for our

province and our country, most of whom were not only soldiers but just everyday citizens who gave their lives.

Yesterday, today and every day to come, we thank them for their sacrifice. Thank you.

## MEMBERS' STATEMENTS

### Christine Wood

**Ms. Nahanni Fontaine (St. Johns):** On April 8th, we learned the investigation into the disappearance of Christine Wood, age 21, is now rendered a homicide with the arrest of Brett Overby.

I want to take a moment to simply say to Melinda and George Wood, Christine's parents from Oxford House First Nation, how incredibly sorry I am for the loss of their beloved daughter.

I had the opportunity to meet with the Wood family and they are honestly one of the most humble, kind, compassionate and loving families I've ever met.

From the moment Christine was stolen from her family, Melinda and George relentlessly searched for their beautiful daughter, day and night. Christine's parents remained in Winnipeg from August to just before Christmas and returning back again to Winnipeg soon afterwards. I met with Melinda and George just before they were leaving back home at Christmas, and I can tell you, it was so evident how torn they were to leave their baby girl and go back up north. Madam Speaker, simply put, Melinda and George are phenomenally courageous people.

\* (13:50)

I also want to acknowledge some of the many people that stood with Melinda and George throughout this nightmare: Christy Dzikowicz from the Canadian Centre for Child Protection; MKO's Grand Chief Sheila North Wilson and Jennifer Wood; Oxford House First Nation; James Favel and the Bear Clan; the Winnipeg Police Services' Missing Persons Unit; Melissa Martin from the Winnipeg Free Press; and, finally, Bernadette Smith, chair of the Manitoba Coalition of Families of Missing and Murdered Women.

Bernadette shared with me this morning the conversation she had with Melinda just a couple of days ago. Naturally, she just wants to bring her daughter home.

I spoke with Christy Dzikowicz this morning, who wanted me to share there will be a vigil in

honour of Christine Wood this coming Wednesday. I will post the details on social media.

Finally, Madam Speaker, let me say again, indigenous women and girls' lives are sacred and are to be valued and honoured, and anything less is simply not acceptable.

Miigwech.

### **Sturgeon Heights Girls Basketball Team**

**Hon. Steven Fletcher (Assiniboia):** Madam Speaker, I rise in the House today to speak of the Sturgeon Heights Collegiate junior varsity girls basketball team.

This group of very impressive young women have helped make Assiniboia awesome again. Their victories this year have included provincial championships, the–undefeated in a league season, an undefeated playoff series to win their conference and, in addition, winning the tournaments at River East and Daniel Mac. To put it in context for my MLA colleagues, they beat all the teams in your constituencies.

These achievements are results of hard work and dedication on part of these young athletes, but they are also a result of the commitment and guidance they receive from their coaches, D.J. and Cadin Dupasquier. These brothers, who have been coaching together for many years, deserve special mention because of their overall dedication to young people. They believe in–look, the point is these guys have done a lot to make the community better and we owe them a great deal and they are great role models for these young women.

Thank you.

And Madam Speaker, I'm going to ask to have the names of the players entered into Hansard but, in the interim, I wonder if we could all join me in honouring the players and coaches and staff of Sturgeon Heights junior varsity girls basketball team who are present in the gallery today.

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

*Players: Lauren Cogan; Tia Deitz; Hannah De La Mothe; Victoria Dupasquier; Viviana Gallegos; Kylie Karr; Anna Kernaghan, Provincial Championship MVP; Lauren Kidd; Maria Nagy; Sidney Peck; Selva Planincic; Faith Ridd; Hannah Stewart; Arianna Thibodeau; Alyssa Warga.*

*D.J. Dupasquier, head coach; Cadin Dupasquier, assistant coach; Val Moore, team manager.*

### **The Birth of Khalsa**

**Mr. Mohinder Saran (The Maples):** Madam Speaker, the month of April is a special month for Sikhs. During April, 1699, the last of the living Sikh Gurus selected five dedicated Sikhs from different hereditary classes of Hindu society, known as castes, and from different regions of India. With these five Sikhs, the Guru Gobind Singh abolished all caste inequality with the inception of Khalsa and the Baptism of Sword.

The founder of Sikh religion, Sri Guru Nanak Dev Ji in the 15th century first challenged the caste system in Hindu religion and challenged the inequality based on sex. He felt no person's status should be judged upon class or sex, but instead upon their deeds. He declared women equal to men, and that a person should remember God, work hard according to one's abilities and to help those in need.

The next gurus institutionalized these ideals. The ninth guru stood up to the Muslim emperor of his time who forced Hindus to convert to Muslims. The Emperor beheaded him. This guru sacrificed his life for the rights of people of religions other than his own.

With the birth of Khalsa, the 10th guru prepared Sikhs to focus on a casteless society where all Sikhs stand for human rights.

In Winnipeg, our Sikh church, Kalgidhar Gurdwara, is perhaps the only church in the world whose constitution guarantees an equal number of spots for women and men in the executive committee. I personally emphasized this clause when this constitution was prepared. I feel good about it.

And I wish happy birthday of Khalsa to Sikhs and to all people who stand up for human rights.

I urge the Manitoba government to declare the month of April as Sikh heritage month.

Thank you.

### **Don Glenn**

**Mr. Kelly Bindle (Thompson):** On February 17th, 2017, I had the honour of meeting Don Glenn. He's the owner of Shorty's Upcycling Studio, and I had the honour of seeing some of his creations in Thompson when he won the Entrepreneurship

Manitoba Just Watch Me! video contest for new start-ups.

Don started a business creating functional art out of discarded items around Thompson and launched it at the northern trade show in May 2016.

His green vision of redefining the 3 Rs of recycling into reimaging, redesigning and reinventing uses for discarded items and turning it into a business came quite by accident and out of necessity.

Prior to opening his new business, Don moved to—from Gilmour, Ontario, to Thompson, Manitoba, in 2012, where his brother Daniel was already working, and found work as an auto mechanic, a trade he had worked in for over a decade.

While living in Thompson with his wife Andria and raising their young children and—daughter Zaria and son Sloan, Don developed an extremely rare skin disease whereby he breaks out in an allergic reaction when his skin feels contact or pressure. Dealing with unbearable, itchy skin, no longer able to work as a mechanic, faced with the responsibilities of raising a young family and not knowing what to do, Don found himself becoming overwhelmed with stress.

Luckily, the sewer line in the basement of their house backed up, and he had to build a new vanity out of old fencing. Don did such a good job that when his parents, John and Ann, came to visit from Ontario, his father asked him, why not do that for a living? And Shorty's Upcycling Studio was born.

With his wife's help bookkeeping, marketing and Facebooking, Don finds his new job relaxing and therapeutic, and he's happy to help the environment. Customers are very pleased with their unique, functional pieces of art, and Don jokes, having customers happy when they pay for their items is a huge difference from the auto repair business.

Don is an inspiration to people facing barriers as well as those without, and I want to thank him for sharing his experiences and his ideas at the Look North summit in Thompson last week.

And I want to ask all the members to please join me in welcoming Don Glenn and his parents, John and Ann, to the Chamber today, and in wishing his parents a happy 40th anniversary and wishing Don and his wife all the best with their newborn on the way any day now.

Thank you, Madam Speaker.

### **Citizens for a Safer Selkirk**

**Mr. Alan Lagimodiere (Selkirk):** It is my privilege to honour a group of Selkirk residents for organizing a truly important community safety initiative.

On their own, Cheryl O'Neill, Karen Pruden, Brittany Waterman, Angel Hendrickson, Harley Collee, Raven O'Neill and Michael Dunning set out to collect and discard drug paraphernalia from public spaces in Selkirk.

Each person in the Citizens for a Safer Selkirk has their own personal reason for involvement in this mission: some want to make Selkirk parks and green spaces safer for visitors, residents, children and pets, others have a direct life experience or personal connection with drug addiction. It is a harsh reality when areas selected for search are based on personal experiences such as addiction.

Their cleanup efforts have resulted in the safe removal and disposal of needles, syringes and packages related to harmful, illegal drugs.

The Citizens for a Safer Selkirk promote their initiative via social media in the Selkirk area.

\* (14:00)

It needs to be acknowledged that for these individuals to step out in the open and face potential judgment, even with the objective of making a community safer, takes a very strong and special person.

Social media fallers—followers of the Citizens for a Safer Selkirk have provided several tips resulting in the continued removal of dangerous items from our public spaces.

The Citizens for a Safer Selkirk have just begun their work. Because their work is important to Selkirk, they must be recognized, promoted and encouraged.

The Citizens for a Safer Selkirk are in the gallery, and I invite all of us to rise and thank them for their commitment to a safer community.

Thank you.

**Madam Speaker:** Before we carry on, I wanted to inform the House of the happy news that our Clerk Assistant, Clerk of Committees, Andrea Signorelli, was married this past weekend.



### Introduction of Guests

**Madam Speaker:** Joining us in the Speaker's Gallery today are Andrea's bride, Erica Bulow, as well as the brother of the groom, Claudio Signorelli, and Andrea's nephew, Davide Signorelli, who travelled here for the wedding from the province of Como, north of Milan, Italy.

On behalf of all honourable members here, we congratulate Andrea, and we also welcome his special guests to the gallery today.

I would also like to draw the attention of all honourable members to the Speaker's Gallery where we have with us Ms. Caroline Saunders, British Consul General, from Calgary, and Mr. Joe Barnsley, 'honoral' consul for Great Britain, who's stationed here in Winnipeg.

On behalf of all members, we welcome you here to our gallery today.

In the public gallery we have with us today Mr. Gatlin Church from Flin Flon, who is the guest and former student of the honourable member for Swan River (Mr. Wowchuk), and Gord and Elaine Neal, who are the guests of the honourable member for Brandon East (Mr. Isleifson).

Also in the public gallery from Springs Christian Academy, 15 grade 9 students under the direction of Mr. Brad Dowler, and this school is located in the constituency of the honourable member for St. Boniface (Mr. Selinger).

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

### ORAL QUESTIONS

#### Emergency Room Closures Need for Health-Care Investment

**Ms. Flor Marcelino (Leader of the Official Opposition):** After months of uncertainty, the Premier revealed his plans to shut three emergency rooms in Winnipeg as well as close down an urgent care centre at Misericordia Health Centre. This massive disruption to our health system will undoubtedly impact the care Manitobans receive.

But the Premier has refused to actually commit the necessary resources to support our health-care system. There was no mention of funding for new beds in his announcement, no commitment to hire new nurses. In fact, he promised job losses instead.

How does the Premier think that shutting ERs and not providing the necessary supports to our health-care system will make things better?

**Hon. Brian Pallister (Premier):** Well, we all, Madam Speaker, hope for better things. And certainly, I want to offer, from this side of the House, our congratulations, complimenti [*congratulations*], to Andrea and to Erica and to their families for entering into this institution. If you need some tips, John and Ann up there have 40 years, and I suggest you may want to consult.

Creating something better, Madam Speaker, is what we're about. We have endured—all Manitobans have endured health care that was inadequate for their needs for a long time under another administration, and so, Madam Speaker, we are committed to better care for Manitobans, and sooner as well.

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

**Ms. Marcelino:** The Premier's plan is based on selective reading of the evidence. It is based on picking and choosing which plans to endorse and which to ignore.

The Premier's plan calls for shutting emergency rooms across the city, but makes no new commitment to increasing personal-care-home beds. In fact, this government has cancelled three personal-care-home projects this year alone. The Premier's plan makes no commitment for home-care services. In fact, his government cancelled the hospital home-care team program, a program which helped keep seniors out of emergency rooms. Instead, all that remains are emergency rooms that have been shuttered.

Why will the Premier not make investments that his own plan calls for?

**Mr. Pallister:** Well, Madam Speaker, I understand the customary defensiveness of the members opposite in respect of their record on health care, but they are now put in the awkward position of having to defend a status quo which saw us 10th in Canada on too many health categories to be named.

Madam Speaker, defending a status quo like that is not easy. I encourage the members to depart from that course, have courage and support us in acting on recommendations that come from a report they themselves commissioned in government, but lacked

the courage to act upon. We do not lack that courage. We'll use the same courage that allowed the Sturgeon Creek Huskies to become the top JV women's basketball team in the province of Manitoba, that same courage.

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

**Ms. Marcelino:** The Premier must take responsibility for his actions. He chose to close three ERs in Winnipeg, not anyone else.

Madam Speaker, the plan to shut three emergency rooms across the north and south of Winnipeg, along with closing the Misericordia Urgent Care Centre and shutting a QuickCare clinic in St. Boniface, will leave many areas of Winnipeg without access to health-care services they need.

When emergencies take place, seconds count. But the Premier has refused to make sure that Winnipeggers will have access to health care in their own communities. Manitobans need to know where to go for health-care services.

Now that the Premier has shut emergency rooms across Winnipeg, will he confirm to the House if and when he plans to close the remaining—when he plans to close the remaining QuickCare clinics and ACCESS centres?

**Mr. Pallister:** Well, when Manitobans need to get better health care, they know where to come, Madam Speaker: to this government to deliver on the promise of delivering better health care, better care and sooner, better care, shorter waits, better access to diagnosis and to treatment.

Madam Speaker, last year alone a quarter of a million—a quarter of a million—Manitobans waited over 625,000 hours for health care in emergency rooms. *[interjection]* Well, the members opposite are embarrassed about their record and should be, but they should be embarrassed enough to get beyond the faint-hearted lack of action that they pursued as a government and support a government that has the willingness to act on the expert advice of those on the front lines, of those who have studied these issues, of those who are known nationally in this country whose report was commissioned by them and which they failed to act upon.

We are going to go in Manitoba with these actions, Madam Speaker, from last in health care to a Canadian leader in health care.

\* (14:10)

### **Concordia Hospital Emergency Room Closure**

**Mr. Matt Wiebe (Concordia):** Madam Speaker, I have a four-inch scar on my wrist that I carry around every day that reminds me of how important emergency care is in our province. When I was just three years old, I had a major accident at home. I was rushed to Concordia Hospital where my parents were told by the doctors that I was minutes away from death. Concordia Hospital saved my life and it save lives every single day.

I spent the weekend hearing from families who credit the doctors and the nurses for saving their loved ones, and they realize that now, by closing Concordia Hospital, they've eliminated the last point of contact for emergency services for our community.

Why doesn't the Health Minister see the value in Concordia's emergency room?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** Madam Speaker, while I appreciate the member sharing his personal story, we see the value in emergency rooms across our system, across Winnipeg, that actually work. We actually need to have an emergency system that works in the province of Manitoba.

The Peachey report, which was commissioned by the NDP, endorsed by them last week, is based on expert—expert—advice. I know that'll be strange to the members opposite who made political decisions on health care for 17 years, and we saw the result of that.

We're listening to experts, not making the decisions off the desk of the Health Minister, Madam Speaker.

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

**Mr. Wiebe:** Reality is, Madam Speaker, that the Premier's (Mr. Pallister) ER closures are the biggest cuts to Manitoba's health-care system in a generation. This government's obsession with cuts and reducing services has put communities and families that live in them at risk.

Front-line doctors have told us that the plan that the government has proposed is doomed to fail and that the best way to reduce wait times is to increase beds and to build more personal-care-home beds, but the government's announcement doesn't include any additional investments or any real plan to ensure that

the remaining ERs at HSC, St. B. or the Grace have additional capacity.

Why is the Health Minister willing to cut down one part of the health-care system without building up another?

**Mr. Goertzen:** The member opposite clearly didn't read the plan.

The plan will expand rehabilitation services at Concordia. It will add an additional 50 mental health beds at the Vic. It will expand in-patient mental health services at the Vic. It will expand day surgery at the Vic. It will increase surgical capacity at the Grace. It will increase mental health capacity at Health Sciences Centre, increase surgical beds at Health Sciences Centre, increase the mental health capacity at St. Boniface, increase medical health beds at St. Boniface and maintain a hub for elective endoscopy at Seven Oaks, focus on renal dialysis at Seven Oaks that are at capacity for personal care over at Riverview.

And I'll go on after the next question, Madam Speaker.

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

**Mr. Wiebe:** Madam Speaker, for families in northeast Winnipeg, these cuts to the ERs and refusing to add any beds or new emergency-room services essentially decimates their front-line services. *[interjection]*

**Madam Speaker:** Order, please. Order.

**Mr. Wiebe:** By cutting QuickCare clinics, threatening ACCESS centres and killing planned personal-care-home beds, this minister has cut the last point of contact that families had with the health-care system.

Will the minister simply listen to the real concerns of the community and commit to keeping the Concordia emergency room open?

**Mr. Goertzen:** Madam Speaker, emergency care and the wait times were the worst in the country in Winnipeg. You could drop somebody off at a community hospital for the ER, you could drive to the airport, you could get on a plane, you could fly to Toronto, you could have supper in Toronto, you could go back to the airport in Toronto, fly back to Winnipeg, go back to the ER and that individual could still be waiting. That is what the NDP are

trying to defend. That is the system that they don't want to change.

I understand that the member and others will have concerns about this. We have professionals who are working through and providing us advice on the decisions. But to try to defend a system that was the worst in the country and do nothing was never an option for the government, Madam Speaker.

### **Emergency Room Closures Consultation with Hospital Foundations**

**Mr. Andrew Swan (Minto):** Our community hospitals have the support of tremendous foundations. These hospital foundations are made up of Manitobans who invest their expertise and their time and raise money to ensure that local hospitals can provide the best care for their communities.

Past governments have worked closely with community hospital foundations to improve patient care in Manitoba, yet we learned that the government moved on Friday to announce the closure of emergency rooms and urgent care clinics without even advising these foundations.

Why didn't this government consult with people who know their communities best?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** Madam Speaker, there were 18 months of consultation through the Peachey report in addition to many other consultations that have happened.

What we've heard from experts within the system is that they've been trying to change the system for the past 17 years, but they always got a deaf ear from the government. They've been trying to change the emergency system for 17 years in Winnipeg because they knew that we were the last in the country and that things wouldn't improve without change.

Members opposite like the member for Minto who sat in Cabinet, blocked that change. He's partly responsible—significantly responsible for the worst wait times in Canada. He blocked change; we're moving on change.

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

### **Consultations with Manitobans**

**Mr. Swan:** The Arlington Bridge is closed this week for maintenance, and it will close permanently before 2020 with no guarantee a new bridge would be ready

by then. Community members living on both sides of the tracks will tell you that serious traffic congestion on McPhillips and Salter streets is bad now and will only get worse. People across northwest Winnipeg will face major risk to their safety as ambulances have to fight traffic to get to an emergency room.

Why didn't this government consult with people who live in Winnipeg's northwest neighbourhoods?

**Mr. Goertzen:** Madam Speaker, the worst traffic congestion that we have in the city of Winnipeg is in the ERs, where people wait six hours, seven hours, eight hours. The members opposite know of people who have died in the ERs after being in there for more than 30 hours.

If this member wants to stand up and defend the ER system in Winnipeg, he might find a few people to stand with him, but he won't find many because Winnipeggers understand and they know that the ER system in Winnipeg wasn't working. Change had to happen. We're listening to the experts and we'll bring that change.

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

**Mr. Swan:** People who live or work near Health Sciences Centre will tell you the traffic, access and parking are all challenges now. Three suburban emergency rooms and the urgent care clinic down Maryland Street are being closed by this government. There'll be greater stresses placed on an already busy facility, yet this government has failed to consult with people who work at Health Sciences Centre, people who work near Health Sciences Centre and people who use Health Sciences Centre and the nearby facilities.

Why didn't this government get advice from the people most affected by their health-care cuts?

**Mr. Goertzen:** Madam Speaker, the member seems to—failed to look at the facts that Calgary, which is a much bigger city than Winnipeg, has four emergency rooms; that Vancouver, much bigger city than Winnipeg, has four emergency rooms; Ottawa, bigger city than Winnipeg, has four emergency rooms. Those cities don't have people lying on the side of the road because people couldn't get to emergency rooms.

This is a system that has been changed in every other major city in Winnipeg. This should have happened many years ago, as doctors have said in

Winnipeg. We'll move to change to make sure that people get better care quicker, Madam Speaker.

### **Emergency Room Closures Impact on Senior Care**

**Ms. Nahanni Fontaine (St. Johns):** The biggest cut in Manitoba's health care in a generation will have the largest impact on a growing Manitoba aging population. Health experts make it clear that one of the biggest strains on Manitoba's wait times is a lack of beds for seniors with serious cardiac conditions, mobility issues and chronic illness.

Why did the Health Minister cut emergency-care services without investing in supports for seniors who use ERs the most?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** Well, in fact, the member obviously hasn't read the recommendations or the actions that have happened from Friday either, Madam Speaker. There's going to be additional geriatric capacity at Deer Lodge. We'll have a centre of excellence at Concordia. There'll be added capacity for movement disorder at Deer Lodge. There'll be 65 transitional care beds, important for ensuring that individuals are getting home when they should be getting home, added to the system.

In fact, we'll be implementing an enhanced home-care service model so the 1,200 people a year who shouldn't be in hospitals waiting for care, can move home and have enhanced care home. I wonder why that member's opposed to that.

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

\* (14:20)

### **Personal-Care Homes Home-Care Services**

**Ms. Nahanni Fontaine (St. Johns):** And yet, this government campaigned on a promise to build more personal-care-home beds, yet cutting three projects for Winnipeg and Lac du Bonnet and now cutting emergency-care services in areas with the most concentrated numbers of seniors. Cuts to personal-care homes and home-care services meant that more seniors would be visiting ERs, but Friday's announcement was the final blow for Manitoba's aging population.

The Premier (Mr. Pallister) and his Health Minister have publicly supported the idea of privatizing home-care services.

Why is the Health Minister abandoning seniors and eliminating health-care supports piece by piece?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** Madam Speaker, I know the member had the question written before she came to the House, and that's fine. I'm glad that she delivered it as she had written it.

But as I said in my first answer, under this plan they'll be implementing an enhanced home-care model which will ensure that 1,200 individuals who—a year who are currently in hospital, but really shouldn't be in hospital, who should be at home getting care, are going to get that care.

That is increasing the services for those who shouldn't be in hospital, who should be at home getting care. That is what this member is opposing, but she wants to keep everything the same, Madam Speaker.

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

#### **Emergency Room Closures Impact on Low-Income Seniors**

**Ms. Nahanni Fontaine (St. Johns):** For low-income seniors in St. Johns, Point Douglas or Burrows, the loss of Seven Oaks ER is absolutely unbelievable. They will now be funnelled to the HSC, which can be a 20-minute bus ride if you make your bus on time, and not certainly on the weekends, and hours of waiting.

Over the weekend, I heard from indigenous elders who worry that crowded ERs will mean less quality care and a greater chance of being overlooked in waiting rooms.

How will the Minister of Health ensure that low-income seniors and elders have access to timely care when he's forcing them to go to ERs that are busier and farther away?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** I think the member is missing the entire point of what Dr. Peachey has recommended.

Dr. Peachey is saying that, like other major centres across Canada, there are too many times when resources are spread too thin across the system, and by ensuring that you're bringing those resources together and specializing in the areas across the city in different issues across the city, that you can

actually have less wait times, that people can get care faster.

I know that's foreign to the members opposite, because they sat there for 17 years with the longest wait times in Canada and did nothing and defended the status quo, and still defend the status quo.

We won't stand there as members of our public wait for seven, eight, nine hours and do nothing—what they want to do—nothing.

#### **Seven Oaks Hospital Emergency Room Closure**

**Mr. Ted Marcelino (Tyndall Park):** Madam Speaker, families deserve answers. This government has spent the weekend refusing to explain why they cut the emergency rooms that they did. For families in my constituency, cutting Seven Oaks ER is both worrying and confusing.

According to their own website, Seven Oaks is the second-most-visited emergency room in Winnipeg and the third largest number of beds.

The government has cut Seven Oaks, yet kept the Grace Hospital which had the lowest number of visits last year of all Winnipeg hospitals.

Why did the Health Minister choose Seven Oaks to close down?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** Madam Speaker, we look forward to the expanded acute services at the Grace Hospital. We know that they've done good work in the last year in terms of reducing their wait times. The Oculys system has worked well in terms of informing the entire hospital about things that are happening both in the ER and on the wards. We know with the expanded ER they'll be able to take even more patients in care. It is well located to provide that care.

And we know that it will do good things in terms of reducing wait times, things that the previous government never addressed because they lacked the courage to try to address them. This government doesn't lack that courage.

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

**Mr. Marcelino:** For families served by Seven Oaks General Hospital the average drive to Health Sciences is 16 minutes by car and nearly 40 minutes by bus. An extra 10 minutes in the car could be the difference between life or death or serious injury for

someone. And for the families in my constituency of Tyndall Park, without a car, a 40-minute bus ride is a barrier to health care.

Does the minister agree that by closing down Seven Oaks and Concordia he has left families on a lurch regarding their health care?

**Mr. Goertzen:** Well, Madam Speaker, the reality is that being able to walk five minutes to an emergency room where you can wait for six hours doesn't make a lot of sense. You're far better to be able to go somewhere where you can get care much more quickly and much better.

Now, I recognize, Madam Speaker, change isn't always easy. I know that there'll be disruption for some staff and there'll be disruption for some in the community. We recognize that, but as Dr. Brock Wright said on Friday, ask those critics what is the answer; what is the alternative?

The alternative for the former government was to do nothing for 17 years and let people languish in the ERs for eight hours. We're not going to do that, Madam Speaker.

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

**Mr. Marcelino:** Seven Oaks General Hospital has 308 beds with an average occupancy rate of 95 per cent. It does nearly 6,000 day surgeries a year. It's the closest hospital to workers in West Kildonan's industrial area and is also the northernmost hospital in Winnipeg, meaning it is a destination hospital for communities in West and East St. Paul.

Does the minister believe that closing down Seven Oaks will leave the communities in the North End, Garden City, The Maples and Tyndall Park and the outskirts of Winnipeg without access to emergency care?

**Mr. Goertzen:** Well, Madam Speaker, the member opposite shouldn't be fear mongering and saying that Seven Oaks is going to be closing down. It'll be converting to a 24-7 urgent care centre.

In fact, had the previous government continued on in the unsustainable way that they were going with the health-care system, spending billions of dollars every year and not getting any better, pouring billions of dollars into a broken health-care system, there may have very well have been hospitals are closed down under that former government the way they were going.

We're going to ensure that the entire system is strong and there for Manitobans at the right place, at the right time, Madam Speaker.

### **Seven Oaks Hospital Employment Concerns**

**Ms. Cindy Lamoureux (Burrows):** Manitobans are incredibly concerned about these drastic changes that are being made within the health-care system.

Over this past weekend I spoke with several nurses from the Seven Oaks hospital, and they are alarmed because they do not understand what changes are being made and some of them are concerned about losing their own jobs.

My first question to the minister responsible is: Can he guarantee that no one working at Seven Oaks hospital will lose their job through this transition?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** The regional health authority, on Friday, indicated that they'll do everything they can to minimize disruption for staff. They indicated in the media that they believe that everybody who wants a job with the Winnipeg Regional Health Authority will continue to have a job with the Winnipeg Regional Health Authority.

I hope this member understands that ensuring that we have timely care in the right place at the right time is critical for all Winnipeggers and the previous system didn't work. I would think that the Liberal Party would understand that the status quo wasn't an option. I hope she states that here today.

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

### **Emergency Room Closures Request for Transition Plan**

**Ms. Cindy Lamoureux (Burrows):** Madam Speaker, unless there's a strong and organized plan in place, closing three ERs could cause chaos in our health-care system. There are so many questions surrounding how the health-care infrastructure will handle the surge capacity from the closures.

When will the minister realize there—or release their execution plan so that the public, the health-care workers and the members here in this House will better understand how the transition will work?

\* (14:30)

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** There will be

continuous information provided to the public. I know that the Winnipeg Regional Health Authority was meeting with the different sites. They met on Friday; they have met today. They'll continue, of course, to meet as the plan rolls out over the next two years, Madam Speaker. There'll be public information that will be provided in the mailboxes of residents. There'll be other means of communications in terms of the changes for the plan.

But, ultimately, the plan is about ensuring that we don't have the longest wait times in Canada for perpetuity, which is something that, under the former NDP government, they were happy to have. They were always happy to be dead last. They were never going to make a change. They lacked the courage. We lack—we don't lack courage, Madam Speaker. We're going to go forward and make sure that things are better for Manitobans.

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

#### **Disaster Planning Concerns**

**Ms. Lamoureux:** You know, we understand that changes do need to be made to reduce wait times at emergency rooms. But Manitobans, they deserve to feel confident that this government has done their due diligence in preparing for these changes. For instance, what happens if there's an epidemic, a disaster or an act of terrorism?

Madam Speaker, are the systems in place ready to handle these emergencies? Can the minister assure Manitobans today that there is a disaster plan to accommodate a surge in emergency patients at local hospitals?

Thank you.

**Mr. Goertzen:** Madam Speaker, at 12:40 on Friday, after the announcement, the interim Leader of the Liberal Party tweeted out: The comprehensive health-care plan needs to extend beyond the perimeter of the city of Winnipeg and into rural areas, particularly our North. Not only did the Liberal Party endorse the plan, they wanted us to roll it out right across Manitoba as quickly as possible.

#### **Respect in School Program Improvements to Program**

**Mr. Greg Nesbitt (Riding Mountain):** Our government recently launched improvements to the Respect in School program to ensure that no child or young person should suffer from bullying, harassment, abuse or neglect.

Can the Minister of Education and Training please explain to the House how essential this program is in promoting safe and respectful learning experiences in our schools?

**Hon. Ian Wishart (Minister of Education and Training):** I thank the member for the question. I am pleased to—I was pleased to join the Premier (Mr. Pallister) this morning, along with our educational partners, to launch our government's enhanced Respect in School program, a newly revised online curriculum program which will help to create safer, more respectful schools.

Renewed funding will ensure the program is available to all public, First Nations, and funded independent schools in Manitoba. *[interjection]*

**Madam Speaker:** Order.

**Mr. Wishart:** I would like to thank Sheldon Kennedy and Wayne McNeil, for developing this powerful learning tool, and all of our educational partners, who work every day to combat the issues of bullying and abuse.

#### **Emergency Room Closures Increased Capacity Needs**

**Mr. Rob Altemeyer (Wolseley):** This minister is claiming something that I'm not a hundred per cent sure is accurate. He says he's listening to expert advice.

Where in the Peachey report does it say he should shut down the Misericordia Urgent Care Centre?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** Page 62.

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

**Mr. Altemeyer:** And the minister will also have to acknowledge that Peachey report argues very strongly that if emergency rooms are going to be shut down there needs to be an increased capacity for urgent care centres.

This is the same minister who has already shut down the QuickCare clinic in St. Boniface. Constituents in my constituency in Wolseley and nearby lost that vital service. Now they're losing 'Misericordia.'

Where does he think the 40,000 people using Misericordia Urgent Care Centre every single year are going to end up?

**Mr. Goertzen:** Madam Speaker, the Peachey report does recommend increasing the number of urgent care centres; that's why we're doubling them.

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

**Mr. Altemeyer:** And the minister is completely missing the point.

Local residents in West Broadway, unlike this minister and unlike this Premier (Mr. Pallister), don't have access to a \$14,000-a-year raise. They rely on—*[interjection]*

**Madam Speaker:** Order.

**Mr. Altemeyer:** —getting there by themselves. They rely on public transportation. That public transportation is sorely lacking on the weekends, as my colleagues have already pointed out.

How can he not understand that tens of thousands of people are going to go to the nearest health facility, which is Health Sciences just down the street on Sherbrook, and clog up the very ER he is claiming he's going to be improving?

**Mr. Goertzen:** Madam Speaker, at the announcement on Friday was Dr. Aleks Chochinov, who is the president of the Canadian association of Canadian emergency physicians; Dr. David Peachey; Chief John Lane from fire paramedics, Dr. Alan Menkis from the heart surgery centre in St. Boniface; the chief medical nursing officer was there; Dr. Brock Wright; Dr. Jack McPherson; Dr. Eberhard Renner; Dr. Bruce Roy; many other medical physicians.

Now, I know that this member might live in the grassy knoll, but if he really believes that all these medical professionals are conspiring—conspiring—to try to hurt Winnipeggers, he's living in a grassy knoll far larger than I've ever seen. *[interjection]*

**Madam Speaker:** Order. Order. Order, please.

#### **Air Ambulance Services Privatization Concerns**

**Mr. Tom Lindsey (Flin Flon):** It appears that this government is not only committed to imposing wage freezes, laying off front-line workers, closing front-line services like QuickCare, emergency rooms. Now the government is moving to privatize our front-line services: air ambulances and water bombers.

Manitobans depend on these services in times of crisis and great need.

Why is this government trying to sell off our front-line services to the highest bidder?

**Hon. Kelvin Goertzen (Minister of Health, Seniors and Active Living):** Madam Speaker, the reality is that when we're looking at trying to wrestle down a projected \$1.7-billion deficit, which would have happened had the previous government stayed in government, we need to look at different ways to ensure that every part of government is sustainable and to ensure that every part of government is delivering—*[interjection]*

**Madam Speaker:** Order, please.

**Mr. Goertzen:** —the services in the best possible way.

Now, I know the member is new and he'll be new to this process, Madam Speaker, but we need to look at everything to ensure that we're getting the best possible value, the best possible service for Manitoba taxpayers. *[interjection]*

**Madam Speaker:** Order, please.

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

**Mr. Lindsey:** It would appear that they, in fact, are running with scissors.

Lifelight makes sure Manitobans across the province know that there is a health emergency; they will be able to make it to a health facility on time. This is front-line service staffed by front-line workers.

\* (14:40)

Now we've learned that the government will be putting it on the chopping block.

Has the minister had any discussions, formal or informal, with private sector companies about whether they will be able to provide this service or not?

**Mr. Goertzen:** Madam Speaker, I would hope with that question that the member would understand that sustainability in our health-care system, whether it's for residents of the North or the south or of Winnipeg or in Brandon or in eastern Manitoba, are very important.

Had we continued on the path that the NDP was going on, in 15 years we would've had two



departments of government, the Department of Finance and the Department of Health, the department that brought all the money in and the department that spent it all.

That wasn't going to be feasible for any government, Madam Speaker. We are on a better path, looking forward, ensuring that every dollar that is spent is an efficient dollar.

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

**Mr. Lindsey:** It appears, Madam Speaker, that this government, by the time they're done, won't have any departments left.

Last April, the Premier said about our health-care system: I'm not looking to privatize in the sense of our existing systems.

That was last April. But we learned in the media today that, well, that's not true, that the government is now looking to privatize Lifeflight Air Ambulance. The Premier has clearly broken his promise once again.

There was no consultation with Manitobans or with front-line workers, so will this minister tell the House who he consulted with about the proposed plans for privatization?

**Hon. Brian Pallister (Premier):** Well, Madam Speaker, we know now that the members research their questions for question period by reading newspapers and not by reading the research that Dr. Peachey did. That's become clear. But what the questions are based on, all too often, and this member has just demonstrated that, is ideology based on old—*[interjection]*

**Madam Speaker:** Order.

**Mr. Pallister:** —old and tired ideologies discarded around the world and in virtually every other province of Canada, but held onto firmly by the members opposite, old ideologies that say that politicians should make the decisions on health-care management and disregard, as the previous government did, the advice of experts, the advice of people who can make the system move forward.

And so, Madam Speaker, what this demonstrates, I think, to all of us here today is that they do not care about results and we do. We want better results for health care for Manitobans. We want better care for Manitobans. We want it sooner. We want better care. We want shorter waits. We

want better access to diagnosis and treatment. And we're going to achieve those goals in the best interests of Manitobans and not be prison-imprisoned by ideology as the member and his colleagues were for far too long.

### **Debt Servicing Costs Impact on Manitobans**

**Mr. Andrew Smith (Southdale):** With just a 1 per cent increase on a household mortgage it can equal thousands of dollars taken away from a family. Imagine what an interest rate hike means for our province.

The previous NDP government's reckless overspending racked up such a huge debt, now Manitoba taxpayers have to pay the price.

Could the hard-working Minister of Finance please explain how debt-servicing costs affects our province?

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

This government understands that every dollar that is spent to service our increasing debt-service requirements is a dollar that cannot go for investments in health care, education or infrastructure. We know that our Province's debt-service costs are going up rapidly. The third quarter results show debt-service costs up \$64 million over what was budgeted. It's—would—if interest rates increase by 1 per cent, we know that our—the impact on borrowing rates would be almost \$100 million.

Madam Speaker, the path is unsustainable. It is unworkable. We choose a different way. We choose a path of results, better care sooner in health care and a different path for all Manitobans, a road to recovery.

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

### **PETITIONS**

#### **Taxi Industry Regulation**

**Mr. Ted Marcelino (Tyndall Park):** I wish to present the following petition to the Legislative Assembly.

And the background to this petition is as follows:

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

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

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

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition was signed by many Manitobans.

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

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

The background to this petition is as follows:

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

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

(3) Regulations have been put in place that has made Winnipeg a leader in protecting the safety of

taxi drivers through the installation of shields and cameras.

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

And this petition is signed by many Manitobans.

\* (14:50)

### **Kelvin High School Gymnasium and Wellness Centre**

**Mr. Wab Kinew (Fort Rouge):** I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

(1) Manitobans recognize how important it is to provide young people with quality learning spaces to succeed in school.

(2) Sport, recreation and the spaces to engage in them are critical to the health and welfare of all students.

(3) All forms of educational infrastructure, including gymnasiums and recreation centres in general, represent an incredible value-for-money investment, whereby the return is improved physical and psychological health and wellness.

(4) Kelvin High School is one of the largest high schools in the province, with over 1,200 students.

(5) Kelvin High School spent several years raising almost \$1.2 million towards the construction of a new gymnasium and wellness centre.

(6) Some Kelvin students currently have to pay to use outside facilities to obtain their mandatory physical education credit.

(7) The provincial government, in a regressive and short-sighted move, cancelled funding for the Kelvin gym and wellness centre for political reasons, despite the extensive community support, fundraising and engagement.

(8) It is wasteful and disrespectful to the dedicated efforts of students, staff and the community in general to simply lay their goals aside without consultation.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to recognize the need for excellent recreation facilities in all Manitoba schools, to reverse this regressive cut and to provide Kelvin High School with the funding necessary to complete a new gymnasium and wellness centre.

Signed by Gabriela Castro, Silvia Almeida, Klarc Arigo and many other Manitobans.

### **Taxi Industry Regulation**

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

The background to this petition is as follows:

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

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

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

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

(5) The provincial government has moved to bring in legislation through Bill 30 that will transfer

jurisdiction to the City of Winnipeg in order to bring in so-called ride-sharing services like Uber.

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

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

**Ms. Flor Marcelino (Leader of the Official Opposition):** I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

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

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

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

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

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

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

(7) The introduction of this bill jeopardizes safety, taxi service and also puts consumers at risk,

as well as the livelihood of hundreds of Manitobans, many of whom have invested their life savings into the industry.

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by many, many Manitobans.

Thank you.

**Mr. Rob Altemeyer (Wolseley):** I wish to present the following petition to the Legislative Assembly.

Background to this petition is as follows:

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

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

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

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

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by Kulwinder Kaur, Parmjit Kaur and Gundip Toor and many other fine Manitobans.

**Mr. Andrew Swan (Minto):** Madam Speaker, I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

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

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

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

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is signed by many Manitobans, Madam Speaker.

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

The background to this petition is as follows:

The—No. 1: The taxi industry in Winnipeg provides an important service to all Manitobans.

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

\* (15:00)

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

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by many concerned Manitobans.

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

The background to this position—petition is as follows:

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

Second, the taxi industry is regulated to ensure there are both the provision of taxi service and a fair and affordable fare structure.

Third, regulations have been put in place that has made Winnipeg a leader in protecting the safety of taxi drivers through the installation of shields and cameras.

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

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

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

Signed by many, many Manitobans.

**Madam Speaker:** Grievances?

## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

#### House Business

**Hon. Andrew Micklefield (Government House Leader):** Madam Speaker, on House Business, I would like to announce that the Standing Committee on Private Bills will meet on Wednesday, April 12th, 2017, at 6 p.m. to consider the following: Bill 201, The Service and Therapy Animal Day Act; Bill 214, The Missing Persons Amendment Act (Silver Alert).

**Madam Speaker:** It has been announced by the honourable Government House Leader that the Standing Committee on Private Bills will meet on Wednesday, April 12th, 2017, at 6 p.m. to consider the following: Bill 201, The Service and Therapy Animal Day Act; and Bill 214, The Missing Persons Amendment Act (Silver Alert).

**Mr. Micklefield:** Madam Speaker, this afternoon we would like to call for debate in second reading bills 5, 20 and 19.

**Madam Speaker:** It has been announced by the honourable Government House Leader that the House will consider second reading of bills 5, 20 and 19 this afternoon.

### SECOND READINGS

#### **Bill 5—The City of Winnipeg Charter Amendment, Planning Amendment and Real Property Amendment Act (Conforming to Construction Standards Through Agreements)**

**Madam Speaker:** The House will now consider Bill 5, second reading, The City of Winnipeg Charter Amendment, Planning Amendment and Real Property Amendment Act (Conforming to Construction Standards Through Agreements).

**Hon. Eileen Clarke (Minister of Indigenous and Municipal Relations):** I move, seconded by the Minister of Education, that Bill 5, The City of Winnipeg Charter Amendment, Planning Amendment and Real Property Amendment Act (Conforming to Construction Standards Through Agreements), now be read a second time and be referred to a committee of this House.

#### *Motion presented.*

**Ms. Clarke:** I'm pleased to rise today and speak in support of The City of Winnipeg Charter Amendment, Planning Amendment and Real Property Amendment Act.

Our government was elected on a commitment to make Manitoba Canada's most improved province, and a big part of our job, as we strive towards that goal, is to make sure that the provincial rules and regulations are smart, practical and foster an enabling environment for our businesses and communities to grow. And that's exactly what this bill will accomplish.

In collaboration with Manitoba Justice and the Office of the Registrar-General, my department has worked hard to develop this important piece of legislation that would allow Manitoba municipalities to register conforming construction agreements at land titles. A conforming construction agreement is another voluntary tool in a municipality's planning and development approval tool box.

To meet building code or zoning bylaw requirements, developers will sometimes enter into an agreement with an adjacent landowner that places building control or restrictions on the adjacent property or to allow for continued access of the adjacent property; example, for fire exit purposes.

This legislation would provide for the municipality to become a party to these agreements, enable the municipality to register the agreements against the titles of the affected properties. This would ensure that the agreements run with the land and that the building code or zoning requirements are met in the future, even when one of the properties is sold.

Conforming 'constructure' agreements are also known as spatial separation agreements. They are recognized in the National Building Code and are commonly used in other Canadian jurisdictions, including Ontario and Alberta.

This legislation is another example of government's commitment to work together in partnership with our municipal partners and to deliver on their needs and priorities.

In recent years, the City of Winnipeg has been requesting that the Province provide legislation to allow them to register conforming construction agreements. We have listened to this and we are delivering.

As the City of Winnipeg and other Manitoba communities continue to grow and expand, they will need a full suite of planning tools to allow them to efficiently respond to and accommodate development proposals.

The ability for municipalities to enter into conforming construction agreements can facilitate and 'expediate' complex development proposals involving multiple buildings and multiple parcels of land including downtown developments and large-scale retail and commercial developments.

This legislation provides Winnipeg and all other municipalities with another tool to facilitate and 'expediate' construction and development proposals.

The city of Winnipeg is growing and our government will continue to be a strong partner to support that growth. That means working together with our municipal partners to make sure that there is a sensible enabling regulatory environment that supports growth and economic development. Working together, we will continue to deliver that. Thank you.

### Questions

**Madam Speaker:** A question period of up to 15 minutes will be held.

Questions may be addressed to the minister by any member in the following sequence: first question by the official opposition critic or designate, subsequent questions asked by critics or designates from other recognized opposition parties, subsequent questions asked by each independent member, remaining questions asked by any opposition members, and no question or answer shall exceed 45 seconds.

\*(15:10)

**Mr. Jim Maloway (Elmwood):** Unlike this minister's ride-share bill, Bill 30, this is a bill that we might just be able to manage to pass and might even be able to pass to committee today.

So I wanted to ask my first question to the minister here: What consultations did she do with the City of Winnipeg prior to drafting this bill?

**Hon. Eileen Clarke (Minister of Indigenous and Municipal Relations):** It was quite clear in my presentation here today that the City of Winnipeg actually asked for this change, and our municipalities in the past years have been very aware of changes that are occurring with growth and development in the province of Manitoba and more specifically the cities. So this will certainly help in future growth and that there is amicable decisions made between neighbours and when development occurs simultaneously side by side.

**Mr. Maloway:** Well, I'm glad that she did consult with the city, because unlike Bill 30, the ride-share bill, she didn't consult with this—with anybody, not even the taxi industry on that particular bill.

I'd like to ask her: What—was this legislation requested by any particular real estate groups or any development agencies?

**Ms. Clarke:** It's very clear that all parties involved in this transition and new legislation would benefit. The agreement specifically is between two different landowners or building owners as well as the municipality. However, should there be a sale of land, it most definitely would be an asset to all real estate as well.

**Hon. Jon Gerrard (River Heights):** Yes, Madam Speaker, my question to the minister deals with the application of this law.

We know it will apply to the City of Winnipeg. Will it apply to all municipalities? Would it apply to local government districts and areas outside of existing municipalities and local government districts?

**Ms. Clarke:** It will apply to all municipalities.

**Madam Speaker:** Are there any further questions?

If there are no further questions, debate is open.

### Debate

**Mr. Jim Maloway (Elmwood):** Madam Speaker, I'm very pleased to speak to Bill 5 today.

And, as the minister pointed out and the explanatory notes do properly explain, that Bill 5 deals with the—the purpose of Bill 5 is dealing with building codes and zoning bylaws requiring that buildings be set back from the property lines so that they're separated from surrounding buildings by certain distances.

The codes and bylaws also require that people in the buildings have immediate access to sidewalks and streets.

This bill allows these requirements to be met through an agreement between the property owners and the building permit issuer that places restrictions and controls on the property. For example, the agreement might be that an underdeveloped portion of one of the properties must remain that way, or that the agreement might be that the occupants of a building may gain their required access by passing through the neighbouring property.

Once registered, these agreements run with the land and bind future property owners. Registrations cannot be discharged without the consent of the building permit issuer.

Amendments to The City of Winnipeg Charter, The Planning Act and the The Real Property Act formally provide for these agreements and their registration.

And I would also note that the member for St. Boniface (Mr. Selinger) did attend the briefing with the minister and certainly had his—I believe his questions were satisfied—received proper answers.

And, with that, Madam Speaker, unless there are further speakers on this bill, I would propose that we pass it to committee.

**Hon. Jon Gerrard (River Heights):** Yes, Madam Speaker, I want to put a few comments on the record with regard to this bill.

We are ready to support this legislation. I think that the formal registering of these agreements is a positive step forward—the conforming construction agreements or spatial separation agreements. It will facilitate better planning for people, for municipalities. It will ensure that the municipalities are actually in the picture in terms of any agreements that are made so that they can ensure that the agreements will conform with municipal plans, short-term and long-term.

The minister left it up in the air as to whether these would apply to local government districts or not. And I look forward to hearing from the minister at some point in the future, between now and when we have this back for a third reading, exactly what the situation is. I think it's important to know the extent to which the Province is covered by such agreements. I think there are a variety of agreements in some rural areas which might be quite different from agreements in the city of Winnipeg. Agreements might relate to the use of tile drainage, for example, which is much more of an issue in rural Manitoba than it is—and I would be interested in the minister's comments at some point about how broad these agreements are in terms of land use and to what extent they would cover drainage and various other aspects.

So, with those comments, I look forward to the comments at the committee stage and any input that we will get from the citizens of Manitoba.

**Mr. Andrew Smith (Southdale):** I do rise in the House today to put some comments on the record with respect to Bill 5.

I think I'd be remiss if I didn't acknowledge, of course, that here we are one day after the 100th anniversary of Vimy Ridge and want to honour the many men and women who've sacrificed so much to defend the freedoms that we so often take for granted in this country.

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

Of course, what happened yesterday in Egypt offers a stark reminder that not everybody around the world enjoys such freedoms, especially when it comes to practising their faith—the Coptic Christians who were attacked in a vicious terrorist attack in Egypt yesterday. I would like to, on behalf of, I think, our government and all members of this Legislature, remind everybody how precious our freedoms and religious freedoms are in this country and, of course, our hearts and prayers do go out to the men and women who have suffered from those attacks.

With respect to Bill 5, you know, I would like to put some comments on the record here in saying that this is a recommendation that came from the City of Winnipeg. The City of Winnipeg has, in fact, asked us to propose this type of legislation. And our government is making sure that provincial rules and regulations are smart, practical and foster environment for our businesses and communities to grow.

Right in my own community of Southdale, we are seeing tremendous growth with Sage Creek and parts of Island Lakes, now called Bonavista, that is growing at tremendous pace. I think that this legislation would be very helpful in providing a smooth transition and smooth growth and rate of growth to parts of the city that are experiencing high volumes of growth.

Bill 5 would enable City of Winnipeg and other Manitoba municipalities to register conforming to construction standards agreements on titles of properties as a means of enforcing building code setbacks and zoning bylaw requirements. Basically, this legislation would provide the building permit issuer, the municipality, to become a party to these agreements, enabling the municipality to register the agreements against the titles of affected properties.

This legislation provides Winnipeg and all municipalities with another tool to facilitate and



expedite construction and development proposals. This is just another example of the government's commitment to working in partnership with our municipal partners and to deliver on the needs of their priorities.

Building codes and zoning bylaws require that buildings set back from the property line so that they are separated from surrounding buildings by certain distances. The codes and bylaws also require that people in the buildings have immediate access to sidewalks and streets.

This bill allows these requirements to be met through an agreement between the property owners and the building permit issuer that places restrictions and controls on the property. For example, the agreement might be that an undeveloped portion of one property must remain that way, or the agreement might be that the occupants of the building may gain the required access by passing through the neighbouring property.

Once registered, these agreements run with the land and bind future property owners. Registrations cannot be discharged without the consult of the building permit issuer.

Amendments to The City of Winnipeg Charter, The Planning Act and The Real Property Act formally provide for these agreements and their registration.

This legislation would enable the City of Winnipeg and other Manitoba municipalities to register their agreements on titles of properties as a means of enforcing building code setbacks and zoning bylaw requirements. When adjacent landowners enter into agreement that places controls and restrictions on one of the properties, this legislation will provide for the building permit issuer to become party to those agreements.

\* (15:20)

This simplification, of course, this standardization of codes for the municipality provides a much smoother transition for the growth of Winnipeg, especially in affected areas around some parts of northern Winnipeg and particularly in southern Winnipeg, so I believe and I am encouraged by the fact that members opposite seem to be supportive of this legislation, and I do encourage everybody to help get this important piece of legislation passed through.

So I again thank you so much for your time, and I do appreciate the opportunity to speak to this important legislation.

**Mr. Deputy Speaker:** Is the House ready for the question?

**Some Honourable Members:** Question.

**Mr. Deputy Speaker:** The question before the House is a second reading of bill numbered 5, The City of Winnipeg Charter Amendment, Planning Amendment and Real Property Amendment Act.

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

#### **Bill 20—The Crown Corporations Governance and Accountability Act**

**Mr. Deputy Speaker:** So we'll go on to Bill 20, The Crown Corporation Governance and Accountability Act.

**Hon. Ron Schuler (Minister of Crown Services):** I move, seconded by the Minister for Indigenous and Municipal Relations, that Bill 20, The Crown Corporations Governance and Accountability Act, be now read a second time and referred to a committee of this House.

*Motion presented.*

**Mr. Schuler:** Always great to be standing in the Legislature and speaking to legislation, particularly in this case, Bill 20, The Crown Corporations Governance and Accountability Act.

During Election 2016, our government committed to changing the way Crown corporations do business, including specific steps to improve transparency and accountability.

An integral aspect of this commitment was to assess the current government's framework relating to Crown corporations and to implement the necessary forms so as to enhance the outcome-based performance of Crown corporations. Included in this legislation are new reporting requirements that will closely monitor the performance and outcomes of Crown corporations, fulfilling this commitment.

Mr. Deputy Speaker, this new legislation is aimed at furthering our government's commitment of separating and clearly defining the respective roles of government and the boards of directors of Manitoba's major Crown corporations. The legislation will establish a clear governance model to ensure boards are accountable for governing and overseeing the

management of the corporation within the parameters provided by government.

Our government is committed to making Manitoba the most improved province and we'll do all that by eliminating overlap and duplication within government and find efficiencies and savings.

Mr. Deputy Speaker, an important aspect of this new legislation is the abolishment of the Crown Corporations Council which will bring a net saving to government and remove duplication. Crown corporations play a vital role in the Manitoba economy, and Manitobans trust that our government will undertake this stewardship role seriously. That's why this new legislation will clearly define the lines of communication between the Crown corporations and the government. This legislation will increase the transparency of the stewardship role by introducing ministerial directives to ensure that standards and compliance are met between Crown corporations and the reporting standards of the new legislation.

Maintaining the status quo would leave Crown corporations vulnerable to interference which can unduly influence the work of a board.

I know The Crown Corporations Governance and Accountability Act will strengthen the oversight of these organizations while respecting the responsibility of their boards and management to govern their work on behalf of all Manitobans.

I'd like to conclude by thanking all of those that were involved in the process of this legislation. I'd like to thank civil servants who worked very hard on this, whether it was within the department, those at Legal Services, those at Translation Services and so on, I'd like to thank all of them for the work they've put into this. And, Madam Speaker, I would recommend this legislation to the House.

### Questions

**Mr. Deputy Speaker:** A question period up to 15 minutes will be held.

Questions may be addressed to the minister of any—by any member in the following sequence: first question be the official opposition critic or designate, subsequent questions asked by each independent member, remaining questions asked by the opposition member, and no question or answer shall exceed 45 seconds.

Time for—the honourable member for Tyndall Park.

**Mr. Ted Marcelino (Tyndall Park):** My first question relates to the consultation done by the minister prior to the introduction of this bill. Who did he consult?

**Hon. Ron Schuler (Minister of Crown Services):** And one of the difficulties when legislation is being written, that although consultation did take place and we did have a robust consultation with all of the Crown corporations and other organizations, I believe, like AMM, were consulted.

But, again, we have to be very careful because the legislation itself may not be presented to individuals. It's just the spirit of the legislation that you can consult on, so I want to be very clear on that. However, the first round of consultations were with the Crown corporations to get their feedback.

**Mr. Deputy Speaker:** The honourable member's time is up.

**Mr. Marcelino:** The second question that I have is regarding the conflict-of-interest disclosure that's on section 20(3), and it's the timing. Let me understand this. What is this all about?

**Mr. Schuler:** Well—and we see, not just throughout Manitoba, but throughout Canada and throughout the world, individuals get themselves onto boards and do not appropriately disclose if they have a conflict of interest. What we have done here is made sure that it is similar to existing legislation; and, as it is in other, similar jurisdictions, it's important that individuals have a clear guideline how they're supposed to view their conflict, and if they feel they have one, who they're supposed to disclose it to. And that's laid out in legislation.

**Mr. Marcelino:** Does that mean that if a person who has a contract with, let's say Manitoba Public Insurance, does that mean that he could still enter into a management contract with MPI even if he were a member of this organization that is like the secretariat, is it?

**Mr. Schuler:** First of all, we—I think we want to be very careful that we don't start taking the role of deciding what a conflict is and what a conflict isn't. I can assure members, staff within the secretariat will not be placed on the boards of the Crown corporations, nor should they have anything to do with the Crown corporations.

I would point out to the member that as minister, for instance, responsible for Manitoba Liquor & Lotteries, I do not participate in any gaming and any

lottery and anything of any kind. In fact, I don't even participate in silent auctions, just so that there's an avoidance of any conflict of interest, and we would like to see that kind of a standard applied to all of those that work for government.

\* (15:30)

**Mr. Marcelino:** With this conflict—thank you, Mr. Deputy Speaker—of interest disclosure rule, it makes exception that the member of the board may still have a contract for as long as he stays away from voting on any matter that involves his contract.

Is that the way that it should be read?

**Mr. Schuler:** Well, thank you very much, and we do have Crown corporations that are multi-faceted, so an individual might have a contract—advertising contract or something with a Crown corporation or might have shares in a corporation that has a contract with a Crown corporation and is appointed to a board. But it's laid out very clearly that that conflict must be declared and it must be declared publicly. It must be declared openly, and if it is deemed that there is a conflict, they must then recuse themselves when those kinds of issues do come from a board—come up to a board.

This is standard—

**Mr. Deputy Speaker:** The honourable minister's time is up.

**Mr. Marcelino:** So will the minister agree that perhaps there should be an amount where—an amount involved in a contract that should be used as a determinant of whether there might be a conflict or not? Is that something that could be seen being implemented with this bill?

**Mr. Schuler:** Well, in the 45 seconds that I have—so I'll speak faster—I would suggest to the member that we be very careful we stay away from an amount, but rather if you're in a conflict, because you're in a conflict if it involves \$500, you're in a conflict if it involves \$50,000. If you're in a conflict with a Crown corporation, you must declare it. And, in fact, before individuals are appointed to boards of directors that question is asked are you in a conflict. Even if you go on the ABC site, I mean, they—you can declare there if there is a conflict with one board or the other.

So I would suggest to the member that rather than making an amount, make it—if you have a conflict you better declare it.

**Mr. Marcelino:** So, from my understanding, will the minister agree that there are some members of the board who might be precluded from acting as a member of the board if the business that he's in might be something that the Crown corporation is engaging in? Or is that clear enough, my question I mean?

**Mr. Schuler:** Yes, what the member has just put forward as a hypothesis is exactly what's laid out in the legislation. If you have an area in which you have a conflict, you must recuse yourself from that discussion absolutely, and it's exactly the way the member from Tyndall Park laid it out.

**Mr. Marcelino:** Just one last question from me. Will diversity be taken into account when choosing individuals to sit on the secretariat?

**Mr. Schuler:** One of the things that our government has been very clear on is that we want to appoint Manitobans, Manitobans from all walks of life who bring forward a skill set. And we are very pleased with the makeup and, for instance, we've got the new chair of Manitoba Liquor & Lotteries, Ms. Polly Craik, a dynamic and outstanding businesswoman here in Manitoba, and we want to encourage all Manitobans.

And we encourage all Manitobans from all walks of life go to the ABC—boards and commissions—site at the—at government of Manitoba and put your name forward. That's a first step in getting yourself appointed to a board.

**Mr. Deputy Speaker:** Any further questions?

**Hon. Jon Gerrard (River Heights):** Yes, I note that the minister has put in this act, sections 22(1) and (2), which deal with the liability of directors and officers, and it says specifically that the director of a corporation is not liable.

And I'm concerned that this would be inconsistent with most corporations—that there is some liability of directors, people who are serving on the board—and I would wonder just why the minister is proceeding in this fashion, to remove liability from people who will be making critical decisions for all Manitobans.

**Mr. Schuler:** Yes, I would suggest to the member—minister to—I would suggest to the member for River Heights—he was once a minister but that was in the big house in Ottawa—and I would suggest to him that he look at it, and basically what the liability does discuss is that it's liability of debt of the corporation.

For instance, if you take a corporation like Manitoba Public Insurance Corporation, the board of directors would not be held accountable or liable if there were three major hailstorms and the corporation was faced with a serious deficit because all of a sudden they had to deal with these large amounts of claims. So it covers off—

**Mr. Deputy Speaker:** The honourable minister's time is up.

**Mr. Jim Maloway (Elmwood):** Mr. Deputy Speaker, I'd like to ask the minister here and try to get some clarification on an issue.

The question is, the minister has more or less been sort of like the Maytag repairman here; he claims that he's not involved in any of these corporations that he's supposed to be in charge of.

And the question is: How can this government claim the bill eliminates political interference when, in fact, it allows for the minister to run and direct the affairs of Manitoba's Crown corporations?

**Mr. Schuler:** Well, and again, we should be very clear on the way that our British parliamentary system works. Under British parliamentary system, governments have a right to set up Crown corporations or in some jurisdictions in the British Parliament, they're called quangos.

What governments should be doing is when they're directing Crown corporations, it should be in a very open and public and transparent way. And what this piece of legislation does is it allows the government to set direction, but it must be done by order-in-council, and that prevents conversations being done between government—or direction given between government and the Crown corporation and it not be made public. So what this does is it still allows for policy direction, but it must be done publicly through an order-in-council.

**Mr. Deputy Speaker:** Is there any further questions?

### Debate

**Mr. Deputy Speaker:** Since there's no other further questions, we're going to go on to debate for Bill 20.

**An Honourable Member:** No more than 30 minutes.

**Mr. Ted Marcelino (Tyndall Park):** Mr. Deputy Speaker, I'll try to cut my speech to 29 minutes.

The governance and accountability act that has been presented by the Minister for Crown Services is something that really is brand new, but then I have worries about that—its actual effects.

The Crown corporations have always been run by boards and by the Crown Corporations Council. The Crown Corporations Council, during the previous time of previous administrations, have always been populated by people who are known in the industry and by very responsible people who are accountants or even some of them were lawyers, and in some sense the attempt on the part of the minister to create a new way of doing things, especially with respect to Crown corporations, leave so much to be desired.

I'd rather see a Crown Corporations Council that makes the administration of these Crown corporations a little bit more efficient.

\*(15:40)

Now, during the time that we were supposed to be briefed on this, there is a note that I put in, a mental note that I put in, which suggests that the minister might have his hands on all Crowns, especially with respect to the governance model that he suggests. I'm not saying that this will make me go against the model itself, except that the transparency and accountability portion of it, especially the ones where it has been inserted in the bill where there's conflict disclosure—the members of the board, let us say, of the Manitoba Public Insurance, might have some inside information that they could use in order to enhance their business.

It is part of my fear that when there is access to inside information—the background of this is that there are in camera sessions during which time the in camera sessions at the Manitoba Public Insurance Corporation's board room, there are meetings that—where there are disclosures of confidential matters that will never see the light of day, meaning it's really top secret, meaning it's really confidential. But then some of those information, especially those that are related to the projects of the corporations themselves, might be disclosed and even the future investment portfolio that the corporations themselves might be engaged in.

If you were to imagine that inside information would be used to enrich yourself, meaning because you have that advanced inside information. In other jurisdictions they call it insider trading, and in other jurisdictions, it's one of the most blatant of all

the conflicts. It's bordering on graft, graft as in corruption. And when it has been inserted in this bill that says that the members of the board will just have to disclose it and they could function as a member of the board for as long as they disclose their interests, there should be a very strict prohibition on the part of a member of the board of directors, say, of Hydro, or the MPI or the other Crown corporation, the Liquor & Lotteries, that they are engaged in this business so that they will stay away from those inside information and its use to enhance their wealth.

It is not really a deal killer, meaning the bill could still pass, but then that worry about the conflict disclosure is something that needs to be addressed by the minister and the side-by-side or the—what do you call this?—the explanatory notes suggest that, that the responsible minister and the—there's a disclosure—may request from a corporation any information that the particular minister considers necessary respecting the activities and operations of the corporation.

And the minister himself will have a lot of clout in directing where a corporation's investment strategies will go. And I'm not suggesting that there's a dishonesty or I'm not suggesting that there is something that's cooking under the table, but the minister has to be careful that when he changes the governance model it has to be an improvement of what we had. It has to be an improvement of what was there. But, from my point of view, this is just a redundancy that was done when something that was not broken, which was the Crown Corporations Council, was doing its job.

The particular matter of the minister not being able to monitor everything that's happening, it's part of the fear that I had that the minister might be working too hard.

The Crown boards have a way of establishing policy and they are supposed to be at arm's length. But when there's that particular sense that the minister might be starting to privatize these Crowns—and I hope that there's that commitment on the part of the minister that he will not privatize any of these corporations, that he will not slice it up and privatize a portion. And that's part of the fear that I have, and as I speak today I implore the minister to please take into account that not all privatizations are good. Some are. But these Crown corporations which are the Crown jewels of our province need to stay that way.

Thank you, Mr. Deputy Speaker.

**Mr. James Teitsma (Radisson):** I appreciate the opportunity to put a few words on the record about this bill.

I think it's a great bill that the Minister for Crown Services has brought forward. And I'm reminded of—I think it was about 11 months ago, it might have even been 11 months ago today—when the member for Crown Services took his oath of office and had the opportunity to first answer questions in this House—I believe from—the member from Tyndall Park might have been the one asking those very first questions—and one of the standard responses that the minister, as he was very new to the office of minister, and one of the things, I think, all of us heard many times in this House was no political interference—no political interference in the Crowns. This is something that he made very clear in his mandate letter that he received from the Premier (Mr. Pallister), and he embraced it. He spoke to it multiple times in question period.

And I think what this legislation represents is not just his commitment to no political interference, but our entire government's commitment and, in fact, for hopefully decades to come that the people of Manitoba will be well served—well served—by legislation that entrenches that idea of no political interference within our Crown corporations.

\* (15:50)

Manitobans want their Crown corporations to provide good value. They want their Crown corporations to be robust, to be productive and generating wealth in some cases. I think about Manitoba Hydro was able to do that, Manitoba Liquor & Lotteries. These are revenue makers for governor—government, and we certainly want them to be able to do that, their work, efficiently and effectively and without political interference.

What I really like about this legislation is that it strengthens that oversight of the Crowns by improving transparency and clearly defining the respective roles of the governors—or government and the boards of directors of all these corporations. Because when you have that clarity, I think that helps everybody. I think about the senior management in our Crown corporations, where, you know, sometimes they wondered, well, do I need to listen to what the board is saying or do I need to listen to what the minister or the government or the Premier might be saying.

There's very much clarity coming out of this kind of legislation, and that clarity will enable them to carry out their job more effectively, and the same thing goes for the boards. When the boards that are overseeing each individual Crown corporation have to ask themselves what's their goal and objectives, and how do they find those out, well, they're going to be coming to them, you know, initially from the minister through the secretariat. The secretariat will have the responsibility for overseeing these various Crowns, and they're going to be doing so in a very transparent way.

And I think that transparency is not just beneficial to the senior management, to the minister himself, to the boards of the various Crowns, but more importantly, it's beneficial to all Manitobans. Because when you have transparency and accountability, then that means that all Manitobans can see how things are being done, what we're asking of our Crown corporations, what measurements we may be putting in place to measure their success to encourage them to continue to function in a way that really benefits all Manitobans.

I know the member for Tyndall Park (Mr. Marcelino) spoke about fear, and I understand he may have some experience in that field, but this is a new way of doing things, absolutely. We can agree—I think we can agree with his statement that that's what this is. But he doesn't need to be worried, and I don't think he needs to be worried, because this minister has been in his role for nearly a year now, and he's demonstrated over and over again that he's committed, that he is committed to clarity, that he's committed to transparency, that he's committed to accountability to Manitobans, and he takes it very seriously, or as he might say, very serious.

But, in any case, the Minister for Crown Services, I think, continues to demonstrate that. He testified to it earlier today when he talked about how he doesn't even involve himself in, you know, 50-50 draws and various raffles and things like that, where, you know, a minister that's responsible for the Liquor & Lotteries Corporation might—it might not look so good if he was sitting at a Jets game and won the 50-50 for example. I think that may have happened to one of the members of this House at one point in time—was that the Bombers game? I think it was a Bombers game. Am I right? *[interjection]* I am right. All right, good.

And I—you know, I appreciate that the member for Minto (Mr. Swan) at that time was not serving as

the minister responsible for Crown corporations or for Manitoba Liquor & Lotteries when he did have the good fortune to win the 50-50 at the Bombers game.

In any case, what I really appreciate about the legislation, and where I think the member for Tyndall Park needs to, you know, take some comfort in, is that with clarity and transparency and accountability comes an inherent non-partisan approach. And, when you have an approach that puts the best interests of Manitobans first and foremost, that that's what the goal and the objective of the secretariat is, and that's what the goal and objective of all these Crown corporations as they go about their work to do, that you have that clarity, then you know that political interference is not happening anymore. Then you know that there's no opportunity for those kinds of interference.

And I think Manitobans really want to be confident. They want to be confident that the boards of our Crown corporations are operating in a way that protects their best interest, because, frankly, that confidence has been shaken in past years. And I think that it's incumbent on us as legislators on both sides of this House to demonstrate that commitment that we have to accountability, to be accountable to the people of Manitoba, to be transparent and to have clarity about what we're up to, especially with regards to the Crown corporations.

Now, they—the member for Tyndall Park also spoke about how this is dissolving the Crown Corporations Council. And somehow that was, I think, perceived as being a bad thing.

I would say that—to him that, no, it's—in fact, it's a very good thing, because it brings us in line with similar legislation and, I think, Alberta, British Columbia and Nova Scotia. And it's part of our commitment, our government's commitment, that we made during the election and that we've been continuously fulfilling since that election, to strengthen accountability and transparency in government and specifically to strengthen the oversight of Crown corporations while respecting the responsibility of their more—boards and their senior management teams to govern and to manage the Crown corporation.

By furthering transparency and accountability, that's going to make things better for all Manitobans, and that, in fact, was one of our fundamental commitments as a party, as we were campaigning out

on the husk-husks, as they call it, or whatever. We're—

**An Honourable Member:** Hustings.

**Mr. Teitsma:** Hustings, that's the word I'm looking for. Thank you for the—to the member of Transcona.

In any case, when we were out on the hustings, that's one of the things that we talked about a lot was—thank you—was that we have a commitment to make Manitoba the most-improved province. And I'm proud to say that this legislation will do that. This legislation will continue to move Manitoba along, will continue to improve Manitoba, will continue to promote an increase in transparency and an increase in accountability, and that is going to—by effect, it's going to increase the confidence that Manitobans have in their government and in their Crown corporations.

I know I've—I have heard from a number of constituents some concerns that they have about individual Crown corporations, and I'm pleased to say that, you know, the Minister for Crown Services and his office has been very responsive, that questions and concerns are dealt with in an appropriate way; they don't have to fear that, you know, based on people's political beliefs or views that their cases are going to be treated somehow differently. No, people are being dealt with fairly, and that's the expectation that Manitobans have, that when they have to deal with—whether that's Manitoba Public Insurance or Manitoba Hydro, Manitoba and Liquor & Lotteries, that they're going to be faced with a Crown service that understands that their objective is to serve the best interests of Manitobans, and as Manitobans, they have—they can expect that they will be well served by their Crown corporations.

I think that puts—brings me close to the end of my comments—excuse me—and I just want to reiterate once again that the old act that our member for Tyndall Park (Mr. Marcelino) was speaking about, the one that had the—that council, the Crown Corporations Council in place, it lacked clarity. It didn't adequately reflect the mandate of the Minister of Crown Services (Mr. Schuler), and this legislation will allow the Minister of Crown Services to issue directives and clarify roles, decision making, relationships, responsibility and liability of Crown corporations. They're all outlined in a publicly available business plan, a business plan that, I might add, that is, you know, three years in length. That's, I think, what Manitobans want; that's what we want as

a government, that's our commitment; and that's how we're going to continue to operate. Thank you.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, just a few comments on this legislation. First of all, we're positively disposed toward this legislation. Want to thank the minister for bringing this forward.

I think the concept of keeping some separation in certain activities of Crown corporations and the minister is a good one, the concept of providing and making any directives from the minister that the corporation public is a good one.

I asked a question about a situation in terms of liability of directors and officers. This legislation provides a list of things that directors and officers cannot be held liable for, but I would hope that the minister at some point would put on the record the sorts of things that directors and officers can be held liable for. I mean, usually there is some accountability with regard to directors and officers. Where is that accountability? What are the limits of that accountability? I think that's a fair question, and I hope that the minister will answer that question in due course in much greater detail.

\* (16:00)

We have a number of Crown corporations, and for consistency it would seem to me that one of the things that the minister could've looked at inserting in this is the process for rotation of board members. In other words, we saw board members of not necessarily Crown corporations, but certainly of other appointed corporations be there for many, many, many, many years. I think, as I recall, there's one individual who's been on a corporation for like 15 years on a board. And I think it's important that there be rotation of members on a board, that this is a normal part of good government, and that it's something that should be looked at in terms of some consistency across all Crown corporations.

There might also be some consistency in any process for removal of board members. And in this case, if there was a conflict of interest which was not disclosed, would that be grounds for removal of a board member?

I just ask the question to the minister whether he's given this any thought and whether hopefully he will have some opportunity to talk about this at some future time, in Estimates perhaps, if not before.

So I thank the minister for the work that he and his staff have done on this. And I look forward to

any comments that be made at the committee level and any input that we have from the public on this bill. Thank you.

**Mr. Andrew Swan (Minto):** I move, seconded by the member for Concordia (Mr. Wiebe), that debate on this bill now be adjourned.

*Motion agreed to.*

### **Bill 19—The Efficiency Manitoba Act**

**Mr. Deputy Speaker:** So now we'll go on to Bill 19, The Efficiency Manitoba Act.

**Hon. Ron Schuler (Minister of Crown Services):** I move, seconded by the Minister for Sports, Culture and Heritage, that Bill 19, The Efficiency Manitoba Act, be now read a second time and referred to a committee of this House.

Her Honour the Lieutenant Governor has been advised of the bill, and I table the message.

**Mr. Deputy Speaker:** It has been moved by Minister for Crown Services, seconded by the Minister for Sports, Culture and Heritage, that Bill 19, The Efficiency Manitoba Act, be now read for the second time and be referred to the committee of this House.

Her Honour the Lieutenant Governor has been advised of the bill, and the Minister of Crown Services tables the message.

**Mr. Schuler:** Again, it's a pleasure to put some comments on the record in regards to the second reading of Bill 19, The Efficiency Manitoba Act.

Bill 19, The Efficiency Manitoba Act, fulfills our government's commitment made in 2016 Speech from the Throne, to, and I quote, "introduce legislation creating a stand-alone energy efficiency agency to help households and businesses reduce their energy needs saving Manitobans money now and into the future." Unquote.

Bill 19 will provide the authority to establish a stand-alone demand-side management or DSM Crown corporation to deliver energy efficiency initiatives. The creation of a new DSM framework for our province is consistent with the Public Utility Board's recommendations to strengthen demand-side management efforts. These recommendations emerged from the needs for and alternatives to, or NFAT, review of Manitoba Hydro's preferred development plan.

The purpose of the corporation is to aggressively pursue energy savings that will reduce the impact of future rate increases on Manitoba ratepayers, defer costly new generation, contribute to the reduction of greenhouse gases within Manitoba and foster private sector involvement in the delivery of programs and services.

The creation of a new mission-driven corporation with the sole purpose of delivering energy savings cost effectively will reduce the need for investment in costly new generation and transmission and distribution systems. With legislated, long-term savings targets and an independent evaluation and reporting framework, the corporation will be performance-orientated and will deliver more value to Manitobans as we invest in clean growth opportunities.

Mr. Deputy Speaker, through Bill 19, Efficiency Manitoba will deliver better value for Manitobans as we work to become Canada's clean, green leader.

And before I conclude my remarks, I would like to thank the drafter of this legislation, Jim Crone, who is actually with the Department of Growth, Enterprise and Trade and was seconded to our department. He did an amazing job on this legislation, and I would like to, in front of this legislator and members of the Legislature, to thank him for the effort and work that he put into it. I would like to thank Deputy Minister Jim Hrichishen, Deputy Minister Fred Meier, Rob Marrese from my department, Ilana Dadds, who did just amazing job. I'd like to thank the legal department and Translation Services, who did a really good job. I'd like to thank all the organizations who consulted with my department on this legislation. There was a lot of consultation that went on. There were a lot of ideas given and robust discussion.

I'd like to conclude by also thanking the four-star general of Crown Services, the General MacArthur of my office, one Cameron Bell, who helped myself and the entire process. And we thank Cameron Bell for not just his service in the Department of Crown Services, but also his service in serving in the military. We just talked about the services that we had on the weekend and here today, and Cameron Bell is one of our current war heroes, and we thank him, not just for the service in the department but also the service that he gave to our country.

And with that I would recommend this legislation to the Legislature and look forward to seeing it go to committee and having some



reflections on the legislation from the public in general.

Thank you very much.

### Questions

**Mr. Deputy Speaker:** A question period up to 15 minutes will be held. Questions may be addressed to the minister by any member of the following sequence: first question by the official opposition critic or designate, subsequent questions asked by each independent member, remaining questions asked by the opposition members. And no question or answer shall exceed 45 seconds. It's question period.

**Mr. Rob Altemeyer (Wolseley):** I want to thank the minister for arranging a briefing for myself and my honourable colleague from Tyndall Park.

And just to confirm that we have some information accurate, can he please explain to us the percentage targets and confirm that those are not starting from a cap on electricity use or natural gas use, that so long as that percentage amount is reduced, that the overall amount of consumption could increase from year to year?

**Hon. Ron Schuler (Minister of Crown Services):** Well, I thank the member for the question. And I thank him and his colleague for coming to my office, and we had a very good discussion. I'd also like to thank the Liberal members for coming, and also the independent member from The Maples.

And the targets are a legislated target, laid out in legislation and they are not a cap. They are a target that we would like Efficiency Manitoba to meet.

More importantly, we would like to see those exceeded, and they are not just restricted to Manitoba Hydro or Crown corporations that we would normally think of, but also they can go outside of that into water conservation and other green initiatives as well.

But what—as the member said—

**Mr. Deputy Speaker:** The honourable minister's time is up.

**Mr. Altemeyer:** Well, I thank the minister for that answer.

And a follow-up to that, Manitoba's current target for greenhouse gas emission reductions is 33 per cent by the year 2030, using 2005 as the base year.

\* (16:10)

I'm wondering how the minister plans to meet that target as it relates to greenhouse gas emissions coming from heating buildings from natural gas, if there is no cap on the overall amount that emissions could increase.

**Mr. Schuler:** Well, I thank the member for that question.

And one of the things that we want to do is make sure that we ensure a very dynamic and progressive corporation. We—not just ourselves and not just members opposite when they were in government—felt that there was an inherent conflict at Manitoba Hydro where it was an energy producer and provider and then also was the venue by which you would save energy, but it also did come out of the Public Utilities Board and the NFAT.

And I think we now see a federal government that's fairly aggressive in establishing different benchmarks insofar as the environment goes. We see this as an opportunity for setting—

**Mr. Deputy Speaker:** The honourable minister's time is up.

**Mr. Altemeyer:** Well, just for the minister's information, it doesn't sound like he's aware of this: Manitoba's target's actually tougher than the federal target at the moment.

Is his government looking at weakening their commitment to reducing greenhouse gas emissions in the face of global climate change based on his comments just now?

**Mr. Schuler:** Well, I want to thank the member for Wolseley for those questions. This is one of my first opportunities to have one of these sessions, and this is new to me—this whole question on legislation. It's new to this Chamber, so I apologize that I'm not getting to my answers in the 40 seconds provided.

If the member goes to a side-by-side, page 9 lays out electrical energy. We'd like to see over that term a 22.5; a natural gas reduction of 11.25. We believe that's a very achievable 15-year target which will certainly help us to be one of the most green and energy-efficient provinces in Canada.

**Mr. Altemeyer:** The minister should go back perhaps tomorrow and read his own comments in Hansard, because I think he's just contradicted himself.

With his first answer, he confirmed that there is no cap as a result of this legislation on the climate emissions that are going to come from heating our buildings in Manitoba. And now he's claiming that because of this legislation, Manitoba will somehow miraculously become one of the greenest provinces in the country.

The current target is three times higher than what his target is under legislation even if there was a cap.

**Mr. Schuler:** I did not clearly understand the member's question. I was under the impression he was asking if the cap set that Manitoba Hydro had to meet or the percentage that they had to meet every year—was that a cap? And my indication was that no, they could actually find further savings than the 1.5 per cent set out, and I was not reflecting on the growth of carbon. And that would probably be much better if you went to the minister of environment. I understood that he was asking that if the 1.5 per cent was a cap that Manitoba Hydro had to achieve, and no, that wasn't a cap. They could actually exceed that and—

**Mr. Deputy Speaker:** The honourable minister's time is up.

**Mr. Altemeyer:** I appreciate what the minister's trying to explain. I am sure I am not the only one who is confused.

To be clear, the legislation calls for a 1.5 per cent reduction in electricity growth. It calls for a 0.75 per cent reduction in natural gas consumption. So 0.75 per cent over the years between now and 2030 gets you to 11 per cent ballpark reduction. That is only one third of what Manitoba's current climate-change goal is for climate reductions.

How does he square that circle?

**Mr. Schuler:** Well, quite clearly the member's absolutely right. It's 1.5 per cent for 15 years, and that's savings on electricity and it is 0.75 per cent for 15 years, net savings on natural gas. And what that does is it ensures that our Crown corporations are part of the greater green initiative that our government is rolling out. We think that everybody's going to have to be part of this.

We know that the federal government is also going to be bringing in a strategy. We haven't seen yet completely what it's going to be, but we've heard the Prime Minister talk about it. And we believe that

we'll be part of that green initiative as a—as legislation and as a corporation.

**Hon. Jon Gerrard (River Heights):** Yes, Mr. Speaker. I'm sure that there's many other jurisdictions which have corporations which are—have similarities to Efficiency Manitoba to decrease—to act to—on demand-size management and decrease the electricity bill.

I wonder if the minister can share with us which other jurisdictions he's looked at for their legislation and what he's learnt from that, that he's incorporated here.

**Mr. Schuler:** Well, we have looked at other jurisdictions across North America, and one of the things that we had the ability was, when this issue went to the NFAT, through the Public Utilities Board, they looked at the successes and failures in other jurisdictions.

Again, not everyone is exactly the same, because some of them do have private-owned energy providers. So we wanted to make sure that this would work for a publicly owned energy provider, and we believe that this is a hybrid that comes out of what other jurisdictions are doing. This is similar to what others are doing, but it is not exactly the same. We did not take another jurisdiction's DSM program and apply it here, because there were some things out of the NFAT that the Public Utilities Board recommended—

**Mr. Deputy Speaker:** The honourable minister's time is up.

**Mr. Altemeyer:** Let's take a hypothetical example. Let's say this coming year, natural gas consumption in Manitoba goes up by 2 per cent. If it only goes up by 2 per cent rather than 2.75 per cent, can the minister confirm in that scenario that that result would have met the threshold set out in his legislation?

**Mr. Schuler:** Well, Mr. Deputy Speaker, this legislation also puts into contemplation that we have a growing city and we have a growing economy. So there will be a growth in energy consumption. However, this is built on what the consumption was in the previous year.

I would suggest to the member that there are still going to be more homes built; there are going to be more uses for energy. We accept that. However, our growth has to be within a proper framework that when a baseline is set, that we're not seeing

excessive growth in the use of electricity and we're not looking at any kind of a conservation. And we know that we see downtown, a lot of buildings doing retrofits. Right now, at Portage and Main, one of those is a—what would be a Power Smart program ensuring that our buildings are being run efficiently. The outside skin of that particular building was old and outdated and, through the Power Smart program, they got a grant which they can retrofit the building and save energy. So there is a baseline; however—

**Mr. Deputy Speaker:** The honourable member's time is up.

**Mr. Altemeyer:** I think we've found, perhaps, a large piece of the puzzle as to why this legislation is as weak as it is. The minister just stood up and basically said, well, we're going to have increase in energy consumption; therefore, there's going to be an increase in emissions—not necessarily, Mr. Speaker. Why on earth wouldn't this minister take the proper action and make sure that new buildings, when they're under construction, actually don't end up being heated with natural gas but use any one of a myriad of clean options that we have available here in Manitoba: demonstrated, cost-effective technologies ready to go?

**Mr. Schuler:** Well—and I thank the member for that question. During his term, 17 years in office, they never met one target that they set.

I would point out to the member that options are being provided and have been provided through Manitoba Hydro to property managers and to businesses coming and business that exist right now, and they have a choice. They have a choice to make. We understand there are some businesses that need natural gas to operate their business. That's how their business is run. We would like to see that run as efficiently as possible, and, if there are alternatives, that they look at the alternatives besides the use of natural gas. And I—

**Mr. Deputy Speaker:** The honourable minister's time is up.

**Mr. Altemeyer:** Is the minister going to be advocating for the expansion of the natural gas service system in Manitoba, or is he going to be pursuing green alternatives?

\* (16:20)

**Mr. Schuler:** Well, I would like to point out to the member that it will be Efficiency Manitoba that will be the one that's going to be doing that; it won't be

the minister dealing directly with these corporations. And we would like to see corporations look at new and innovative ways to be clean and green. And I think industry is looking at that. They understand that the costs of energy keep going up, and if there are alternatives that they can get into that are actually, in a lot of cases, cheaper than currently what's provided, then I can see them going for that. But that is something we would like to see: a very dynamic and progressive Efficiency Manitoba go to corporations and have those discussions with them.

**Mr. Altemeyer:** So, just to be clear, then, Mr. Speaker, on the one hand, the minister and this government is bringing forward legislation to create a new Crown corporation which will try to reduce natural gas consumption while at the same time they are going to be facilitating or, at the very least, permitting the expansion of natural gas consumption elsewhere. How does that make sense?

**Mr. Schuler:** Well, the Efficiency Manitoba is all about offering options. We want to make sure that Manitobans understand that there is a better way to consume electricity and under the last—wouldn't just be the last 17 years—under a long time in Manitoba, we've always looked to building more 'hydroelectric'—hydroelectric dams and not taking a serious look at how we can conserve energy, how we can be friendly to the environment, and that's what we would like to see happening. We want to see individuals not just in their places of work but also in their homes—drive home any given evening and doesn't look like many people are home, but all the lights are on, the TVs are running. I mean, there—we have to become far more energy conscious than we are right now.

**Mr. Altemeyer:** Well, I do take issue with the minister's rather disparaging comments about the hard-working staff at Power Smart at Manitoba Hydro. It's the same workers who have been thrown for an incredible loop by this government. There have been no consultations, no direction from this government yet on what's going to happen for their staff. Why on earth is he disparaging Power Smart workers rather than working with them on what he's trying to do?

**Mr. Schuler:** Well, I would suggest the member get himself a copy of the NFAT and have a good read through it, and all the comments I've made come directly out of the NFAT. That's public information, and he can avail himself of that. And I would suggest that we would have a greater opportunity to deal with

the kinds of energy savings targets that we would like to see if the member would allow this legislation to proceed.

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

### Debate

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

**Mr. Ted Marcelino (Tyndall Park):** Efficiency Manitoba is a name that has been put on this bill, which suggests that there will be a program that is separate from the generation of power. This is an attempt on the part of the current government to separate an otherwise very efficient Power Smart division within Manitoba Hydro.

I am very familiar with the Power Smart division of Manitoba Hydro because these are the same people who started out with the free insulation for older homes, which means that the encouragement that they give for those who will have their homes a little bit more energy efficient will be given free insulating materials, and I took advantage of that for our home on Dominion. And it was really a game changer because the consumption of our home at that time became about half of what we used to pay for.

*Madam Speaker in the Chair*

And Power Smart is a good program that employs a lot of very innovative people, and I was just wondering if there'll be some of those staff from Power Smart division who will be laid off because of this.

It is a concern, especially when the government has announced that there will be 900 who will be taken out of Manitoba Hydro, and it's starting today, April 10. There are some offers of severance packages for those who have been working with Manitoba Hydro for a number of years, and it is part of my concern in the sense that there'll be a loss on the part of Manitoba Hydro. The loss will be in the memory of those who have been in that particular position and they will lose part of the way things are working out meaning those who have been—those who will be laid off or will be given severance package or who will be offered severance packages, they will no longer provide the institutional memory that usually comes with experience and longevity in a position that administers a program or at least operates the way a corporation operates.

It is a difficult position on the part of Manitoba Hydro to be laying off people and at the same time not hiring anybody. This is 900 families that will be affected and, if this is part of the drive of the government to save money, this is wrongheaded.

Efficiency Manitoba is more of a cost-saving measure. But then during the questioning—during the briefing that was given, I was made to understand that there's money that will be taken from Manitoba Hydro to set up Efficiency Manitoba Inc., which means that this particular Crown corporation or Crown agency will be financed by Manitoba Hydro, and the money that's coming from Manitoba Hydro has been set aside. I was made to understand it's about \$75 million. It's not chicken feed. Seventy-five million of Manitoba Hydro's money will be funneled and diverted to Efficiency Manitoba.

And for what? Is it just in order that there will be a separate entity that could administer something that is already being administered quite efficiently by the Power Smart division?

\* (16:30)

And there are some questions that I have regarding this attempt on the part of the government to put mandatory considerations, in the sense that there is an efficiency plan that Efficiency Manitoba will have to submit, and it will be recommended to the minister for submission to the PUB.

As far as I could understand, the minister will submit this in order to allow the PUB to consider the net savings required to meet the savings targets and the plans to address any existing shortfall and the benefits and cost effectiveness of the initiatives proposed in the plan, which is the efficiency plan, and then the—whether Efficiency Manitoba is reasonably achieving the aim of providing initiatives that are accessible to all Manitobans and the—any additional factors prescribed by the regulations.

So what we have now is another bureaucracy. It's another bureaucracy that's made up by a government that says that we are—we have too many regulations, and we have too many people employed that we are cutting back. But then this one, Efficiency Manitoba, is a creation that's supposed to make the demand-side management a little bit more manageable.

So there will be a new corporation, and there will be a new chief financial officer, and there will be a new board. And I was told during the rollout of this for members of the Legislative Assembly that

there will be a secretariat. I don't know why they want to call it a secretariat. But the secretariat will be composed only of employees of the Minister of Finance (Mr. Friesen). And the employees of the Minister of Finance will be bureaucrats.

And it is not—it does not jibe well with the representations of the minister that there won't be any political interference in any of the Crowns. But Efficiency Manitoba is a way to get around that, I think. I think and I submit that it is a wrong-headed way of managing demand-side. Hydro now, as it stands, with the Power Smart division, has offered loans. Now, Efficiency Manitoba, I think, might be taking over that money to those that have been lent out. Is—I am not sure. It's supposed to be a question that I was supposed to ask, but then I said, maybe it's best if the minister comes out and says what it is, whether the receivables of Manitoba Hydro with respect to those that have been lent out—

**An Honourable Member:** Point of order, Madam Speaker.

#### Point of Order

**Madam Speaker:** The honourable Government House Leader, on a point of order.

**Hon. Andrew Micklefield (Government House Leader):** Yes. I'd just like to congratulate Nic and Ellen Curry on the birth of their daughter, Sophia Elvira Curry, seven pounds, two ounces, 21 inches long. Everybody's healthy and doing well.

**Madam Speaker:** I don't think—on the same point of order, the—[interjection]

Oh, ditto.

On the point of order—there may be another one—the member for River Heights.

**Hon. Jon Gerrard (River Heights):** On the same point of order, I want to make sure that the congratulations come from the Liberal caucus as well as from other members.

**Madam Speaker:** I don't think that was a point of order. I think it was a birth announcement. But we will be sure to pass it on, and please do let everybody—or let the family know that everybody here is thinking about them and wishes them well.

\* \* \*

**Mr. Marcelino:** The way that I wanted to express my sentiment regarding this bill is almost a way that says, well, it is something of more of an experiment

on the part of the minister, how to get around controlling the Crown corporation by putting Efficiency Manitoba, and then putting in an addendum. The addendum that was put in was stated in the—we call it the side-by-side—but it is on a page that I missed now, that says that there's other—there are other things that this Efficiency Manitoba might get involved in, such as taking over The Energy Savings Act. I would not know how much money is provided here in this energy savings act.

And the benefits of this bill in a sense confuses me, because I see none. It does not actually address the purported purpose of the bill. The bill does not address the demand-side management, as in, it proposed targets that are way below. And, if we were to compare this particular 1.5 annually, the electrical consumption has to go down by 1.5 per cent annually, for electricity, and natural gas by 0.75. It's way below the targets. And in order to comply with our obligation to save Mother Earth, we have to be a little bit more aggressive. And it is not part of this bill. It does not say anything about the target in order to really reduce the carbon footprint of establishments, of households, of businesses and even of transportation.

The main thing that really bothers me about this bill is that it's a redundancy more than anything else. We already have a Manitoba Hydro division that's working out well. We have a Manitoba Hydro division that has been working out pretty well, as in providing those innovative solutions to our electrical consumption and natural gas consumption problems.

\* (16:40)

We have the success of the Power Smart programs and—to bank on, and the way that we have done it is that we have consulted with Manitobans how to get there. The—even the use of lending money in order to—the Power Smart loans to allow household—those who own—homeowners to repair their homes, to do their windows and doors and their roofs and their insulation, it is part of the—what we need to consider before we even embark on another bold move by putting in targets that are too low.

The—anyone sitting down with a family budget knows that home heating, electricity and auto insurance rates make a big difference in making ends meet. That's why the former government worked to ensure families pay the lowest cost of these combined services, and I don't see that in any of the preamble, in any of the notes, that the affordability advantage that our Province has legislated to be part

of our attitude that we will not allow Manitobans to pay more for hydro, gas and insurance premiums. And it's part of what I worry about. I don't know; I'm a worrier.

We—Manitobans still pay the second lowest in home heating, and, bundled with our other utilities, we still pay the lowest in Canada. And we call that the Manitoba affordability advantage. And when I spoke to a friend who's from Alberta, they said that—is that all that you're paying for your hydro? Wow.

And it's amazing how sometimes even when we compare the cost of living of our—the cost of living in our province, we find that we have the most affordable province, especially by way of rent, especially by way of insurance premiums, by way of natural gas and hydro bills. And I'll say this, and I know that the minister is listening very intently, I'll say that thanks to our previous NDP government's commitment to affordability, Manitobans still pay the second lowest in home-heating costs, and we still pay the lowest of all our utilities.

And we have some questions regarding the way that—it's more of an attitude that I'm trying to change. I don't know if I'll be successful, but Keeyask and bipole was part of a program to provide more energy in a reliable way to our province. We are a province that's being—we have a lot of people who are immigrating to our province—

**An Honourable Member:** So far.

**Mr. Marcelino:** Yes, and we need to be able to at least project—project up to about 15 years that we will need more. We will need more than gas and do not do anything. This bill does not do anything. It's just a repetition of what has been beat—what has been promised and what has been done by a division of Manitoba Hydro. And Efficiency may not work.

Thank you, Madam Speaker.

**Mr. Gerrard:** Yes, Madam Speaker, I want to make a few points.

First of all, we are, in the Liberal caucus, positively disposed to the concept of having a Crown corporation which would focus on demand-size management. It is to the credit of Power Smart Manitoba that, in their early years, they were really very effective, but then in the later years, not so much in terms of comparison with other utilities, other jurisdictions. And clearly there is an issue when you have a corporation like Efficiency Manitoba, which its job is to reduce energy

consumption, and when that consumption is reduced, then that—you know, energy usage by Manitoba Hydro and demand for Manitoba Hydro power will of course go down, and so that there is a conflict in terms of the goals, and I will go into this.

And one of the things that actually troubles me a little bit is that the minister started his speech saying that he wanted to create a dynamic Efficiency Manitoba which would create a situation where it would lower power costs for Manitobans. Well, I mean, the problem is that as you lower power costs for Manitobans and decrease the utilization of Manitoba Hydro electricity, that you will divert the Manitoba Hydro's electricity to markets outside of Manitoba, south of the border, largely, where right now the returns are lower. And so you will—in the current situation, you will actually decrease revenues to Manitoba Hydro, and that becomes a conflict, as the minister's aware.

And so what the minister said actually can be a bit contradictory. Let me make several points. You know, the goal here is an independent Crown corporation which lead toward transformation of the provincial economy, for the creation of opportunity, for Manitobans including indigenous communities, key sectors of Manitoba's municipal and civil society sectors, reduction in energy costs for all consumers and for social and environmental leadership in Canada, all good goals.

The energy efficiency corporation would advise the provincial government and other energy corporations and businesses. Energy, of course, needs to be high-performing and effectively working closely with all stakeholders and all communities.

Now, let me look at the energy savings targets that the minister is setting out over 15 years is to be in the initial year following the commencement date, net savings that are at least equal to 1.5 per cent of the consumption of electrical energy in the preceding year. In each of the following years, incremental net savings that are at least equal to 1.5 per cent of the consumption of electrical energy in the immediately preceding year.

Even with the—what probably overstated low growth to the PUB NFAT, this will result in zero load growth, and as such, indicate that the need for Keeyask and for the Manitoba domestic load is way beyond 2033, particularly if the revised load growth with the impending review is less than 1.5 per cent.

So that will be, you know, positive in certain respects, but what it will mean is that the Keeyask power will be used, essentially, exclusively for export outside of Manitoba, whether that's in other provinces, in Manitoba or south of the border, which is, of course, the major market right now.

\* (16:50)

Second, I want to come back to the point that I raised earlier. The—in the explanatory note, it says, and I quote, in recognition of the benefits received by Manitoba Hydro from the efforts of Efficiency Manitoba, Manitoba Hydro is responsible for funding Efficiency Manitoba's operations.

The problem is what benefits will Manitoba Hydro get from this? It will cause a decrease in the need for electricity from Manitoba Hydro, reducing Manitoba Hydro domestic load, diverts the saved hydroelectric energy to the lower priced export market, reducing much-needed revenue to Manitoba Hydro, ease the excessive and growing debt of Manitoba Hydro. It's a quandary—with a mandate of the act to lower domestic—electric energy through efficiency, resulting in reducing the need for the ask, et cetera.

So I would—I'm concerned about the model here of Manitoba Hydro funding Efficiency Manitoba. It is necessary to fund clearly Efficiency Manitoba at the start, but there may be some options that the minister could consider.

Suppose, for example, the minister started off by asking Efficiency Manitoba to look at provincial government operations and provincial government buildings, at other areas where the provincial government uses electricity, and wherever the—Efficiency Manitoba made recommendations that actually reduced the use of electricity by provincial government and provincial government buildings and operations, that half of that savings would go to Efficiency Manitoba, and you would find a way of funding Efficiency Manitoba in which Efficiency Manitoba would be rewarded for providing good advice to the government. The government would save money and you would be funding Efficiency Manitoba at the same time.

And I'm not saying that that's how it has to be done, but it's an example of another way of funding Efficiency Manitoba that would line up your objective of reducing electricity with the way that you fund the corporation, instead of having it funded through Manitoba Hydro when Manitoba Hydro

actually has an objective which is quite different from that of Efficiency Manitoba. It's something for the minister to consider.

The Efficiency Manitoba Act could exacerbate Manitoba Hydro's debt crisis, right, because it's going to decrease the demand for electricity and move Manitoba Hydro into a lower cost export market or lower revenue-generating export market, something the minister needs to consider and needs to be considered.

Now, one of the issues here is Manitoba Hydro can only be advised and not directed to implement the demand-side management that Efficiency Manitoba requires to meet its annual savings targets. Okay, how are the annual savings targets to be successfully realized if, you know, there's good ideas which can't be put in place because Manitoba Hydro won't act on it?

I mean suppose, for example, one of the problems is we're working with areas Manitoba Hydro has to operate on a peak, you know, working on a peak. Suppose that the—one of the recommendations from Efficiency Manitoba was to have slightly higher costs at peak times so that people would be encouraged to divert their electricity usage to other times. But you would have a situation where because Efficiency Manitoba is only advisory, how would you implement that if Manitoba Hydro says, no, we're not going to do it? Something for the minister to think about.

You know, the—there is a phrase in the act which says: Subject to any restrictions specified in the regulations, Efficiency Manitoba may exercise any other powers that are necessary to carry it—out its mandate. What are those powers to be? They should be clearly spelled out somewhere. The minister should be able to indicate what those powers are going to be.

Now, section (c), 19–18(4), page 20, states that it may overrule—Efficiency Manitoba may overrule The Manitoba Hydro Act. It says the provisions of this act prevail to the extent of any inconsistency or conflict with The Manitoba Hydro Act.

A key in The Manitoba Hydro Act, section 2, is that Manitoba Hydro is to engage in and promote economy and efficiency in the development, generation, transmission, distribution, supply and end use of power.

If Efficiency Manitoba causes extra rate increases, right, in the power, because more Keeyask

energy is diverted to low-priced export, then the benefit of reducing domestic energy usage is utilized for those—neutralized for those who are actually consuming electricity.

I think that there is tremendous opportunity, there is tremendous potential. I salute the minister for working on this because it is not an easy, right, corporation to get right. And it's really important that we do get it right. And I put those ideas, thoughts on the table for the minister to consider as this move forward.

I also—I'm very much looking forward to hearing presentations at committee stage and seeing what is said at committee stage, because I know that there are very many very knowledgeable Manitobans who have a lot to contribute.

Thank you. Merci.

**Mr. Reg Helwer (Brandon West):** I'm pleased to rise to speak to Bill 19, The Efficiency Manitoba Act. I'd like to thank the minister for the act. I think it's a great step.

You know, when I was Hydro critic, I met with several companies and consultants from around the world, Madam Speaker, and they were universal in telling me that they could not get a call back from Manitoba Hydro. They worked worldwide in demand-side management but Manitoba would not call them back. They were not interested in it.

And when I mentioned this, you know, the minister at the time, Dave Chomiak, a very honourable individual, he asked me, well, can you give me those contacts? Can you tell me who they are? So, obviously, the political interference was just rampant under the former government, Madam Speaker. They didn't know what they were doing in this world, so they just left it up.

So it's, you know, disappointing to see that I hear the—my colleagues on this side of the House don't seem to want to support this. You know, I know the members from the opposition know that I am involved in a few businesses, and we're very efficiently run on the electrical side, Madam Speaker. And when we do audits on the time, how to reduce our consumption—we knew that we have some large electrical motors and you can't just start them up all the time because that sets your threshold rate very high. So you set—you start them slowly and you add to the load all the time and then you have a reasonable electrical load.

So it was a great surprise to me about 10 years ago when Manitoba Hydro came in and said, you know, we think we can save you—we can put you in a different rate class and we're going to do an audit because we think that maybe we'll just reduce your rates. Well, they didn't give us any incentive in reducing the demand; they just looked at what we used, and then said, yes, we're going to charge you less—nothing to do with demand side, nothing to make us more efficient. It was just, you know what, we're going to cut your rates here. And it's very nice, as a business person, to hear that, but isn't their job to sell me power and to make money at it? But apparently not, under the NDP.

So, you know, I listen to some of the members talk about funnelling money. Well, we knew that they diverted from—money from Hydro all the time. And reducing the carbon footprint, well they never hit a target; they just keep reducing the targets all the time, Madam Speaker. So I think that when we see this Efficiency Manitoba Act, it will give us the opportunity to work with those targets.

And I'm sure there's others that want to speak to this, so I have much more to say, but I'm interested in hearing the opposition, from the opposition party.

**Mr. Jim Maloway (Elmwood):** I'm pleased to be able to spend the rest of the day speaking about Bill 19, The Efficiency Manitoba Act.

And I listened with great interest to my colleague's speech, from Tyndall Park, wherein he described the concerns that we have with this bill. And, as the Speaker knows, the act establishes Efficiency Manitoba Incorporated. This Efficiency Manitoba is given the mandate to achieve electrical energy savings of 1.5 per cent annually and natural gas savings of 0.75 annually in Manitoba during the first 15 years of its operations. Additional savings targets are to be established by regulation for the subsequent 15-year periods.

Efficiency Manitoba is to achieve these targets through a series of three-year plans that it prepares and submits to the Public Utilities Board. The plans are reviewed by the PUB and are to be implemented by Efficiency Manitoba—

**Madam Speaker:** Order. Order, please.

When this matter is again before the House, the honourable member will have 29 minutes remaining.

The hour being 5 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow.



# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 10, 2017

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